

# **NOVA Chemicals**

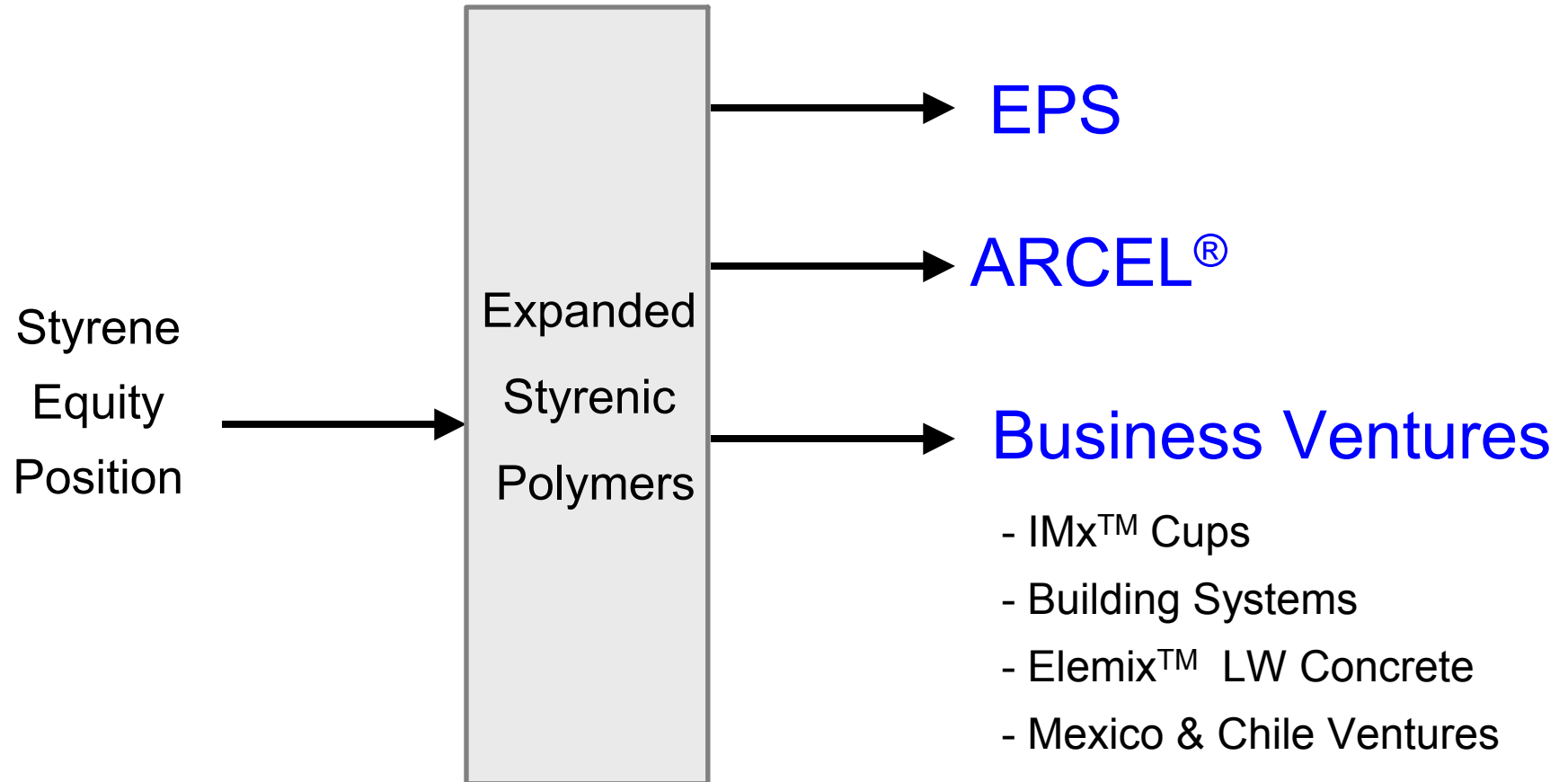
**Second Quarter 2007 Earnings  
Conference Call**

