

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
From: Market Watch
Date: April 20, 2007
Subject: Novelis, Inc. (NVL) Pending Merger With Hindalco Industries Limited

On Thursday, May 10, 2007, the shareholders of Novelis, Inc. (NVL) will vote to approve the proposed merger with Hindalco Industries Limited. Pursuant to the merger terms each NVL share will be converted into the right to receive \$44.93 cash. **The merger is anticipated to become effective on or about May 15, 2007.**

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding NVL options will be adjusted as follows:

EFFECTIVE DATE: Option changes are expected to become effective on a date to be announced
NEW DELIVERABLE: \$4,493.00 cash per contract (\$44.93 x 100)

Existing open interest in all NVL options will remain until options are exercised or expire. Since they are American style options, they are exercisable at the option of the holder.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.