



14th April, 2020

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai: 400 001 Scrip Code: 500440	National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No. C/1, G Block Bandra Kurla Complex Bandra (East) Mumbai – 400 051 Scrip Code: HINDALCO
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Sub: Hindalco – Novelis completes Acquisition of Aleris.

Ref: Regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Dear Sir/ Madam,

Pursuant to Regulation 30 of Listing Regulations, enclosed herewith is the Press release and Investor presentation of completion of acquisition of Aleris by Hindalco through its wholly-owned subsidiary Novelis Inc.

This is for your information & record.

Thanking you,

Yours faithfully,

For HINDALCO INDUSTRIES LIMITED

ANIL MALIK
President & Company Secretary

Encl: as above



Hindalco-Novelis Completes Acquisition of Aleris

Cements position as world's No.1 aluminium value-added products player

- Deal closed at an Enterprise Value of \$2.8 billion. EV multiple at an attractive 7.2x
- Potential synergy benefits of \$150 million on a recurring basis
- Marks Novelis' entry into the high-end aerospace segment
- Fully integrated metal value-chain play in China with Aleris' modern Zhenjiang facility
- Positions Novelis as the leader in the Building and Construction segment in the U.S.

MUMBAI, April 14, 2020 – Hindalco Industries Limited, the Aditya Birla Group metals flagship company, today announced the completion of the Aleris acquisition by its wholly-owned subsidiary Novelis Inc. The acquisition of the US-based rolled products major, Aleris Corporation, positions Hindalco as one of the world's largest aluminium companies, with a global footprint spanning 49 state-of-the-art manufacturing facilities in North America, Europe and Asia.

“The Aleris deal marks a major milestone for Hindalco and Novelis, on their path to global leadership. The closure of this deal amidst challenging market conditions, reflects our conviction in the Aleris business and its value to our metals portfolio. Periods of turmoil have historically seen the emergence of champions, powered by quality leadership and sound business fundamentals. This is a long-term strategic bet, much like Novelis was in 2007,” said **Mr. Kumar Mangalam Birla, Chairman, Aditya Birla Group**. “The Aleris deal, crucially enables the further diversification of our metals downstream portfolio, into other premium market segments, most notably aerospace. Through the creation of an industry champion, we are reinforcing our commitment to our customers, employees and shareholders. At the same time, with this further expansion in our aluminium portfolio, we have taken a decisive step towards a more sustainable future.”

With the addition of Aleris' operational assets and workforce, Novelis is poised to more efficiently serve the growing Asia market by integrating complementary assets in the region including recycling, casting, rolling and finishing capabilities.

“The Aleris acquisition takes forward our aluminium value-added products strategy and gives us entry into high-end aerospace. It further insulates Hindalco-Novelis from global price volatility and sharpens our focus on the downstream business. Aleris enhances our strategic position in

Asia and also solidifies our position as a leading global metals player, with a stronger presence across the U.S. and Europe as well. I thank the team for closing this important deal," said **Mr. Satish Pai, Managing Director of Hindalco Industries.**

Beyond its many strategic benefits, the acquisition will generate approximately \$150 million in synergies and creates a strong financial profile. In addition, combined net debt to Adjusted EBITDA of approximately 3.3x is within the recently updated guidance of below 3.5x and well below the initial outlook of below 4x at transaction announcement.

The closing purchase price of \$2.8 billion consists of \$775 million for the equity value, as well as approximately \$2.0 billion for the assumption or extinguishment of Aleris' current outstanding debt and a \$50 million earn-out payment. Legacy Aleris debt levels have increased since the initial acquisition announcement due to rise in working capital to support the ramp up of operations, while the earn-out is related to stronger than expected performance by Aleris' U.S. business. On a trailing twelve-month basis ending December 31, 2019, legacy standalone Aleris Adjusted EBITDA stood at \$388 million, higher than that estimated at the time of deal announcement. Despite the increase in legacy Aleris debt, the implied enterprise value multiple of 7.2x, is in line with our acquisition case, on account of better EBITDA performance.