**July 25, 2007**

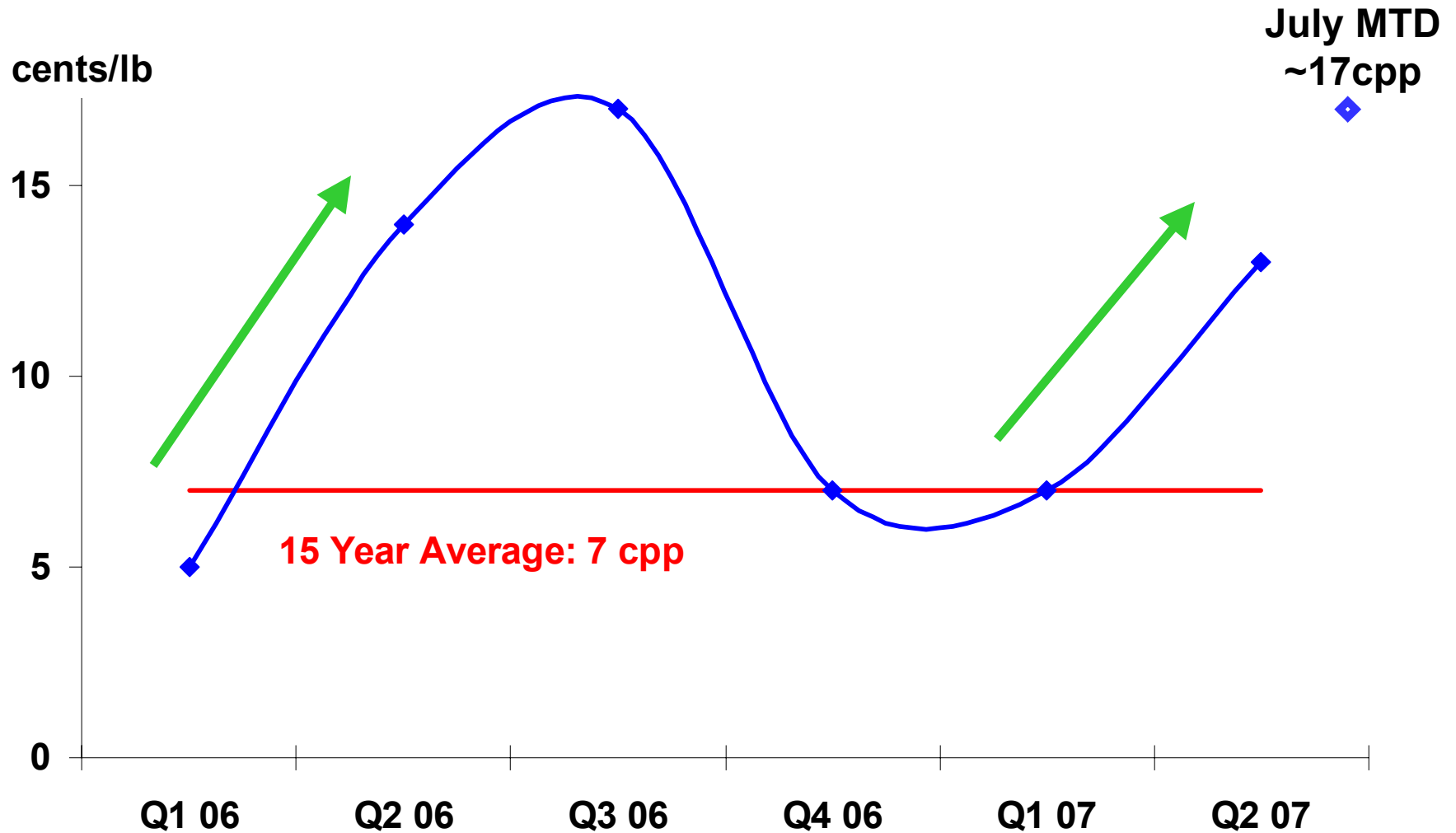
# Forward-Looking Information

This material and the comments made by our management contain forward-looking statements with respect to NOVA Chemicals Corporation alone or together with its subsidiaries and affiliates, depending on the context in which such statements are used. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions and projections will not prove to be accurate, that our assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections. Forward-looking statements for the time periods beyond 2007 involve longer-term assumptions and estimates than forward-looking statements for 2007 and are consequently subject to greater uncertainty. We caution you not to place undue reliance on our forward-looking statements 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 statements. 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 statements. Specific forward looking statements contained in this material include, among others, statements regarding: our beliefs about the proposed expanded JV with INEOS, including the target of \$50 million in synergies over and above the European JV synergies and our expectation that we will close the expanded JV by the end of Q3; our plans to improve the performance of our performance styrenics business unit; our expectation that our efforts in performance styrenics will begin to take hold over the next 2-3 quarters and that we can catch up to our original growth plan for ARCEL<sup>®</sup> resins; our beliefs about implementation of PE price increases; our expectations concerning exports opportunities for PE; our expectation for ongoing EBITDA improvement generated from sales of our Advanced SCLAIRTECH<sup>™</sup> PE resins; our expectation of a prolonged period of strength in global ethylene and polyethylene markets through 2010 and probably beyond; our belief that natural gas inventories will likely reach maximum levels before the winter drawdown begins and that gas prices will continue to decline in Q3, especially in Alberta; our views concerning our Alberta Advantage; our plans and beliefs regarding the proposed jointly developed new ethane extraction plant with Aux Sable, including the belief that the project would boost Joffre’s feedstock capacity by 25% as early as 2011; our beliefs about a proposed project with Williams to process off-gas from the Alberta oil sands to extract and deliver ethane and ethylene to Joffre, including our belief that we could receive the first tranche of new ethane feedstock from this project as early as 2010; our plans to expand the use of our existing ethylene crackers and ultimately build a new PE plant in Joffre and the potential for \$290 million of additional EBITDA over the next four years; our plans for increased output from our PE reactors in Joffre over the next year; our expectations concerning the timing for new ethylene/polyethylene capacity additions; and our expectations concerning the cost of new feedstock in the Middle East. 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 Products; 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 statements are expressly qualified in their entirety by this cautionary statement. In addition, the forward-looking statements are made only as of the date of this material, and except as required by applicable law, we undertake no obligation to publicly update these forward-looking statements to reflect new information, subsequent events or otherwise.

