

## Novelis Provides Bi-Weekly Status Update

ATLANTA, Jan. 3 /PRNewswire-FirstCall/ -- Novelis Inc. (NYSE: NVL) (TSX: NVL) today provided a status update pursuant to the policies of the Ontario Securities Commission (OSC) and the Canadian Securities Administrators (CSA). The Company reported that there have been no material developments in the matters initially reported in its press release of November 7, 2005, and all subsequent material change reports.

On December 22, 2005, Novelis Inc. issued a letter to shareholders outlining two significant new initiatives that are being implemented. First, the Company announced that it is taking actions designed to eliminate the ceiling concept in its beverage can sheet contracts. The second initiative is a significant revision to the Company's metal hedging policy. With this initiative, implemented in late September 2005, the Company has capped the remaining metal price ceiling exposure for the fourth quarter of 2005 and during 2006, the last year in which Novelis believes it will have metal exposure beyond its internal hedge position. The letter also noted that the Company is currently conducting a search for a new Chief Financial Officer and a new Controller.

Novelis is the global leader in aluminum rolled products and aluminum can recycling. The company has 36 operating facilities in 11 countries and more than 13,000 employees. Novelis has the unrivaled capability to provide its customers with a regional supply of technically sophisticated rolled aluminum products throughout Asia, Europe, North America, and South America. Through its advanced production capabilities, the company supplies aluminum sheet and foil to the automotive and transportation, beverage and food packaging, construction and industrial, and printing markets. For more information, visit [www.novelis.com](http://www.novelis.com).

Statements made in this news release which describe Novelis' 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' actual results could differ materially from those expressed or implied in such statements. Important factors which could cause such differences include the price of aluminum, global supply and demand conditions for rolled aluminum products, changes in the relative value of various currencies, demand and pricing within the principal markets for the Company's products, changes in government regulations, particularly those affecting environmental, health or safety compliance, economic developments, relationships with (and financial or operating conditions of) customers and suppliers, competition from other aluminum rolled products producers as well as from substitute materials such as steel, glass, plastic and composite materials, and the level of our indebtedness and ability to generate cash and other factors relating to the Company's ongoing operations. Reference should be made to Novelis' registration statement on form S-4 filed with the Securities and Exchange Commission for a discussion of major risk factors.

SOURCE Novelis Inc.

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