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# 2000

## *NOVA CHEMICALS CORPORATION SUPPLEMENTAL FINANCIAL AND PRODUCT INFORMATION*

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On July 2, 1998, NOVA Chemicals Corporation (NOVA Chemicals) was launched as an independent, publicly traded commodity chemical company immediately following the merger of NOVA Corporation and TransCanada PipeLines Limited. All periods prior to July 2, 1998, presented for comparative purposes represent the results of NOVA Chemicals Ltd., a former subsidiary, which accounted for approximately 99% of the ongoing assets and

revenues of NOVA Corporation. In the third quarter of 1998, NOVA Chemicals began reporting its financial results in U.S. dollars while continuing to follow Canadian generally accepted accounting principles (GAAP). For all periods prior to July 2, 1998, Canadian dollar amounts have been restated in U.S. dollars using an exchange rate of \$1.00 Cdn. = U.S. \$0.68, except for reported fair market values which

were converted at the rates in effect on the relevant dates. Actual exchange rates for the 10-year period ended December 31, 2000 have ranged from a high of \$0.89 to a low of \$0.63. On December 31, 1999, NOVA Chemicals changed its measurement or functional currency to the U.S. dollar from the Canadian dollar. This change will have little impact on our financial statements on an ongoing basis, but has

resulted in a significant impact on accounting for our hedged position. All dollar amounts are expressed in U.S. dollars except where otherwise indicated. Throughout this document, references to "peer average" means Dow Chemical Co., Eastman Chemical Company, Union Carbide Corp., Lyondell Chemical Company and Millennium Chemicals Inc.

# FINANCIAL INFORMATION

## FINANCIAL HIGHLIGHTS

| Millions of dollars                                  | 00       | 99    | 98    | 97    | 96    | 95    | 94    | 93    | 92    | 91    |
|--|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>Revenue</b>                                       |          |       |       |       |       |       |       |       |       |       |
| Olefins/Polyolefins                                  | \$ 2,228 | 1,671 | 1,614 | 1,806 | 1,753 | 1,693 | 1,510 | 1,155 | 1,357 | 1,333 |
| Styrenics  | 1,859    | 1,273 | 542   | 564   | 399   | 469   | 377   | 397   | 291   | 379   |
| Methanol <sup>1</sup>                                | –        | –     | –     | –     | –     | –     | 12    | 158   | 133   | 126   |
| Intersegment eliminations <sup>2</sup>               | (171)    | (136) | (81)  | (85)  | (83)  | (85)  | (64)  | (114) | (297) | (283) |
|  | \$ 3,916 | 2,808 | 2,075 | 2,285 | 2,069 | 2,077 | 1,835 | 1,596 | 1,484 | 1,555 |
| <b>EBITDA <sup>3</sup></b>                           |          |       |       |       |       |       |       |       |       |       |
| Olefins/Polyolefins <sup>4</sup>                     | \$ 525   | 385   | 280   | 416   | 409   | 575   | 338   | n/a   | n/a   | n/a   |
| Styrenics <sup>4</sup>                               | 195      | 93    | (8)   | (16)  | 35    | 116   | 29    | n/a   | n/a   | n/a   |
| Methanol <sup>1</sup>                                | –        | –     | –     | –     | –     | –     | 1     | n/a   | n/a   | n/a   |
| Other <sup>5</sup>                                   | (118)    | (18)  | (18)  | (11)  | (23)  | (44)  | (25)  | n/a   | n/a   | n/a   |
|  | \$ 602   | 460   | 254   | 389   | 421   | 647   | 343   | 194   | 183   | 135   |
| <b>Depreciation &amp; Amortization</b>               |          |       |       |       |       |       |       |       |       |       |
| Olefins/Polyolefins <sup>4</sup>                     | \$ 86    | 80    | 122   | 128   | 127   | 121   | 114   | n/a   | n/a   | n/a   |
| Styrenics <sup>4</sup>                               | 102      | 75    | 29    | 32    | 23    | 16    | 13    | n/a   | n/a   | n/a   |
|  | \$ 188   | 155   | 151   | 160   | 150   | 137   | 127   | 121   | 106   | 127   |
| <b>Operating Income (Loss) – EBIT <sup>6</sup></b>   |          |       |       |       |       |       |       |       |       |       |
| Olefins/Polyolefins                                  | \$ 439   | 305   | 158   | 288   | 282   | 454   | 224   | 67    | 101   | 48    |
| Styrenics  | 93       | 18    | (37)  | (48)  | 12    | 100   | 16    | (13)  | (35)  | (61)  |
| Methanol <sup>1</sup>                                | –        | –     | –     | –     | –     | –     | 1     | 19    | 11    | 21    |
| Other <sup>5</sup>                                   | (118)    | (18)  | (18)  | (11)  | (23)  | (44)  | (25)  | –     | –     | –     |
|  | \$ 414   | 305   | 103   | 229   | 271   | 510   | 216   | 73    | 77    | 8     |
| Equity in earnings (losses) of Methanex <sup>7</sup> | \$ 23    | (29)  | (25)  | 39    | 12    | 39    | 91    | –     | –     | –     |
| Equity in earnings of Dynegy <sup>8</sup>            | \$ –     | 37    | 26    | 20    | 28    | 10    | 9     | –     | –     | –     |

