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Novelis Streamlines Ownership Structure Of Malaysian Operations

ATLANTA, Oct. 3 /PRNewswire-FirstCall/ -- Novelis Inc. (NYSE: NVL; Toronto) announced today that it has agreed to sell its 49% interest in Alcom Nikkei Specialty Coatings Sdn Bhd (ANSC) to a wholly owned subsidiary of Aluminium Company of Malaysia Bhd (Alcom) for cash consideration of US\$5.4 million. The sale will increase Alcom's ownership of ANSC from 51% to 100%.

Novelis retains effective control of ANSC through its 58.4% ownership of Alcom, which is a publicly traded corporation on the Bursa Malaysia stock exchange. Alcom is a leading supplier of aluminum rolled products in Southeast Asia.

"The new ownership arrangement will benefit Novelis, Alcom and ANSC since it provides a more efficient way of managing the Malaysian businesses," said Martha Brooks, chief operating officer of Novelis. "It presents an excellent opportunity for Alcom to increase its stake in ANSC and use its cash to grow in its existing businesses."

ANSC is a specialty fin stock coating plant located in Bukit Raja, Selangor, Malaysia. The plant uses a proprietary technology to apply anti-corrosion and hydrophilic layers to aluminum fin stock used in air conditioners. ANSC is the leading supplier of coated fin stock in Southeast Asia.

Novelis, which was spun-off by Alcan on January 6, 2005, 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 dedicated employees. Novelis has the unparalleled 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.

SOURCE Novelis Inc.

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