Novelis Global Employment Organization Inc.

Financial Statements and Related Notes As of March 31, 2018

(Unaudited)

Novelis Global Employment Organization Inc.

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CERTIFICATION

I, Stephanie Rauls, have reviewed the attached unaudited standalone financial statements for Novelis Global Employment Organization Inc. and certify that the information included therein accurately reflects the financial position of Novelis Global Employment Organization Inc. as of 31 March 2018 and the results of its operations for the year then ended.

By: _____

Name: Stephanie Rauls

Title: VP, Chief Accounting Officer & Controller

Date:

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Novelis Global Employment Organization Inc.

STATEMENT OF OPERATIONS (unaudited)

(In thousands)

	Year Ended March 31,	
	2018	**2017**
Loss before income taxes	$ -	$ (39)
Income tax provision (benefit)	32	(14)
Net loss	$ (32)	$ (25)

See accompanying notes to financial statements.

Novelis Global Employment Organization Inc.

STATEMENT OF COMPREHENSIVE LOSS (unaudited)

(In thousands)

	Year Ended March 31,	
	2018	**2017**
Net loss	$ (32)	$ (25)
Comprehensive loss	$ (32)	$ (25)

See accompanying notes to financial statements.

Novelis Global Employment Organization Inc.

BALANCE SHEET (unaudited)

(In thousands, except number of shares)

	March 31,	
	2018	**2017**
ASSETS		
Current assets		
Accounts receivable		
— related parties	$ 1,416	$ 1,750
Total current assets	1,416	1,750
Deferred income tax assets	-	319
Total assets	$ 1,416	$ 2,069
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Short-term borrowings		
— related parties	$ 16	$ 221
Accrued expenses and other current liabilities		
— related parties	1,158	1,574
Total current liabilities	1,174	1,795
Total liabilities	1,174	1,795
Shareholder's equity		
Common stock, no par value; 100 number of shares authorized; 10 shares issued and outstanding as of March 31, 2018 and 2017	-	-
Additional paid–in capital	325	325
Accumulated deficit	(83)	(51)
Accumulated other comprehensive loss	-	-
Total shareholder's equity	242	274
Total liabilities and shareholder's equity	$ 1,416	$ 2,069

See accompanying notes to financial statements.

Novelis Global Employment Organization Inc.

STATEMENT OF CASH FLOWS (unaudited)

(In thousands)

	Year Ended March 31,	
	2018	**2017**
OPERATING ACTIVITIES		
Net loss	$ (32)	$ (25)
Deferred income taxes	319	(319)
Changes in assets and liabilities:		
Accounts receivable	334	(753)
Accounts payable	(205)	221
Other current liabilities	(416)	1,574
Net cash used in operating activities	-	698
INVESTING ACTIVITIES		
Proceeds (outflows) from investment in and advances to related parties, net	-	(698)
Net cash provided by investing activities	-	(698)
FINANCING ACTIVITIES		
Net cash provided by financing activities	-	-
Net (decrease) increase in cash and cash equivalents	-	-
Cash and cash equivalents — beginning of period	-	-
Cash and cash equivalents — end of period	$ -	$ -

See accompanying notes to financial statements.

Novelis Global Employment Organization Inc.

STATEMENT OF SHAREHOLDER'S DEFICIT (unaudited)

(In thousands, except number of shares)

	Common Shares		Additional Paid-in	(Accumulated	Total
	Shares	Amount	Capital	Deficit)	Equity
Balance as of March 31, 2016	10	$ -	$ 325	$ (26)	$ 299
Net loss	-	-	-	(25)	(25)
Balance as of March 31, 2017	10	-	325	(51)	274
Net loss	-	-	-	(32)	(32)
Balance as of March 31, 2018	10	$ -	$ 325	$ (83)	$ 242

See accompanying notes to financial statements.

Novelis Global Employment Organization Inc.

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

1. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

References herein to the "Company," "we," "our," or "us" refer to Novelis Global Employment Organization Inc. "Novelis GEO" unless the context specifically indicates otherwise.

Organization and Description of Business.

Novelis GEO was formed in the United States of America on December 15, 2015 as a result of repurposing a dormant entity, Novelis PAE. Novelis PAE Corporation was formed in the United States of America on November 19, 1998. Novelis GEO was formed for the main purpose of employing certain globally mobile employees. All of Novelis GEO's common shares are directly held by Novelis Holdings Inc, All of Novelis Holdings Inc.'s common shares are directly held by Novelis Inc. (Canada). The Company's functional and reporting currency is United States Dollar (USD).

The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires us to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities as on the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Future events and their effects cannot be predicted with certainty, and accordingly, our accounting estimates require the exercise of judgment. The accounting estimates used in the preparation of our consolidated financial statements may change as new events occur, as more experience is acquired, as additional information is obtained and as our operating environment changes. We evaluate and update our assumptions and estimates on an ongoing basis and may employ outside experts to assist in our evaluations. Actual results could differ from the estimates we have used.

Basis of Presentation

These financial statements have been prepared to satisfy the reporting requirements of the ultimate parent company, Hindalco Industries Limited, for the sole purpose of complying with the Companies Act, 2013 ("The 2013 Act"). In accordance with Sections 136 and 137 of The 2013 Act, it is required to present separate subsidiary financial statements, and Section 137 further requires entities with foreign subsidiaries to submit individual financial statements of such foreign subsidiaries along with its own standalone and consolidated financial statements. Thus, the results of the Company's separate financial statements are included in the consolidated financial statements of our direct parent, Novelis Inc. and our ultimate parent, Hindalco Industries Limited, and those consolidated financial statements are publicly available.

