

NOVA Chemicals

A Plastics and Chemical Company

Second Quarter 2008 Earnings Conference Call

July 24, 2008
11:30 AM

Forward-Looking Information

This material and the comments made by our management contain forward-looking information with respect to NOVA Chemicals Corporation alone or together with its subsidiaries and affiliates. By its nature, forward-looking information requires us to make assumptions and is subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions and projections that constitute forward-looking information will not prove to be accurate, that our assumptions may not be correct and that actual results may differ materially from such forward-looking information. Forward-looking information for the time periods beyond 2008 involve longer-term assumptions and estimates than forward-looking information for 2008 and are consequently subject to greater uncertainty. We caution you not to place undue reliance on our forward-looking information as a number of factors could cause actual results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking information. The words “believe,” “expect,” “plan,” “intend,” “estimate,” or “anticipate” and similar expressions, as well as future or conditional verbs such as “will,” “should,” “would,” and “could” often identify forward-looking information. Specific forward-looking information contained in this material include, among others, statements regarding: our belief that we will improve EBITDA significantly and continue our strong EBITDA performance; our belief that our stock is currently a bargain regardless of any economic or industry cycle scenario and the equity markets will soon catch up; our beliefs about our Olefins/Polyolefins business, including our expectation that 2008 and beyond will be very strong, our beliefs about polyethylene (PE) price increases, our expectation that we will continue to export significant volumes of PE, our belief that our Alberta Advantage will remain in a new higher range, our belief that naphtha prices will stay high versus light feeds and naphtha producers will set the floor for PE pricing for the foreseeable future, our expectation that N.A. PE based on light feed will be globally cost-advantaged for many years, our belief that our Alberta business will remain very strong under any set of circumstances for the long term, our view of global PE operating rates, our expectation that global PE demand will remain strong regardless of the world’s economic growth rate, our view that we will continue to be one of the lowest cost producers even after new Middle East capacity comes on line, and our belief that ethylene and PE projects will continue to be delayed; our beliefs concerning our styrenics businesses, including our expectation that polystyrene will remain less expensive than polypropylene and more applications will switch to polystyrene, and our expectations about our proposed joint venture with Reliance, including the timing of start-up and that the joint venture will provide significant revenue and EBITDA in 2009; our beliefs regarding reducing working capital tied up in our Corunna feedstock inventory; our expectation that we will extend our \$126 million preferred shares; and our plans to reduce debt. With respect to these forward-looking statements, we have made assumptions regarding, among other things: future oil, natural gas, natural gas liquids and benzene prices; our ability to obtain raw materials; our ability to market products successfully to our anticipated customers; the impact of increasing competition; and our ability to obtain financing on acceptable terms. Some of our assumptions are based upon internal estimates and analyses of current market conditions and trends, management plans and strategies, economic conditions and other factors and are necessarily subject to risks and uncertainties inherent in projecting future conditions and results. Some of the risks that could affect our future results and could cause results to differ materially from those expressed in our forward-looking statements include: commodity chemicals price levels (which depend, among other things, on supply and demand for these products, capacity utilization and substitution rates between these products and competing products); feedstock availability and prices; operating costs; terms and availability of financing; technology developments; currency exchange rate fluctuations; starting up and operating facilities using new technology; realizing synergy and cost savings targets; our ability to implement our business strategies; meeting time and budget targets for significant capital investments; avoiding unplanned facility shutdowns; safety, health, and environmental risks associated with the operation of chemical plants and marketing of chemical products, including transportation of these products; public perception of chemicals and chemical end-use products; the impact of competition; changes in customer demand, including customer acceptance of our Performance Polymers; changes in, or the introduction of new laws and regulations relating to our business, including environmental, competition and employment laws; loss of the services of any of our executive officers; uncertainties associated with the North American, South American, European, and Asian economies; terrorists attacks; severe weather events; and other risks detailed from time to time in our publicly filed disclosure documents and securities commission reports. Our forward-looking information is expressly qualified in its entirety by this cautionary statement. In addition, the forward-looking information is made only as of the date of this material, and except as required by applicable law, we undertake no obligation to update publicly this forward-looking information to reflect new information, subsequent events or otherwise.

EBITDA from Businesses Over \$1B - Last Four Quarters

EBITDA from Businesses, \$M

Last 4 Quarters: \$1.1B

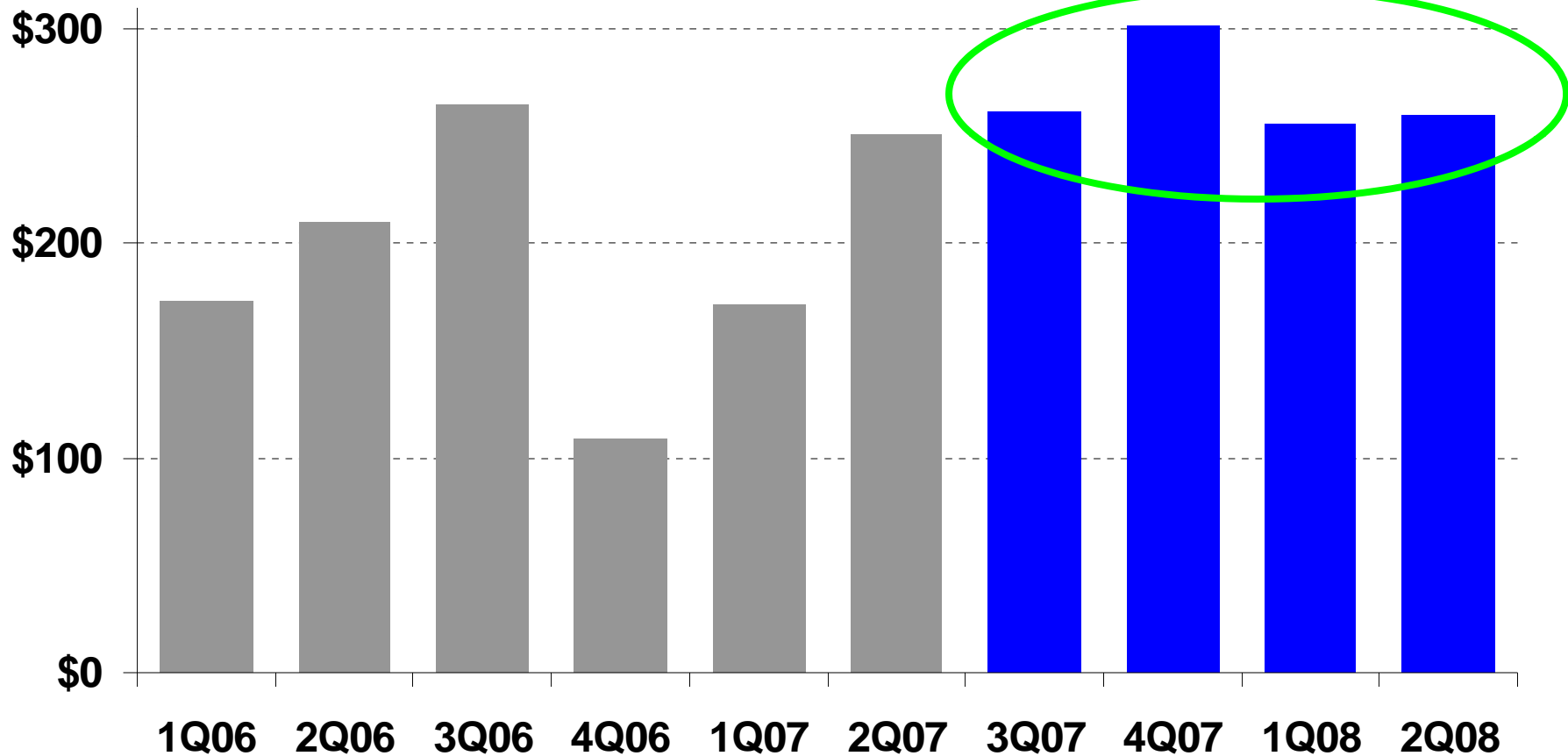


Chart shows adjusted EBITDA from Olefins/Polyolefins, Performance Styrenics, and INEOS NOVA JV.

