

December 17, 2013

Novelis

Novelis Announces \$205 Million Investment to Further Expand Global Automotive Aluminum Capacity to 900,000 Tons Annually

New Production Lines in North America and Europe Cement Leadership in Automotive Market

ATLANTA, OSWEGO, N.Y. and NACHTERSTEDT, Germany, Dec. 17, 2013 /PRNewswire/ -- Novelis, the world leader in aluminum rolling and recycling, today announced it will invest an additional \$205 million to further expand its global manufacturing operations serving the rapidly growing automotive market. The company will build new finishing lines at its plants in Oswego, N.Y. and Nachterstedt, Germany, dedicated to the production of aluminum automotive sheet.

(Photo: <https://photos.prnewswire.com/prnh/20131217/CL34467>)

The two new lines will each have a capacity of 120,000 metric tons per year. The latest expansions are in response to the escalating global demand from automakers for aluminum sheet, which the company expects to grow by more than 30 percent per year through the end of the decade. When the new lines are commissioned in late 2015, Novelis' global automotive sheet capacity will reach approximately 900,000 tons per year, a three-fold increase from just a year ago.

Novelis is the world's leading provider of aluminum automotive sheet, which auto manufacturers are turning to at a dramatically increasing rate for structural components and exterior body panels. Novelis aluminum can be found in more than 180 different vehicle models produced by leading automakers around the globe. Aluminum is becoming the sustainable choice for the latest generation of vehicles because of its low weight and recyclability enabling reduced life cycle emissions.

"With the addition of these two new lines, we have invested nearly \$550 million to expand Novelis' global automotive capacity in the last two years alone," said Phil Martens, Novelis President and Chief Executive Officer. "This commitment -- backed by our history of automotive technology innovation, volume production experience and unmatched global footprint -- strengthens our recognized leadership position as the partner of choice for world-class automotive manufacturers."

The company is investing around the world to boost its automotive finishing capabilities. In addition to the two new lines announced today, the company recently commissioned two new finishing lines at its Oswego, N.Y. plant. In addition, a new plant is under construction in Changzhou, China, which is expected to commence production in mid-2014. The

company also recently certified automotive production at its Gottingen, Germany, plant that complements the company's existing automotive facilities in Kingston, Ontario, Canada; Sierre, Switzerland and Nachterstedt, Germany.

Both expansions will further the ongoing development of the company's automotive closed-loop business model. Today, as much as 50 percent of automotive sheet sold to automakers is left over after a manufacturing plant stamps out automotive parts. The company is working closely with its customers to return this material directly back to Novelis for recycling, streamlining the materials supply chain while reducing the total carbon footprint of the entire automotive production cycle.

Oswego, New York, Investment At-A-Glance:

The company will invest approximately \$120 million to install a third aluminum automotive sheet finishing line at its Oswego, N.Y. plant. In addition, the company will expand its recycling operations for automotive scrap, while also making other system and facility upgrades. This new investment will result in 90 new jobs at the plant and will increase the company's North American automotive sheet capacity to more than 400,000 metric tons in just two years. When complete, the Oswego facility will devote 80 percent of its total capacity to serving the automotive market.

In addition to incentives from the State of New York and Empire State Development, the County of Oswego Industrial Development Agency is providing additional support for this investment.

Nachterstedt, Germany, Investment At-A-Glance:

The company will invest approximately \$85 million to install one new aluminum automotive sheet finishing line at its Nachterstedt, Germany facility. This expansion will create up to 120 new jobs at the plant and increase the company's aluminum automotive sheet capacity in Europe to almost 350,000 metric tons. The expansion will also enhance the developing automotive closed-loop model between the company's recycling operations in Latchford, UK, and what will be the world's largest aluminum recycling center, a \$250 million project at Nachterstedt expected to be commissioned in late 2014.

The Federal State of Saxony-Anhalt, Germany is providing support for this investment.

Fact sheets on Novelis, the company's work in automotive, photos and video can be found in the novelis.com media center. Additional images are available upon request.

About Novelis

Novelis Inc. is the global leader in aluminum rolled products and the world's largest recycler of aluminum. The company operates in nine countries, has approximately 11,000 employees and reported revenue of \$9.8 billion for its 2013 fiscal year. Novelis supplies premium aluminum sheet and foil products to automotive, transportation, packaging, construction, industrial and consumer electronics markets throughout North America, Europe, Asia and South America. The company is part of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India. For more information, visit www.novelis.com and follow us on Twitter at twitter.com/Novelis.

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