

NOVA Chemicals

Jeff Lipton

President and CEO

Second Quarter Earnings Conference Call

July 21, 2005



Forward-Looking Information

The information in this material contains forward-looking statements with respect to NOVA Chemicals Corporation (NOVA Chemicals), its subsidiaries and affiliated companies. By their nature, these forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. These risks and uncertainties 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); the realization of announced price increases; 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; 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; 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, European, and Asian economies; and other risks detailed from time to time in the publicly filed disclosure documents and securities commissions reports of NOVA Chemicals and its subsidiaries or affiliated companies. Implementation of announced price increases depends on many factors including market conditions, the supply/demand balance for each particular product and feedstock costs. Price increases have varying degrees of success. They are typically phased in and can differ by product or market. There can be no assurances that any announced price increases will be successful or will be realized within the anticipated time frame. In addition, benchmark price indices sometimes lag price increase announcements due to the timing of publication.

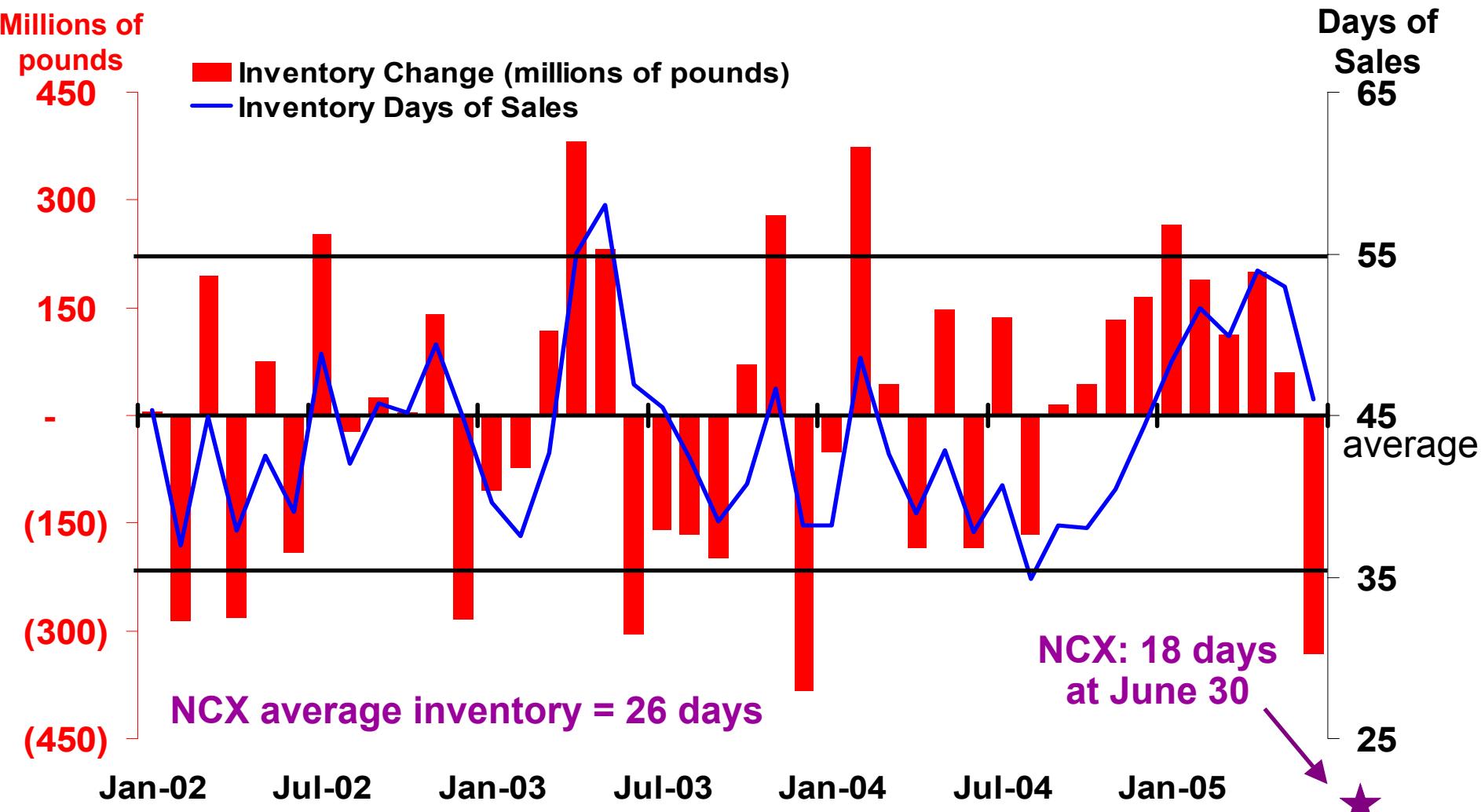






Panel 1 - PE Producer Inventory

North American Inventory in Control

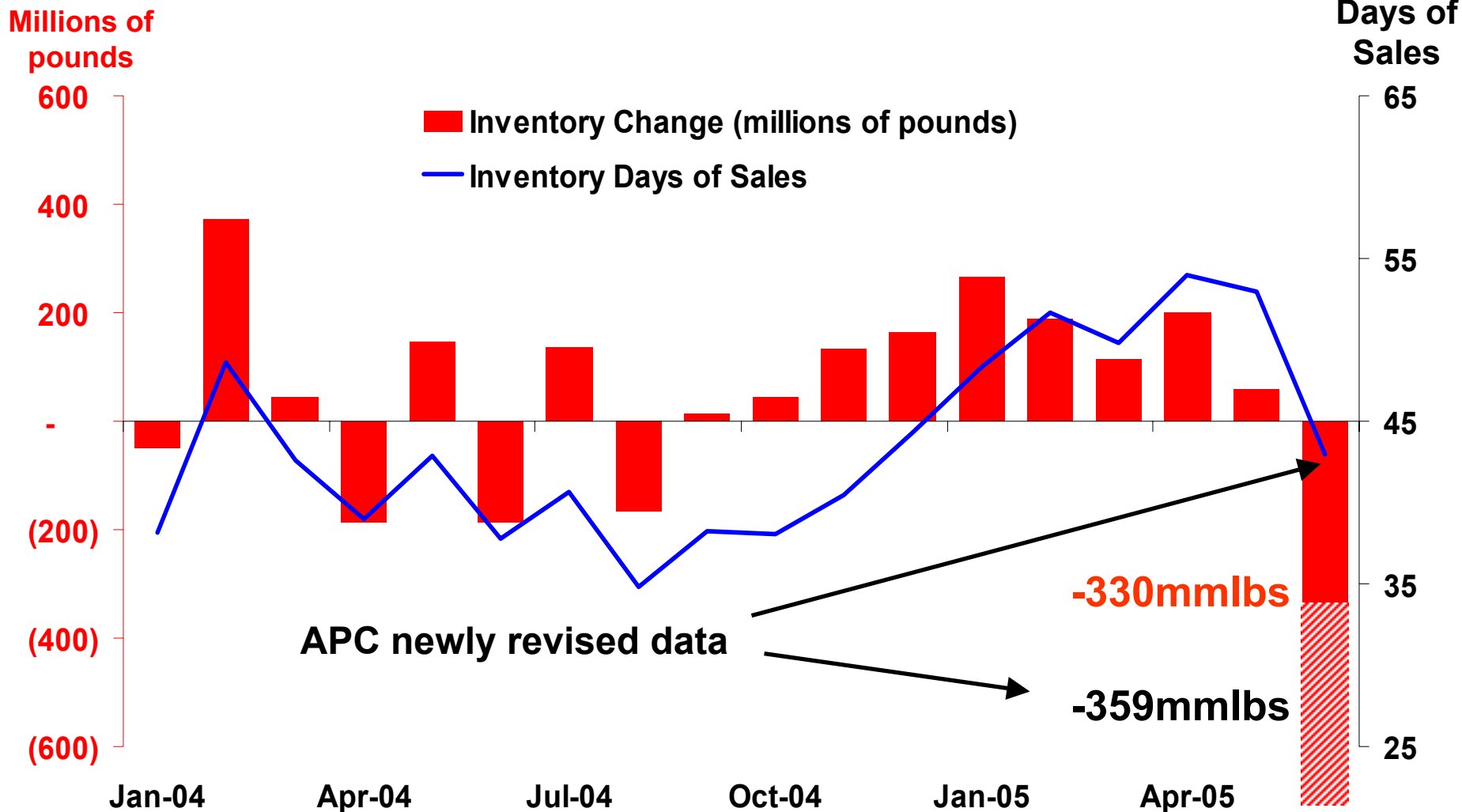


Source: American Plastics Council US producer inventory, adjusted by NOVA to represent North American producers