# Performance Styrenics

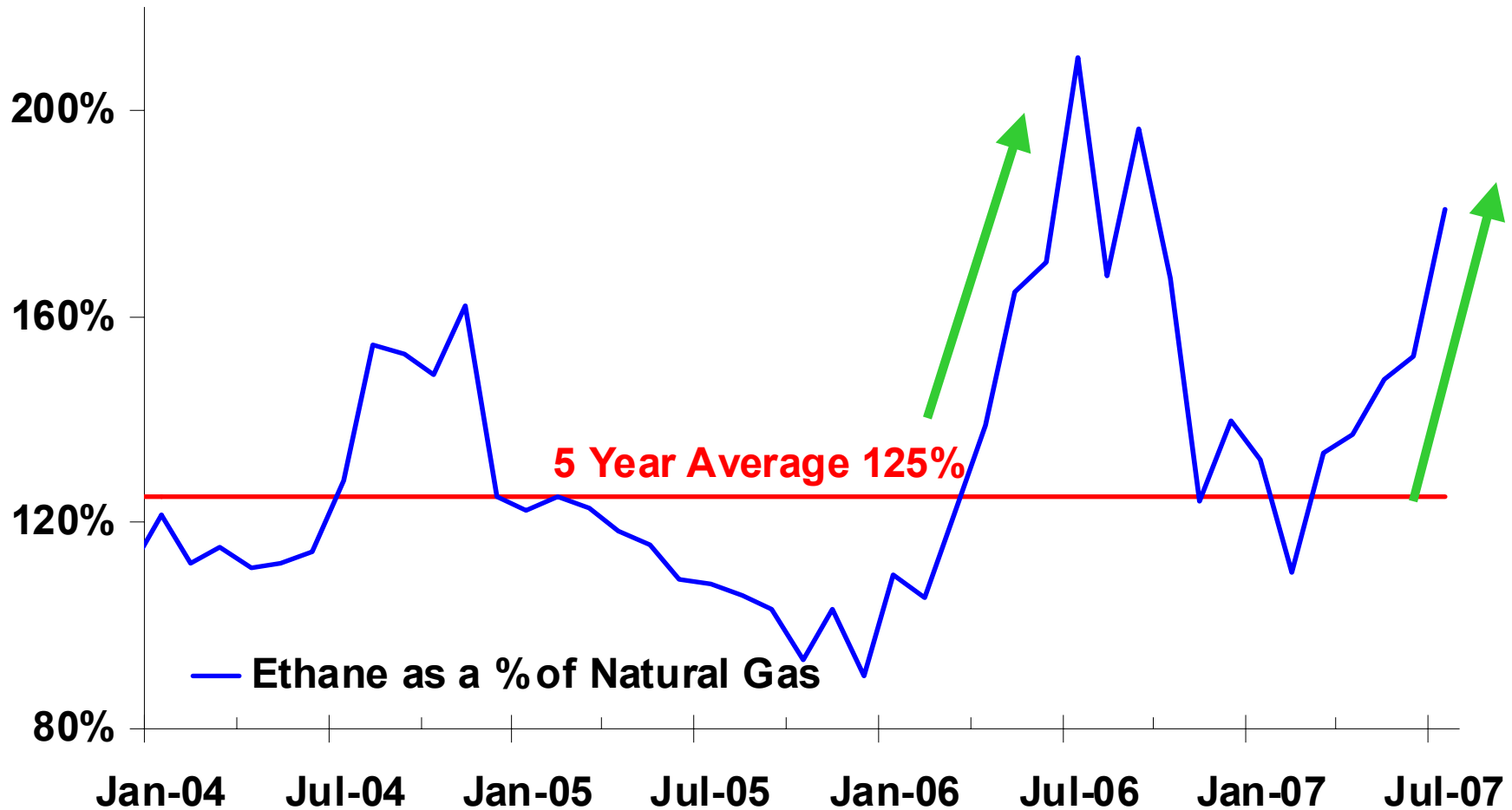


# Alberta Advantage Continued Strength in 2007

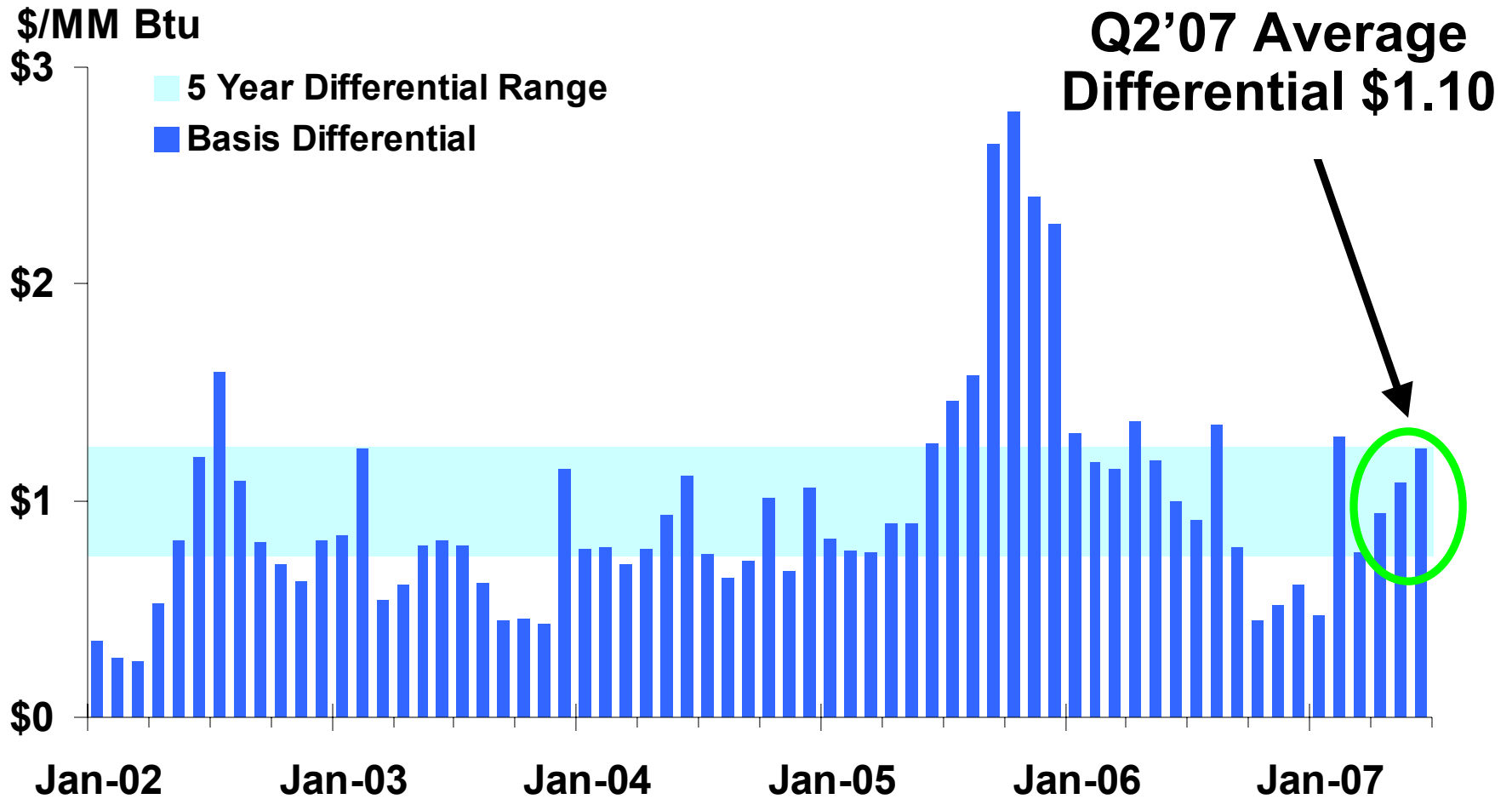


# Ethane to Gas Ratio

## USGC Ethane as a % of Henry Hub Gas

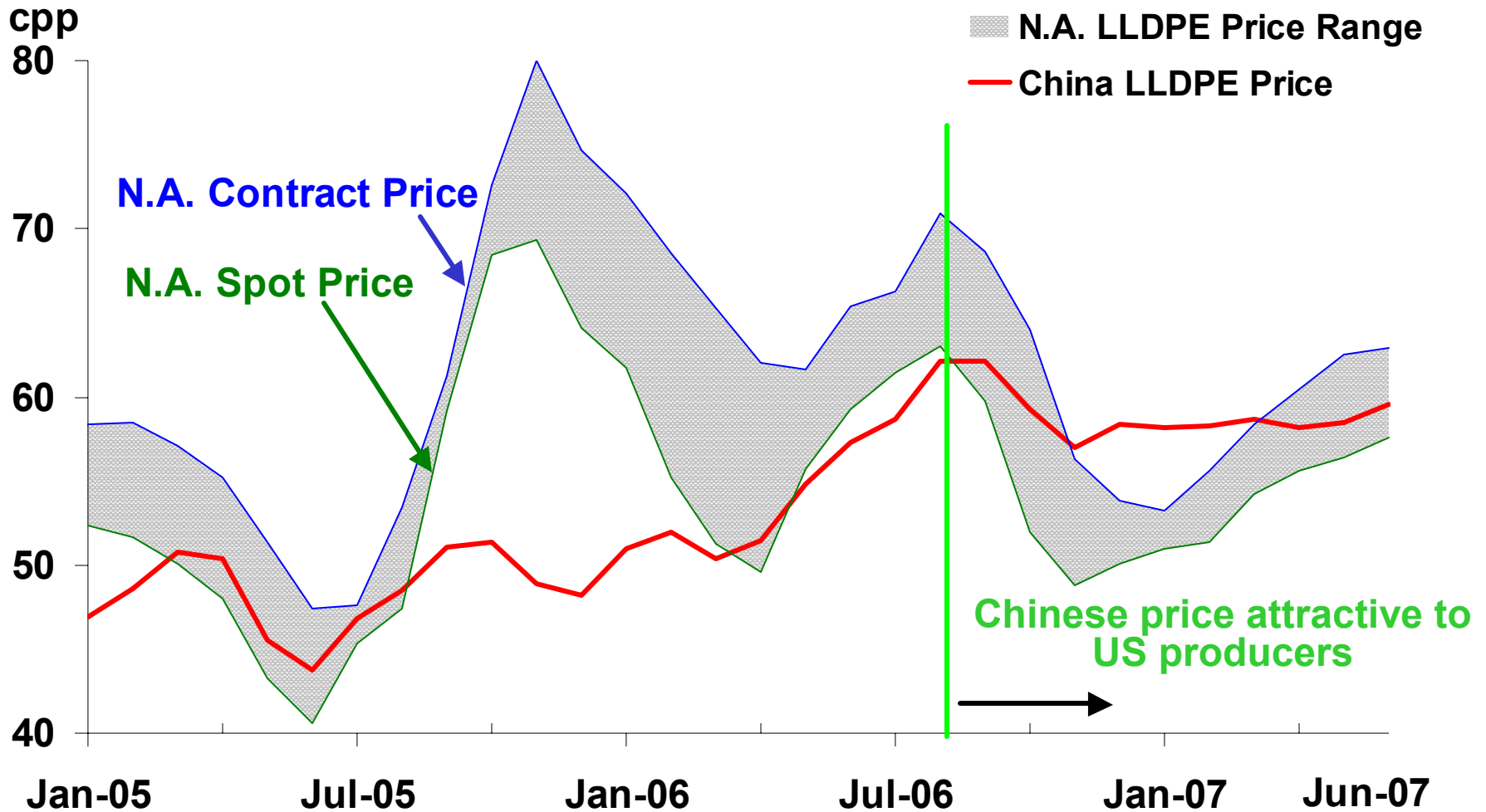