1 In January 1994, NOVA Chemicals exchanged its methanol facilities for shares in Methanex Corporation.

2 Reflects the sale of ethylene and benzene from Olefins/Polyolefins to Styrenics.

3 Earnings before interest, taxes, depreciation and amortization, equity in earnings (losses) of affiliates, other gains (losses) and general and corporate.

4 EBITDA and depreciation and amortization not split out by business prior to 1994.

5 Includes re-engineering, restructuring and computer system development costs.

6 Earnings before interest, taxes, equity in earnings (losses) of affiliates, other gains (losses) and general and corporate.

7 Excludes asset writedown and restructuring charge of \$19 million in 1999 and asset writedown of \$22 million in 1996.

8 Excludes asset writedown of \$39 million in 1997 relating primarily to Dynegy's natural gas liquids and crude oil business.

## AFTER TAX ROCE <sup>1,2</sup>

| %                                    | 00   | 99   | 98    | 97    | 96   | 95   | 94   | 93    | 92    | 91     |
|--------------------------------------|------|------|-------|-------|------|------|------|-------|-------|--------|
| NOVA Chemicals – operated facilities | 12.9 | 8.5  | 4.2   | 10.1  | 12.0 | 24.3 | 10.5 | 2.5   | 3.0   | (0.7)  |
| Olefins/Polyolefins                  | 27.6 | 20.8 | 9.5   | 18.1  | 16.5 | 26.1 | 12.5 | 3.9   | 5.7   | 2.0    |
| Styrenics                            | 4.2  | 0.5  | (5.4) | (5.5) | 2.6  | 24.7 | 5.5  | (2.3) | (8.3) | (12.2) |
| Peer Average                         | 9.3  | 4.9  | 6.3   | 8.9   | 10.5 | 15.1 | 8.0  | 2.1   | 3.0   | 9.1    |

1 Equals net income plus after-tax interest expense divided by capital employed.

2 Excludes Methanex and Dynegy.

## OPERATING MARGIN <sup>1,2</sup>

| %                                    | 00   | 99   | 98    | 97    | 96   | 95   | 94   | 93    | 92     | 91     |
|--------------------------------------|------|------|-------|-------|------|------|------|-------|--------|--------|
| NOVA Chemicals – operated facilities | 10.6 | 10.9 | 5.0   | 10.0  | 13.1 | 24.6 | 11.7 | 4.6   | 5.2    | 0.6    |
| Olefins/Polyolefins                  | 19.7 | 18.3 | 9.8   | 15.9  | 16.1 | 26.8 | 14.9 | 5.8   | 7.4    | 3.6    |
| Styrenics                            | 5.0  | 1.4  | (6.8) | (8.6) | 2.9  | 21.3 | 4.3  | (3.4) | (12.1) | (16.0) |
| Peer Average                         | 7.9  | 10.7 | 9.3   | 14.8  | 15.3 | 20.6 | 13.7 | 9.9   | 9.1    | 10.9   |