Panel 2 - PE Producer Inventory

Newly Revised APC Data Even Better

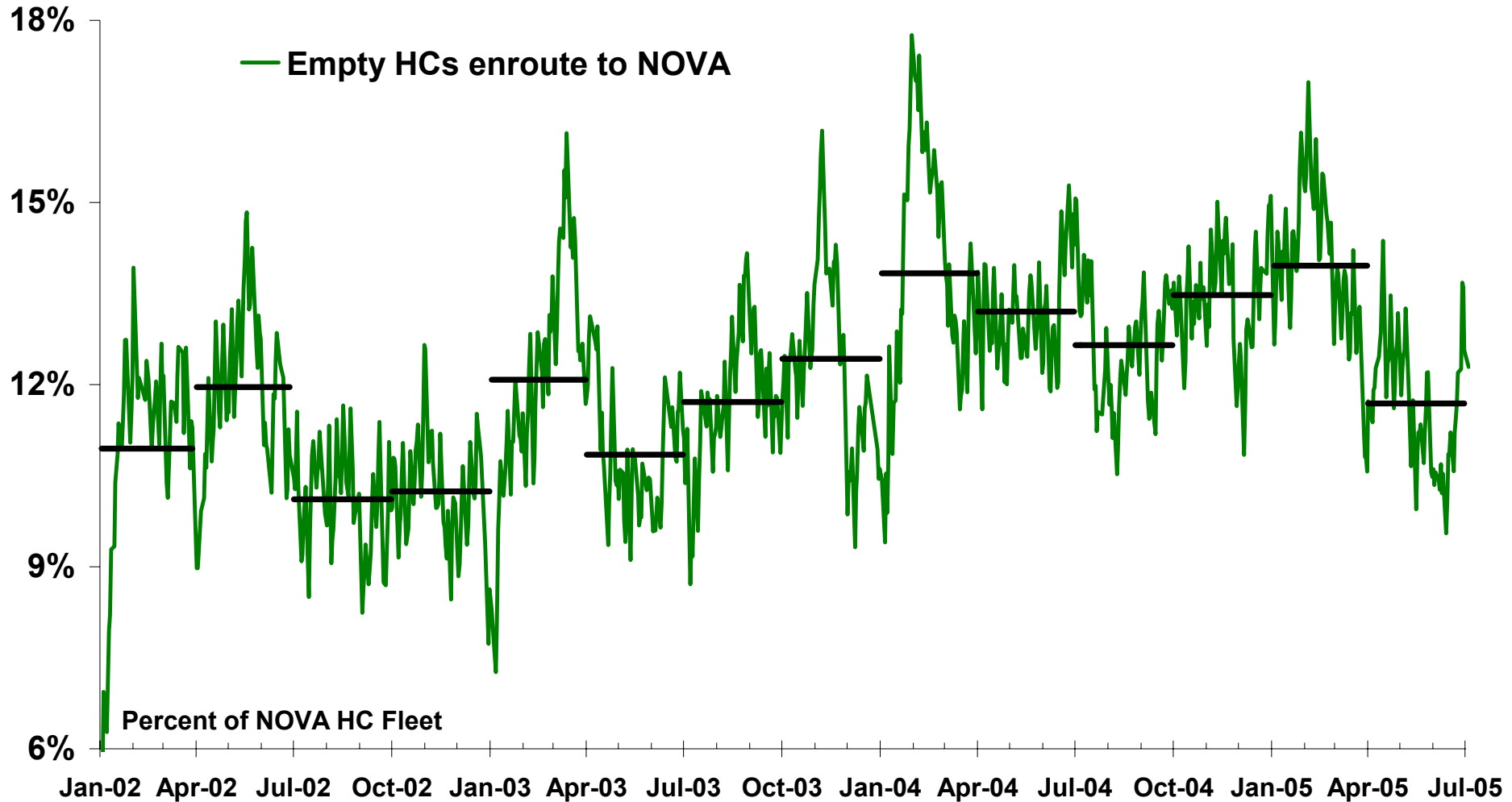


Source: American Plastics Council US producer inventory, adjusted by NOVA to represent North American producers