# Gas Basis Differential USGC vs Alberta Gas

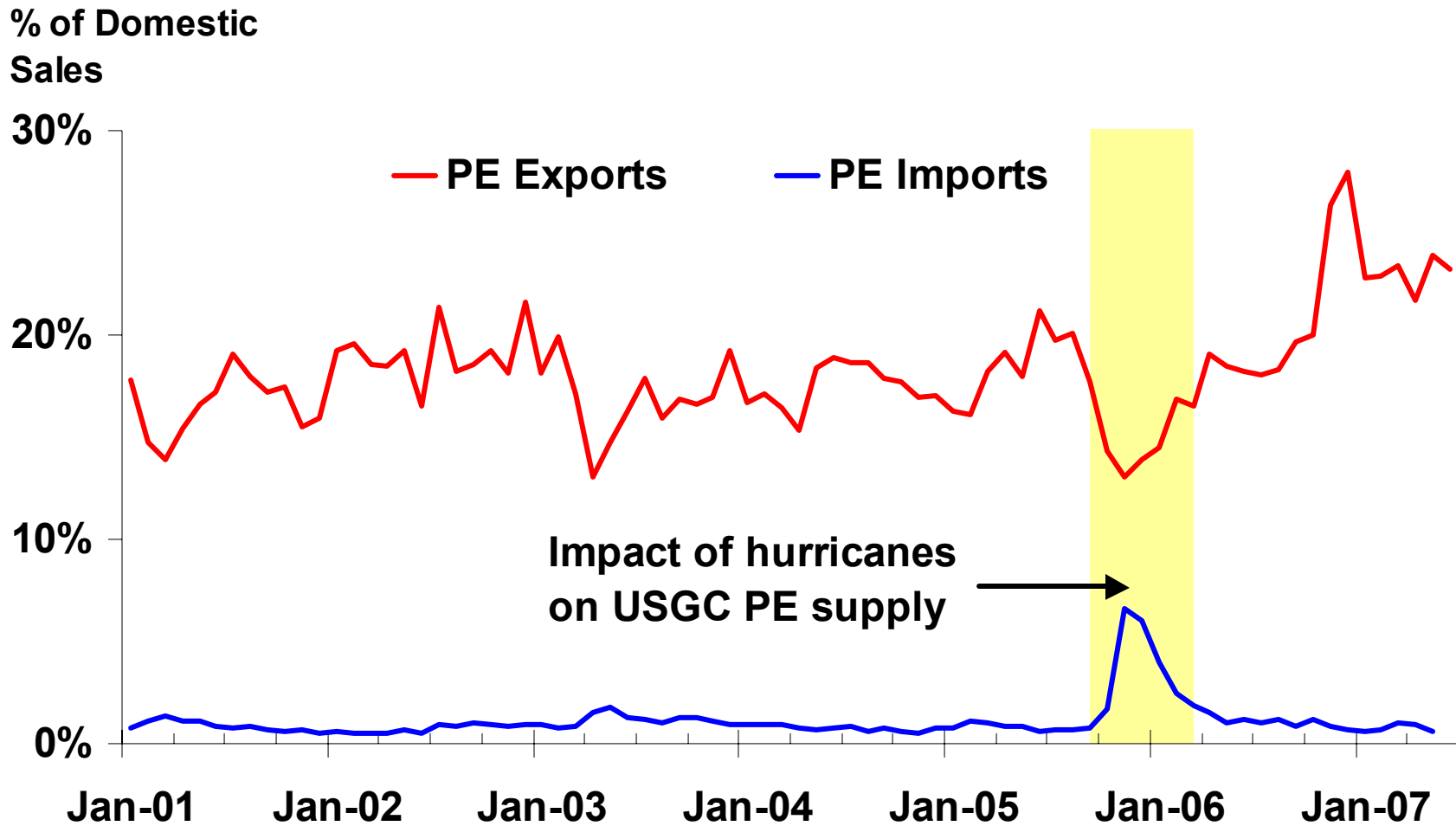


# Regional Polyethylene Prices

## Asia vs. North America

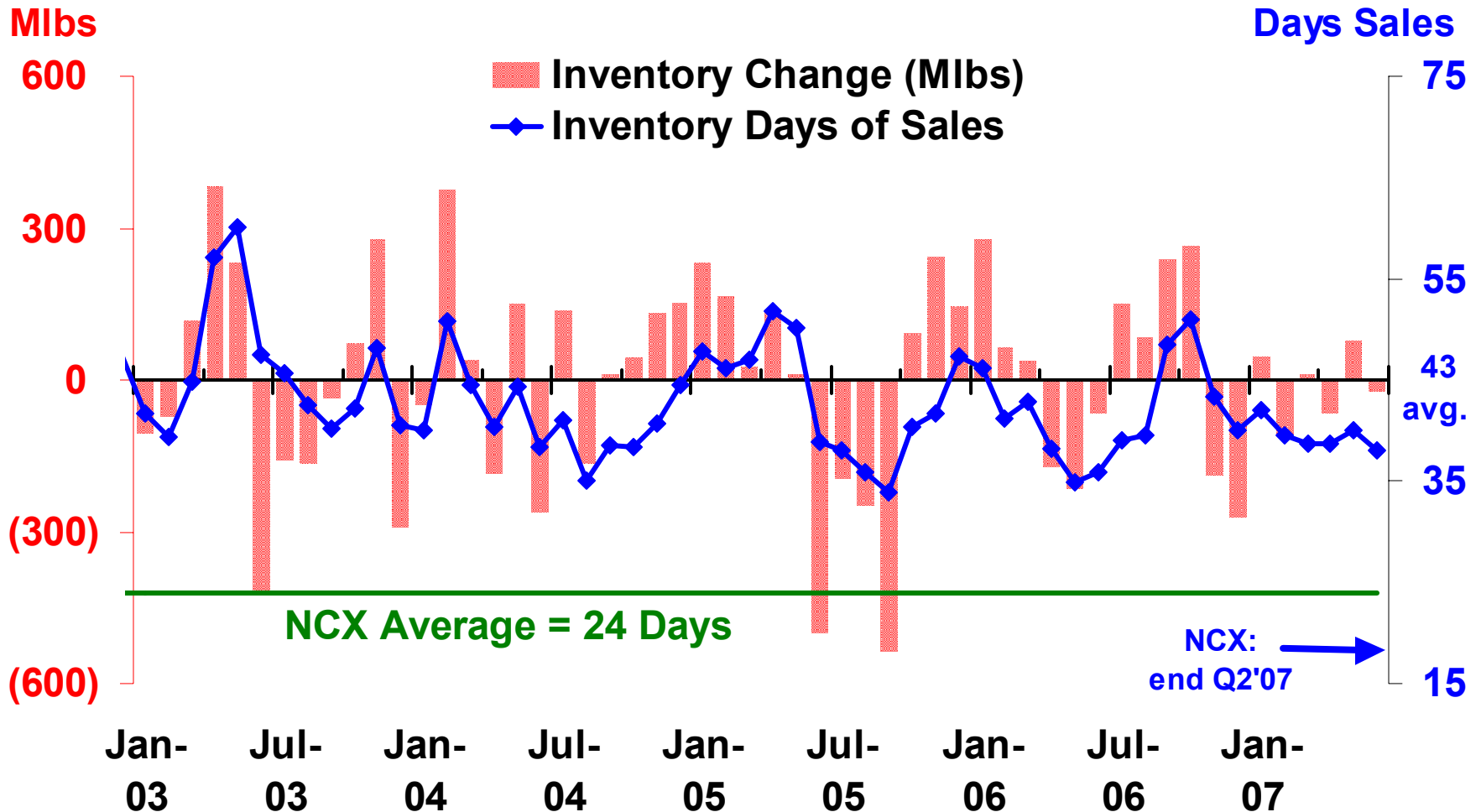