1 Operating margin is calculated as operating income divided by sales.

2 Excludes Methanex and Dynegy.

## WORKING CAPITAL AS A PERCENTAGE OF SALES <sup>1</sup>

| %                                    | 00   | 99   | 98   | 97   | 96   | 95   | 94   | 93   | 92   | 91   |
|--------------------------------------|------|------|------|------|------|------|------|------|------|------|
| NOVA Chemicals – operated facilities | 15.2 | 14.2 | 12.0 | 11.1 | 11.0 | 2.7  | 9.5  | 9.7  | 10.9 | 10.9 |
| Olefins/Polyolefins                  | 10.5 | 13.3 | 11.4 | 10.4 | 14.7 | 8.4  | 10.5 | 10.1 | 8.5  | 7.9  |
| Styrenics                            | 19.5 | 14.0 | 12.0 | 19.7 | 24.7 | 7.0  | 14.6 | 12.5 | 16.1 | 17.2 |
| Peer Average                         | 15.6 | 21.5 | 24.0 | 25.7 | 18.1 | 19.9 | 18.3 | 17.5 | 17.4 | 18.5 |

1 Excludes Methanex and Dynegy.

## OTHER RATIOS

| December 31 and for the year ended  | 00     | 99     | 98     | 97     | 96     | 95     | 94     | 93     |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| After-tax return on capital employed before other gains and losses <sup>1</sup> | 8.5 %  | 6.8 %  | 2.2 %  | 7.9 %  | 8.7 %  | 21.1 % | 13.1 % | 3.5 %  |
| After-tax return on capital employed after other gains and losses <sup>1</sup>  | 9.1 %  | 11.9 % | 2.2 %  | 6.2 %  | 7.8 %  | 21.5 % | 17.8 % | 5.0 %  |
| Percentage of debt to total assets <sup>2</sup>                                 | 30.4 % | 33.5 % | 36.2 % | 27.0 % | 27.9 % | 22.0 % | 13.2 % | 20.9 % |
| Return on average common equity <sup>3</sup>                                    | 21.2 % | 9.9 %  | 2.3 %  | 12.2 % | 14.1 % | 37.4 % | 34.7 % | 5.6 %  |
| Interest coverage (times) <sup>4</sup>  | 5.6 x  | 3.1 x  | 1.5 x  | 5.0 x  | 6.8 x  | 15.1 x | 7.8 x  | 2.1 x  |
| Employees at year-end <sup>5</sup>  | 4,700  | 4,400  | 3,600  | 3,400  | 3,400  | 2,700  | 2,800  | 3,000  |

1 Calculated as net income plus after-tax interest expense, divided by year-end working capital plus fixed assets and the investment in Methanex and Dynegy.

2 Debt includes long-term debt plus current portion of long-term debt. Excludes intercompany debt.

3 Net income to common shareholders before unusual items divided by average common equity. 1998 average common equity excludes the effects of the Huntsman transaction. 1993 to 1997 average common equity is net of advances to parent and affiliates.

4 2000, 1999 and 1998 equal to net income before interest expense, income taxes and unusual items divided by annual interest requirements. 1997 and prior equal to net income before interest expense, income taxes and other gains (losses) divided by interest expense.