PANEL 1

NOVA Chemicals

EBITDA Growth vs Share Performance

% Change since Dec. 31, 2006

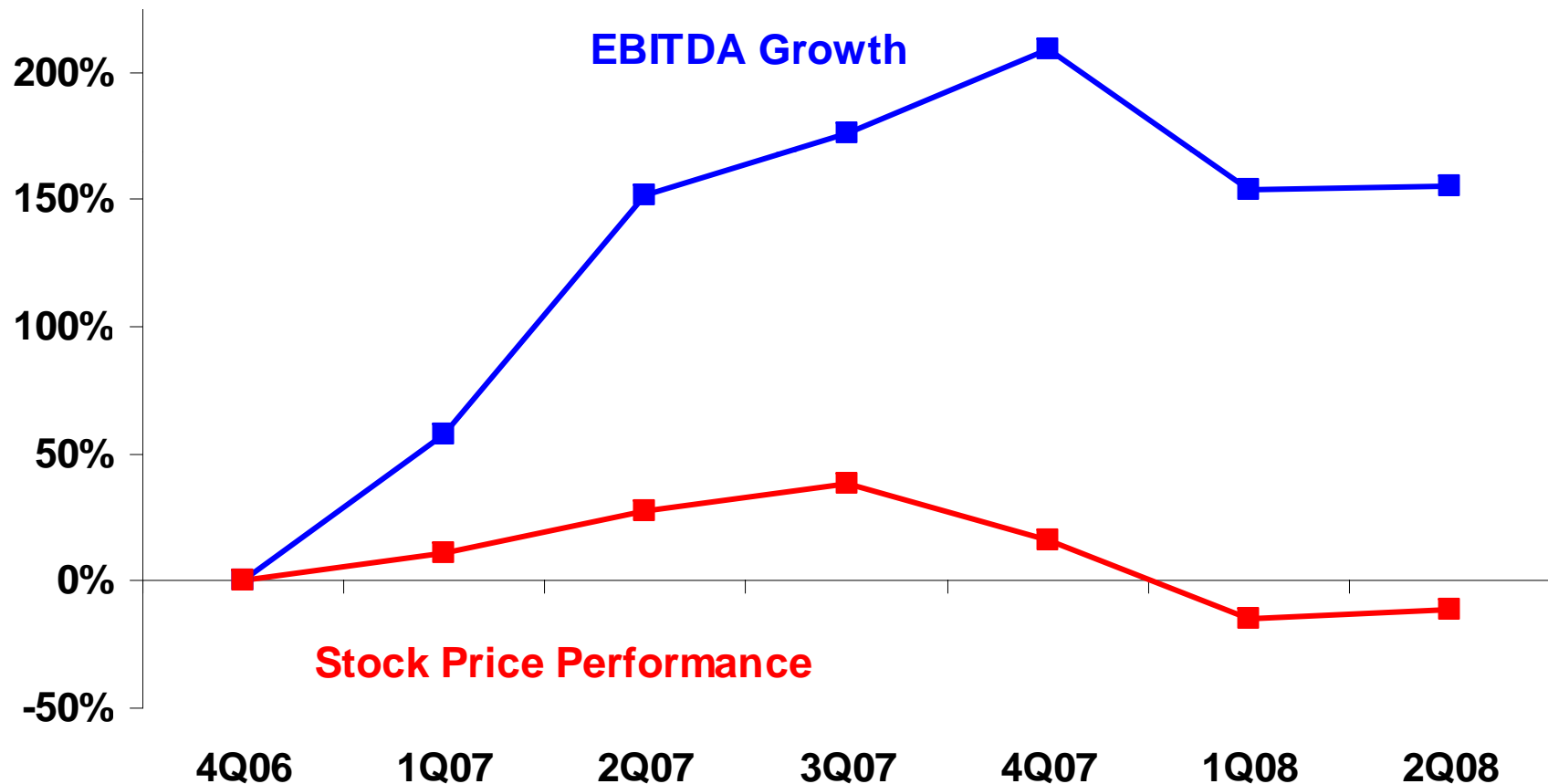


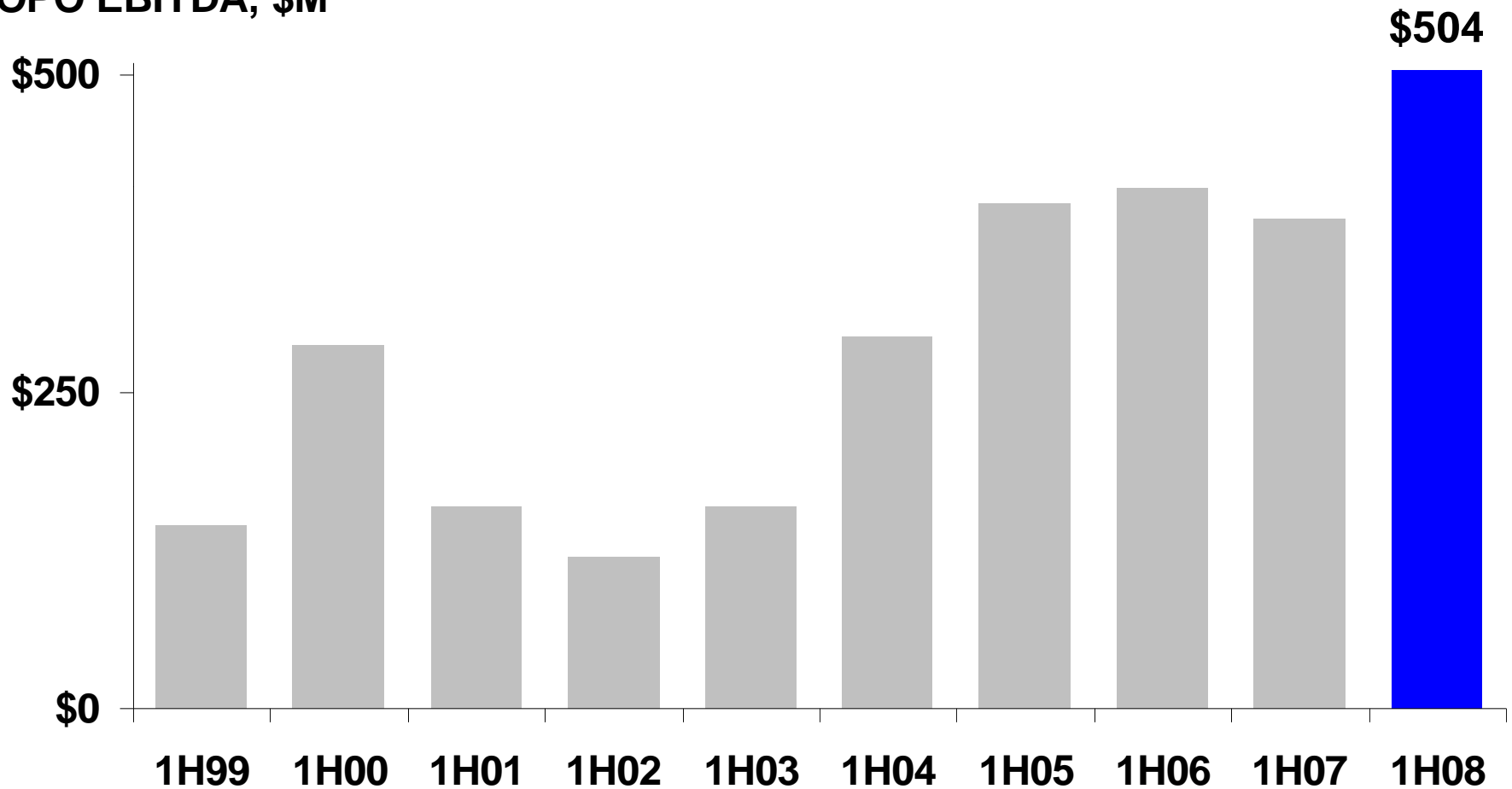
Chart shows adjusted EBITDA from the businesses less ongoing corporate operating and profit sharing costs. Data through June 30, 2008.

PANEL 2

Olefins/Polyolefins 1H'08 EBITDA

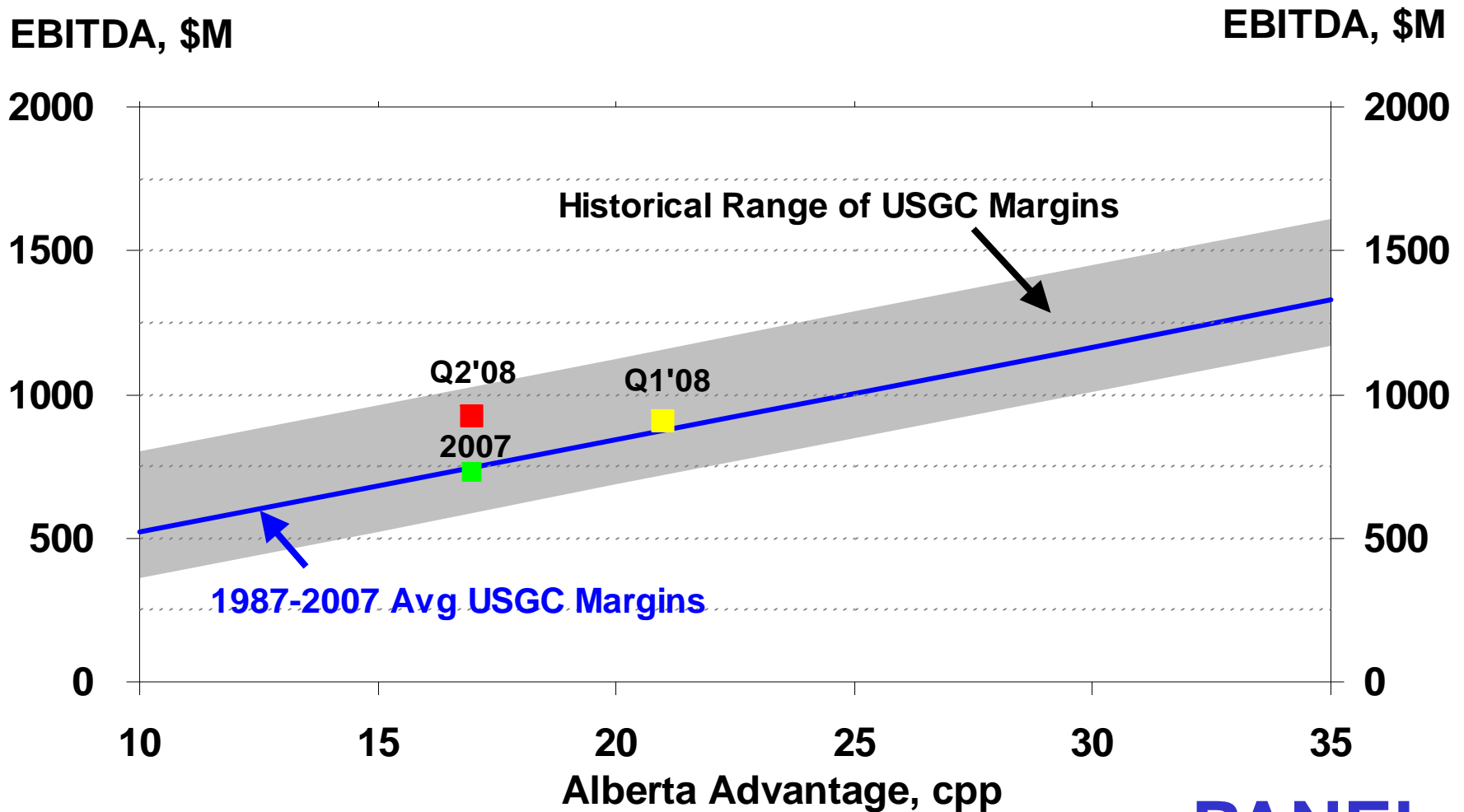
Best 1H in history

OPO EBITDA, \$M



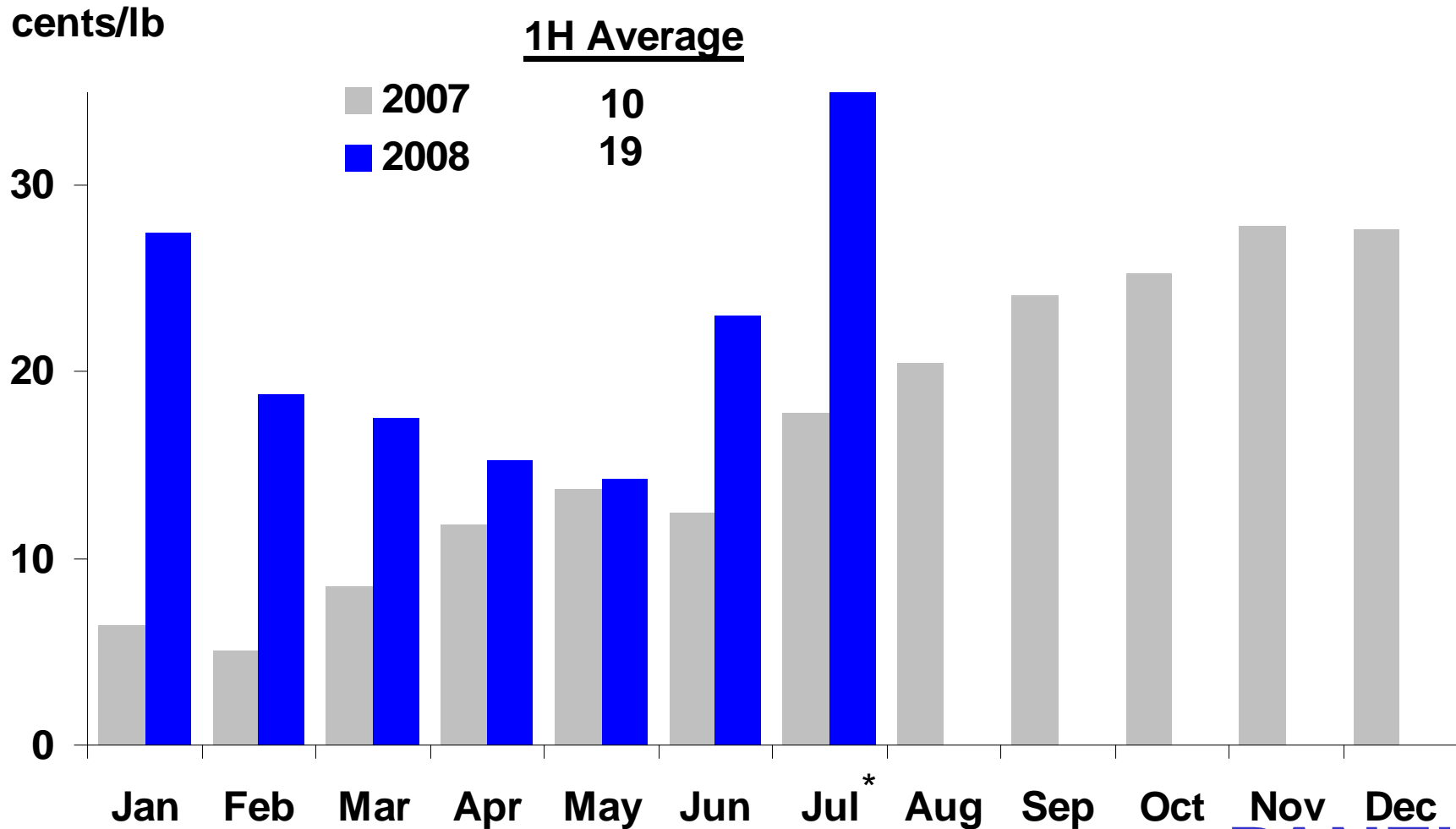
Alberta E/PE EBITDA

Alberta Advantage plus Industry Margins



Alberta Advantage

2008 Year-to-Date Ahead of 2007



NGX

July 2008 Alberta Advantage is month to date average through July 22.