Panel 3 – Empty HCs to NOVA

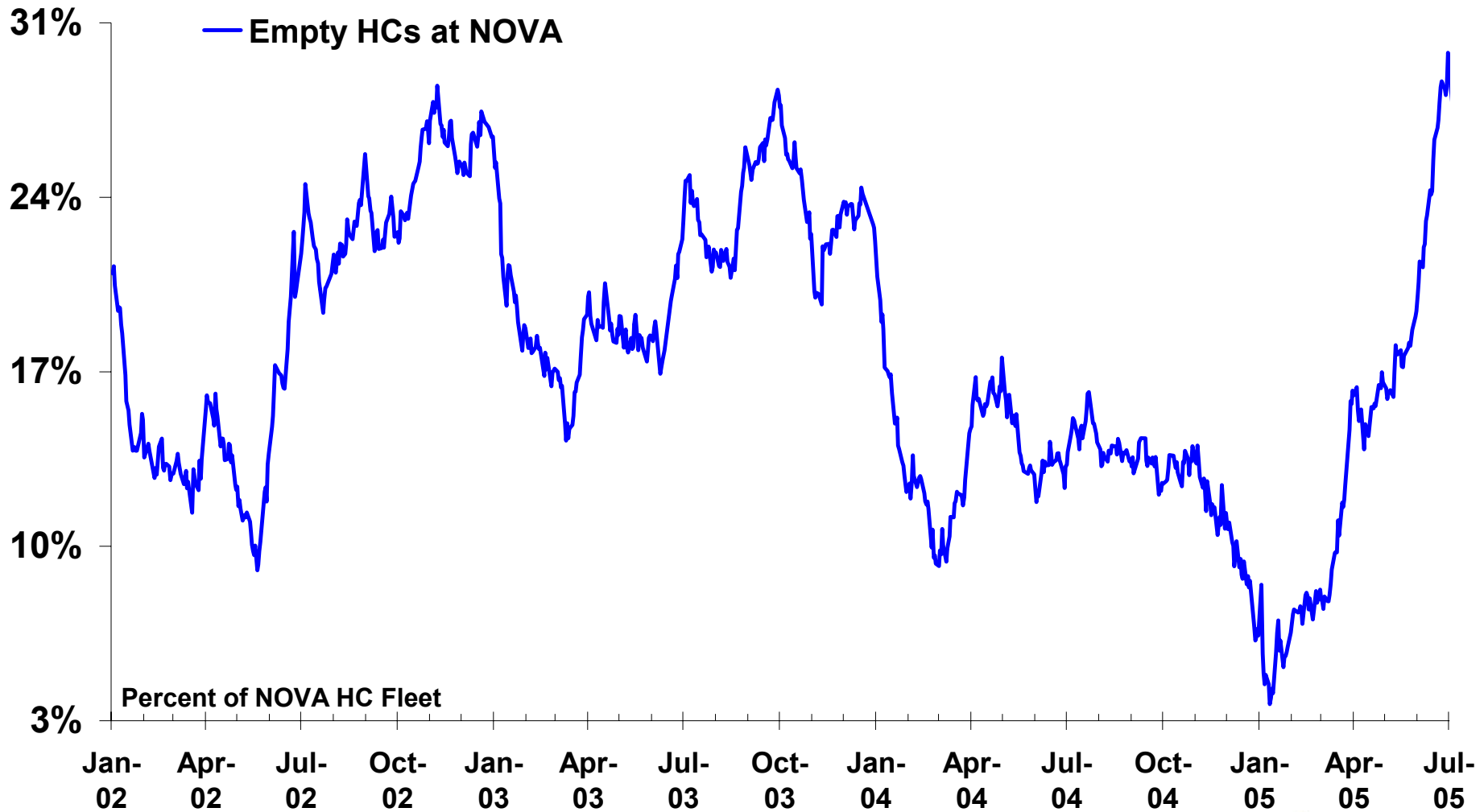
Proxy for Customer Consumption



Data to July 15, 2005

Panel 4 – Empty HCs at NOVA

Record Low to Record High in 6 Months

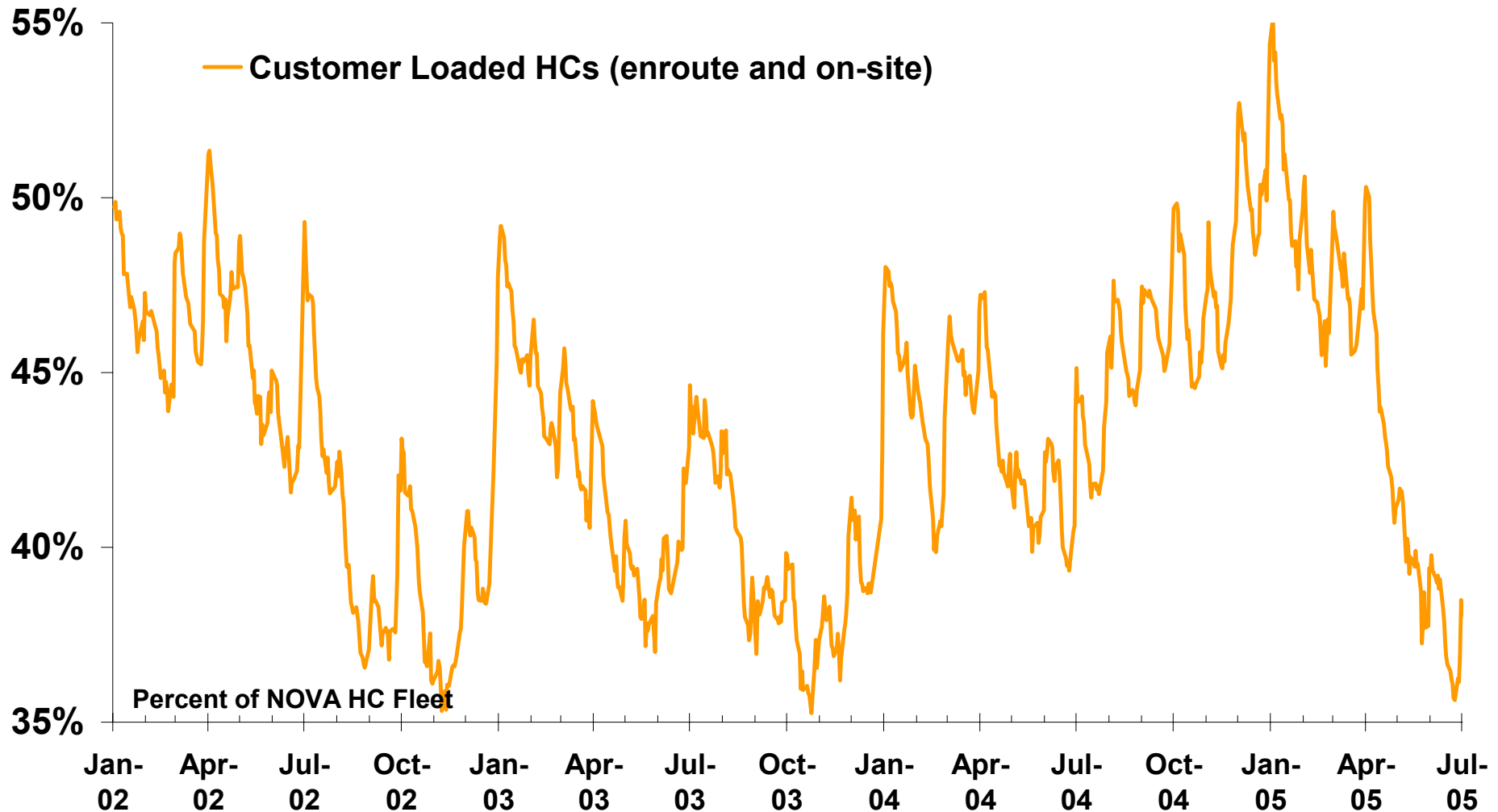


Data to July 15, 2005



Panel 5 – Customer Loaded HCs

Record High to Record Low in 6 Months

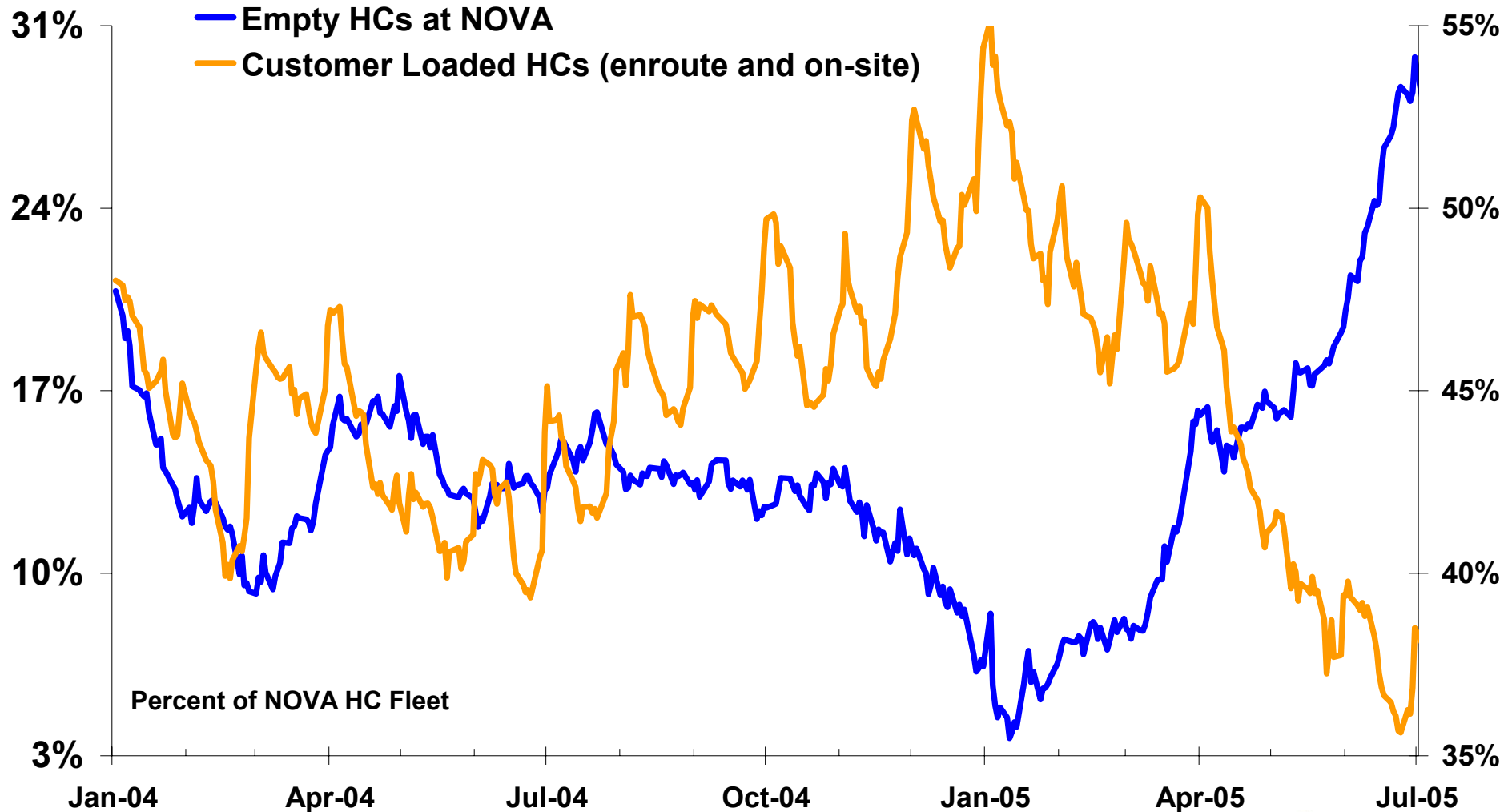


Data to July 15, 2005



Panel 6 – Loaded HCs to Empty

28% Swing in Total Fleet over Six Months



Data to July 15, 2005



