

NOVA Chemicals

A Plastics and Chemical Company

Third Quarter 2008
Earnings Conference Call

October 23, 2008
11:30 AM

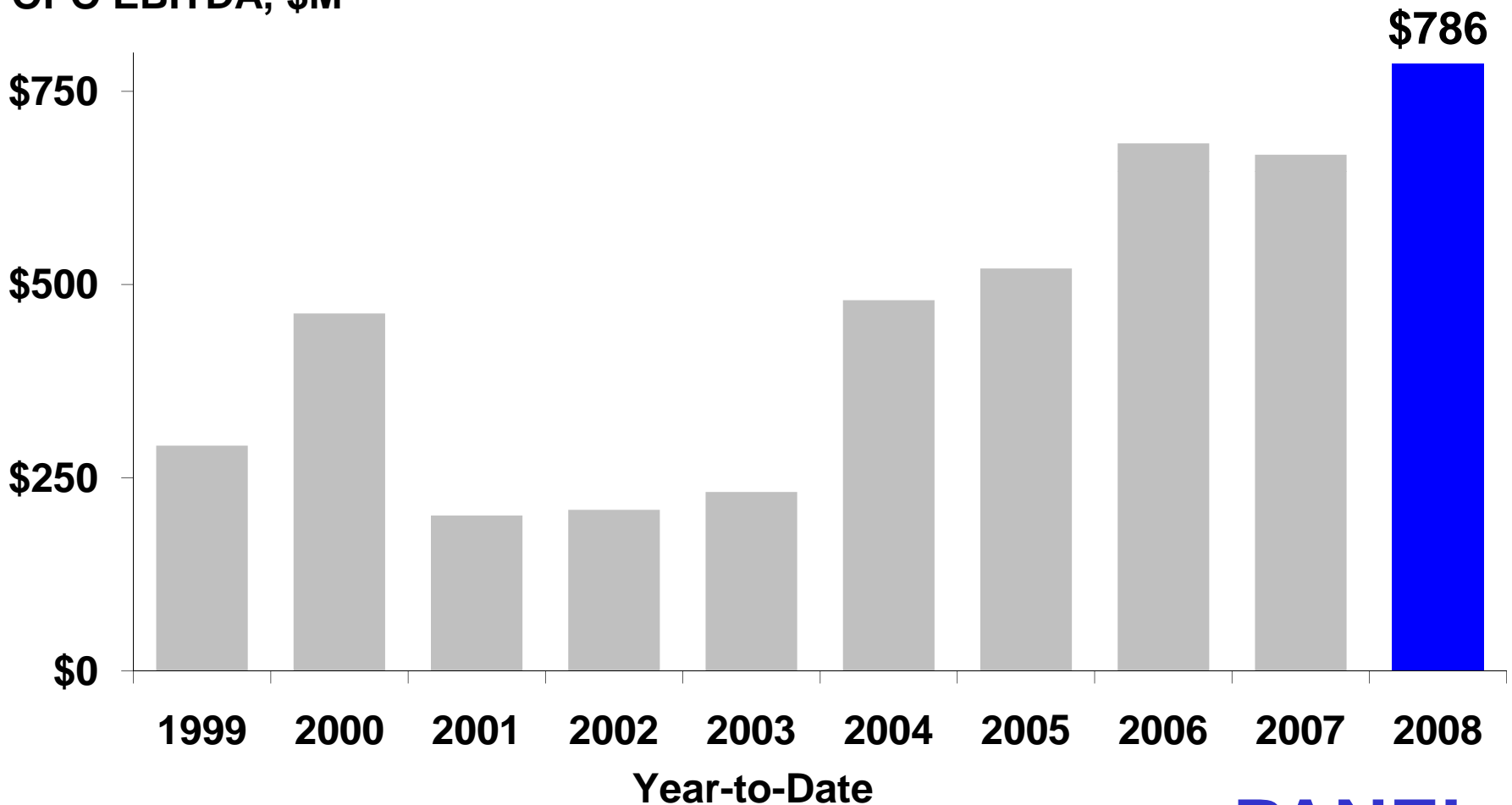
Forward-Looking Information

This material and the comments made by our management contain forward-looking information. 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 the comments and material include, among others, statements regarding: our belief that we will generate consistently strong results and our fundamentals and prospects makes us an outstanding investment choice today; our beliefs and expectations regarding our ability to reduce our working capital investment and generate strong cash flow in the coming months and years, including our expectation that the first step in our crude oil working capital reduction effort, combined with lower inventory and accounts receivable values due to the sharp drop in crude oil prices in Q3 will reduce this investment by \$150-\$180 million in Q4 and our expectation that we will complete the second step of this effort shortly, which could yield an additional \$160 million assuming crude oil prices at \$80/barrel; our expectation that we will increase our liquidity beyond our target range by the end of the year and a completion of the crude oil working capital reduction effort and sale of our interest in the Joffre cogen facility would even further enhance our liquidity and we could see liquidity of about \$1 billion in the near future; our belief that our solid liquidity position will allow us to comfortably pay down debt next year; our plans for acquisitions and capital spending; our beliefs about our Olefins/Polyolefins business, including our expectation of strong margins for Q4, our beliefs about polyethylene (PE) consumption, producer inventories and supply, including our beliefs about the impact of the hurricanes on PE capacity and supply, our beliefs about our Alberta Advantage, our beliefs about global PE demand, new ethylene and PE capacity, and our PE operating rate forecast; our expectations for our styrene-based segments, including our views of global styrene markets, INEOS NOVA synergy targets, and our belief that INEOS NOVA will be at least cash neutral through 2009 due to its cost reductions and business optimization efforts; our beliefs about our technology, including our new technology to produce “on-purpose” 1-octene; and our beliefs about the impact of a lower Canadian dollar on our results. With respect to this forward-looking information, 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; our ability to complete the second step of our working capital reduction effort and sell our interest in the Joffre cogen facility and the results of such actions; 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 the forward-looking information 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.