5 Excludes employees of equity-held investments.

## FINANCIAL INFORMATION

### STATEMENT OF INCOME

Year ended December 31 Millions of dollars

|  | 00       | 99       | 98       | 97       | 96       | 95       | 94       | 93       |
|--|----------|----------|----------|----------|----------|----------|----------|----------|
| Revenue  | \$ 3,916 | \$ 2,808 | \$ 2,075 | \$ 2,285 | \$ 2,069 | \$ 2,077 | \$ 1,835 | \$ 1,596 |
| Operating costs and expenses                     |          |          |          |          |          |          |          |          |
| Operating expenses                               | 3,196    | 2,330    | 1,803    | 1,896    | 1,648    | 1,430    | 1,492    | 1,402    |
| Restructuring                                    | 118      | 18       | 18       | -        | -        | -        | -        | -        |
| Depreciation                                     | 188      | 155      | 151      | 160      | 150      | 137      | 127      | 121      |
|  | 3,502    | 2,503    | 1,972    | 2,056    | 1,798    | 1,567    | 1,619    | 1,523    |
| Operating income                                 | \$ 414   | \$ 305   | \$ 103   | \$ 229   | \$ 271   | \$ 510   | \$ 216   | \$ 73    |
| Other income (deductions)                        |          |          |          |          |          |          |          |          |
| Interest expense                                 | (45)     | (61)     | (46)     | (56)     | (45)     | (37)     | (41)     | (37)     |
| Equity in earnings (losses) of affiliates        | 32       | (11)     | 1        | 57       | 40       | 50       | 99       | -        |
| Other gains (losses)                             | 32       | 252      | -        | (39)     | (22)     | (6)      | 83       | 20       |
| General and corporate                            | -        | (1)      | 2        | (5)      | (5)      | (2)      | 4        | 6        |
|  | 19       | 179      | (43)     | (43)     | (32)     | 5        | 145      | (11)     |
| Income before income taxes                       | 433      | 484      | 60       | 186      | 239      | 515      | 361      | 62       |
| Income taxes                                     | (131)    | (231)    | (42)     | (75)     | (86)     | (161)    | (76)     | (16)     |
| Net income                                       | \$ 302   | \$ 253   | \$ 18    | \$ 111   | \$ 153   | \$ 354   | \$ 285   | \$ 46    |
| Add back (deduct) other losses (gains) after-tax | \$ (21)  | \$ (124) | \$ -     | \$ 39    | \$ 22    | \$ (7)   | \$ (82)  | \$ (20)  |
| Net income before other gains and losses         | \$ 281   | \$ 129   | \$ 18    | \$ 150   | \$ 175   | \$ 347   | \$ 203   | \$ 26    |