"Today is a transformational moment in our company's history, and I've never been more confident in our ability to deliver even more value to our customers, colleagues and the communities where we live and work," said **Mr. Steve Fisher, President and CEO, Novelis Inc.** "With a world-class workforce, a presence in the most competitive and technically demanding end-markets, and the ability to deliver rapid, adaptive and sustainable solutions, Novelis will be able to even better serve our customers."

Novelis will acquire Aleris' 13 plants across North America, Europe and Asia; however, to satisfy regulatory conditions, the company is required to divest Aleris' plants in Lewisport, Kentucky, U.S.A., and Duffel, Belgium, as announced earlier.

About Hindalco

Hindalco Industries Limited is the metals flagship company of the Aditya Birla Group. A US\$18.7 billion metals powerhouse, Hindalco is the world's largest aluminium rolling and recycling company, and a major copper player. It is also one of Asia's largest producers of primary aluminium. Guided by its purpose of building a greener, stronger, smarter world, Hindalco provides innovative solutions for a sustainable planet. Its wholly-owned subsidiary Novelis Inc. is the world's largest producer of aluminium beverage can stock and the largest recycler of used beverage cans (UBCs). Hindalco's copper facility in India comprises a world-class copper smelter, downstream facilities, a fertiliser plant and a captive jetty. The copper smelter is among the world's largest custom smelters at a single location. Hindalco's global footprint spans 36 manufacturing units across 10 countries.

About Novelis

Novelis Inc. is driven by its purpose to shape a sustainable world together. As a global leader in innovative products and services and the world's largest recycler of aluminum, we partner with customers in the automotive, beverage can and specialties industries to deliver solutions that maximize the benefits of sustainable lightweight aluminum throughout North America, Europe, Asia and South America. Novelis is a subsidiary of Hindalco Industries Limited, an industry leader in aluminum and copper, and the metals flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, visit novelis.com.

About Aleris

Aleris is a privately held, global leader in aluminum rolled products serving diverse industries including aerospace, automotive, building and construction, commercial transportation and industrial manufacturing. Headquartered in Cleveland, Ohio, Aleris operates production facilities in North America, Europe and Asia.

***Disclaimer:** Statements in this "Media Release" describing the company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour negotiations. The company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.*

CLOSED ACQUISITION OF ALERIS

April 14, 2020



Novelis

Forward-looking statements

Statements made in this presentation which describe Novelis' intentions, expectations, beliefs or predictions may be forward-looking statements within the meaning of securities laws. Forward-looking statements include statements preceded by, followed by, or including the words "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," or similar expressions. Examples of forward-looking statements in this presentation including statements concerning anticipated run rate cost synergies resulting from the transaction. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty and that Novelis' actual results could differ materially from those expressed or implied in such statements. We do not intend, and we disclaim, any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Factors that could cause actual results or outcomes to differ from the results expressed or implied by forward-looking statements include, among other things: changes in the prices and availability of aluminum (or premiums associated with such prices) or other materials and raw materials we use; the capacity and effectiveness of our hedging activities; relationships with, and financial and operating conditions of, our customers, suppliers and other stakeholders; fluctuations in the supply of, and prices for, energy in the areas in which we maintain production facilities; our ability to access financing for future capital requirements; changes in the relative values of various currencies and the effectiveness of our currency hedging activities; factors affecting our operations, such as litigation, environmental remediation and clean-up costs, labor relations and negotiations, breakdown of equipment and other events; the impact of restructuring efforts in the future; economic, regulatory and political factors within the countries in which we operate or sell our products, including changes in duties or tariffs; competition from other aluminum rolled products producers as well as from substitute materials such as steel, glass, plastic and composite materials; changes in general economic conditions including deterioration in the global economy, particularly sectors in which our customers operate; cyclical demand and pricing within the principal markets for our products as well as seasonality in certain of our customers' industries; changes in government regulations, particularly those affecting taxes, environmental, health or safety compliance; changes in interest rates that have the effect of increasing the amounts we pay under our credit facilities and other financing agreements; the effect of taxes and changes in tax rates; and our ability to generate cash. The above list of factors is not exhaustive. Other important risk factors included under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2019 are specifically incorporated by reference into this presentation.

