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Novelis

Novelis Sees Increased Use of Aluminum Sheet in Automobiles

ATLANTA, May 7 /PRNewswire/ -- Novelis Inc., the world's leading producer of aluminum sheet for automobiles, has seen an increase of more than 20 percent in the number of automotive applications of its lightweight material compared to a year ago. About 90 models of cars and light trucks today use Novelis aluminum sheet for a variety of body panels or structural parts.

(Photo: <http://www.newscom.com/cgi-bin/prnh/20090507/CL13423>)

(Logo: <http://www.newscom.com/cgi-bin/prnh/20070809/NOVELISLOGO>)

"While sales of our auto sheet have been impacted by lower production volumes in the global auto industry, the decline is largely offset by continued growth in the number of different applications of our metal," said Erwin Mayr, president of Advanced Rolled Products for Novelis in Europe.

The most popular automotive application for aluminum sheet is the hood or bonnet, with more than 80 models currently using Novelis sheet to help reduce weight in the front end of the vehicles. Other applications include fenders, deck lids, doors, roofs, liftgates and structural components.

"Lightweight aluminum is emerging as an important part of the solution to improve fuel efficiency and reduce greenhouse gas emissions in vehicles," said Mayr. When the weight of the car is reduced, the engine uses less fuel and produces fewer emissions, and vehicle handling and performance are improved as well."

"Importantly, aluminum can do this without requiring a reduction in vehicle size," added Derek Prichett, vice president and general manager, Specialty Products, for Novelis in North America. "We can reduce a car's weight without reducing its footprint, thereby maintaining the front and rear crush zones in the vehicle that are so important to passenger safety. And aluminum sheet can be processed using existing assets and processes at the car manufacturing plant, which helps ensure the high quality standards and cost efficient production of modern cars."

Today more than two dozen of the world's most recognized automobile brands in Europe and North America use Novelis aluminum sheet. In addition, Novelis recently expanded its service into Asia and is supplying aluminum for the hoods of three Korean vehicles.

In March, the Aluminum Association released the results of a study that shows the use of automotive aluminum globally is at an all-time high, averaging 7.8 percent of the average worldwide light-vehicle curb weight in 2009. The study covered all forms of the metal -- rolled products, castings, extrusions and forgings. The study predicts that growth will continue at a rate of four-to-five pounds (2 kg) per vehicle, per year, and approach 300 pounds (136 kg)

per vehicle worldwide in 2020.

The study also indicates a growing penetration of aluminum in high-volume, mid-size vehicles, suggesting the lightweight metal is no longer used exclusively on luxury or high-performance models, but is moving into mainstream applications.

Novelis is the only aluminum manufacturer with the capability to produce high-quality exterior body sheet in both Europe and North America. The company recently expanded its automotive offering with the introduction of its proprietary Novelis Fusion(TM) multi-alloy aluminum sheet, which combines the best attributes of different alloys into one layered product. The new BMW 7 Series is currently using the material in volume production and several other automakers are preparing to introduce it on next-generation models.

About Novelis

Novelis Inc. is the global leader in aluminum rolled products and aluminum can recycling. The company operates in 11 countries, employs approximately 12,500 people and reported revenue of \$11.2 billion in its 2008 fiscal year. Novelis supplies premium aluminum 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, one of Asia's largest integrated producers of aluminum and a leading copper producer. Hindalco is a flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, please visit www.novelis.com.

Forward-Looking Statements

Statements made in this news release which describe Novelis' intentions, expectations or predictions may be forward-looking statements within the meaning of securities laws. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty. 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. Important risk factors which could impact our outlook on the automobile industry are included under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended March 31, 2008, as amended as well as our Quarterly Report on Form 10-Q for the period ended December 31, 2008, both of which were filed with the United States Securities and Exchange Commission, and are specifically incorporated by reference into this news release.

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