Olefins/Polyolefins EBITDA

2008 YTD Highest in History

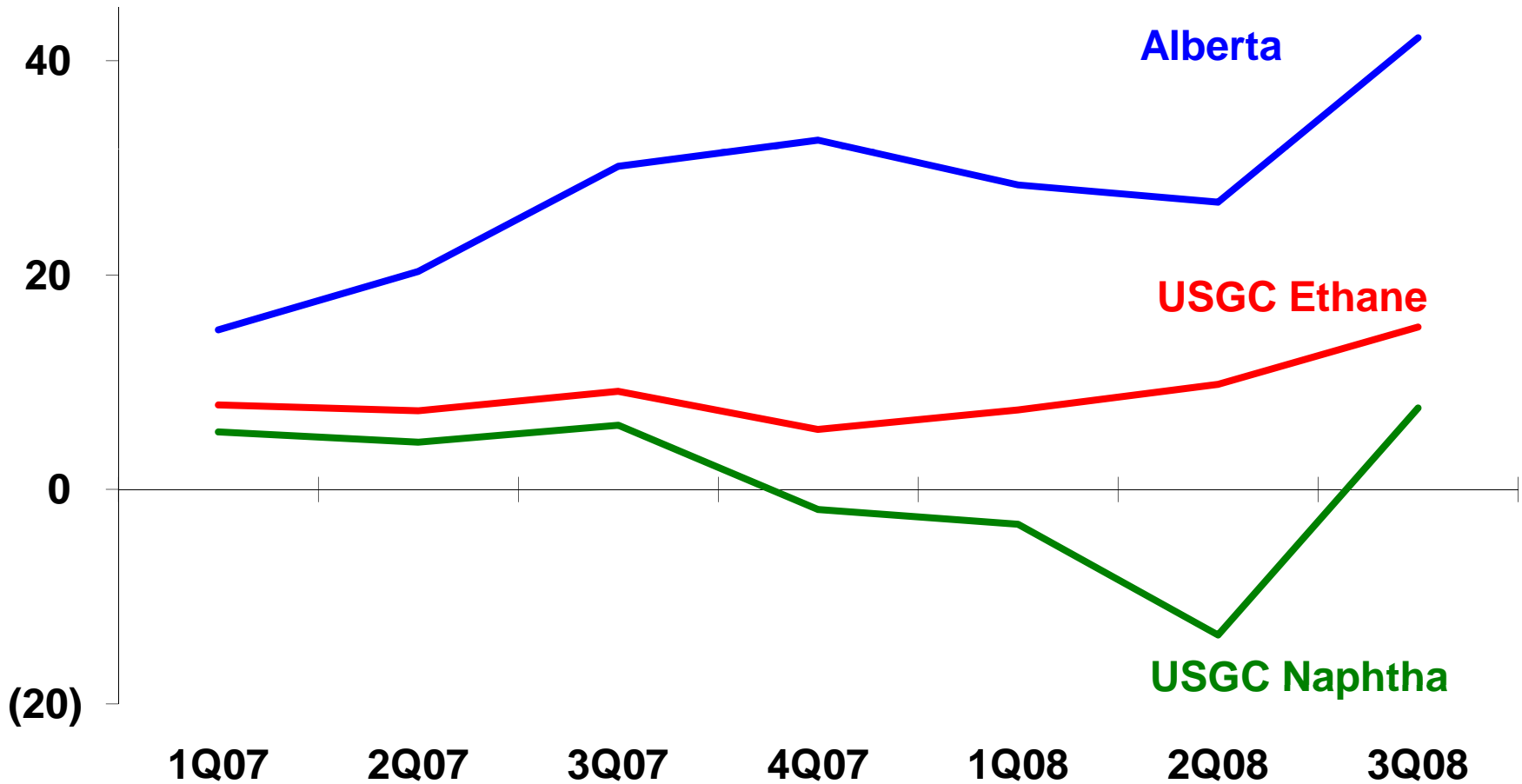
OPO EBITDA, \$M



Alberta E/PE Chain Margins

Strong Advantage vs USGC Producers

Chain Margin, cpp