Novelis and Aleris Financial Information

Any combined financial information included in today's presentation is preliminary, unaudited and does not give effect to adjustments that would be required under Article 11 of Regulation S-X, does not give effect to purchase accounting adjustments and presentation requirements relating to Aleris' Lewisport, Kentucky and Duffel, Belgium plants as discontinued operations, and has not been reviewed by our independent registered public accounting firm. The company will provide required pro-forma financial information in a future filing on Form 8-K. Additional financial information about historical results for Novelis can be found in the investors section of the Novelis website, <http://investors.novelis.com/>, and in its filings with the SEC. Historical financial information for Aleris can be found in its filings with the SEC.

STRONG STRATEGIC RATIONALE FOR TRANSACTION

Metric	Entire Aleris Portfolio	With Lewisport & Duffel Divestitures
China Integration	✓	✓
Aerospace Participation	✓	✓
Auto Diversification and Growth	✓	Achieved through organic growth
Run-Rate Synergies	\$150 million	\$150 million

Solidifies Novelis' global leadership position in aluminum FRP and recycling

FINANCIAL OVERVIEW

- On April 14, 2020, closed Aleris acquisition for ~\$2.8 billion, including equity consideration of \$825 million¹ and ~\$2.0 billion for the assumption or extinguishment of Aleris debt
 - Aleris trailing twelve month Adjusted EBITDA \$388 million² implies 7.2x multiple, in line with original acquisition case
 - Legacy Aleris debt levels increased since initial acquisition announcement to support the ramp up of operations
 - \$50 million earn-out payment is due to stronger than expected performance by Aleris' U.S. business
- Expected strong financial profile and significant cash flow generation from combined company
 - Trailing twelve month Net Debt/Adjusted EBITDA³ ~3.3x, within the recently updated guidance of below 3.5x and well below the initial outlook of below 4x at transaction announcement
 - ~\$150 million in synergies



1) Includes \$775 million for equity and \$50 million earn-out payment based upon Aleris meeting specified commercial margin targets outlined in the Merger Agreement.
2) Trailing twelve month (TTM) Adjusted EBITDA ended 12/31/19, as reported
3) TTM ended 12/31/19 net debt & EBITDA, as reported, plus \$825 million equity consideration

- Acquisition debt-funding at Novelis in place
 - \$775 million 5-year term loan at LIBOR + 1.75%
 - \$1,100 million 1-year bridge loan at LIBOR +0.95%

Approximate Sources and Uses

\$ billions

Uses		Sources	
Equity ¹	0.8	Bridge loan	1.1
Estimated net debt	2.0	Secured term loan	0.8
Total Uses	~\$2.8	ABL and cash ²	0.9
		Total Sources	~\$2.8

- Strong liquidity position to provide financial flexibility
 - Novelis standalone total liquidity on December 31, 2019 at ~\$1.9 billion
 - Additional liquidity from proceeds of \$400 million from January 2020 senior notes issuance

1) Includes \$50 million earn-out payment based upon Aleris meeting specified commercial margin targets outlined in the Merger Agreement

2) Cash includes \$400 million proceeds from Novelis senior notes issued in January 2020

STRONG REPORTED STANDALONE RESULTS

- Trailing twelve months ending 12/31/19 as reported for legacy Novelis & Aleris

	Novelis	Aleris
FRP Shipments (kilotonnes)	3,332	858
Revenue (\$ millions)	11,575	3,376
Adjusted EBITDA (\$ millions)	1,446	388
Adjusted EBITDA/ton (\$)	434	452
Net Debt (\$ millions)	3,394	1,900
Net Debt/Adjusted EBITDA	2.3x	4.9x

Any combined financial information included in today's presentation is preliminary, unaudited and does not give effect to adjustments that would be required under Article 11 of Regulation S-X, does not give effect to purchase accounting adjustments and presentation requirements relating to Aleris' Lewisport, Kentucky and Duffel, Belgium plants as discontinued operations, and has not been reviewed by our independent registered public accounting firm. The company will provide required pro-forma financial information in a future filing on Form 8-K. Additional financial information about historical results for Novelis can be found in the investors section of the Novelis website, <http://investors.novelis.com/>, and in its filings with the SEC. Historical financial information for Aleris can be found in its filings with the SEC.