### BALANCE SHEET

Year ended December 31 Millions of dollars

|   | 00       | 99       | 98 <sup>1</sup> | 97       | 96       | 95       | 94       | 93       |
|---|----------|----------|-----------------|----------|----------|----------|----------|----------|
| <b>Assets</b>                                   |          |          |                 |          |          |          |          |          |
| Current assets                                  |          |          |                 |          |          |          |          |          |
| Cash and cash equivalents                       | \$ 27    | \$ 59    | \$ 37           | \$ -     | \$ 164   | \$ 102   | \$ 15    | \$ 20    |
| Receivables                                     | 385      | 226      | 348             | 301      | 228      | 192      | 251      | 189      |
| Inventories                                     | 533      | 380      | 280             | 207      | 269      | 160      | 140      | 164      |
| Dynege sale proceeds receivable                 | -        | 542      | -               | -        | -        | -        | -        | -        |
| Advances to parents and affiliates              | -        | -        | -               | 175      | 73       | 33       | 107      | 23       |
| Assets held for sale                            | -        | -        | -               | -        | -        | -        | -        | 90       |
|   | 945      | 1,207    | 665             | 683      | 734      | 487      | 513      | 486      |
| Investments and other assets                    | 447      | 589      | 733             | 780      | 746      | 712      | 545      | 121      |
| Plant, property and equipment                   | 4,951    | 4,312    | 3,507           | 2,435    | 2,223    | 2,030    | 2,068    | 1,989    |
| Less accumulated depreciation                   | (1,655)  | (1,549)  | (1,325)         | (1,211)  | (1,068)  | (913)    | (836)    | (736)    |
| Net plant, property and equipment               | 3,296    | 2,763    | 2,182           | 1,224    | 1,155    | 1,117    | 1,232    | 1,253    |
|   | \$ 4,688 | \$ 4,559 | \$ 3,580        | \$ 2,687 | \$ 2,635 | \$ 2,316 | \$ 2,290 | \$ 1,860 |
| <b>Liabilities and shareholders' equity</b>     |          |          |                 |          |          |          |          |          |
| Current liabilities                             |          |          |                 |          |          |          |          |          |
| Bank loans                                      | \$ 28    | \$ -     | \$ -            | \$ 57    | \$ -     | \$ 8     | \$ 217   | \$ 214   |
| Accounts payable and accrued liabilities        | 551      | 563      | 473             | 253      | 269      | 298      | 216      | 198      |
| Long-term debt installments due within one year | 17       | 385      | 17              | 36       | 37       | 35       | 81       | 84       |
|   | 596      | 948      | 490             | 346      | 306      | 341      | 514      | 496      |
| Long-term debt                                  | 1,406    | 1,140    | 1,280           | 690      | 698      | 474      | 221      | 305      |
| Long-term debt to affiliates                    | -        | -        | -               | 66       | 66       | 66       | 514      | 388      |
| Deferred credits                                | 760      | 507      | 298             | 237      | 235      | 208      | 188      | 145      |
| <b>Shareholders' equity</b>                     |          |          |                 |          |          |          |          |          |
| Preferred securities                            | 383      | 383      | 210             | -        | -        | -        | -        | -        |
| Retractable preferred shares                    | 198      | 198      | 198             | -        | -        | -        | -        | -        |
| Common shares                                   | 460      | 497      | 492             | 491      | 491      | 491      | 428      | 427      |
| Contributed surplus                             | -        | -        | -               | 14       | 14       | 14       | 14       | 14       |
| Cumulative translation adjustment               | (39)     | 72       | (15)            | 39       | 23       | 32       | 74       | 34       |
| Reinvested earnings                             | 924      | 814      | 627             | 804      | 802      | 690      | 337      | 51       |
|   | 1,926    | 1,964    | 1,512           | 1,348    | 1,330    | 1,227    | 853      | 526      |
|   | \$ 4,688 | \$ 4,559 | \$ 3,580        | \$ 2,687 | \$ 2,635 | \$ 2,316 | \$ 2,290 | \$ 1,860 |

<sup>1</sup> NOVA Chemicals acquired the majority of Huntsman's styrenics businesses on December 31, 1998. Accordingly, NOVA Chemicals' balance sheet as at December 31, 1998 includes the Huntsman acquisition.

