

Novelis Ceases Alumina Production In Brazil

Primary Aluminum Production Unaffected

OURO PRETO, Brazil, Jan. 26, 2009 -- Novelis announced today that effective March 26, 2009, it will cease the production of alumina at its Ouro Preto unit. In future, the plant will purchase alumina through third-parties. Other activities related to the facility, including electric power generation and the production of primary aluminum metal, will continue unaffected.

Alumina (aluminum oxide) is refined from bauxite ore and is the raw material from which aluminum is produced. The Ouro Preto alumina facility is a small scale operation, primarily supplying the plant's own requirements.

"The global economic crisis and the recent dramatic drop in alumina prices have made alumina production at Ouro Preto economically unfeasible," said Alexandre Almeida, president of Novelis South America.

The company's second Brazilian smelter, at Aratu, already purchases its alumina on the open market and is not affected by this announcement.

Approximately 290 jobs will be removed at Ouro Preto, including 150 employees and 140 contractors. The remaining 800 jobs at the plant are not affected and will continue to generate taxes and contribute to the economic and social development of Ouro Preto, including such important programs such as the Aleijadinho Foundation, the Smile Project and restoration of the city's historical heritage sites.

Alumina production activities at the plant will end on March 26, 2009, after a sixty day period in order to complete an organized shutdown, respecting the needs of customers, employees and the community.

About Novelis in Brazil

Novelis activities in Brazil include the production of primary aluminum, rolled products and aluminum beverage can recycling. The company employs approximately 2,000 people at its primary aluminum units in Aratu (BA) and Ouro Preto (MG), rolling operations in Pindamonhangaba and Santo André (SP), and nine hydroelectric power plants in the state of Minas Gerais.

About Novelis Inc.

Novelis Inc. is the global leader in aluminum rolled products and aluminum can recycling. The company operates in 11 countries, has approximately 12,700 employees and reported revenue of \$11.2 billion in fiscal year 2008. Novelis supplies premium aluminum sheet and foil products to automotive, transportation, packaging, construction, industrial and printing markets throughout Asia, Europe, North America and South America. Novelis is a subsidiary of Hindalco Industries Limited, Asia's largest integrated producer of aluminum and a leading copper producer. Hindalco is the flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information on Novelis, please visit www.novelis.com.

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