Panel 7 –Variance Summary

Q1 '05 to Q2 '05

Q1 '05 Net Income		\$94
Margin Erosion - LIFO accounting	(43)	
Additional Margin Erosion – FIFO	(39)	(82)
Unusual charge - Insurance	(15)	
Corunna power outage – Apr 16	(20)	
Joffre ethane interruption – Jun 21	(4)	(39)
Stock Based Compensation	18	
Other	(16)	<u>2</u>
Q2 '05 Net Loss		<u><u>(\$25)</u></u>

(millions of U.S. dollars, all amounts are after-tax)



Panel 8 – Q2 '05 Results

Net Income and EBITDA Summary

	Net	<u>EBITDA</u>			
	Income	Total	OPO	Styrenics Corp.	
Q2 Actual Results	<u>(\$25)</u>	<u>\$75</u>	<u>\$127</u>	<u>(\$65)</u>	<u>\$13</u>
<u>Q2 Impacts:</u>					
1. Unusual Items	(39)	(60)	(37)	-	(23)
2. FIFO Accounting	(23)	(35)	3	(38)	-
3. Mark-to-Market Stock-based Comp.	28	43	-	-	43
4. Income Tax Rate Mix	(8)	-	-	-	-
	<u>(\$42)</u>	<u>(\$52)</u>	<u>(\$34)</u>	<u>(\$38)</u>	<u>\$20</u>
Q2 Results (excl. 1- 4)	<u>\$17</u>	<u>\$127</u>	<u>\$161</u>	<u>(\$27)</u>	<u>(\$7)</u>

(millions of U.S. dollars)





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