# FINANCIAL INFORMATION

## STATEMENT OF CASH FLOW

Year ended December 31 Millions of dollars

|   | 00               | 99     | 98      | 97     | 96     | 95     | 94     | 93    |
|---|------------------|--------|---------|--------|--------|--------|--------|-------|
| <b>Operating activities</b>                                   |                  |        |         |        |        |        |        |       |
| Net income from continuing operations after minority interest | \$ 302           | \$ 253 | \$ 18   | \$ 111 | \$ 153 | \$ 354 | \$ 285 | \$ 46 |
| Depreciation  | 188              | 155    | 151     | 160    | 150    | 137    | 127    | 121   |
| Future income taxes   | 93               | 94     | 2       | 1      | (4)    | 31     | 44     | 12    |
| Equity in (earnings) losses of affiliates                     | (32)             | 11     | (1)     | (57)   | (40)   | (50)   | (99)   | -     |
| Other (gains) losses  | 60               | (173)  | -       | 39     | 22     | 6      | (101)  | (20)  |
| Other   | -                | 2      | -       | -      | -      | -      | -      | -     |
| Funds from continuing operations                              | 611              | 342    | 170     | 254    | 281    | 478    | 256    | 159   |
| Changes in non-cash working capital                           | (260)            | 53     | 28      | (27)   | (158)  | 115    | (37)   | (48)  |
| Cash from operations  | 351              | 395    | 198     | 227    | 123    | 593    | 219    | 111   |
| <b>Investing activities</b>                                   |                  |        |         |        |        |        |        |       |
| Shell acquisition   | (212)            | -      | -       | -      | -      | -      | -      | -     |
| Huntsman acquisition  | -                | -      | (783)   | -      | -      | -      | -      | -     |
| Proceeds on sale of investments                               | 741 <sup>3</sup> | -      | -       | 11     | -      | 46     | 180    | 20    |
| Plant, property & equipment additions                         | (440)            | (620)  | (367)   | (223)  | (175)  | (93)   | (139)  | (175) |
| Assets exchanged for Methanex common shares                   | -                | -      | -       | -      | -      | -      | 71     | -     |
| Investment in Methanex  | -                | -      | -       | -      | -      | (5)    | (152)  | (109) |
| Long-term investments and other assets                        | (8)              | (12)   | (6)     | (7)    | (20)   | (133)  | (176)  | (7)   |
| Changes in non-cash working capital                           | (186)            | 17     | -       | 18     | -      | -      | -      | -     |
|   | (105)            | (615)  | (1,156) | (201)  | (195)  | (185)  | (216)  | (271) |
| <b>Financing activities</b>                                   |                  |        |         |        |        |        |        |       |
| Increase (decrease) in current bank loans                     | 28               | -      | (57)    | 57     | (8)    | (209)  | 3      | 142   |
| Huntsman acquisition debt financing                           | -                | -      | 585     | -      | -      | -      | -      | -     |
| Long-term debt additions                                      | 170              | 272    | 10      | -      | 257    | 325    | -      | 135   |
| Long-term debt repayments                                     | (385)            | (187)  | (36)    | (34)   | (35)   | (119)  | (86)   | (114) |
| Increase in revolving debt                                    | 115              | 134    | -       | -      | -      | -      | -      | -     |
| Preferred securities issued <sup>1</sup>                      | -                | 165    | 203     | -      | -      | -      | -      | -     |
| Retractable preferred shares issued                           | -                | -      | 198     | -      | -      | -      | -      | -     |
| Preferred securities dividends and distributions              | (36)             | (36)   | (2)     | -      | -      | -      | -      | -     |
| Changes in common shares                                      | (146)            | 5      | 1       | -      | -      | 63     | 1      | -     |
| Common share dividends  | (23)             | (25)   | (12)    | (109)  | (41)   | -      | -      | -     |
| Intercompany and other <sup>2</sup>                           | -                | -      | 24      | (104)  | (39)   | (381)  | 74     | 6     |
| Changes in non-cash working capital                           | (1)              | (86)   | 81      | -      | -      | -      | -      | -     |
|   | (278)            | 242    | 995     | (190)  | 134    | (321)  | (8)    | 169   |
| Increase (decrease) in cash and cash equivalents              | (32)             | 22     | 37      | (164)  | 62     | 87     | (5)    | 9     |
| Cash and cash equivalents at beginning of year                | 59               | 37     | -       | 164    | 102    | 15     | 20     | 11    |
| Cash and cash equivalents at end of year                      | \$ 27            | \$ 59  | \$ 37   | \$ -   | \$ 164 | \$ 102 | \$ 15  | \$ 20 |

<sup>1</sup> Net of underwriting commissions.

<sup>2</sup> Prior to 1995, NOVA Chemicals Ltd.'s long-term funding requirements were primarily provided through its parent, NOVA Corporation.

<sup>3</sup> Proceeds in 2000 come from the sale of Dynegy.