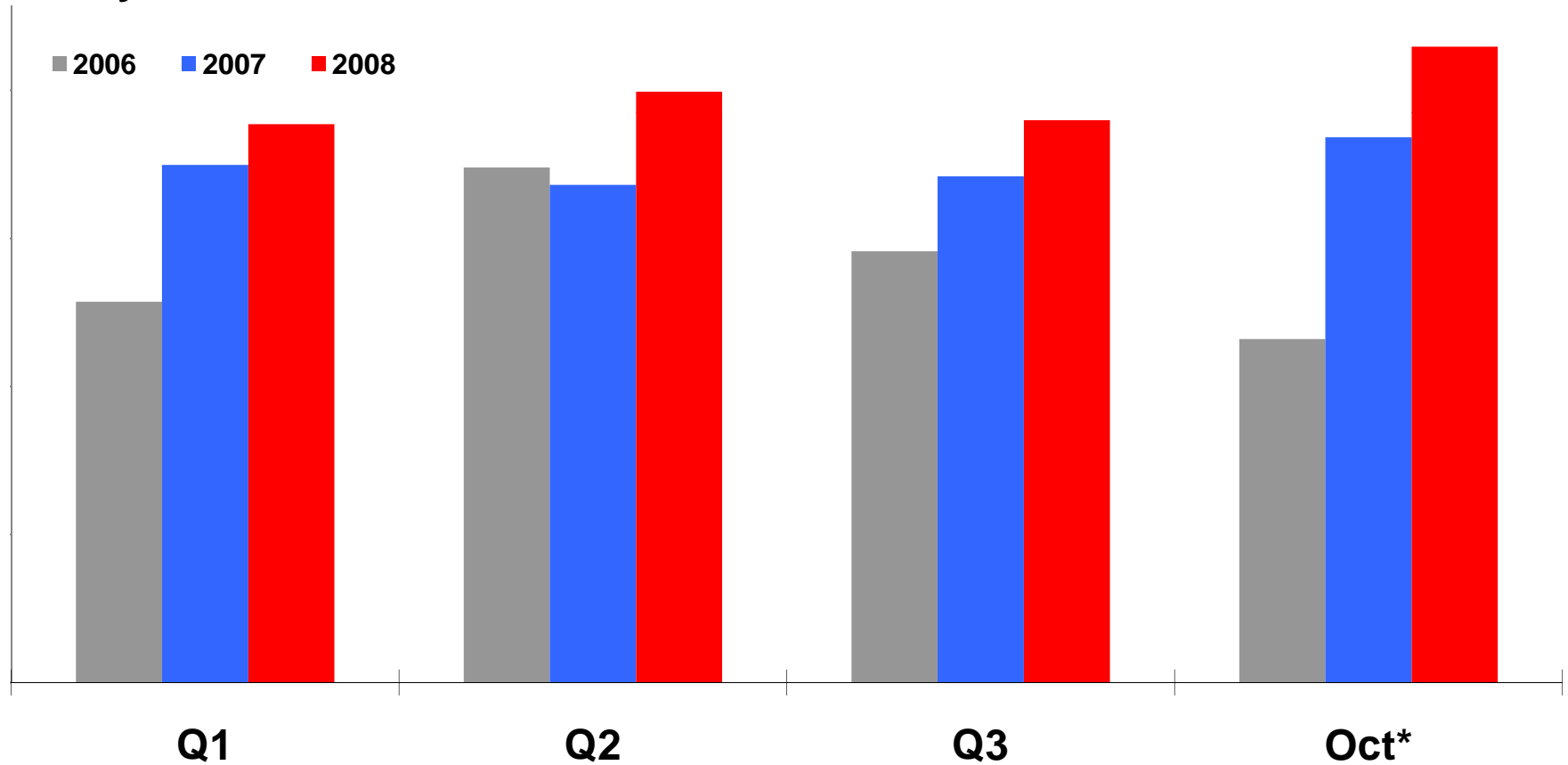
NOVA Chemicals PE Customers

2008 Consumption Stronger than '06, '07

Hopper Cars
per day

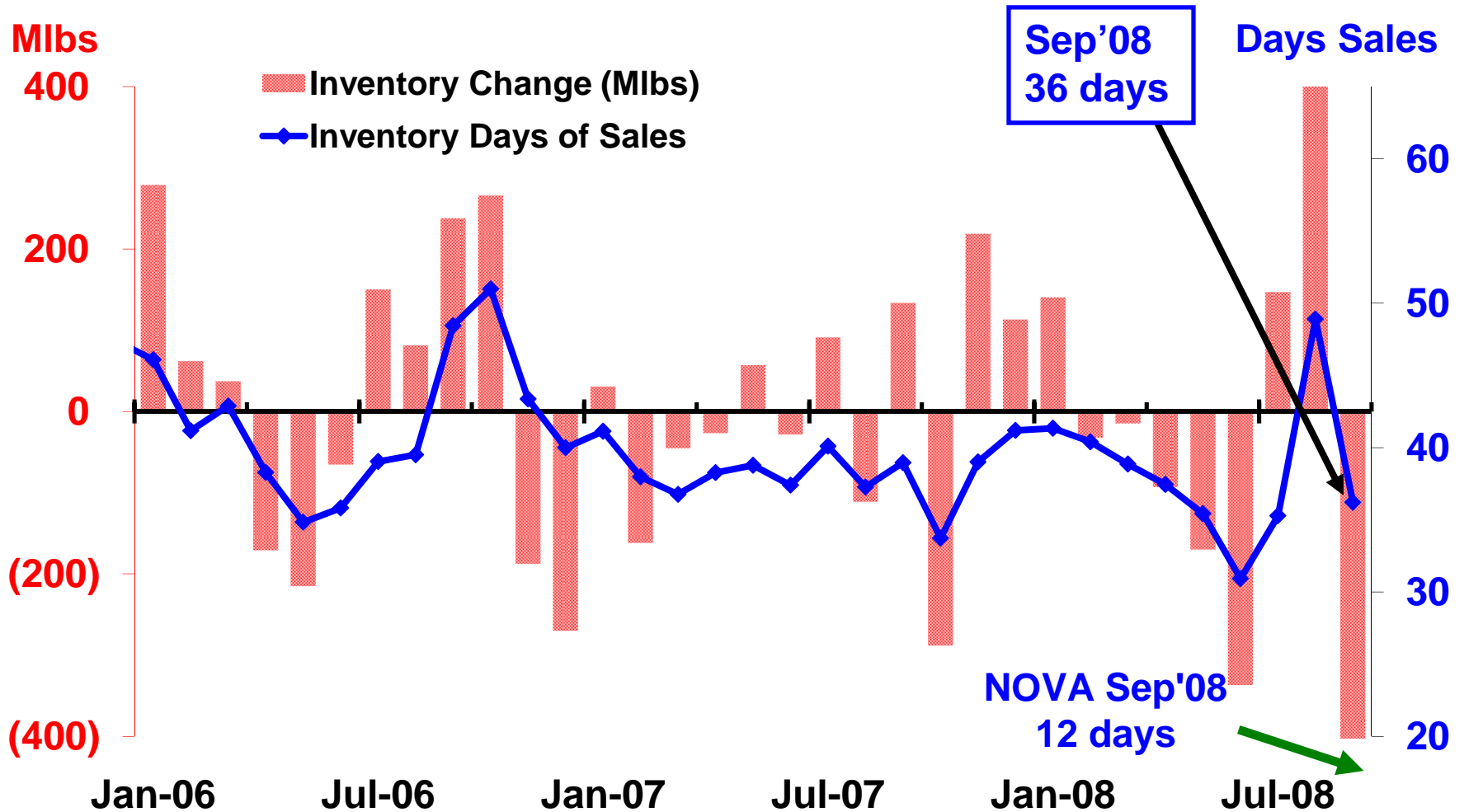
2008 Year to Date: 7% higher than 2007
16% higher than 2006