PANEL 5

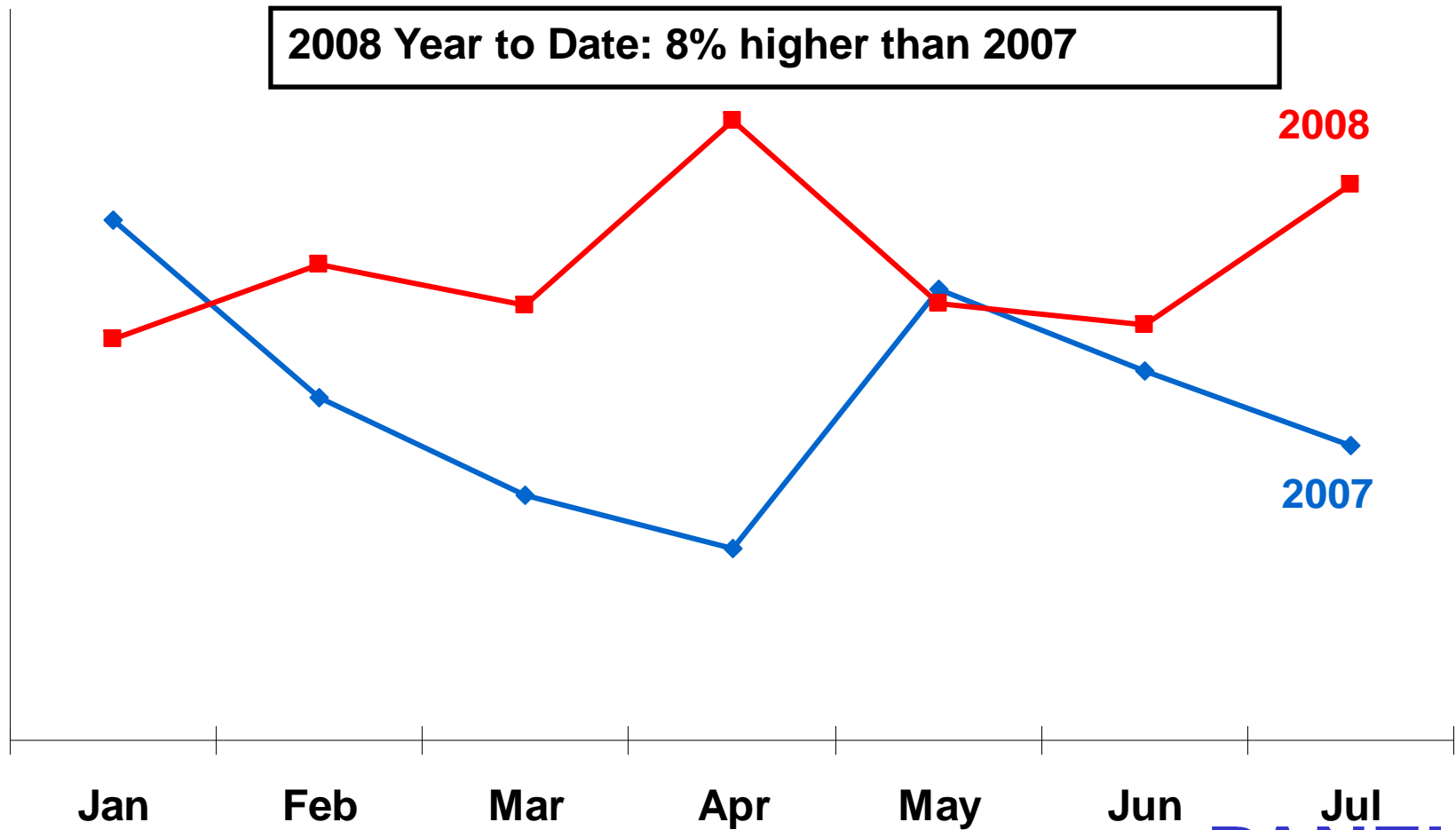
Polyethylene Price Increases

North America

	<u>Price Increase</u>	<u>Status</u>
#1	+ 6 ¢/lb April/May	Implemented
#2	+ 5 ¢/lb June	Implemented
#3	+ 7 ¢/lb July 1	Implementing
#4	+ 8 ¢/lb August 1 plus fuel surcharge	Announced

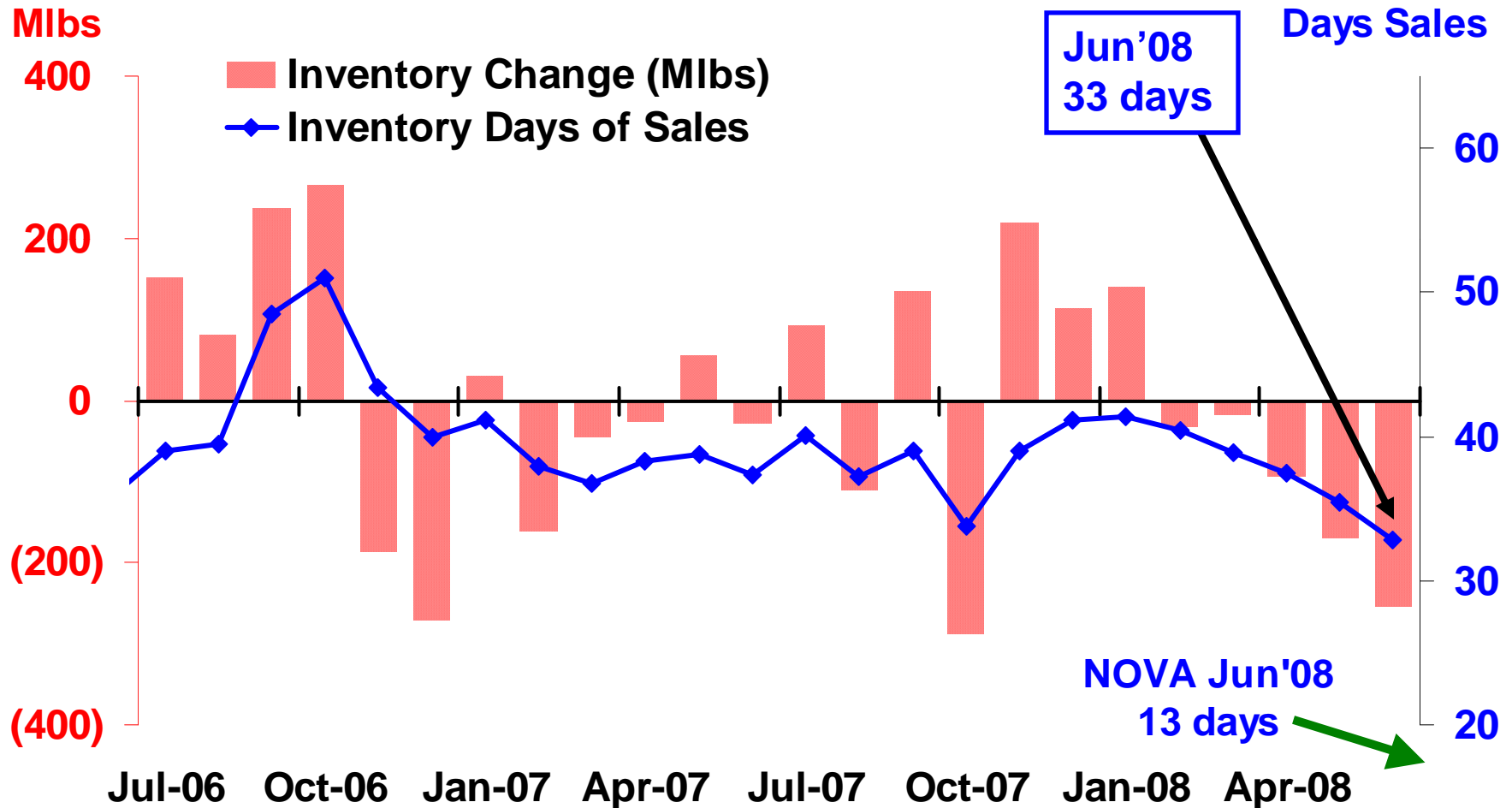
NOVA Chemicals PE Customers Domestic Consumption Growth

Hopper Cars/day



North American PE Producer Inventory

Record Low Inventory in June 2008



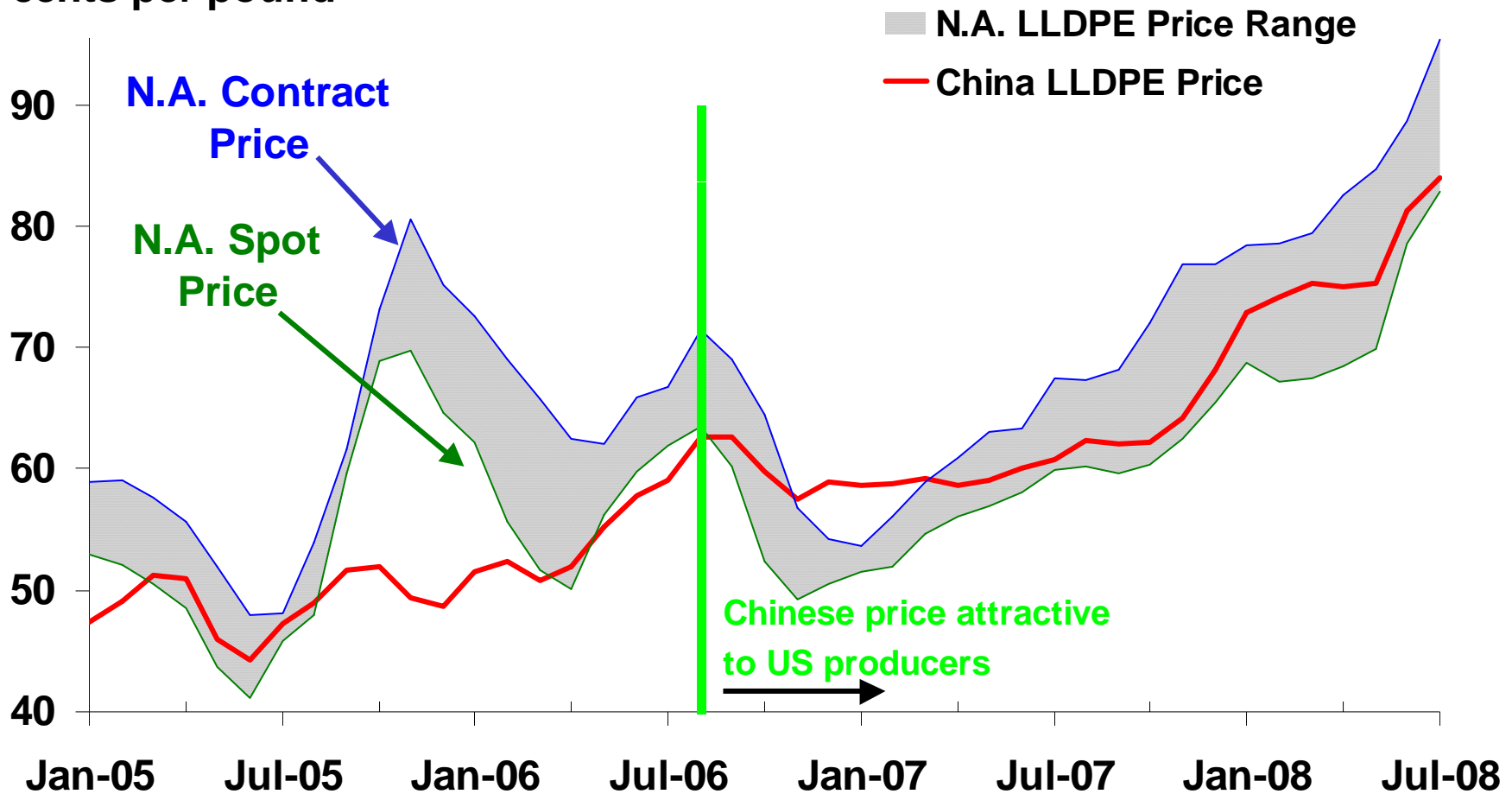
Source: ACC U.S. producer inventory, adjusted by NOVA Chemicals to represent N. A. producers. Data through June 2008.

