

Novelis Celebrates Groundbreaking For New Automotive Finishing Line At Nachterstedt Facility

Investment expands aluminum sheet capacity for the automobile industry

NACHTERSTEDT, Germany, April 7, 2014 /PRNewswire/ -- Novelis, the world leader in aluminum rolling and recycling, today celebrated the ground-breaking ceremony for a new automotive sheet finishing line at its Nachterstedt, Germany, facility. Erwin Mayr, Senior Vice President of Novelis and President of Novelis Europe, made the symbolic shovel turn with Reiner Haseloff, Prime Minister of the German federal state of Saxony-Anhalt.

The EUR 62 million expansion is in response to the steadily growing demand for aluminum automotive sheet for light-weight vehicle structures and body panels. The new line will add 120,000 metric tons of annual capacity to the Nachterstedt plant's automotive output. Novelis expects demand for aluminum automotive sheet in Europe to increase by an average of 15 percent per year over the next five years as carmakers focus on strategies to improve vehicle fuel efficiency and reduce CO₂ emissions.

The expansion, which is scheduled to come on line in the second half of 2015, will create up to 120 new jobs and boost Novelis' annual automotive production capacity for aluminum sheet in Europe to well over 350,000 metric tons. The new production line will make use of the existing infrastructure, specialized staff and logistics solutions in order to generate extensive synergies. In addition to existing automotive capacity at the Nachterstedt plant, Novelis also produces automotive sheet at its Sierre, Switzerland, and Goettingen, Germany, plants.

"This investment will enable us to strengthen our leading market position in the automotive sector and enhance our position as a strong partner of the automobile industry", said Mayr. "Novelis is committed to meeting the growing demand in this market and we're aggressively increasing our capacity to produce automotive sheet in Europe and across the globe."

This investment, coupled with the site's start-up this summer of the world's largest aluminum recycling facility, will further the ongoing development of the company's automotive closed-loop business model. Today, as much as 50 percent of automotive sheet sold to automakers is left over after a manufacturing plant stamps out automotive parts. The company is working closely with its customers to return this material directly back to Novelis for recycling, streamlining the materials supply chain while reducing the total carbon footprint of the entire automotive production cycle.

Prime Minister Dr. Reiner Haseloff praised the dynamic development of Novelis in Nachterstedt, stating: "The construction of the aluminum recycling center was not even completed before the investment in the new automotive production line was announced. In total, this creates more than 300 new jobs at this location within a few years. Thus, the demand for skilled workers in the coming years will certainly remain high. This highlights that the future opportunities for young people in Saxony-Anhalt has never been better."

Novelis is the world's leading provider of aluminum automotive sheet, which auto manufacturers are turning to at a dramatically increasing rate for structural components and exterior body panels. Novelis aluminum can be found in more than 180 different vehicle models produced by leading automakers around the globe.

The company is investing around the world to boost its automotive finishing capabilities. In addition to this new line in Nachterstedt, the company will open a greenfield automotive line in Changzhou, China later this year, and is launching construction of a third automotive line at its plant in Oswego, NY, complementing the two lines commissioned there in 2013. When all of the new lines are commissioned in late 2015, Novelis' global automotive sheet capacity will reach approximately 900,000 tons per year, a three-fold increase from just a year ago.

About Novelis

Novelis Inc. is the global leader in aluminum rolled products and the world's largest recycler of aluminum. The company operates in nine countries, has approximately 11,000 employees and reported revenue of \$9.8 billion for its 2013 fiscal year. Novelis supplies premium aluminum sheet and foil products to automotive, transportation, packaging, construction, industrial and consumer electronics markets throughout North America, Europe, Asia and South America. Novelis is a subsidiary of Hindalco Industries Limited (BSE: HINDALCO), one of Asia's largest integrated producers of aluminum and a leading copper producer. Hindalco is a flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, visit www.novelis.com and follow us on Twitter at twitter.com/Novelis.

Forward-Looking Statements

Statements made in this news release which describe Novelis' intentions, expectations or predictions may be forward-looking statements within the meaning of securities laws. Examples of forward-looking statements in this news release include our statement that the expansion will increase Novelis' annual automotive production capacity for aluminum sheet in Europe to over 350,000 metric tons. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty. We do not intend, and we disclaim any obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise. Important risk factors which could impact outcomes are included under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended March 31, 2013.

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