■ 2006 ■ 2007 ■ 2008



N. American PE Producer Inventory

Inventory Change, Days of Sales



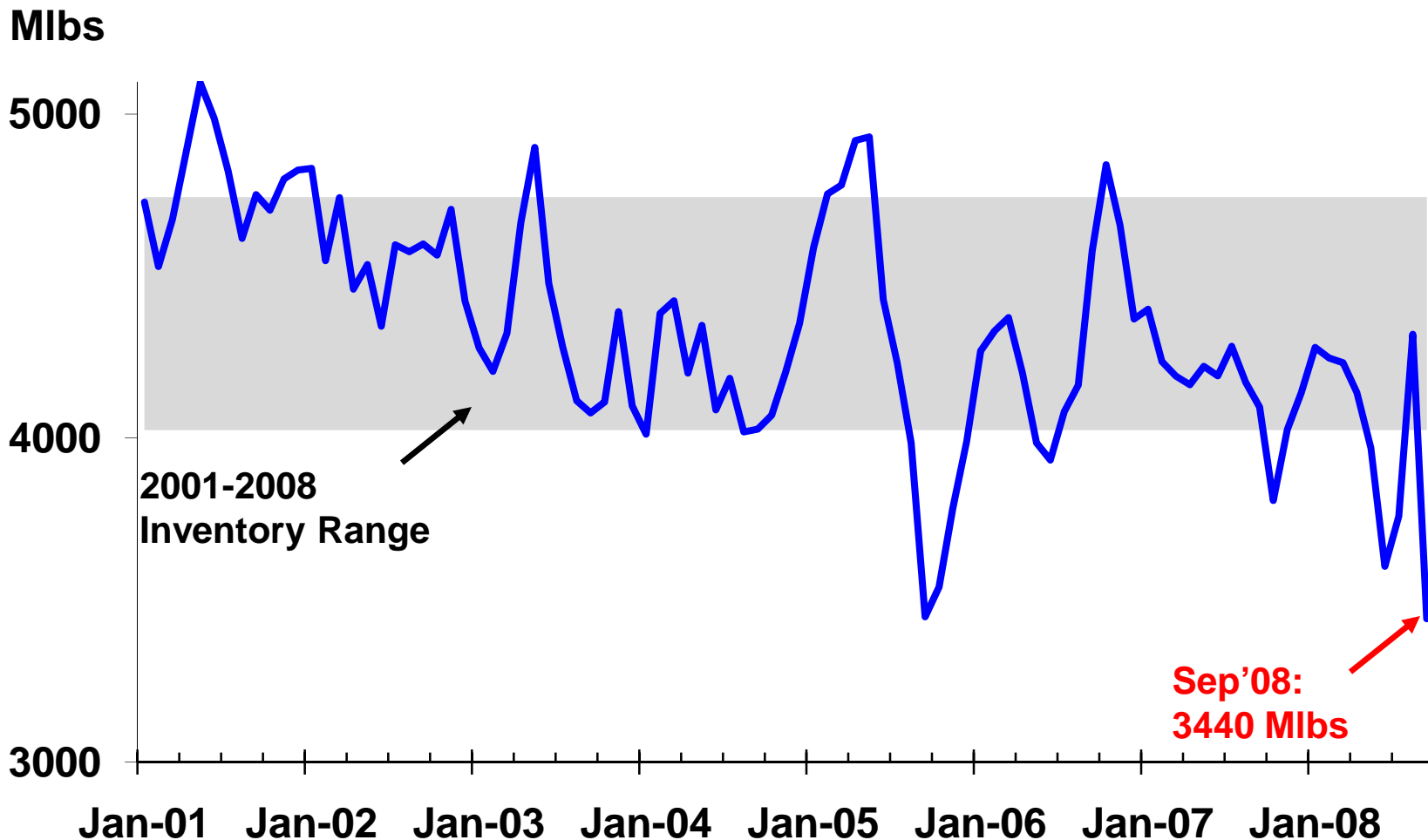
Source: ACC U.S. producer inventory, adjusted by NOVA Chemicals to represent N. A. producers. Data through September 2008.



PANEL 4

N. American PE Producer Inventory

Absolute Inventory



2001-2008
Inventory Range

Sep'08:
3440 Mlbs

Jan-01 Jan-02 Jan-03 Jan-04 Jan-05 Jan-06 Jan-07 Jan-08

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



PANEL 5

Polyethylene Technology

NOVA Chemicals

Phase	Catalyst		Process		Advantages
	Technology Ownership	Ability to License	Technology Ownership	Ability to License	
LLDPE - Gas phase	√	√	√	√*	<ul style="list-style-type: none"> -Unique catalyst and process technology - Free to license and build gas phase LLDPE plants
HDPE - Gas phase	√	√	√	√*	<ul style="list-style-type: none"> -Free to build gas phase HDPE plants - New catalyst technologies and products
SCLAIRTECH - Solution phase	√	√	√	√	<ul style="list-style-type: none"> -Unique, fully patented catalyst, process and product technology -Free to license and build plants -Licensed for use in 11 plants worldwide
Advanced SCLAIRTECH (AST)- Solution Phase	√	√	√	√	<ul style="list-style-type: none"> -Unique, fully patented catalyst, process and product technology -Free to license and build plants -Major applications: food packaging, industrial packaging, custom molded parts
LDPE - High Pressure	n/a	n/a			<ul style="list-style-type: none"> - Free to build large LDPE tubular plants



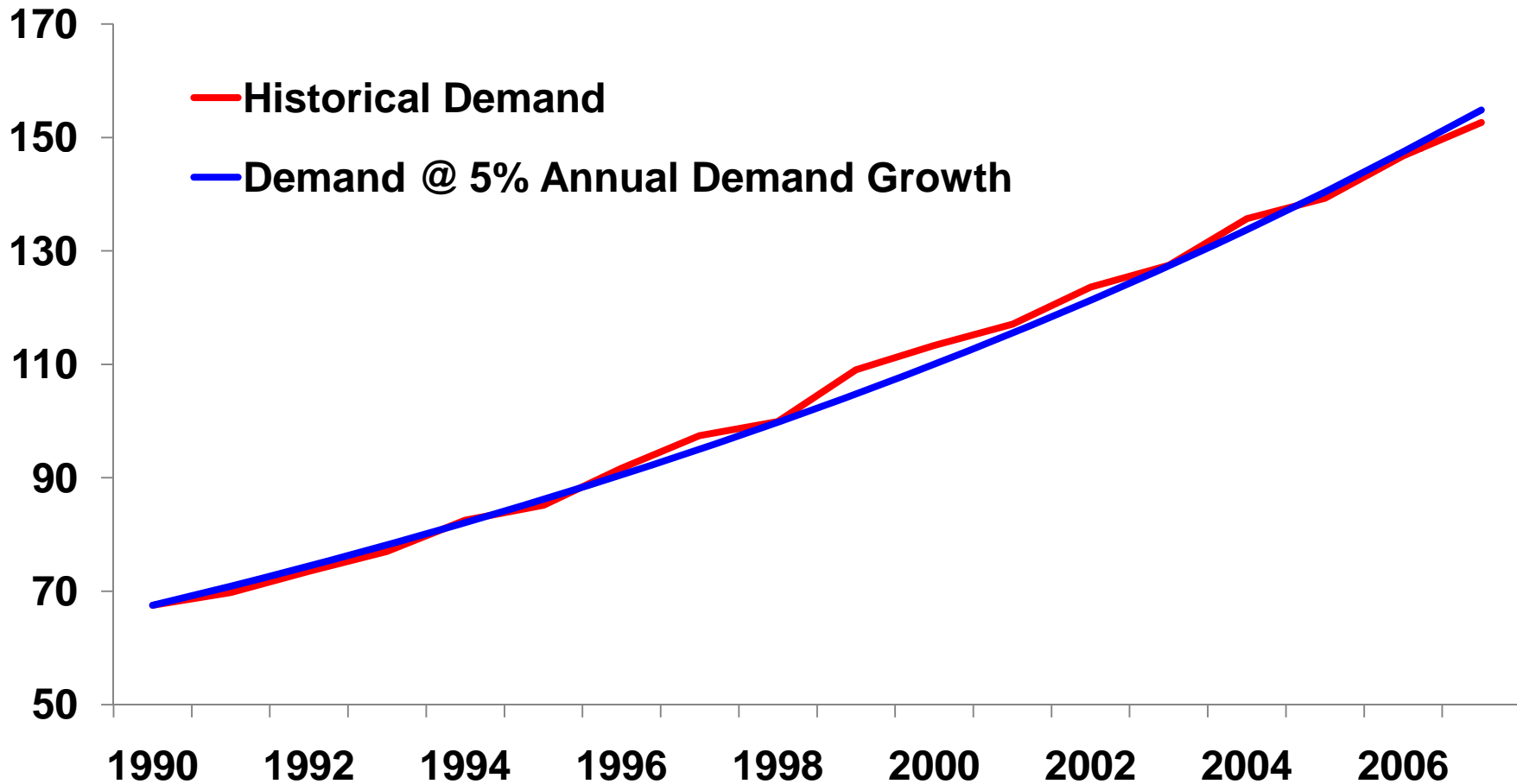
* Can license the processes as we operate them.