PANEL 8

Regional Polyethylene Prices

Asia vs. North America

cents per pound

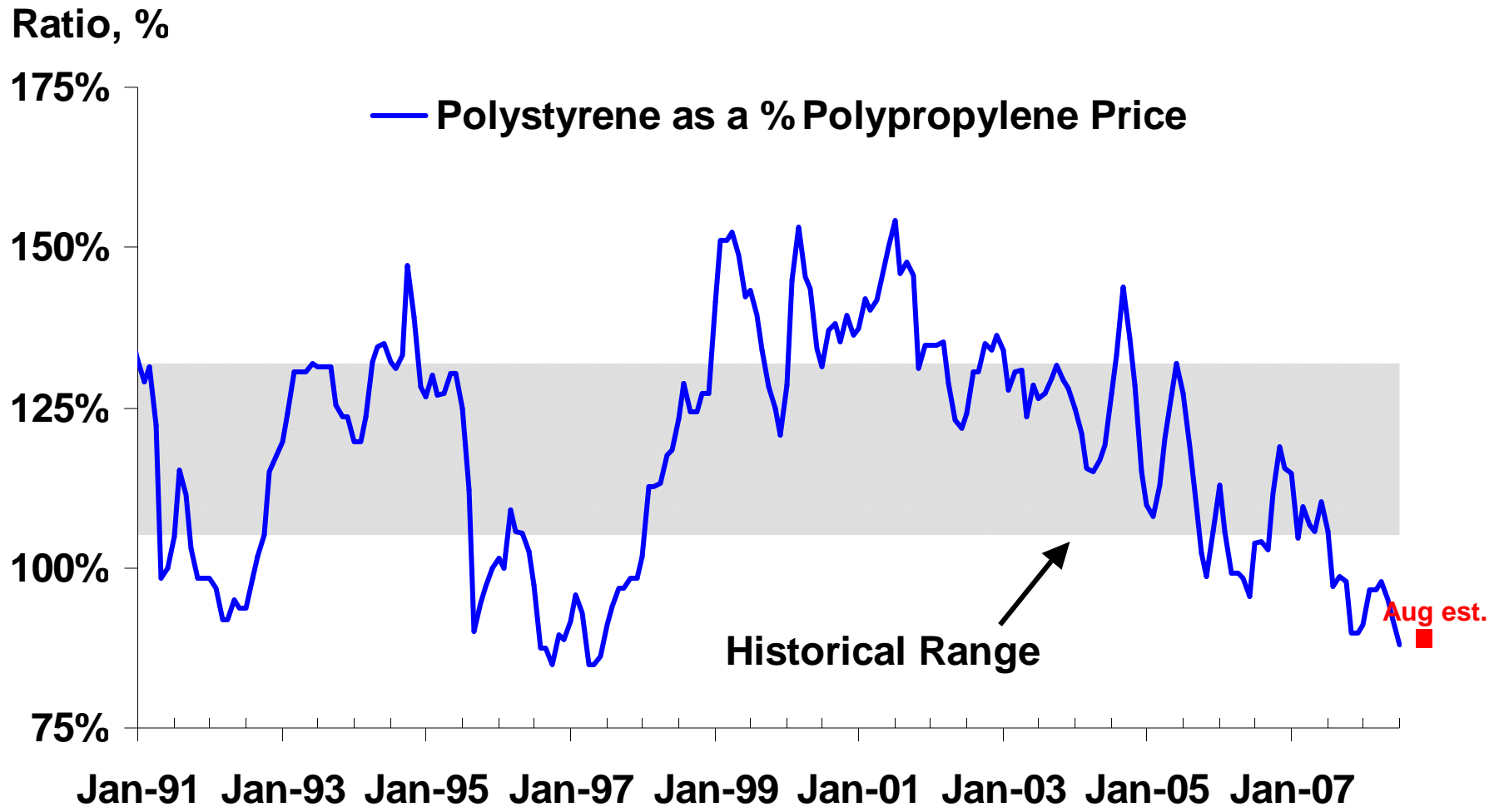


Source: Platt's for N.A. Spot and Far East Asia prices. Townsend Polymer Services Information for N.A. contract price. Data through July 22, 2008.