# Polyethylene Resin Trade North America



# Polyethylene Producer Inventory

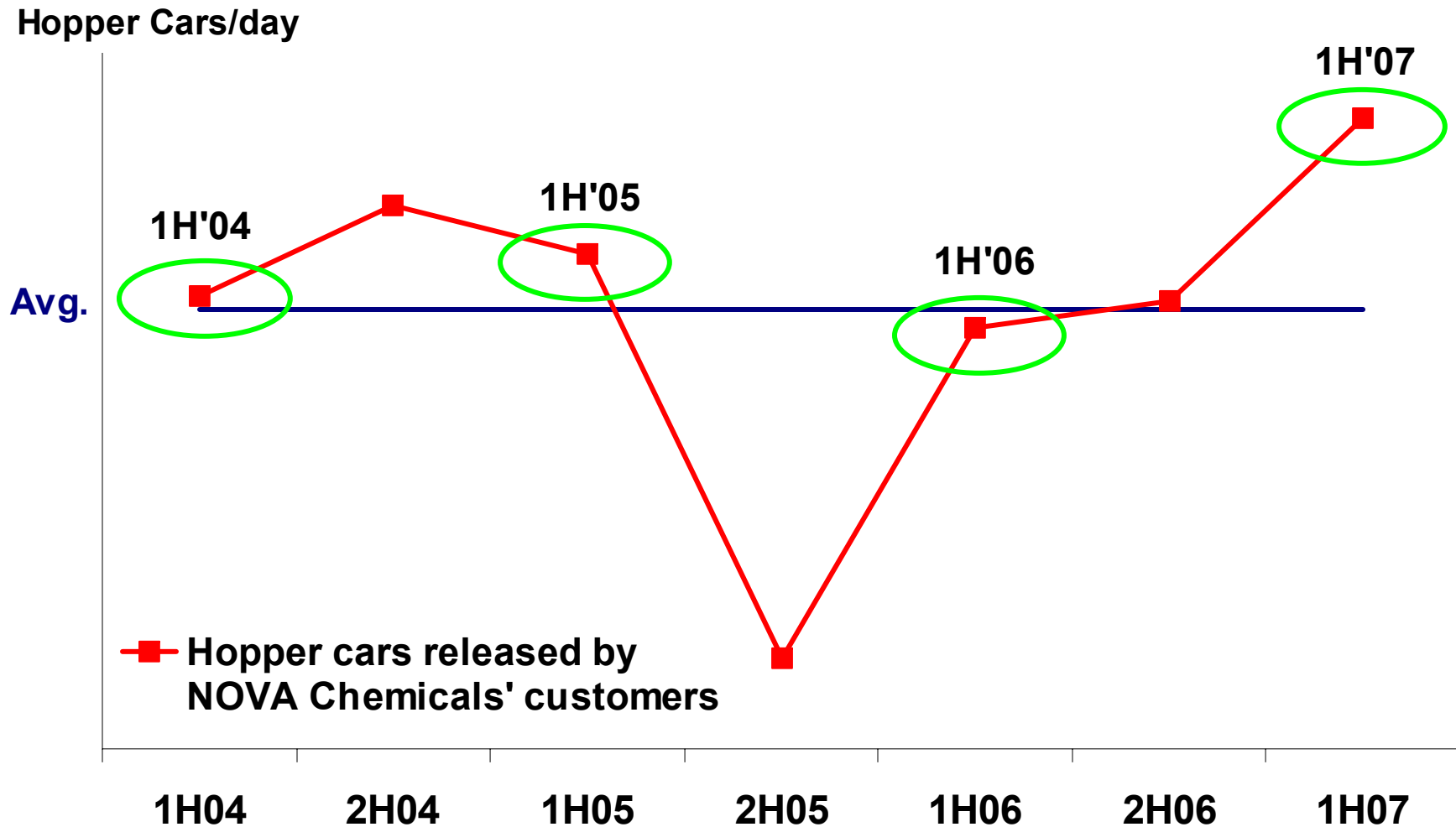
## North America



Source: American Chemistry Council U.S. producer inventory, adjusted by NOVA Chemicals to represent N. A. producers. Data through June 2007.

