

## Novelis To Invest \$400 Million To Expand Aluminum Rolling Capacity And Recycling Infrastructure In Asia

ATLANTA, May 5, 2011 /PRNewswire/ -- Novelis Inc. announced today that it will invest approximately \$400 million to expand its aluminum rolling and recycling operations in South Korea in response to the growing demand for its products in Asia and the Middle East.

The rolling expansion, which will include investments in both hot rolling and cold rolling operations, will increase Novelis' aluminum sheet capacity in Asia to one million metric tons annually. A response to projected market growth in the region, the move is designed to rapidly bring to market high-quality aluminum rolling capacity aligned with the projected needs of a growing customer base. The new capacity is expected to come on stream in late 2013.

"This investment represents a key step in executing Novelis' strategy for future growth," said Phil Martens, president and chief executive officer of Novelis. "Asia is the largest and fastest growing region in the world for aluminum, particularly in beverage cans, electronics and automobiles, and this expansion will allow us to maintain our leadership in this dynamic region."

The move follows a year-long assessment by Novelis of strategic opportunities to serve rapidly growing markets in Asia and the Middle East. "Our analysis clearly shows that expanding our capacity in Korea is the best approach to serve increasing demand from our customers in these regions," said Martens. "The quality of our existing operations and assets in Korea, the expertise of our management there, the experience and stability of our workforce, a readily available metal supply, speed to market and return on invested capital all make this expansion the best strategic approach to serving customer needs."

The expansion will increase Novelis' aluminum sheet capacity in Asia by more than 50 percent, and will also include the construction of a state-of-the-art recycling center for used aluminum beverage cans and a casting operation with annual production capacity in excess of 220,000 metric tons of sheet ingot.

The recycling component of the investment is further indication of Novelis' emphasis on recycling as a core part of its business. Novelis currently obtains used aluminum beverage cans from across Asia and recycles them into new can sheet in partnership with third party processors. The new recycling center at Yeongju will be Novelis' first integrated recycling and casting facility in Asia. The company is already a leader in can recycling in North America, Europe and South America.

"Our growth strategy has a strong foundation on sustainability," said Martens. "We are committed to reducing our environmental footprint – and those of our customers – over the lifecycle of our products through increased recycling. This investment continues our ongoing commitment to benefit the environment by reducing greenhouse gas emissions, conserving energy and natural resources, and lowering waste generation."

Tom Walpole, senior vice president, global manufacturing excellence, and president, Novelis Asia, pointed to significant economic development factors as the driving forces in the company's expansion plans. "The growing consumption of beverages in developing Asian countries, the conversion of steel can-making lines to aluminum, the expanding use of aluminum in consumer electronics, and China's emergence as the largest automotive market in the world are all factors boosting demand for our products in Asia," said Walpole.

"The recycling investment will be in our Yeongju plant, and is in no small way a credit to the leadership of our Yeongju union representatives and employees," said Walpole. The new recycling and casting facility is expected to begin operations in late 2012.

Novelis Korea Limited, a subsidiary of Novelis Inc., has two integrated rolling facilities in Yeongju and Ulsan, South Korea, both of which have casting, hot rolling, cold rolling, finishing and recycling capabilities.

### About Novelis

Novelis Inc. is the global leader in aluminum rolled products and aluminum can recycling. The company operates in 11 countries, has approximately 11,600 employees and reported revenue of \$8.7 billion in its 2010 fiscal year. Novelis supplies premium aluminum sheet and foil products to automotive, transportation, packaging, construction, industrial and printing markets throughout North America, South America, Europe and Asia. Novelis is a subsidiary of Hindalco Industries Limited (BSE: HINDALCO), one of Asia's largest integrated producers of aluminum and a leading copper producer. Hindalco is a flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, please visit [www.novelis.com](http://www.novelis.com).

## **Forward-Looking Statements**

Statements made in this news release describing Novelis' intentions, expectations or predictions may be forward-looking statements within the meaning of securities laws. Examples of forward-looking statements in this news release include Novelis' expectations regarding the anticipated completion dates for the project as well as the expected production capacity of the expanded operation. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty. 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. Important risk factors which could impact outcomes are included under the caption "Risk Factors" in our Form S-4 filed with the Securities and Exchange Commission on February 11, 2011, as amended.

SOURCE Novelis Inc.

For further information: Media: Corporate/USA: Charles Belbin, +1-404-760-4120, [charles.belbin@novelis.com](mailto:charles.belbin@novelis.com); Korea: Soohyun Oh, +82 2 2259 1626, [soohyun.oh@novelis.com](mailto:soohyun.oh@novelis.com); Investors: Megan Cochard, +1-404-760-4170, [megan.cochard@novelis.com](mailto:megan.cochard@novelis.com)

---