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Novelis To Invest \$32 Million To Install Breakthrough Casting Technology In Europe

Swiss Plant to Produce Novelis Fusion(TM) Aluminum Sheet Products

ATLANTA, Sept. 6 /PRNewswire-FirstCall/ -- Novelis Inc. (NYSE: NVL) (TSX: NVL) today announced that it will invest US\$32 million in the construction of a new casthouse at its Sierre, Switzerland, rolling mill. The facility will house a multi-alloy ingot casting center based on the Company's breakthrough Novelis Fusion(TM) technology for simultaneously casting multiple alloy layers into aluminum ingots. The multi-alloy ingots are rolled into sheet products with previously unattainable product features.

The Sierre casting center is expected to be operational in early 2008 and will enable commercial-scale supply in Europe of a new range of high- performance aluminum sheet products targeted at the automotive industry and other key market sectors.

The new casthouse will have an initial annual capacity of 70,000 metric tons, and will lead to the creation of 30 new jobs at the Sierre plant.

The announcement follows the Company's June 2006 unveiling of the Novelis Fusion technology. This innovative process has been in production since March of this year at the Company's rolling mill in Oswego, New York.

Virtually all of the Company's North American production of multi-alloy or "clad" material for existing products has been converted to the new technology. In addition, the Company is working with dozens of customers worldwide on the development of potential new applications, with a focus on products that combine high strength with high formability or unique surface characteristics.

"The market interest in Novelis Fusion is such that we are announcing this additional capacity," said Martha Brooks, Chief Operating Officer of Novelis. "This investment will increase our ability to deliver superior aluminum sheet products to our European customers. The new product range opens up many opportunities for manufacturers to use customized aluminum sheet solutions, thus in turn enhancing their own products. We are working with a number of European customers on applying the Novelis Fusion technology to meet their needs, using trial ingots supplied from our U.S. facilities."

Arnaud de Weert, President of Novelis Europe, said, "With Novelis Fusion, we can develop sheet solutions that will improve the material's performance in existing applications as well as explore completely new end-uses that were not possible with single-alloy aluminum sheet because of the need to make trade- offs between core properties and surface characteristics."

"The Sierre rolling mill is one of the world's most advanced facilities for the production of aluminum automotive sheet," added de Weert. "The Novelis Fusion capacity will expand our leadership in the supply of high- quality aluminum body sheet to meet the growing demand for light-weighting in the automotive industry."

Today's announcement is in addition to the previously announced installation at Sierre of a fully-automated, high-speed laser cutting system for the production of customer-specific automotive stamping blanks, which will be fully operational in early 2007.

The Company said that it will increase its production of Novelis Fusion products as demand increases. "Plans are already under way to transfer the technology into the Asian market," Brooks said.

Previously, multi-aluminum sheet products were achievable only through a low-tech, high-cost, manual ingot-cladding process and were limited to a small range of alloys. Novelis Fusion technology produces a perfect metallurgical bond between the alloy layers and permits alloy combinations never before possible in aluminum rolling. Novelis has filed patents on the technology in countries worldwide. More information on Novelis Fusion technology is available at www.novelis.com/fusion.

Novelis Inc. is the global leader in aluminum rolled products. The Company operates in 11 countries and has approximately 12,500 employees. Novelis offers the unrivaled capability to provide its customers with a regional supply of technologically sophisticated 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. Examples of forward-looking statements in this news release include, among other matters, Novelis' expectation to successfully implement Novelis Fusion(TM) technology at its Sierre, Switzerland, rolling mill in 2008. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty. Several factors that could impact Novelis' ability to successfully implement the Novelis Fusion technology at its Sierre, Switzerland, rolling mill include, but are not limited to: competitive factors, ability to consistently meet quality standards of Novelis Fusion technology in a commercial environment, ability to achieve the benefits described for multi-alloy sheet, ability to achieve market penetration in potential industries, uncertainties of potential litigation, achieving necessary patents on the Novelis Fusion technology, the Company's ability to meet Novelis Fusion sales forecasts, the Company's economic ability to install Novelis Fusion casting centers worldwide, the price of aluminum; global supply and demand conditions for Novelis Fusion products; demand and pricing within the principal markets for the Novelis Fusion products; changes in government regulations, particularly those affecting environmental, health or safety compliance associated with the Novelis Fusion; 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; the level of our indebtedness and ability to generate cash; and other factors relating to the Company's ongoing operations. 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. Please refer to other important risk factors listed under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2005, as filed with the SEC, and may be discussed in subsequent filings with the SEC. Further, the risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2005, as amended, are specifically incorporated by reference into this news release.

SOURCE Novelis Inc.

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