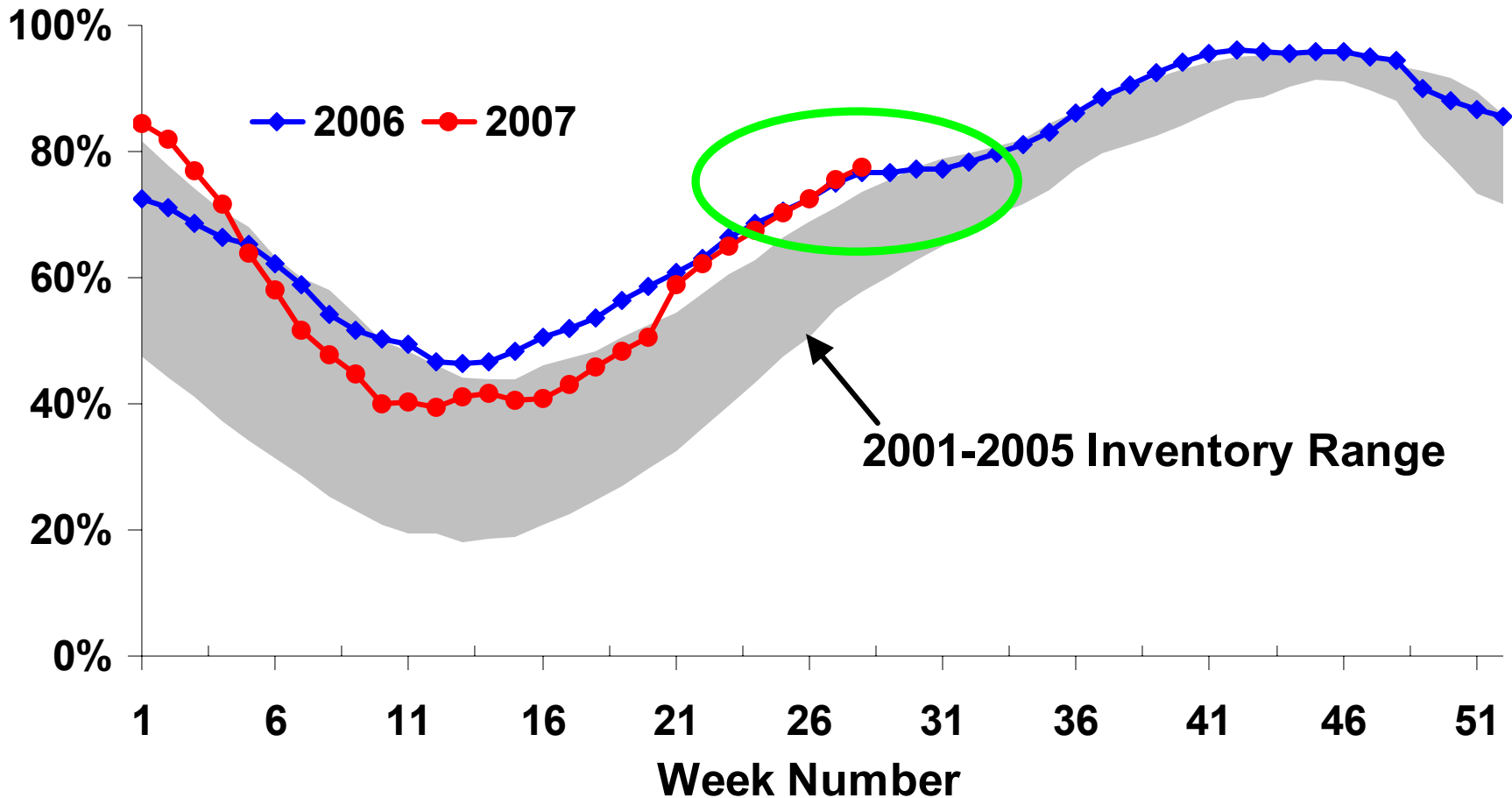
**PANEL 7**

# NOVA Chemicals' PE Customers 1H'07 Consumption - Strongest 6 Months



# North American Natural Gas Record High Inventory Level

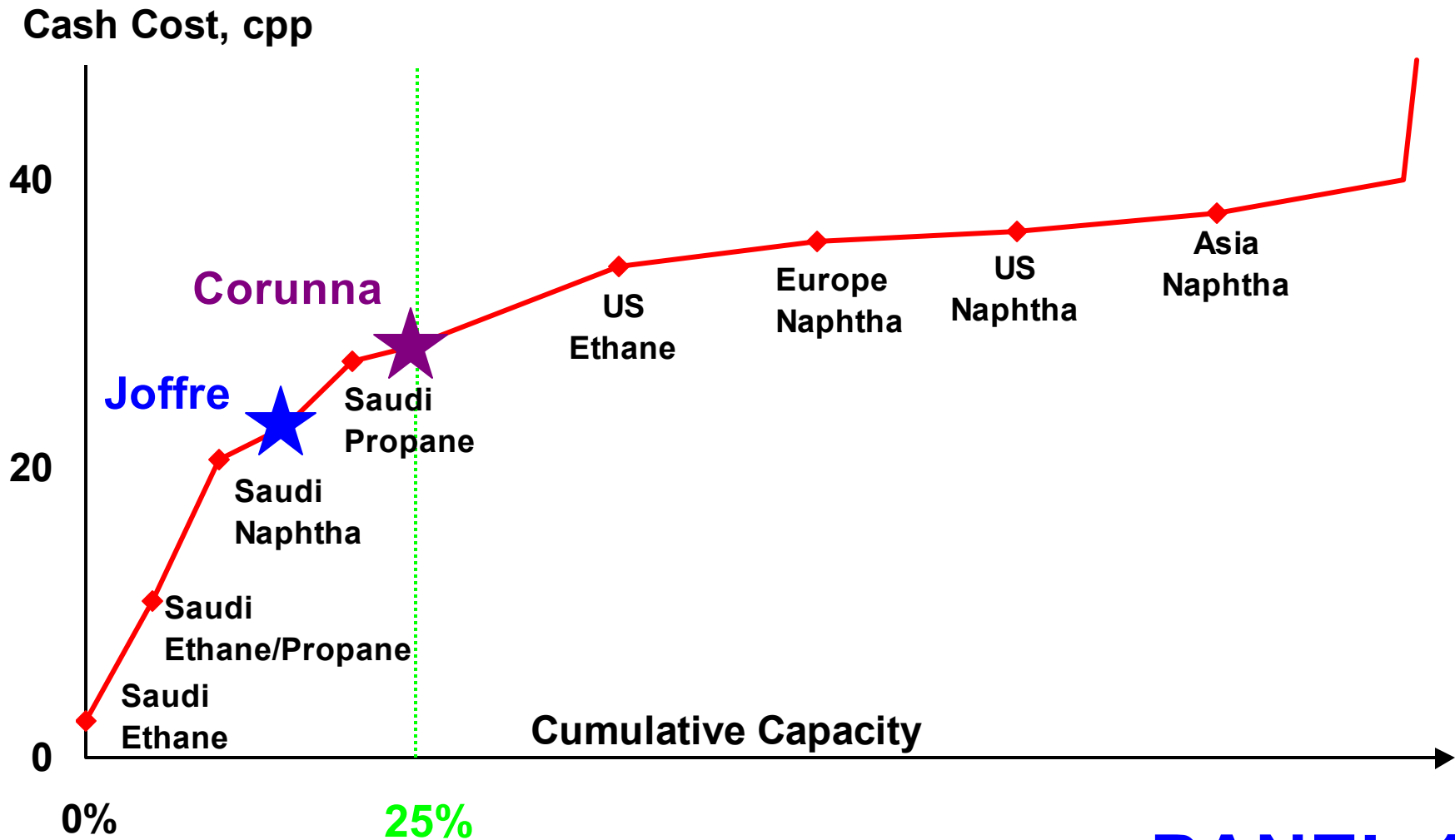
% Storage Capacity



2001-2005 Inventory Range

# Global Ethylene Cash Costs

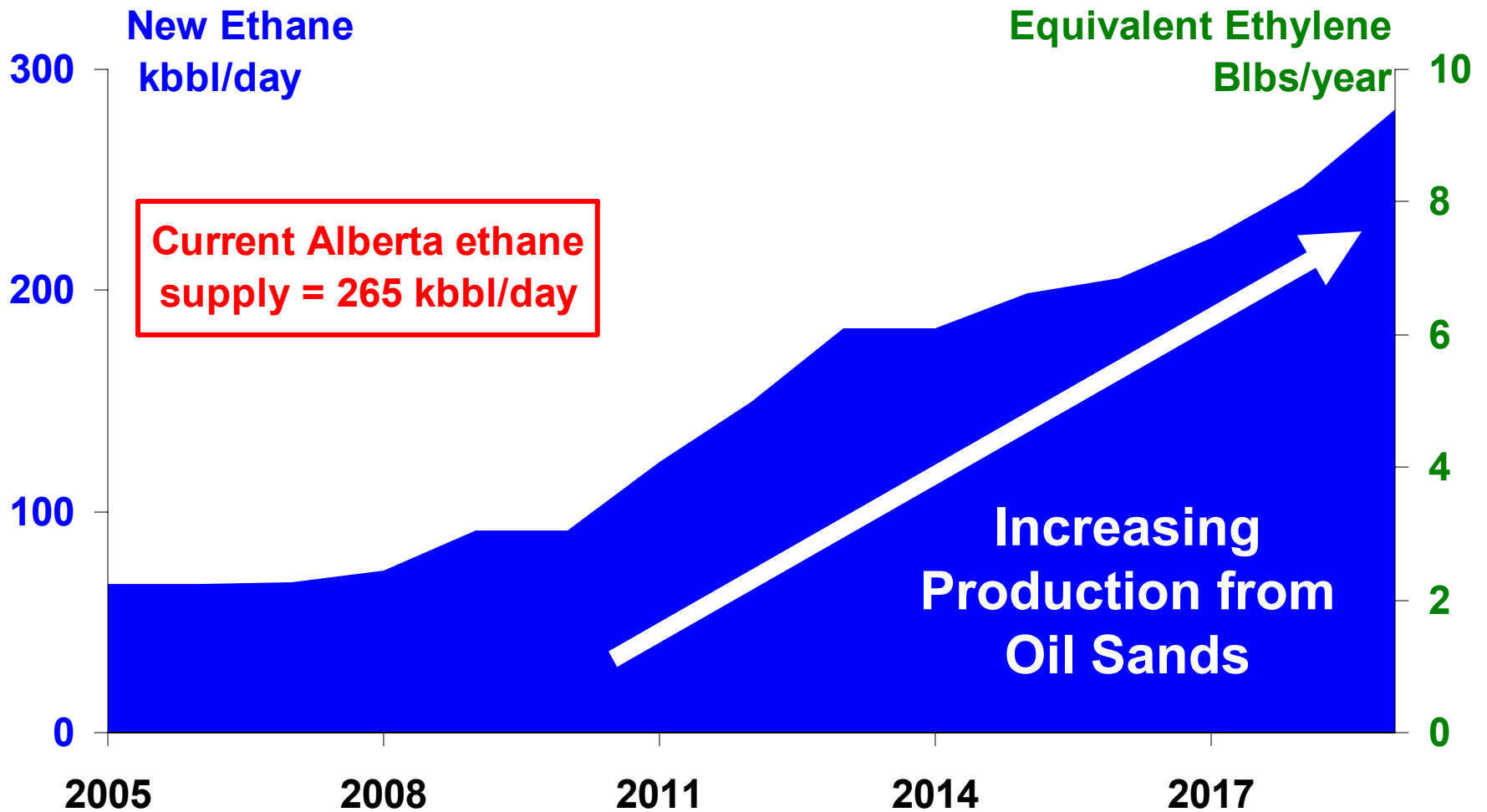
## NOVA Chemicals' Sites - Top Quartile



Source: CMAI, NOVA Chemicals. Chart shows Q2'07 ethylene cash costs.