The books and records of Novelis Global Employment Organization Inc. are prepared and recorded under U.S. GAAP, which requires that we consolidate any wholly-owned subsidiaries, majority-owned subsidiaries over which we exercise control, entities in which we have a controlling financial interest, and entities for which we are deemed to be the primary beneficiary. Accordingly, we have presented these financial statements on a standalone unconsolidated basis, which is a deviation from U.S. GAAP as it is not feasibly possible to present these statements in another basis of accounting other than books and records of the subsidiary.

Otherwise, these separate financial statements are prepared in accordance with U.S. GAAP. These statements have not been audited, as there is no local jurisdictional requirement to present audited standalone subsidiary financial statements.

Risks and Uncertainties

We are exposed to a number of risks in the normal course of our operations that could potentially affect our financial position, results of operations, and cash flows.

Related Party Transactions

Included in the accompanying financial statements are transactions and balances arising from business we conduct with our indirect parent, Novelis Inc., or with subsidiaries of Novelis Inc., which we classify as related party transactions and balances. As of March 31, 2018 and March 31, 2017 we had an outstanding long-term accounts receivable due from Novelis Corporation of $1,416 thousand and $1,750 thousand respectively, which is shown as "Long-term accounts receivable — related party" in the accompanying balance sheet.

Income Taxes

We account for income taxes using the asset and liability method. This approach recognizes the amount of income taxes payable or refundable for the current year, as well as deferred tax assets and liabilities for the future tax consequence of events recognized in the financial statements and income tax returns. Deferred income tax assets and liabilities are adjusted to recognize the effects of changes in tax laws or enacted tax rates. Under ASC 740, Income Taxes (ASC 740), a valuation allowance is required when it is more likely than not that some portion of the deferred tax assets will not be realized. Realization is dependent on generating sufficient taxable income through various sources.

Operating Guarantees

We have issued guarantees on behalf of certain of Novelis Inc.'s subsidiaries. The indebtedness guaranteed is for trade accounts payable to third parties. Some of the guarantees have annual terms while others have no expiration and have termination notice requirements. Neither we nor any of the other subsidiaries hold any assets of any third parties as collateral to offset the potential settlement of these guarantees.

Guarantees of Indebtedness

On August 29, 2016, Novelis Corporation, an indirect wholly owned subsidiary of Novelis Inc., issued $1.15 billion in aggregate principal amount of 6.25% Senior Notes Due 2024 (the 2024 Notes). On September 14, 2016, Novelis Corporation issued $1.5 billion in aggregate principal amount of 5.875% Senior Notes Due 2026 (the 2026 Notes, and together with the 2024 Notes, the Notes). The 2024 and 2026 Notes are guaranteed, jointly and severally, on a senior unsecured basis, by Novelis Inc. and certain of its subsidiaries. We have issued guarantees on behalf of Novelis Inc.'s (the Parent and Issuer) 2024 Notes and 2026 Notes. As of March 31, 2018, no contingent loss has been recorded related to the guarantee of debt.

The Notes contain customary covenants and events of default that will limit our ability and, in certain instances, the ability of certain of our subsidiaries to (1) incur additional debt and provide additional guarantees, (2) pay dividends or return capital beyond certain amounts and make other restricted payments, (3) create or permit certain liens, (4) make certain asset sales, (5) use the proceeds from the sales of assets and subsidiary stock, (6) create or permit restrictions on the ability of certain of the Company's subsidiaries to pay dividends or make other distributions to the Company, (7) engage in certain transactions with affiliates, (8) enter into sale and leaseback transactions, (9) designate subsidiaries as unrestricted subsidiaries and (10) consolidate, merge or transfer all or substantially all of our assets and the assets of certain of our subsidiaries. During any future period in which either Standard & Poor's Ratings Group, Inc. or Moody's Investors Service, Inc. have assigned an investment grade credit rating to the Notes and no default or event of default under the indenture has occurred and is continuing, most of the covenants will be suspended. The Notes include a cross-acceleration event of default triggered if (1) any other indebtedness with an aggregate principal amount of more than $100 million is (1) accelerated prior to its maturity or (2) not repaid at its maturity. As of March 31, 2018, we were in compliance with the covenants in the Notes. The Notes also contain customary call protection provisions for our bond holders that extend through August 2022 for the 2024 Notes and through September 2024 for the 2026 Notes.

2. INCOME TAX

We used the benefits-for-loss method of tax allocation so that net operating losses are characterized as realized (or realizable).

We are subject to Canadian and local income taxes. The domestic (Canada) components of our "(Loss) Income before income taxes" are as follows (in thousands).

	Year Ended March 31,	
	2018	2017
Domestic (Canada)	$ -	$ -
Pre-tax (loss) income	$ -	$ -

The components of the "Income tax provision" are as follows (in thousands), which are related to withholding taxes.

	Year Ended March 31,	
	2018	2017
Current provision:		
Domestic (Canada)	$ (287)	$ -
Total current	(287)	-
Deferred provision:		
Domestic (Canada)	319	-
Total deferred	319	-
Income tax provision	$ 32	$ -

Deferred Income Taxes

Deferred income taxes recognize the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the carrying amounts used for income tax purposes, and the impact of available net operating loss (NOL) and tax credit carryforwards. These items are stated at the enacted tax rates that are expected to be in effect when taxes are actually paid or recovered.

The Company had no deferred tax assets at March 31, 2018 and 2017.