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Novelis Europe Raises Prices In Response To Escalating Energy And Commodity Costs

ZURICH, July 14, 2008 -- Novelis Europe announced today that it will raise conversion prices of all its aluminium flat-rolled products by up to 10 percent. The price increase will vary across the product range depending on the exposure to the rising costs of energy, alloys and various operating materials.

Novelis Europe is an operating segment of Novelis Inc. and is the leading supplier of high-quality aluminium sheet and coil to the European market.

The price increase responds to the dramatic rise in input costs of electricity, gas, oil and related materials, as well as alloying elements. The increase is effective for new orders with delivery after August 31, 2008, if not covered by an existing contractual agreement.

Arnaud de Weert, President of Novelis Europe said, "The steep increase in our energy and other material costs requires us to take this action as we need to mitigate the impact of rising costs on our business. We will be talking to our customers about the specific details for their markets."

At the same time Novelis Europe is trimming production capacity in certain areas to respond to weaker markets, particularly in the building and stockist sectors.

"We will continue to improve our production and energy efficiencies and aggressively pursue cost reduction initiatives across our manufacturing system to ensure our long term competitiveness," said de Weert.

Novelis Inc. is the global leader in aluminium rolled products and aluminium can recycling. The company operates in 11 countries, employs approximately 12,700 people and reported annual revenues of \$11.2 billion in its 2008 fiscal year. Novelis supplies premium aluminium sheet and foil products to automotive, transportation, packaging, construction, industrial and printing markets throughout North America, South America, Europe and Asia. Novelis is a subsidiary of Hindalco Industries Limited, Asia's largest integrated producer of aluminium and a leading copper producer. Hindalco is the flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information on Novelis, visit www.novelis.com.

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