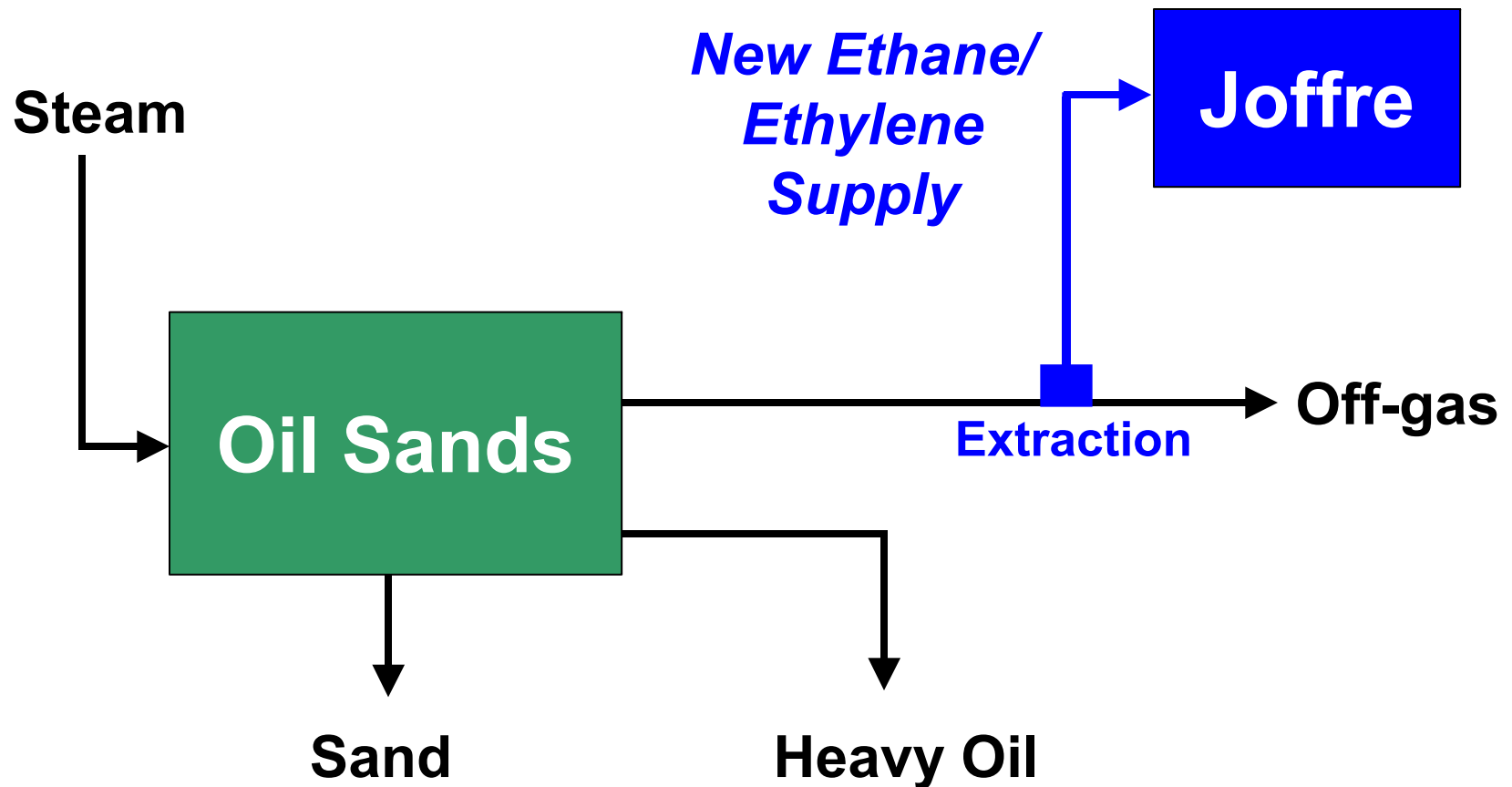
**PANEL 10**

# Significant New Ethane Potential Alberta Oil Sands Off-Gas



# Alberta Oil Sands

## Ethane, Ethylene from Off-Gas



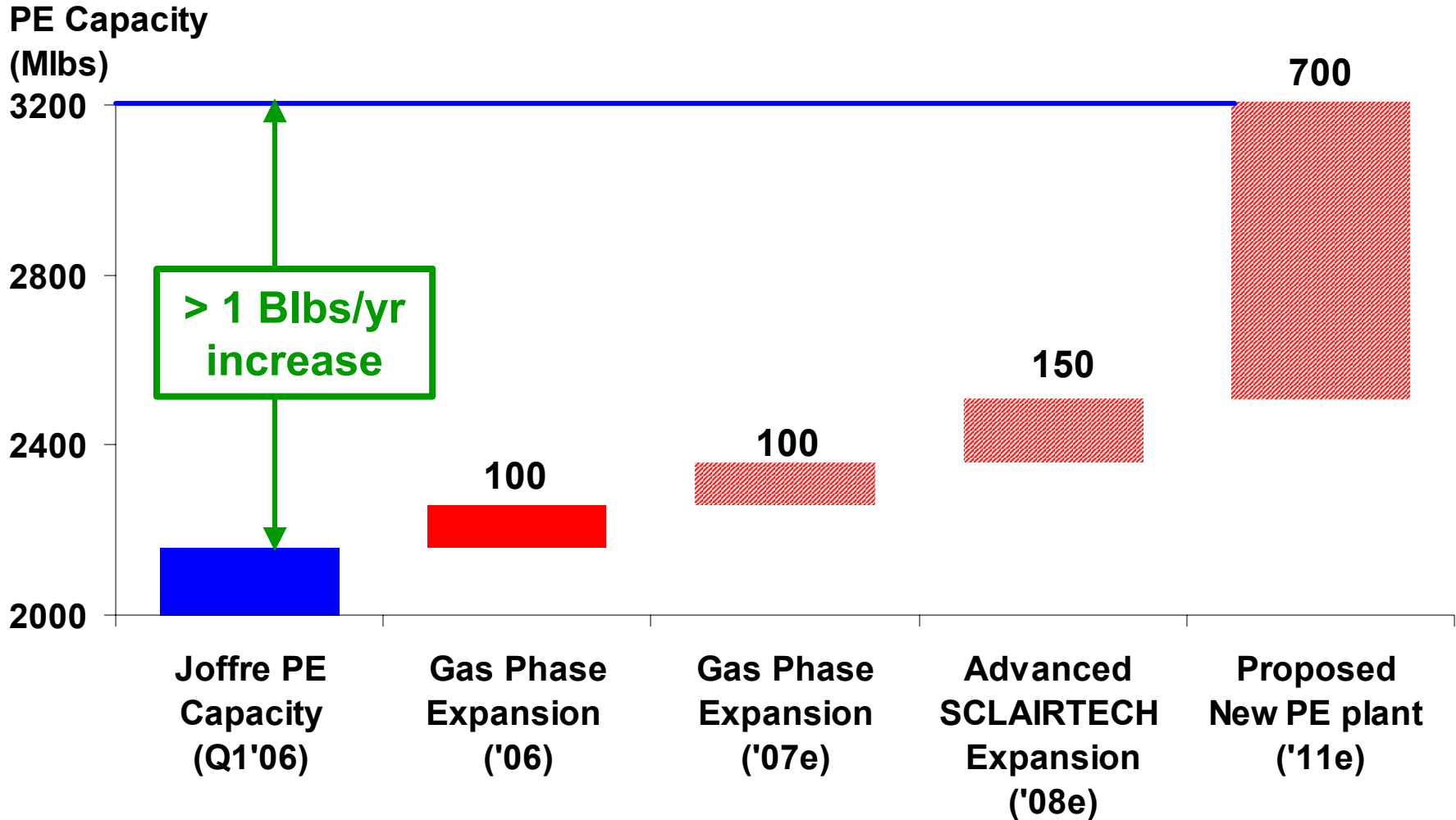
# Ethylene Capacity List

## New Start-up Delay Announcements

Capacity (Mlbs)	Project	Country	New Assumed Timing	Previous Timing	Comment
< 500	Samsung Total	Korea	07'Q2	07'Q1	<i>1 quarter late, 07'Q2 start-up</i>
620	LG Daesan	Korea	07'Q2	07'Q1	<i>1 quarter late, 07'Q2 start-up</i>
2,200	Arya Sasol (# 9)	Iran	07'Q4	07'Q2	<i>2 quarter further delay</i>
2,900	Jam (# 10)	Iran	08'Q1	07'Q3	<i>2 quarter further delay</i>
1,900	TKOC (formerly Equate)	Kuwait	09'Q1	08'Q3	<i>2 quarter delay</i>
1,100	Moravid (#5, formerly Kharg)	Iran	10'Q3	09'Q1	<i>7 quarter further delay</i>
2,200	PTT Chemical	Thailand	10'Q3	09'Q4	<i>3 quarter delay; construction started</i>
1,146	Guangzhou Ethylene	China	2011	10'Q3	<i>4 quarter delay, Construction not started</i>
1,760	Fushun	China	2011	10'Q3	<i>4 quarter delay, Construction not started</i>
2,860	Sipchem	S. Arabia	2011	10'Q4	<i>4 quarter delay, Construction not started</i>
2,600	Q-JV (Qatar Petroleum, Honam PC)	Qatar	2012	2011	<i>4 quarter delay</i>
2,430	Arvand (#8)	Iran	n/a	2011	<i>Cracker cancelled, new project possible</i>
2,200	OPIC (Dow JV)	Oman	n/a	2011	<i>Postponed indefinitely</i>
(530)	Total	France	09'Q4	n/a	<i>Unit shut-down</i>

# Joffre PE Expansions

## Increased Use of Advantaged Ethylene



NOVA Chemicals realizes the full Alberta Advantage on all ethylene that is used to make PE.

**PANEL 14**



**NCX**

# Ethylene Capacity List

New delays, cancellations, shut-downs  
New capacity additions

Capacity (Mlbs)	Project	Country	New Assumed Timing	Previous Timing	Comment
< 500	Samsung Total	Korea	07'Q2	07'Q1	1 quarter late, 07'Q2 start-up
620	LG Daesan	Korea	07'Q2	07'Q1	1 quarter late, 07'Q2 start-up
2,650	Formosa	Taiwan	07'Q2	07'Q2	Q2'07 start-up
< 500	QAPCO	Qatar	07'Q3	07'Q3	
2,200	Arya Sasol (# 9)	Iran	07'Q4	07'Q2	2 quarter further delay
620	BASF	Belgium	07'Q4	07'Q4	
2,900	Jam (# 10)	Iran	08'Q1	07'Q3	2 quarter further delay