PANEL 9

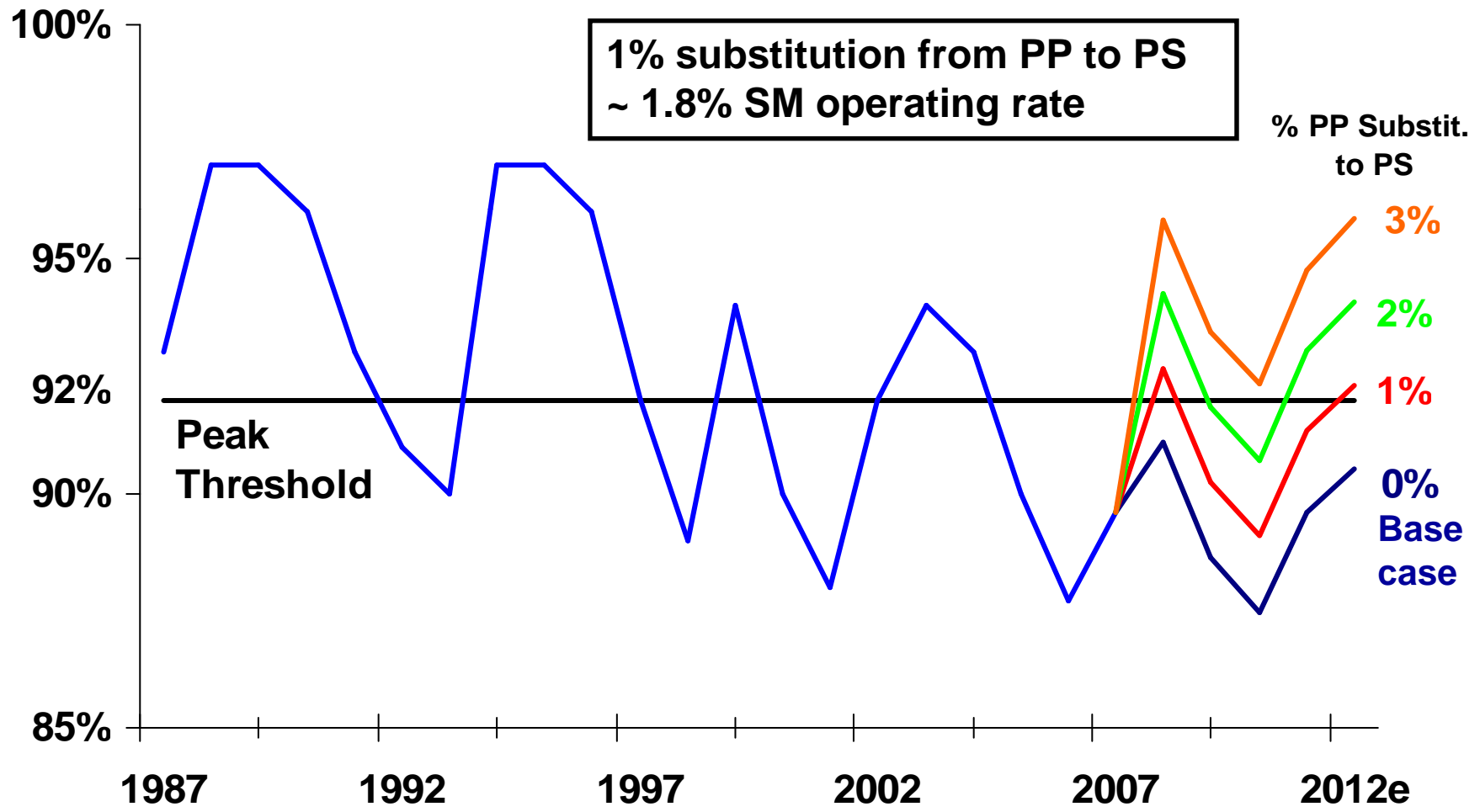
Polymer Substitution

Polystyrene as a % of Polypropylene



Global Styrene Operating Rates

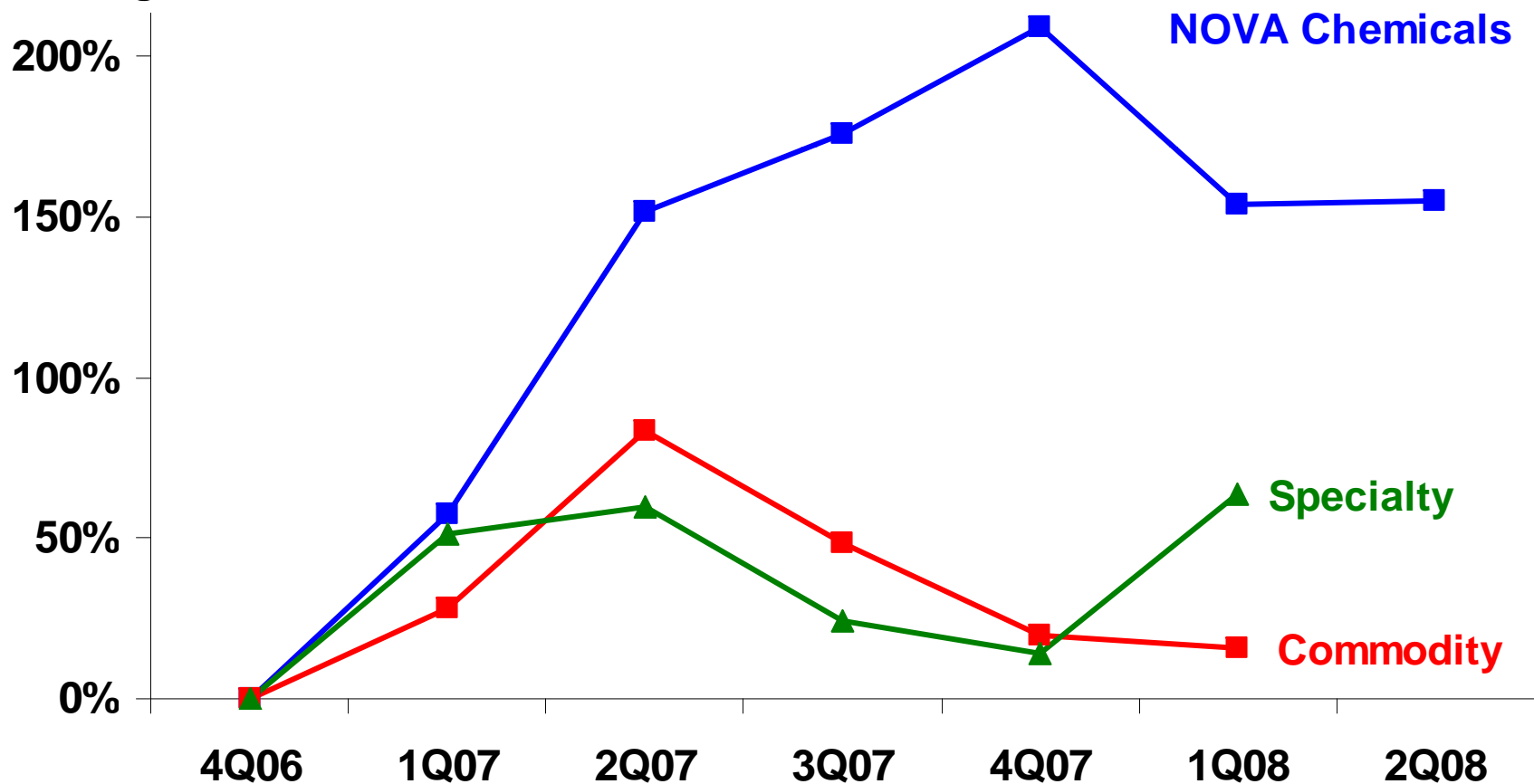
Impact of PP Substitution to PS



NOVA Chemicals' EBITDA Growth vs Specialty and Commodity Peers

EBITDA Growth

% Change since Dec. 31, 2006



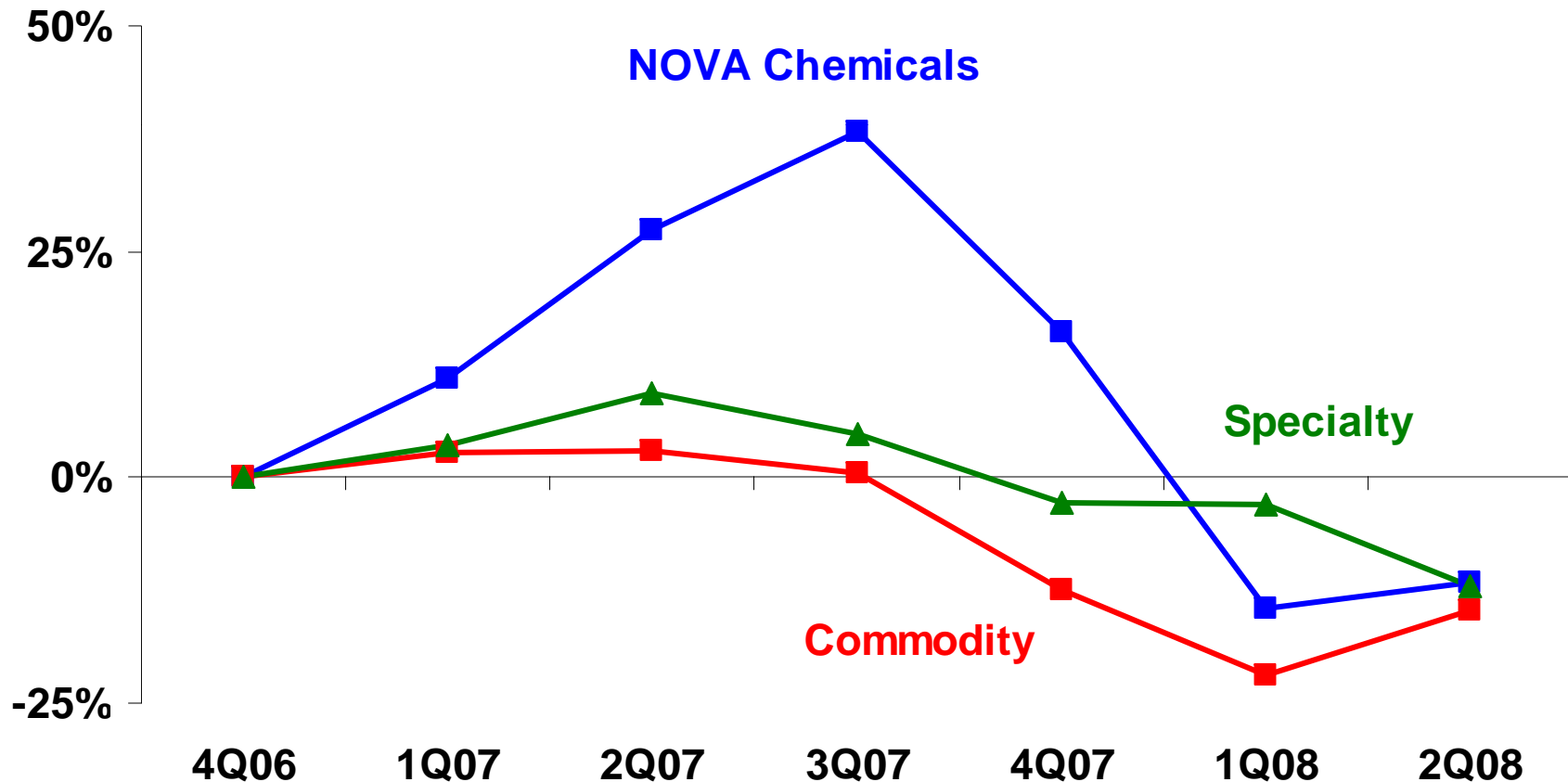
Source: Thomson Financial, Company Reports, NOVA Chemicals. Commodity group: DOW, EMN, WLK. Specialty group: DD, ROH, and PPG. Data through June 30, 2008.

PANEL 12

NOVA Chemicals' Stock Performance vs Specialty and Commodity Peers

Stock Performance

% Change since Dec. 31, 2006

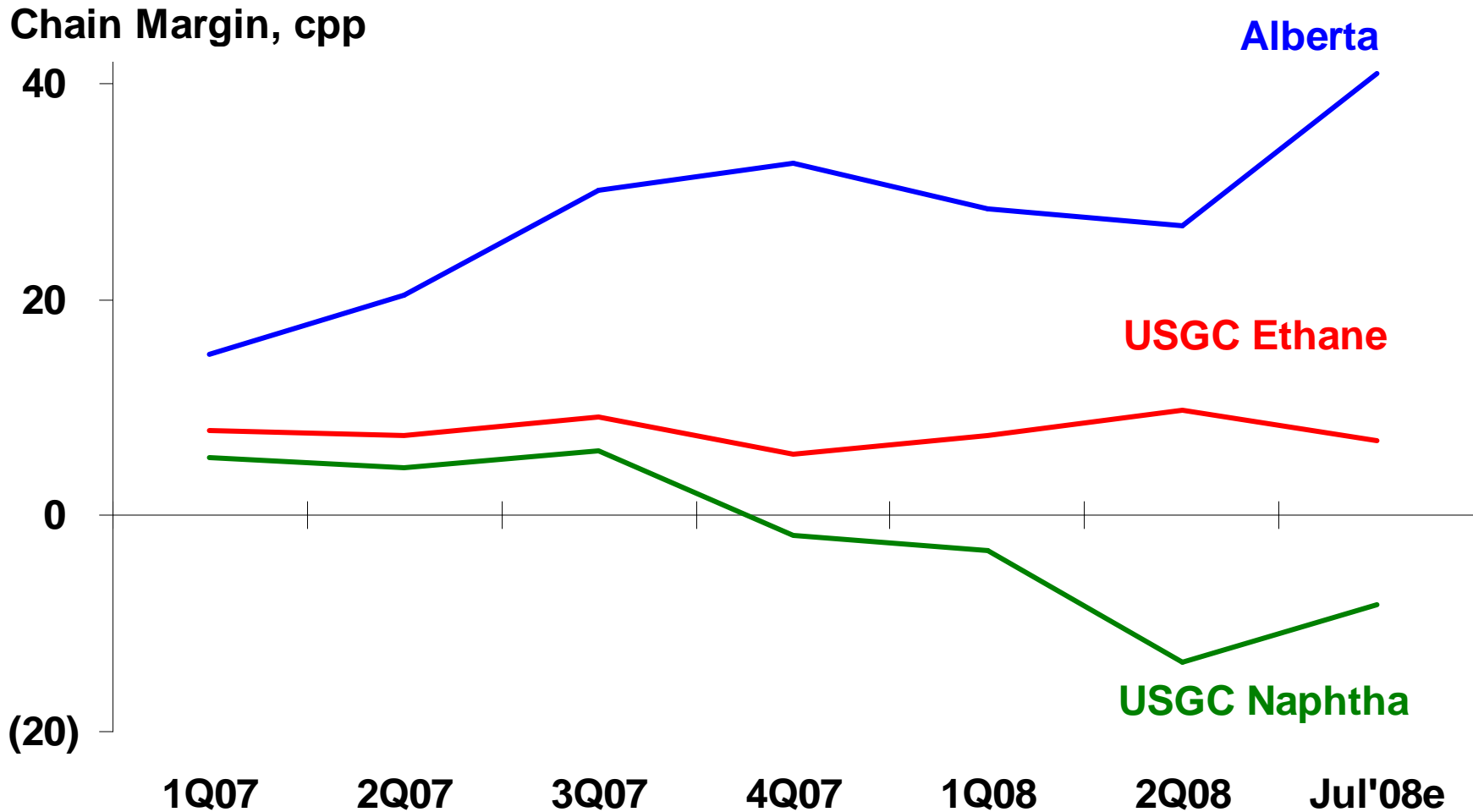


Source: Thomson Financial, Company Reports, NOVA Chemicals. Commodity group consists of DOW, EMN, WLK. Specialty group consists of: DD, ROH, and PPG.

PANEL 13

Alberta E/PE Chain Margins

Strong, Widening Advantage vs USGC



Source: CMAI, NOVA Chemicals. July 2008 estimate based on data through July 22.

