

Novelis Extends Exchange Offer

ATLANTA, Jan. 31 /PRNewswire-FirstCall/ -- Novelis Inc. (NYSE: NVL; Toronto) today announced that it will extend until May 10, 2006, its offer to exchange up to \$1.4 billion aggregate principal amount of its 7-1/4% Senior Notes due 2015, which were initially issued and sold in a private placement on February 3, 2005, for an equal aggregate amount of its registered 7-1/4% Senior Notes due 2015.

The original expiration date of the exchange offer was October 31, 2005. The expiration date was initially extended on November 1, 2005, and re-extended on November 7, 2005. The latest extension started on December 6, 2005, and expires on January 31, 2006. As of January 27, 2006, \$1,261,306,000 of the old notes had been tendered for exchange.

As a result of the original extension announced on November 1, 2005, the Company began to accrue, beginning November 11, 2005, and until the exchange offer closes, a special interest rate on the Senior Notes equaling an additional 0.25% per annum. The rate of special interest increases 0.25% during each subsequent 90-day period until the exchange offer closes, with the maximum amount of additional special interest at a rate of 1.00% per annum. Accordingly, the rate of special interest will become 0.50% on February 9, 2006.

Novelis expects to file a post-effective amendment when the Company is current on its reporting requirements. Except for the extension of the expiration date, all of the other terms of the exchange offer remain as set forth in the exchange offer prospectus dated September 27, 2005. This press release is not an offer to exchange new notes for the old notes or the solicitation of an offer to exchange. Any offer will be made by Novelis Inc. only by means of the exchange offer prospectus.

Any holder of the old notes, who would like to obtain copies of the prospectus and related documents, or with questions regarding the exchange offer, should contact Novelis Inc.'s exchange agent, The Bank of New York Trust Company, N.A., at (212) 815-5098.

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 unrivalled capability 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, 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.

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, and the materiality of items identified during the review and restatement process, the timing to complete the review and restatement, the agreement of the lenders and regulatory authorities to the requested extensions to the referenced filing deadlines and preliminary estimates to debt reduction, cash balances and quarter-over-quarter improvement in regional income. The financial information provided in this news release was prepared by management and has not been audited. 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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