660	Jubail Chevron Phillips	S. Arabia	08'Q1	08'Q1	
2,870	Yansab	S. Arabia	08'Q3	08'Q3	
2,650	SHARQ (Mitsubishi JV)	S. Arabia	08'Q3	08'Q3	
770	Lotte Daesan	Korea	08'Q3	08'Q3	
2,204	Saudi Ethylene and PE	S. Arabia	08'Q4	09'Q1	Construction started early '06
< 500	PQU	Brazil	08'Q4	08'Q4	
1,900	TKOC (formerly Equate)	Kuwait	09'Q1	08'Q3	2 quarter delay
2,870	Petro-Rabigh	S. Arabia	09'Q1	09'Q1	Construction started March'06
2,870	Ras Laffan Ethylene Co	Qatar	09'Q2	09'Q2	Construction started '06
990	Liaoning Huajin	China	09'Q2	n/a	
440	Petrokemya	S. Arabia	09'Q3	n/a	Debottleneck
(530)	Total	France	09'Q4	n/a	Unit shut-down
2,200	Dushanzi PC	China	09'Q3	09'Q3	Construction started June'06
1,760	Fujian PC (JV)	China	09'Q3	09'Q3	Construction started July'06
1,980	Indian Oil	India	09'Q4	09'Q4	
2,200	Tianjin PC	China	09'Q4	09'Q4	
2,200	Zhenhai Refining	China	09'Q4	09'Q4	

# Ethylene Capacity List

New delays, cancellations, shut-downs  
New capacity additions

Capacity (Mlbs)	Project	Country	New Assumed Timing	Previous Timing	Comment
2,200	Shell	Singapore	10'Q2	10'Q2	Construction started Feb'06
3,090	Borouge	UAE	10'Q2	10'Q2	
450	Pemex	Mexico	10'Q3	10'Q3	
1,100	Moravid (#5, formerly Kharg)	Iran	10'Q3	09'Q1	7 quarter further delay
2,200	PTT Chemical	Thailand	10'Q3	09'Q4	3 quarter delay; construction started
1,980	Dow-Siam Cement	Thailand	10'Q3	10'Q3	Capacity reduced from 2634 Mlbs
1,146	Guangzhou Ethylene	China	2011	10'Q3	4 quarter delay, Construction not started
1,760	Fushun	China	2011	10'Q3	4 quarter delay, Construction not started
450	Pemex	Mexico	2011	2011	
2,920	Kayan	S. Arabia	2011	n/a	
3,520	Reliance	India	2011	n/a	
660	Baotou Shenhua	China	2011	n/a	Coal to olefins technology
2,860	Sipchem	S. Arabia	2011	10'Q4	4 quarter delay, Construction not started
700	Ilam PC (#13)	Iran	2011	2011	Capacity increased to 1080 Mlbs
1,760	Chengdu Petrochemical	China	2011	2011	
2,600	Q-JV (Qatar Petroleum, Honam PC)	Qatar	2012	2011	4 quarter delay
2,430	Arvand PC (#8)	Iran	n/a	2011	Cracker cancelled, new project possible
2,200	OPIC (Dow JV)	Oman	n/a	2011	Postponed indefinitely