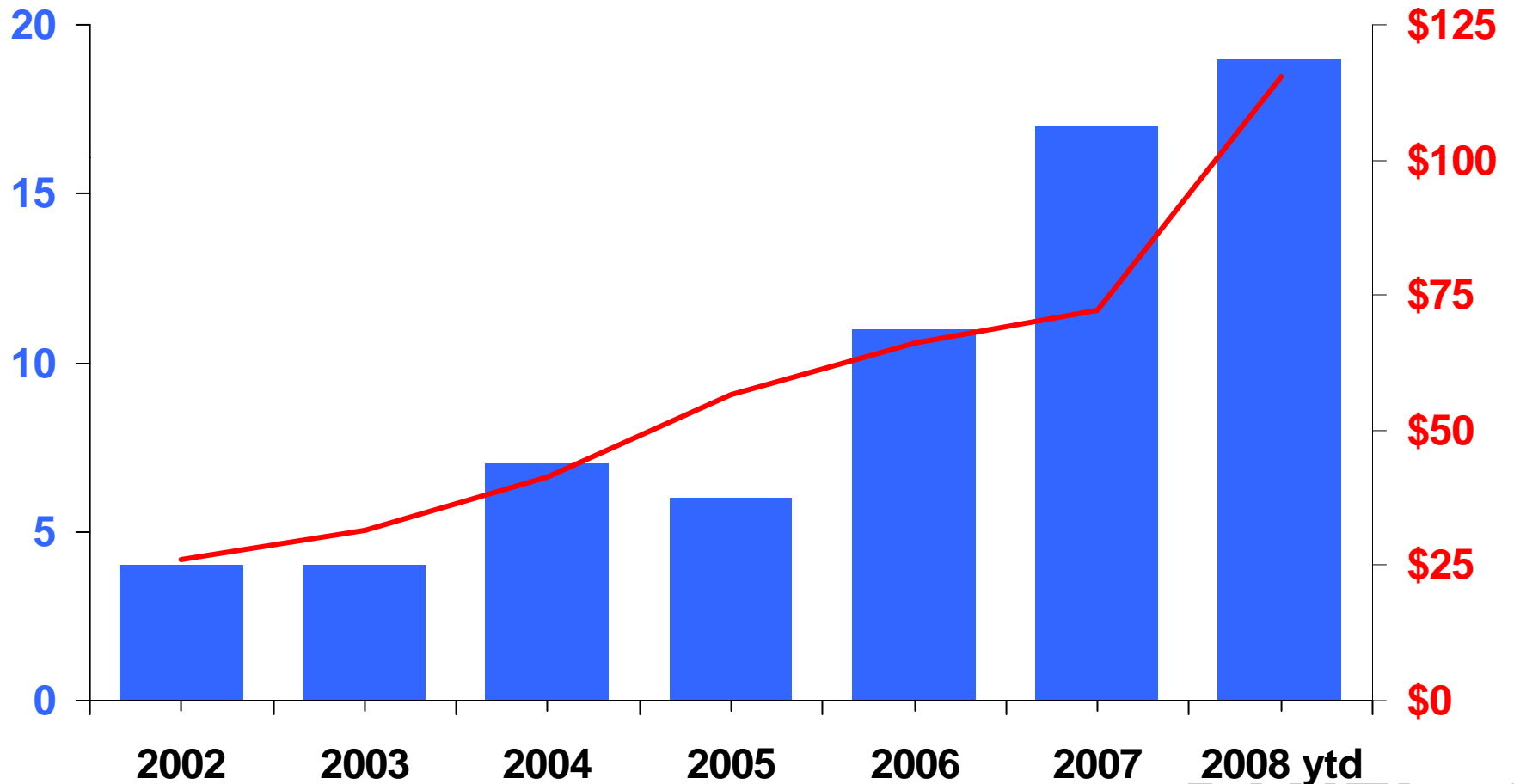
PANEL 14

Alberta Advantage

Continued Feedstock Advantage Growth

Alberta Advantage, cents/lb

WTI Crude Oil, \$/bbl

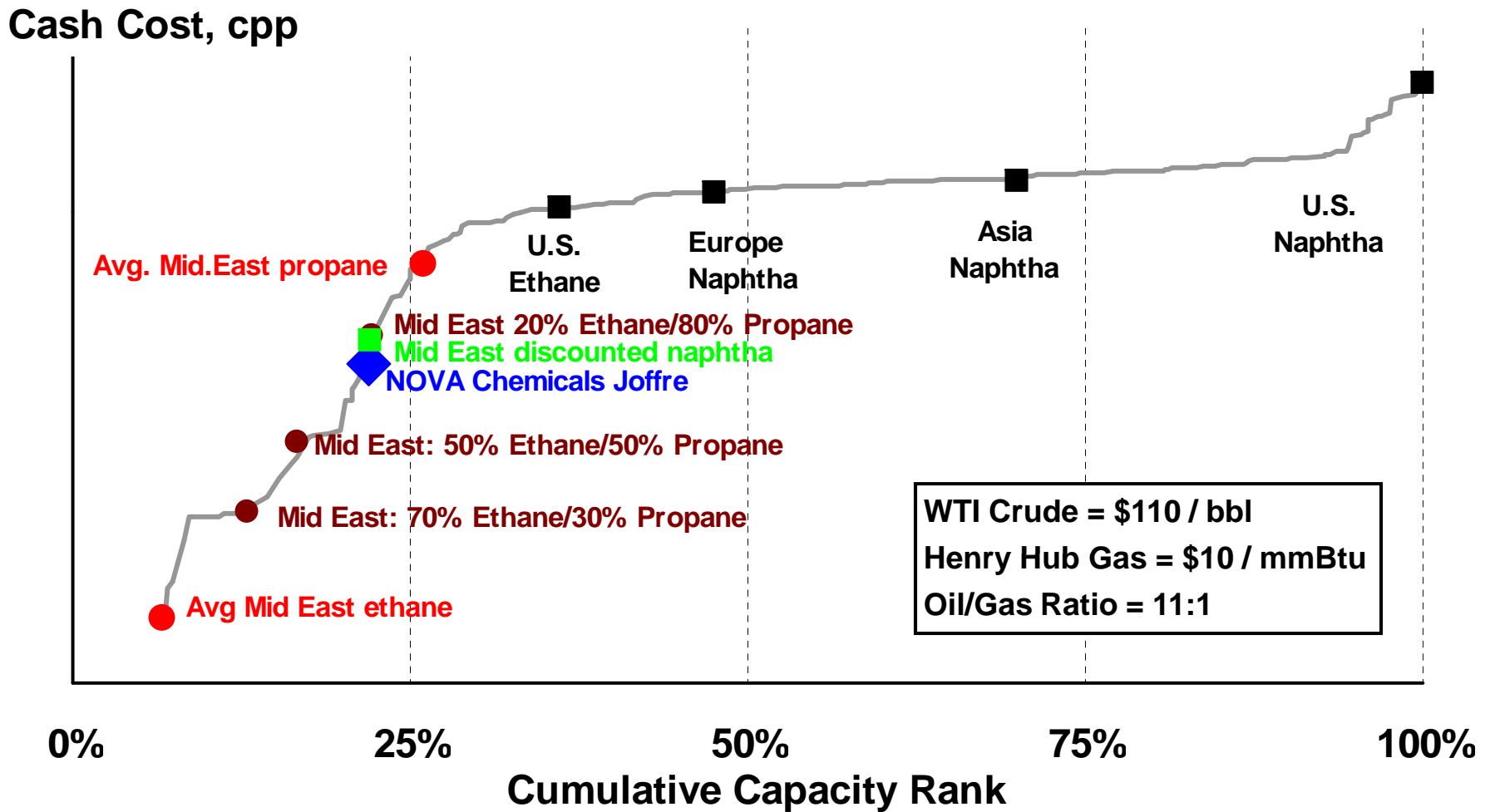


2008 year-to-date Alberta Advantage through June 30, 2008.

