

Novelis to Acquire Leased Sierre Operating Facilities, Manufacturing Assets

Strategic move secures leadership position, enhances flexibility in growing automotive aluminum sheet market

ATLANTA and ZURICH, Feb. 1, 2018 /PRNewswire/ -- Novelis Inc., the world leader in aluminum rolling and recycling, today announced it signed a binding agreement to acquire operating facilities and manufacturing assets at its Sierre plant that have historically been leased. By doing this, Novelis will gain additional flexibility to continue serving the growing automotive aluminum sheet market and provide a more secure and stable future for its employees, customers and the community. The €200 million acquisition from Constellium, which is co-located on the site, is expected to close in the first quarter of fiscal 2019, subject to customary closing conditions.

"This acquisition further solidifies our leadership position in the automotive aluminum sheet market and provides us with the strategic flexibility to evaluate future growth opportunities in Europe," said Steve Fisher, President and Chief Executive Officer, Novelis, Inc.

As part of the acquisition, Novelis will establish a joint venture with Constellium to administer shared infrastructure activities across the entire Sierre facility, which is expected to provide an efficient, long-term solution to both parties. Constellium will continue to own and operate its cast houses, plate, and extrusion manufacturing plants. Novelis will retain its Research and Technology Center located at the plant that offers technical assistance, research and product development to its automotive customers.

Focused on the production of aluminum sheet for the automotive industry, Novelis' Sierre plant has been supplying the market for more than 20 years and is the leading location in Europe for the production of aluminum sheet for the automotive industry. Novelis maintains at Sierre a fully integrated system, covering the entire process from casting to finishing. The casthouse is capable of casting standard single alloys as well as multi-alloy ingots. In addition to its hot and cold rolling mills, the plant operates a state-of-the-art continuous annealing line for automotive sheet and has laser cutting capability.

About Novelis

Novelis Inc. is the global leader in aluminum rolled products and the world's largest recycler of aluminum. The company operates in 10 countries, has approximately 11,000 employees and reported \$10 billion in revenue for its 2017 fiscal year. Novelis supplies premium aluminum sheet and foil products to transportation, packaging, construction, industrial and consumer electronics markets throughout North America, Europe, Asia and South America. Novelis is a subsidiary of Hindalco Industries Limited, an industry leader in aluminum and copper, and metals flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, visit novelis.com and follow us on Facebook at [facebook.com/NovelisInc](https://www.facebook.com/NovelisInc) and Twitter at twitter.com/Novelis.

Forward-Looking Statements

Statements made in this news release which describe Novelis' intentions, expectations, beliefs or predictions may be forward-looking statements within the meaning of securities laws. Forward-looking statements include statements preceded by, followed by, or including the words "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," or similar expressions. Examples of forward looking statements in this news release include statements about the company's expectation to close the acquisition in the first quarter of fiscal 2019. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty and Novelis' actual results could differ materially from those expressed or implied in such statements. 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. Factors that could cause actual results or outcomes to differ from the results expressed or implied by forward-looking statements include, among other things: changes in the prices and availability of aluminum (or premiums associated with such prices) or other materials and raw materials we use; relationships with, and financial and operating conditions of, our customers, suppliers and other stakeholders; our ability to access financing for future capital requirements; factors affecting our operations, such as litigation, environmental remediation and clean-up costs, labor relations and negotiations, breakdown of equipment and other events; economic, regulatory and political factors within the countries in which we operate or sell our products, including changes in duties or tariffs; changes in general economic conditions including deterioration in the global economy, particularly sectors in which our customers operate; and changes in government regulations, particularly those affecting taxes, derivative instruments, environmental, health or safety compliance. The above list of factors is not exhaustive. Other important risk factors included under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2017 are specifically incorporated by reference into this news release.

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