Novelis To Expand Automotive Sheet Capability In Europe

SIERRE, Switzerland, Sept. 13 /PRNewswire-FirstCall/ -- Novelis Inc., (NYSE: NVL; Toronto) the global leader in aluminum rolled products, announced today a plan to expand its capability for automotive sheet. The company will invest some 3.3 million Euros in the construction of a new blanking centre at its Sierre (Valais) rolling mill in Switzerland. The centre will produce technologically advanced aluminum sheets to be stamped, or pressed, into automotive body panels.

The plant will feature a fully-automated, high-speed laser cutting system, allowing the production of customer-specific blanks up to 2.2 m x 4 m in size. Unlike traditional rectangular blanks, these sheets will be cut to the required shape of the finished part, thereby reducing excess trim material in the customer's stamping plant. The blanking centre will have an annual capacity of two million parts per year and be operational by mid 2006.

"This technology offers a high degree of flexibility for the optimization of parts, eliminating the need for customer investment in blanking tools. It also streamlines the supply chain, as no blanking waste has to be unnecessarily transported to the customer's press department," said Roland Harings, general manager of the Sierre plant and director of automotive sales and marketing for Novelis Europe.

Novelis operates a similar laser blanking centre at its Nachterstedt site in eastern Germany that, when commissioned in 2002, was the first of its kind for aluminum blanks. Novelis also supplies aluminum blanks in North America. The addition of the Sierre blanking centre will expand the company's global leadership in the supply of high quality aluminum body sheet to meet the growing demand for lightweighting and performance improvement in the automotive industry. Novelis is the only company capable of producing automotive sheet in both Europe and North America.

Novelis, which was spun-off by Alcan effective Jan. 6, 2005, is the global leader in aluminum rolled products and aluminum can recycling. Novelis has 36 operating facilities in 11 countries and more than 13,000 dedicated employees. The company has the unique ability to provide its customers with a regional supply of high-end rolled aluminum products throughout Asia, Europe, North America, and South America. Through its advanced production capabilities, Novelis supplies aluminum sheet and foil to the automotive and transportation, beverage and food packaging, construction and industrial, and printing markets. For more information on the company, visit http://www.novelis.com.

Statements made in this news release which describe Novelis's intentions, expectations or predictions may be forward-looking statements within the meaning of securities laws. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty and that Novelis's actual results could differ materially from those expressed or implied in such statements. Reference should be made to Novelis's registration statement on form S-4 filed with the Securities and Exchange Commission for a discussion of major risk factors.

SOURCE Novelis Inc.
CONTACT: Media, Europe, John Gardner, +41-44-386-2287, or john.gardner@novelis.com, or Corporate, Charles Belbin, +1-404-814-4260, or charles.belbin@novelis.com, both of Novelis Inc.