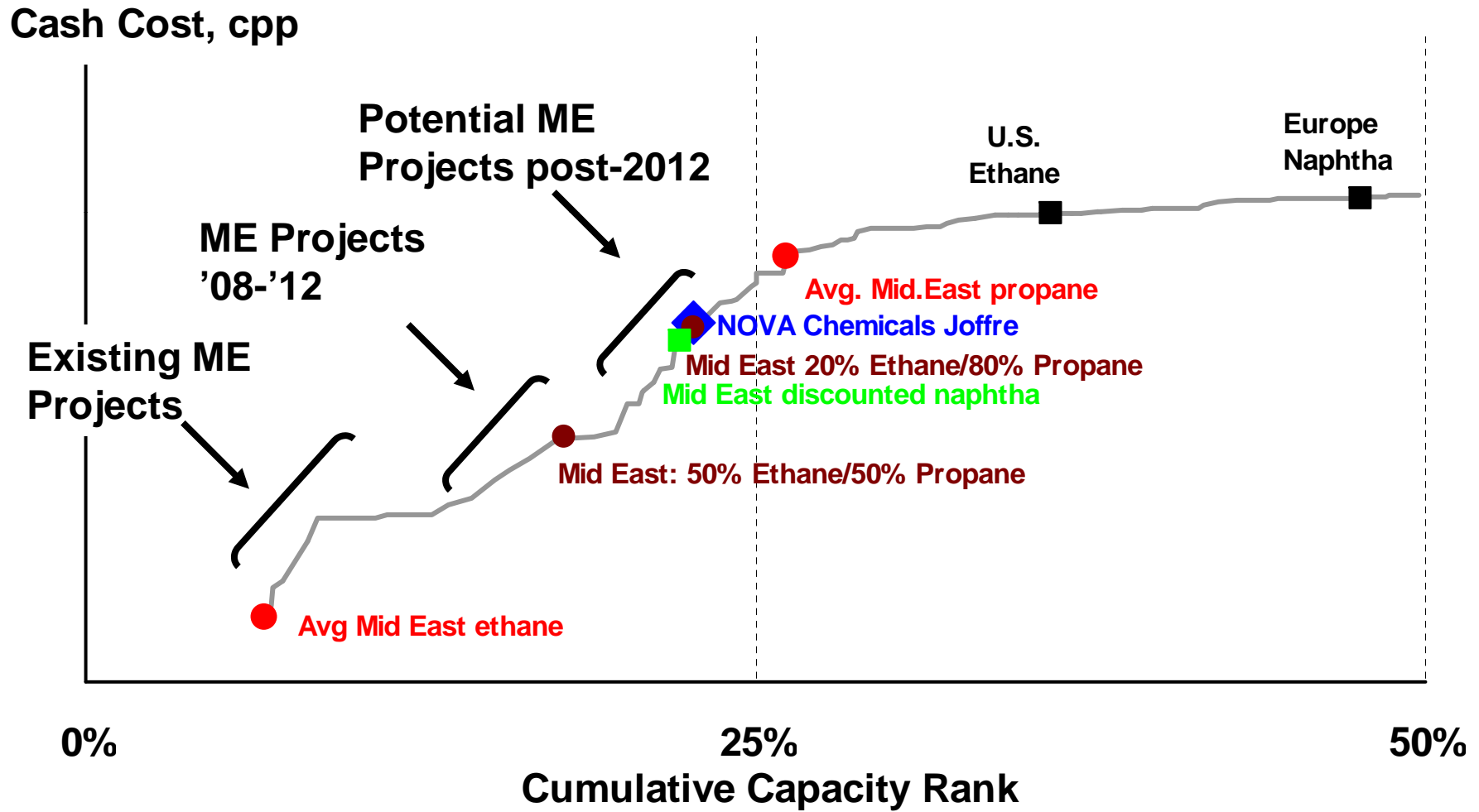
PANEL 15

Regional Ethylene Cash Costs – 2008

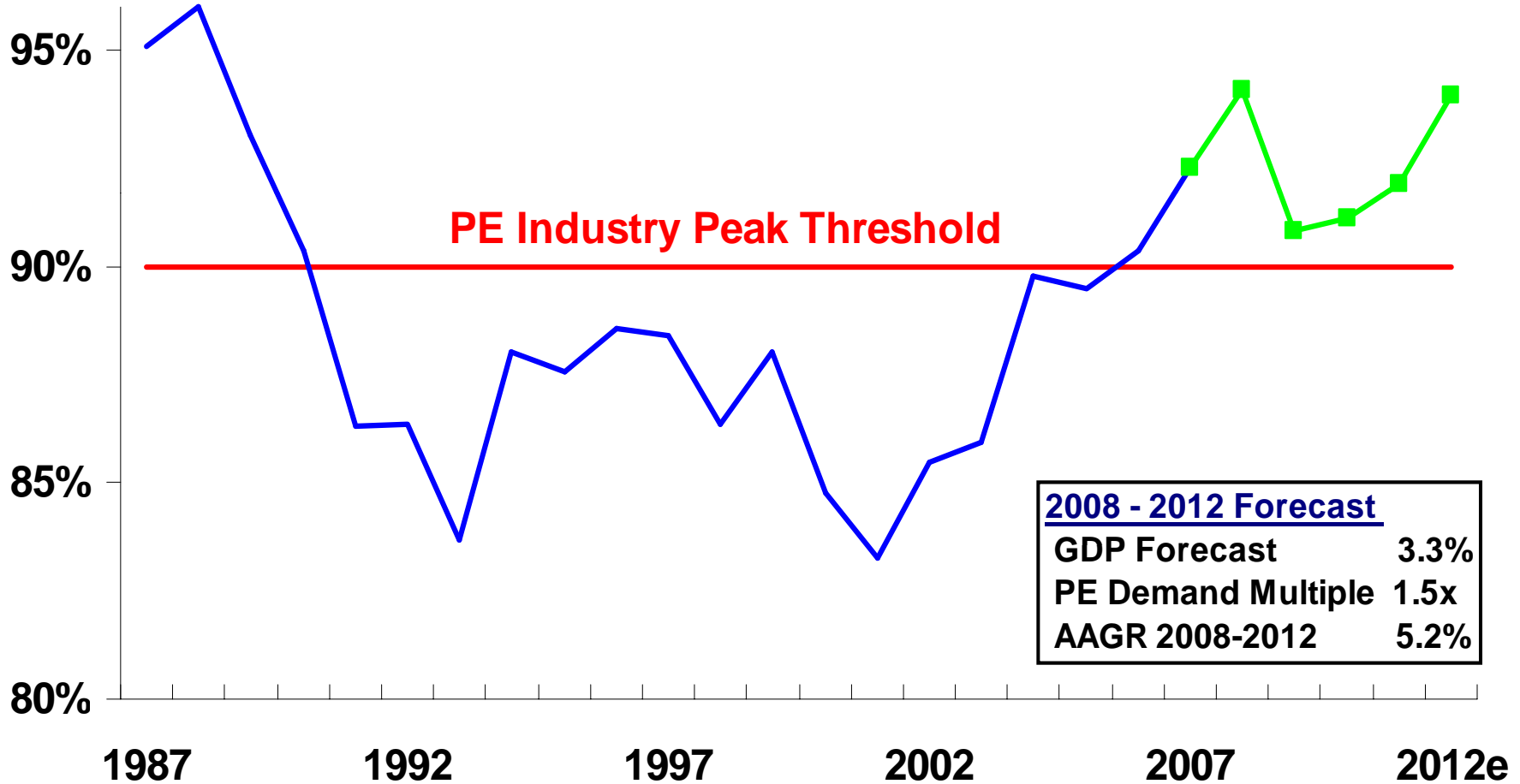
Joffre – Global Cost Advantage



Regional Ethylene Cash Costs



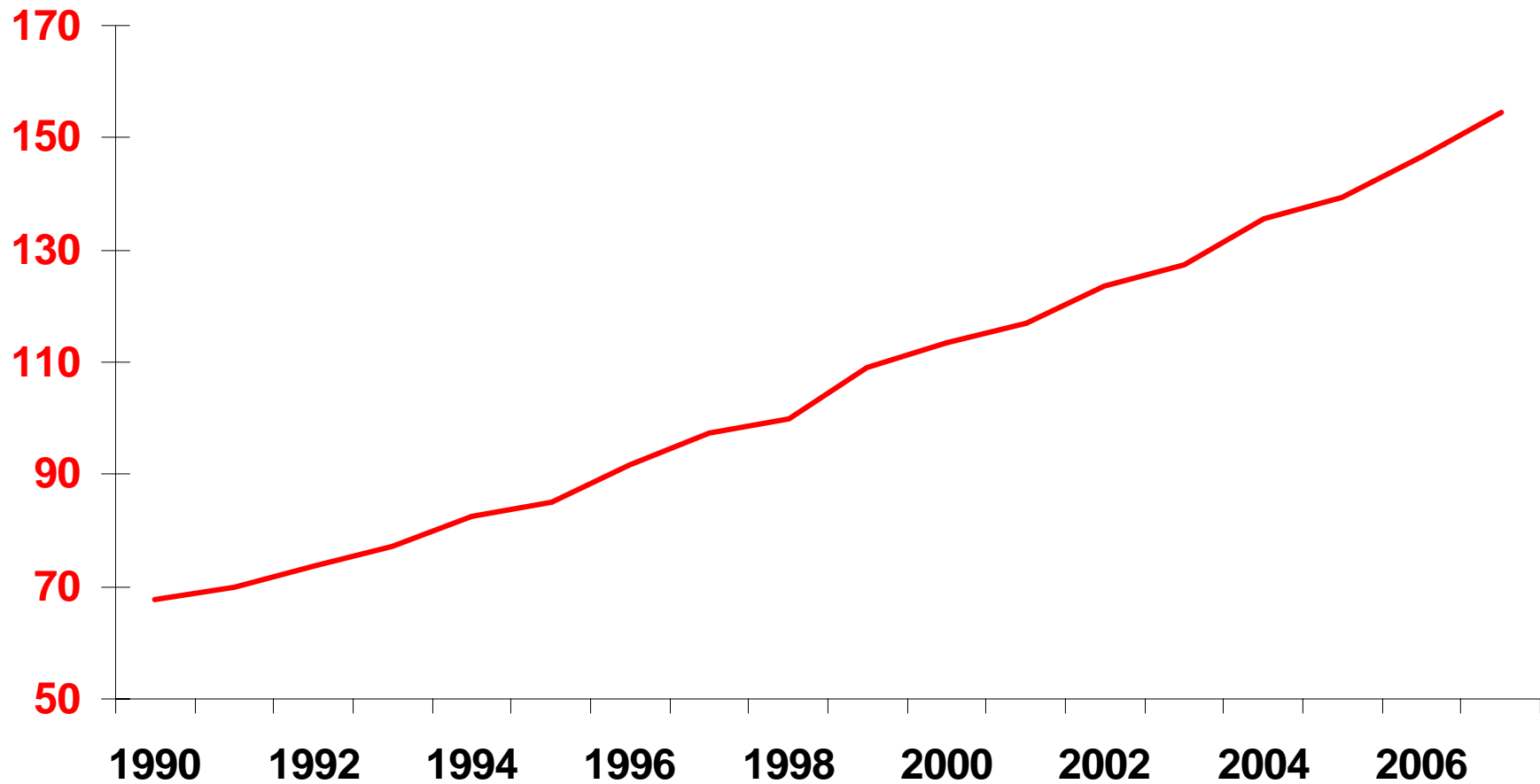
Global PE Operating Rates



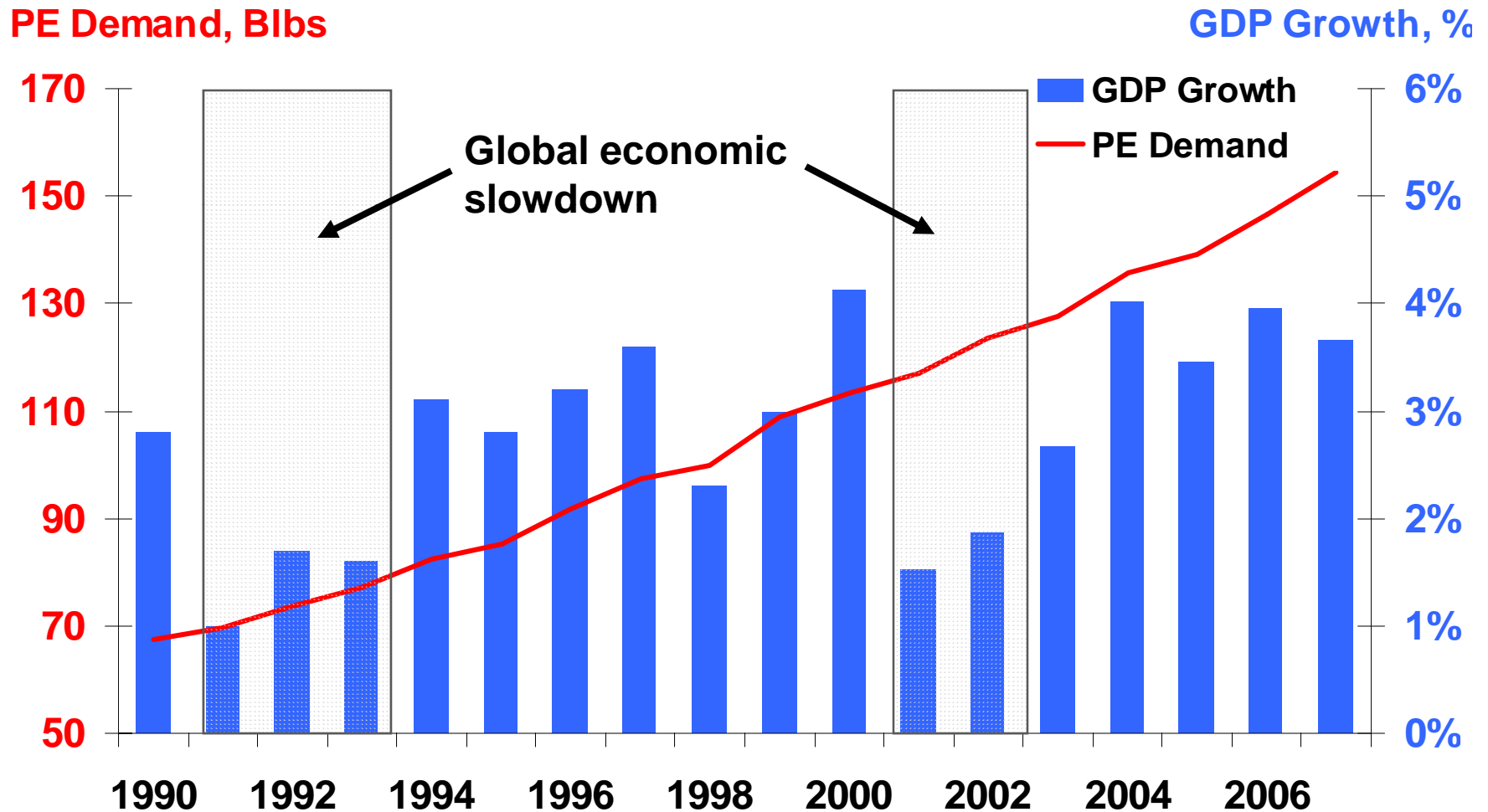
Global PE Demand

Steady, Strong Growth

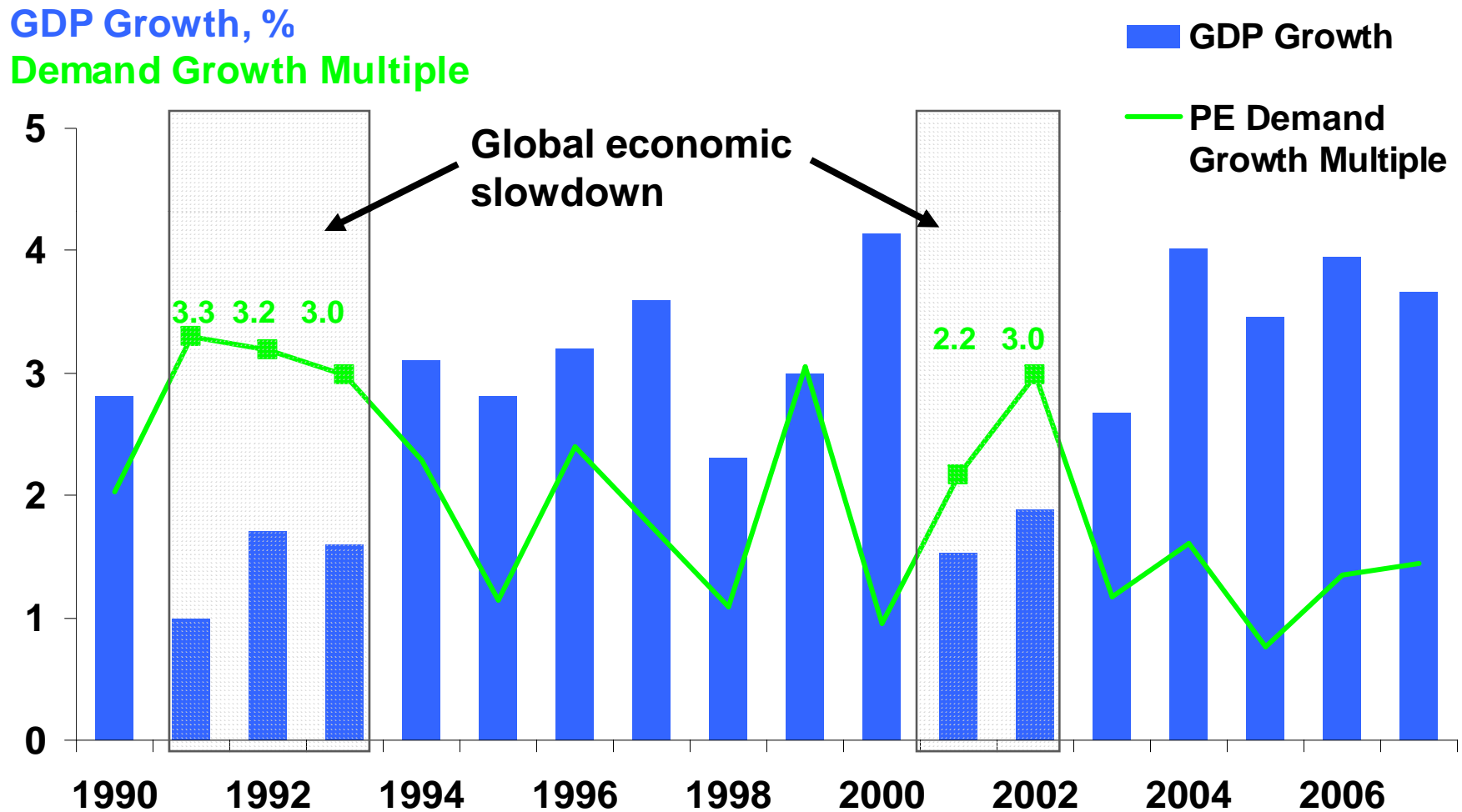
PE Demand, Blbs



Global PE Demand vs Global GDP Growth

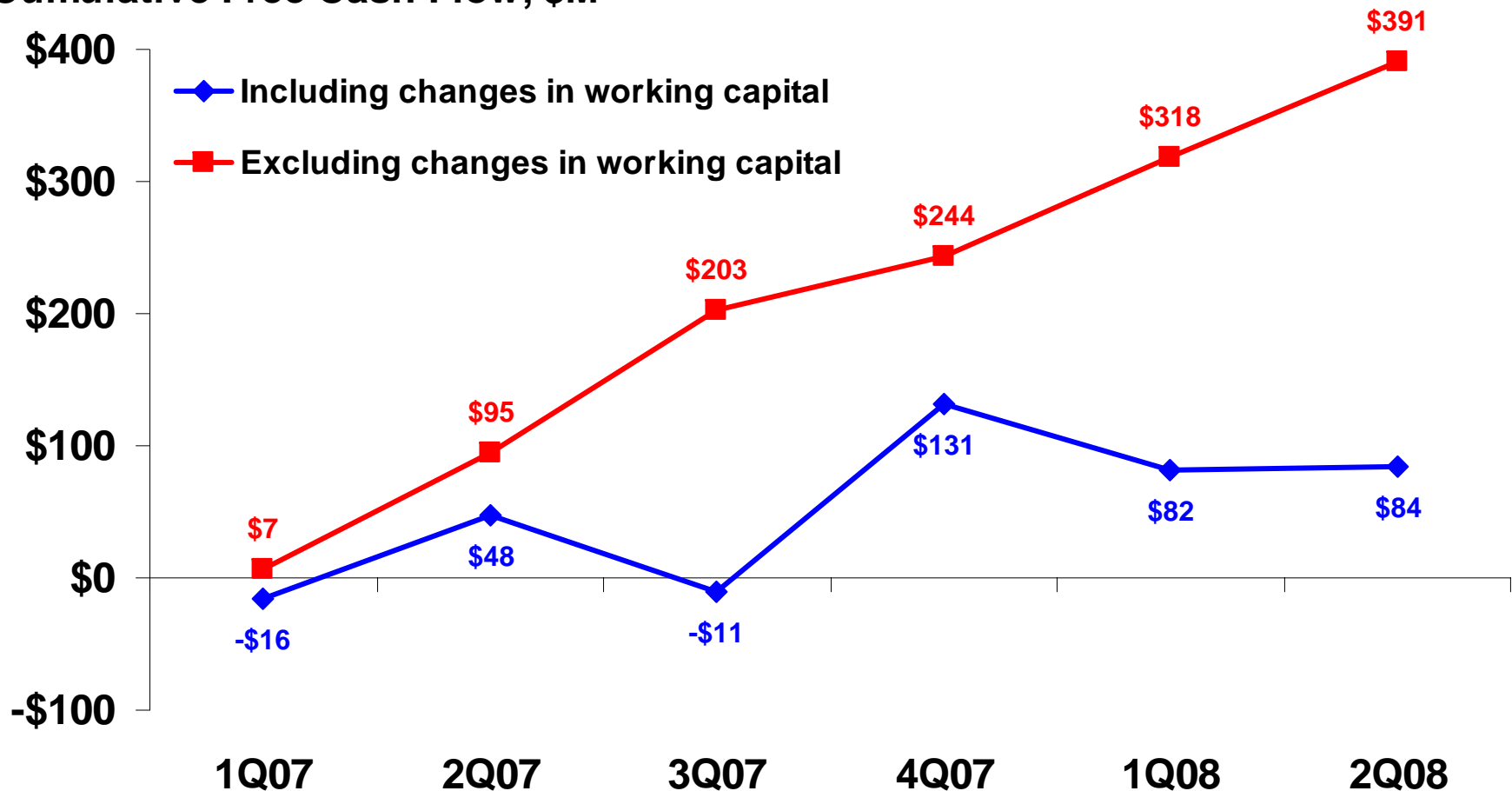


PE Demand Growth Multiple vs Global GDP Growth



NOVA Chemicals' Free Cash Flow Impact of Working Capital

Cumulative Free Cash Flow, \$M