NOVELIS CAPABILITIES, POST ACQUISITION

Novelis will operate under Four Value Streams

- Can
- Automotive
- Aerospace
- Specialties, including applications for:
 - Building & Construction
 - Transportation
 - Electronics & Energy
 - HVAC
 - Signage & Printing
 - Consumer Packaging



**~15,000
Employees**



**9
Countries**



**33
Manufacturing
Locations**

Employees, countries and locations do not include pending divestments

Beverage Can

Automotive

Aerospace

Specialties

Supplying notable customers across premium end markets



Leader in flat rolled aluminum products & recycling across four continents

COMMITTED TO RUN-RATE COST SYNERGIES

	Description	%; Time to Achieve	
<p>Transformational Synergies</p>	<ul style="list-style-type: none"> • Acquisition fully integrates our existing Asia auto business • Gain SHFE access for ~200kt of auto cold coils produced at Zhenjiang • Closed loop scrap benefit in Asia • \$250M-\$300M investment after close 	<p>45-50%; 3-5 years</p>	<p><i>~\$150M of identified run-rate synergies</i></p>
<p>Combination Synergies</p>	<ul style="list-style-type: none"> • Metal and non-metal procurement • Supply chain optimization and other operational efficiencies • SG&A savings • IT infrastructure savings 	<p>50-55%; within 3 years</p>	

Plan in place to execute on identified synergies

CLOSING REMARKS & NEXT STEPS

- Integration of Aleris into Novelis to commence immediately, excluding Lewisport and Duffel
- Continue working with Liberty House to close Duffel transaction, subject to China approval
- Continue working with the U.S. Department of Justice to define timeline and terms for divestment of Lewisport

APPENDIX

33 MANUFACTURING LOCATIONS IN 9 COUNTRIES



Europe

Küsnacht, Switzerland
Novelis Europe Regional HQ

11 locations

- Bresso, Italy
- Crick, United Kingdom
- Göttingen, Germany
- Latchford, United Kingdom
- Nachterstedt, Germany
- Neuss, Germany
- Alunorf Joint Venture*
- Ohle, Germany
- Pieve, Italy
- Sierre, Switzerland

Acquired Aleris locations

- Koblenz, Germany
- Voerde, Germany

Not included in count:

- Duffel, Belgium (Aleris)

Will be divested

- Ludenscheid, Germany (Novelis)

Ceased operations March 2020

North America

Atlanta, Georgia
Novelis Global Headquarters
and North America Regional HQ

16 locations

- Berea, Kentucky
- Fairmont, West Virginia
- Greensboro, Georgia
- Kingston, Ontario, Canada
- Russellville, Kentucky
- Logan Aluminum Joint Venture*
- Oswego, New York
- Terre Haute, Indiana
- Warren, Ohio

Acquired Aleris locations

- Ashville, Ohio
- Beachwood, Ohio
- Buckhannon, West Virginia
- Clayton, New Jersey
- Davenport, Iowa
- Lincolnshire, Illinois
- Richmond, Virginia
- Uhrichsville, Ohio

Not included in count:

- Lewisport, Kentucky (Aleris)
- Will be divested*
- Guthrie, Kentucky (Novelis)
- Operational early FY21*

Asia

Seoul, South Korea
Novelis Asia Regional HQ

4 locations

- Changzhou, China
- Ulsan, South Korea
- Ulsan Aluminum Joint Venture*
- Yeongju, South Korea

Acquired Aleris locations

- Zhenjiang, China

South America

São Paulo, Brazil
Novelis South America
Regional HQ

2 locations

- Pindamonhangaba (Pinda), Brazil
- Santo André, Brazil

Country List

- Brazil
- Canada
- China
- Germany
- Italy
- South Korea
- Switzerland
- United Kingdom
- United States