

Alcan Files For Spin-Off Of Novelis

Novelis Highlights:

- 2003 revenues US\$ 6.2 billion
- 13,600 employees
- 38 operating facilities in 12 countries
- 18% share of global aluminum rolled products market

Montreal, Canada — Alcan Inc. (NYSE, TSX: AL) announced today that it has filed with securities authorities in Canada and the United States the preliminary prospectus and registration statement for the spin-off of Novelis. The document describes the new company, comprising Alcan's historical rolled products business and provides key market and commercial information as well as historic and pro forma financial data.

"This filing marks an important milestone in the execution of the spin-off and the year-end launch of Novelis," said Travis Engen, President and Chief Executive Officer of Alcan Inc. "The spin-off will create two companies, each with strong and distinct investment propositions and exciting opportunities going forward. It is yet another tangible example of Alcan's commitment to maximize value," he said.

Novelis will be the world's largest aluminum rolled products company - based on shipment volumes - with 2003 revenues of US\$6.2 billion. Domiciled in Canada, and having an executive office in the United States, the company will operate on four continents, with 38 operating facilities in 12 countries and 13,600 employees.

Brian Sturgell, Novelis' Chief Executive Officer designate stated, "Our people, precision and performance will ensure that Novelis remains at the forefront of the global aluminum rolled products market. We will be the only company of our size and scope focused solely on aluminum rolled products markets and customers and capable of supplying technically sophisticated solutions throughout all of our operating regions."

The preliminary prospectus and registration statement will be subject to review and comment by the securities authorities prior to its being finalized and authorized for use in connection with the spin-off. Additionally, the spin-off must receive court and Alcan shareholder approval in accordance with Canadian law and remains subject to definitive clearances from competition regulators. Novelis is expected to begin operations as an independent company on January 1, 2005.

The preliminary prospectus is available in the investor section of Alcan's website at www.alcan.com. A management proxy circular relating to a shareholder's meeting to be convened to consider the planned spin-off will be sent to shareholders in the fourth quarter of this year.

Alcan is a multinational, market-driven company and a global leader in aluminum and packaging, as well as aluminum recycling. With world-class operations in primary aluminum, fabricated aluminum as well as flexible and specialty packaging, aerospace applications, bauxite mining and alumina processing, today's Alcan is well positioned to meet and exceed its customers' needs for innovative solutions and service. Alcan employs 88,000 people and has operating facilities in 63 countries.

Statements made in this press release that describe the Company's intentions, expectations or predictions may be forward-looking statements within the meaning of securities laws. The Company cautions that, by their nature, forward-looking statements involve risk and uncertainty and that the Company's results could differ materially from those expressed or implied in such statements. Reference should be made to Alcan's most recent Form 10-Q and the prospectus and registration statement filed for the spin-off for a summary of major risk factors.