PANEL 6

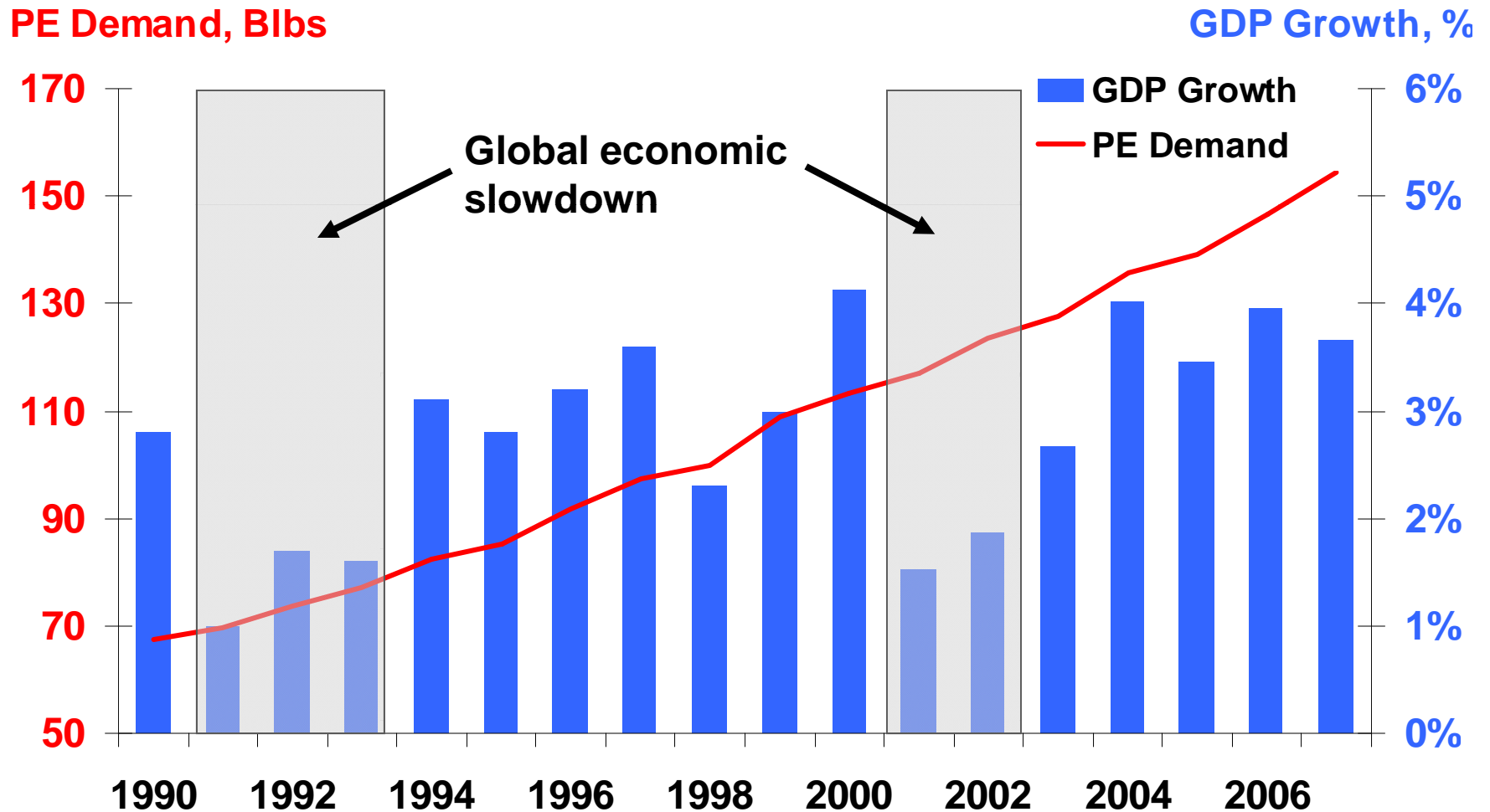
Global Polyethylene Demand

Strong, Steady Growth

PE Demand, Blbs

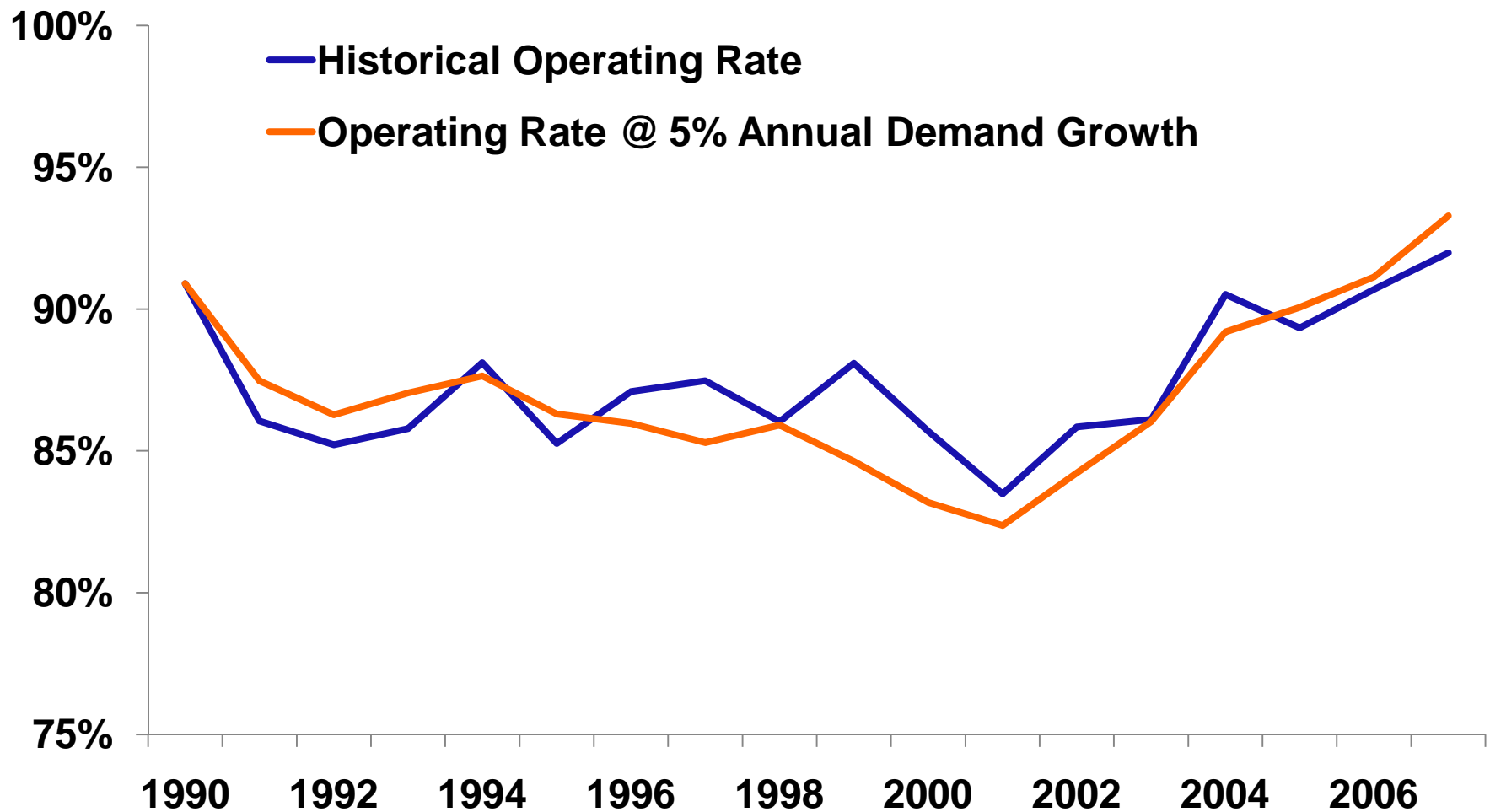


Global PE Demand vs Global GDP Growth



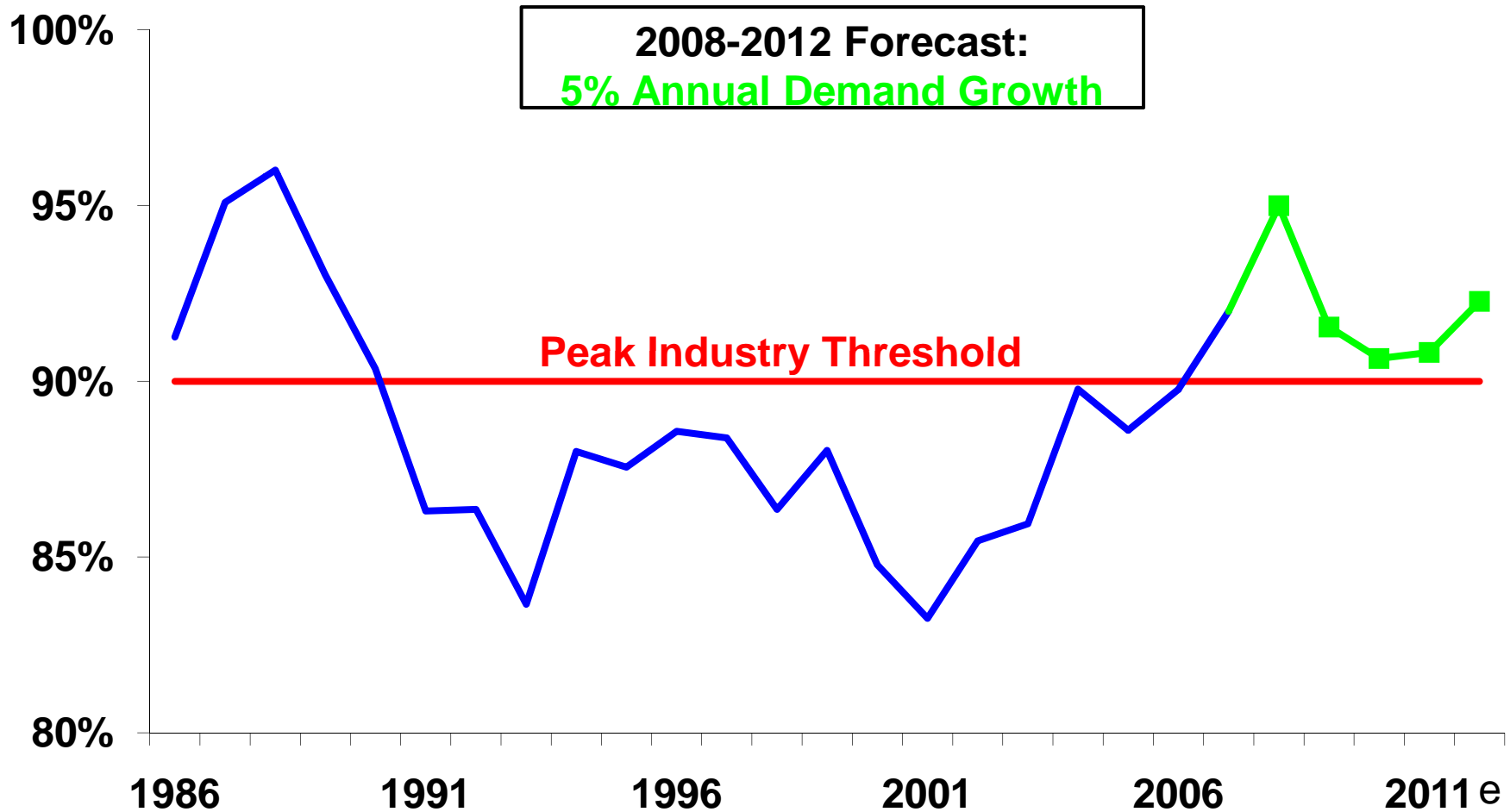
Global PE Operating Rate

5% Annual Demand Growth from 1990