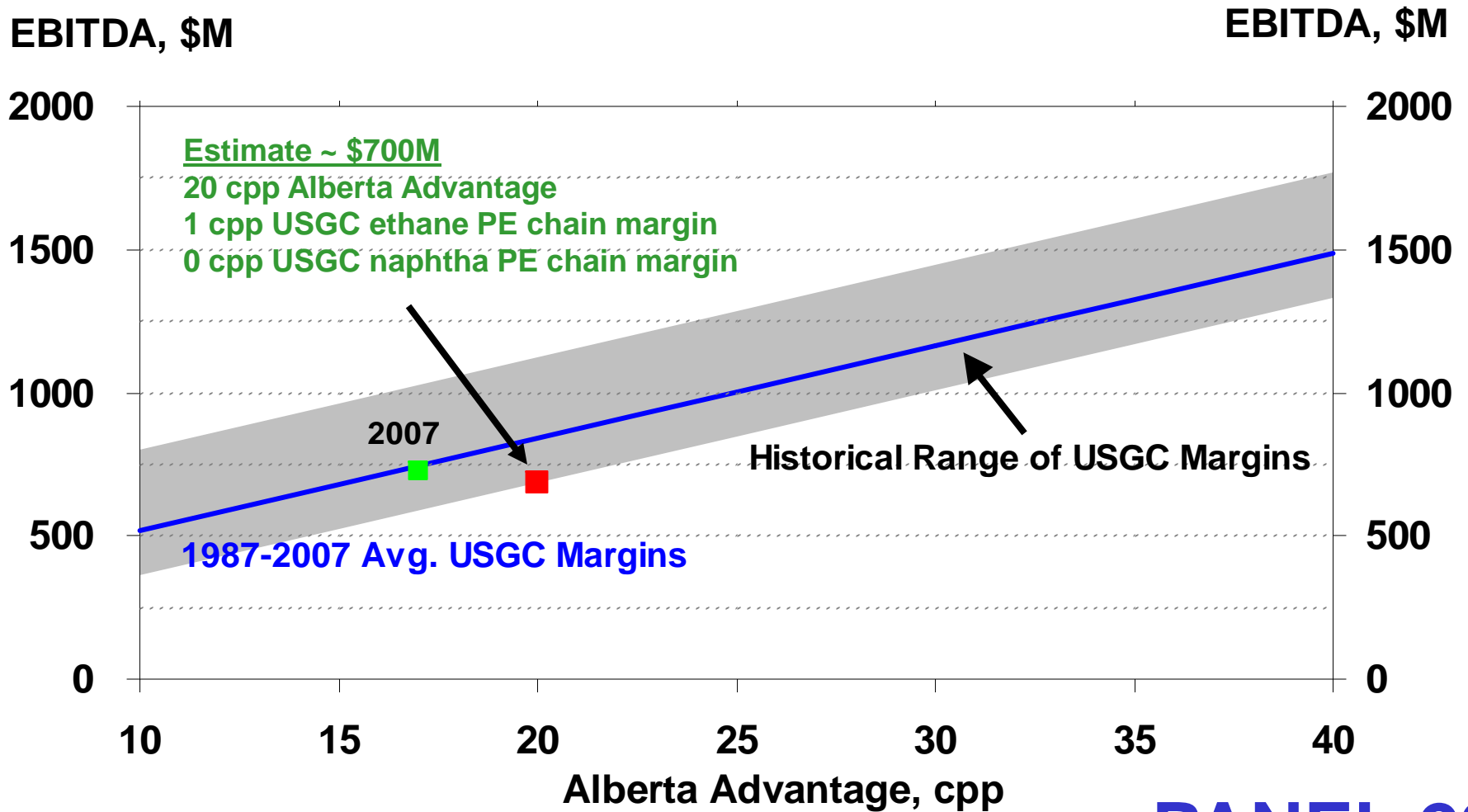


Free cash flow defined as cash flow from operations less capital expenditures less turnaround spending.

PANEL 22

Alberta E/PE EBITDA Model

Strong EBITDA in Trough Scenario

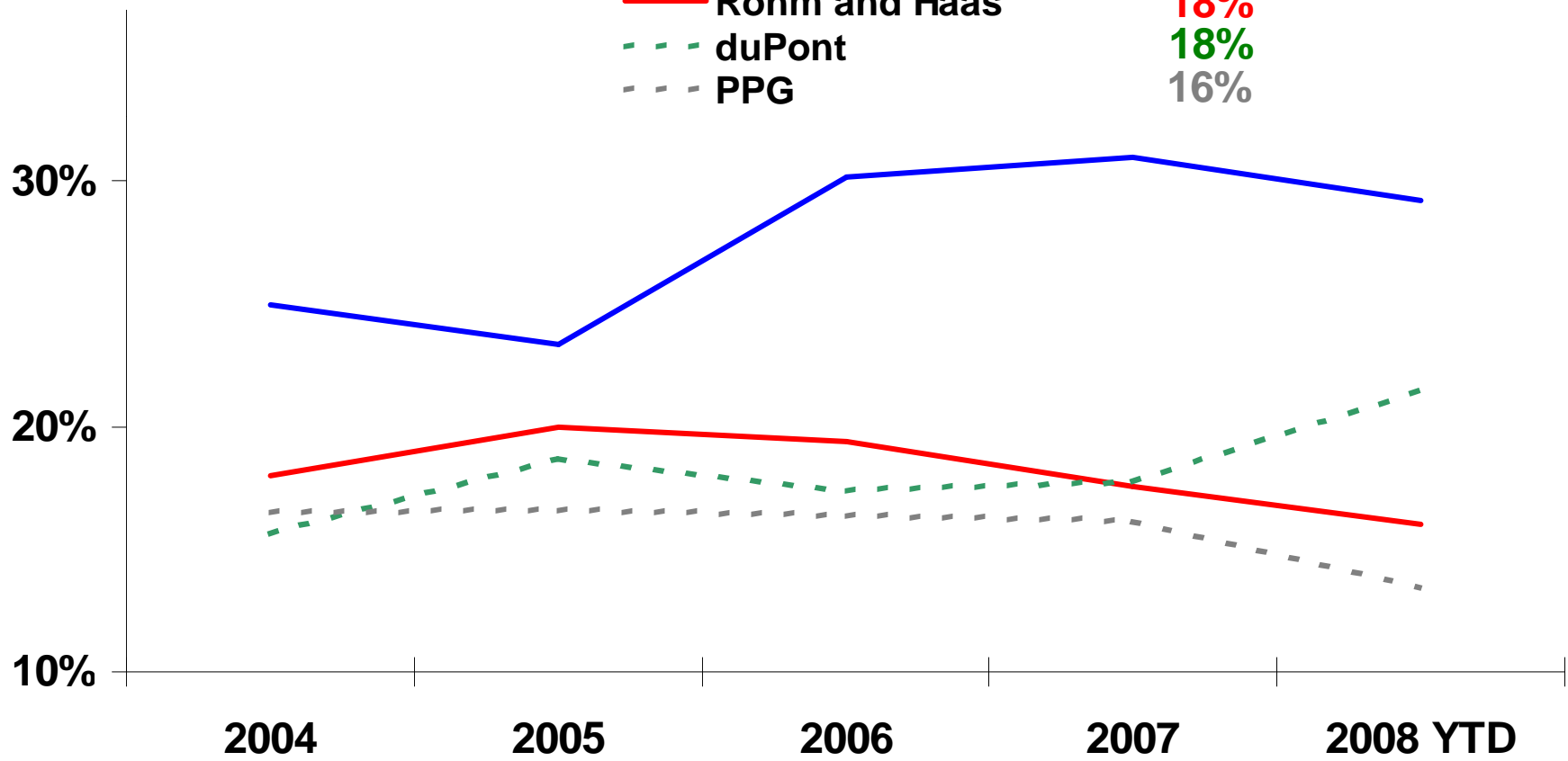


Alberta E/PE EBITDA Margins Higher than Specialty Peers

EBITDA as %
of Revenue

Average (2004 - 2008 YTD)

— Alberta E/PE	28%
— Rohm and Haas	18%
- - - duPont	18%
- - - PPG	16%



NOVA

NOVA's business results include corporate costs. Source: Thomson Financial, Company reports, NOVA Chemicals. 2008 YTD results through Q2 for NOVA, PPG, and duPont, and through Q1 and Rohm and Haas.

PANEL 24



NCX