

May 16, 2007



Novelis Inc. Commences Tender Offer and Consent Solicitation and Change of Control Offer for 7-1/4% Senior Notes Due 2015

ATLANTA, May 16 /PRNewswire-FirstCall/ -- Novelis Inc. announced today the commencement of a cash tender offer to purchase all of its outstanding \$1.4 billion principal amount of 7-1/4% Senior Notes due 2015.

In conjunction with the tender offer, Novelis is also soliciting consents to certain proposed amendments to the indenture governing the senior notes that would eliminate substantially all of the restrictive covenants and events of default contained in the indenture. Adoption of the proposed amendments to the indenture requires the consent of holders of not less than a majority in principal amount of the outstanding senior notes.

Holders of senior notes that validly tender their senior notes and deliver their consents pursuant to the tender offer prior to 5:00 p.m., New York City time, on the early consent date of May 31, 2007, will be entitled to receive the total tender offer consideration of \$1,015 per \$1,000 principal amount of senior notes, which is the sum of the offer consideration of \$1,010 and the early consent payment of \$5.00. Holders that validly tender their senior notes and deliver their consents pursuant to the tender offer on or after 5:00 p.m., New York City time, on the early consent date of May 31, 2007, but prior to 8:00 a.m., New York City time, on the tender offer expiration date of June 15, 2007, will only be entitled to receive the offer consideration of \$1,010 per \$1,000 principal amount of senior notes. In each case, holders will also receive accrued and unpaid interest to, but excluding, the settlement date of the tender offer.

Novelis' obligation to accept tendered senior notes for payment is contingent, among other things, upon holders of a majority of the senior notes consenting to the proposed amendments to the indenture. If any of the tender offer conditions are not satisfied, Novelis is not obligated to accept for payment, or may delay the acceptance for payment of, any senior notes tendered pursuant to the tender offer and may terminate the tender offer.

On May 15, 2007, Hindalco Industries Limited (BSE: HINDALCO) completed its acquisition of Novelis through Hindalco's indirect wholly-owned subsidiary AV Metals Inc. pursuant to a Canadian court-approved plan of arrangement. As a result of the arrangement, a change of control under the indenture has occurred. Therefore, Novelis also announced today the commencement of a change of control offer to repurchase all of the outstanding senior notes. Holders that validly tender their senior notes pursuant to the change of control offer prior to 8:00 a.m., New York City time, on the change of control offer expiration date of June 15, 2007, will be entitled to receive the offer consideration of \$1,010 per \$1,000 principal amount of senior notes. Holders will also receive accrued and unpaid interest to, and

including, the settlement date of the change of control offer. A senior note may be tendered in the tender offer or the change of control offer, but not both. Holders participating in the change of control offer will not be eligible, under any circumstances, to receive the early consent payment of \$5.00 per \$1,000 principal amount of senior notes.

The tender offer and the change of control offer will expire on June 15, 2007 unless extended by Novelis in its sole discretion. The terms and conditions of the tender offer and change of control offer are set forth in an Offer to Purchase and Consent Solicitation Statement dated May 16, 2007, and related Consent and Letter of Transmittal.

UBS Investment Bank and ABN AMRO Incorporated are acting as dealer managers in connection with the tender offer and the change of control offer. Questions about the tender offer and the change of control offer may be directed to the Liability Management Group of UBS Investment Bank at (888) 722-9555 ext. 4210 (toll free) or (203) 719-4210 (collect) and to Robert Silverschotz at ABN AMRO Incorporated at (212) 409-6862. Requests for documentation should be directed to Global Bondholder Services Corporation, the information agent in connection with the tender offer and the change of control offer, at (212) 430-3774 or (866) 807-2200 (toll free). The depositary for the tender offer and the change of control offer is The Bank of New York Trust Company, N.A.

This press release is for informational purposes only and is not an offer to purchase or a solicitation of an offer to sell securities. No recommendation is made as to whether or not holders of senior notes should tender their securities pursuant to the tender offer or the change of control offer.

About Novelis

Novelis, a subsidiary of Hindalco Industries Limited, is the global leader in aluminum rolled products and aluminum can recycling. The Company operates in 11 countries, has approximately 12,900 employees, and reported revenue of \$9.8 billion in 2006. Novelis offers the 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. Visit www.novelis.com.

About Hindalco

Hindalco Industries Limited is Asia's largest integrated primary producer of aluminum and a leading integrated producer of copper. Based in Mumbai, India, Hindalco recorded revenues of approximately US\$4.3 billion for the fiscal year ended March 31, 2007. Hindalco's integrated operations and operating efficiency have positioned the company among the most cost-efficient aluminum producers globally. Hindalco's stock is publicly traded on the Bombay Stock Exchange, the National Stock Exchange of India Limited and the Luxembourg Stock Exchange. Visit www.hindalco.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 those related to Novelis' expectations or predictions related to the future acquisition of the senior notes

through redemption, open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and for such consideration as Novelis or its affiliates may determine. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty. Novelis does not intend, and disclaims 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 Novelis are included under the caption "Risk Factors" in Novelis' Annual Report on Form 10-K for the year ended December 31, 2006, as amended and filed with the SEC, and are specifically incorporated by reference into this news release.

SOURCE Novelis Inc.