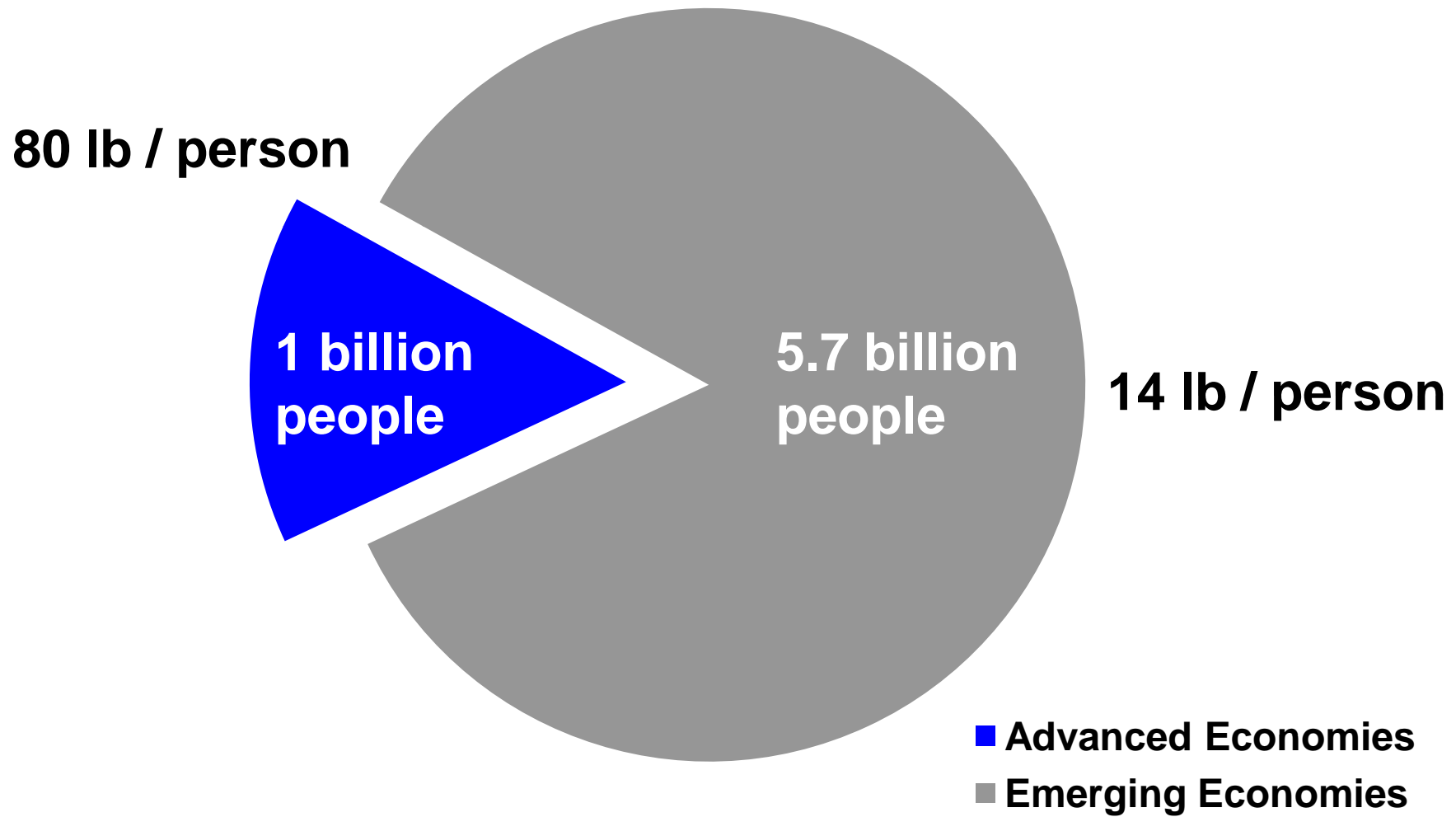


Global PE Operating Rate Forecast

5% Annual Demand Growth



Global Population and PE Consumption Advanced vs Emerging Economies

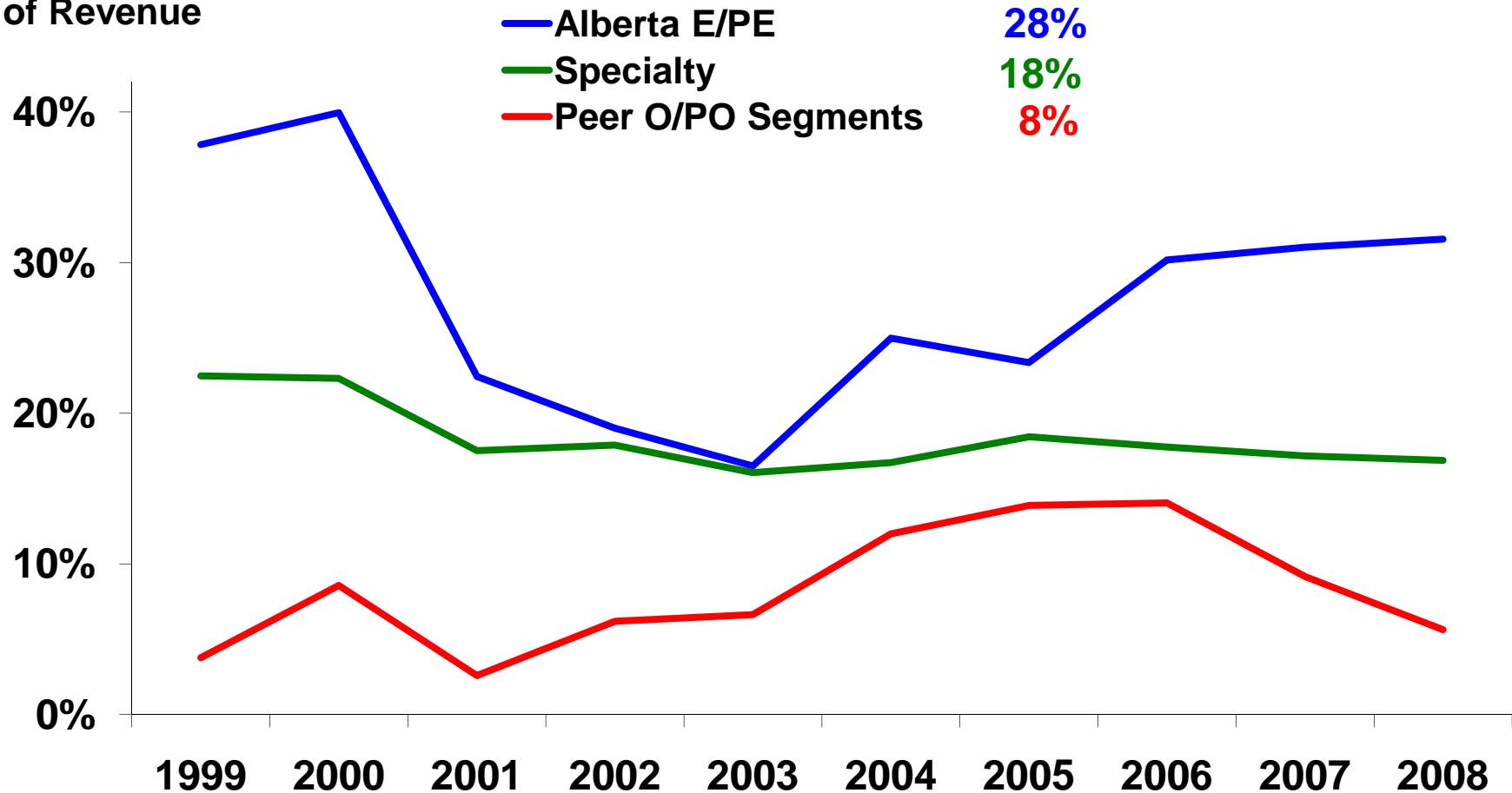


Alberta E/PE EBITDA Margins

Higher than Specialty, Commodity Peers

EBITDA as %
of Revenue

Average ('99-'08)

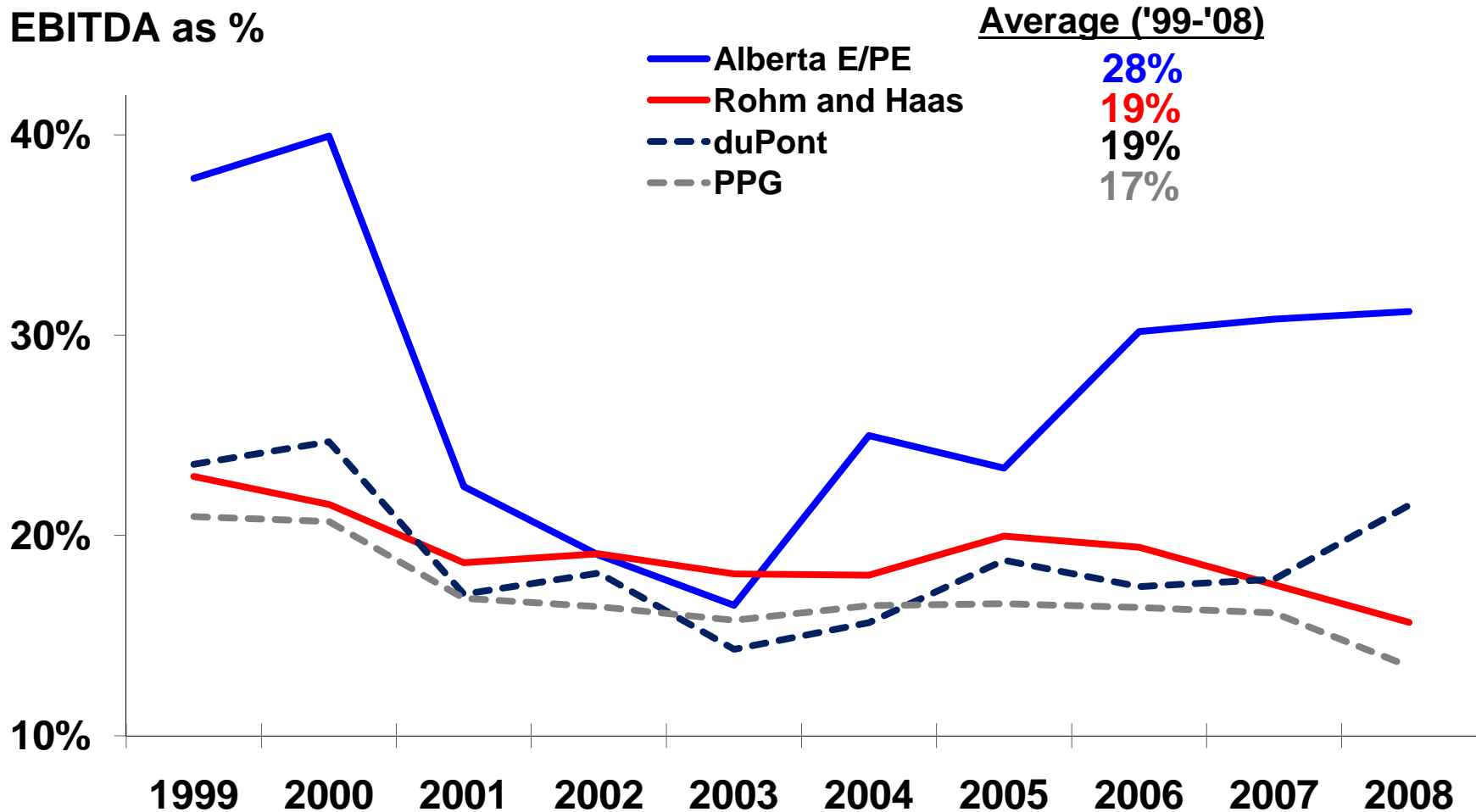


NOVA's business results include corporate costs. Specialty group: duPont, Rohm and Haas, and PPG. Peer O/PO group: O/PO segments of Lyondell (prior to Q4'07), Westlake, and N. American operations of Chevron Phillips Chemicals. Source: Thomson Financial, Company reports, NOVA Chemicals.



PANEL 12

Alberta E/PE EBITDA Margins Higher than Specialty Peers



NOVA's business results include corporate costs.

Source: Thomson Financial, Company reports, NOVA Chemicals.



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