## LONG-TERM INVESTMENT ACTIVITIES AND OTHER ASSETS

Year ended December 31 Millions of dollars

|                                   | 00   | 99    | 98   | 97   | 96    | 95             | 94     | 93     |
|-----------------------------------|------|-------|------|------|-------|----------------|--------|--------|
| Methanex Corporation <sup>1</sup> | \$ - | \$ -  | \$ - | \$ - | \$ -  | \$ 5           | \$ 152 | \$ 109 |
| Dynegy Inc.                       | -    | -     | -    | -    | -     | 65             | 167    | -      |
| Other                             | 8    | 12    | 6    | 7    | 20    | 3 <sup>2</sup> | 9      | 7      |
|                                   | \$ 8 | \$ 12 | \$ 6 | \$ 7 | \$ 20 | \$ 73          | \$ 328 | \$ 116 |

<sup>1</sup> Includes the cost of NOVA Chemicals' methanol assets (\$71 million) that were exchanged in 1994 for Methanex common shares. No gain or loss was recognized on the exchange of the methanol assets.

<sup>2</sup> Excludes \$66 million intercompany transaction with NOVA Gas International Ltd., then a wholly owned subsidiary of NOVA Corporation.

## CREDIT RATINGS<sup>1</sup>

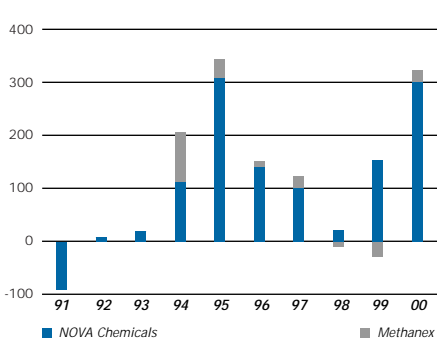
|  | Senior Unsecured Debt | Canadian Originated Preferred Securities |
|--|-----------------------|--|
| Standard & Poor's Rating Services <sup>2</sup> | BBB                   | BB+                                      |
| Moody's Investors Service Inc.                 | Baa2                  | Baa3                                     |
| Dominion Bond Rating Services Limited          | BBB                   | Pfd-3                                    |

<sup>1</sup> Credit ratings are not recommendations to purchase, hold or sell securities and do not comment on market price or suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future.

<sup>2</sup> Standard & Poor's (S&P) and the Canadian Bond Rating Service (CBRS) announced on October 31, 2000 that they were combining their operations in Canada. In January 2001, S&P announced its harmonized ratings as outlined in the above table.

## NET INCOME FROM ONGOING OPERATIONS<sup>1,2</sup>

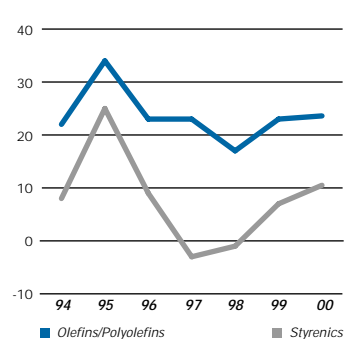
\$ millions



<sup>1</sup> Excluding non-recurring and unusual items.  
<sup>2</sup> Before dividends and distributions on preferred securities.

## OPERATING CASH FLOW<sup>1</sup> AS A PERCENTAGE OF SALES

%



<sup>1</sup> Operating cash flow is calculated as earnings before interest, taxes, depreciation and amortization (EBITDA).

# FINANCIAL INFORMATION

## QUARTERLY RESULTS

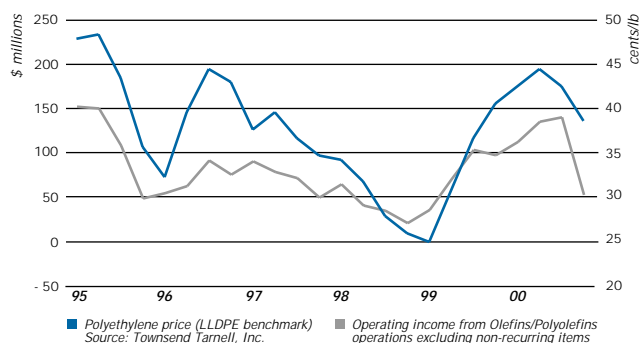
|   | 00            |            |            |              | 99         |            |            |            | 98         |             |            |            |
|---|---------------|------------|------------|--------------|------------|------------|------------|------------|------------|-------------|------------|------------|
| <i>Millions of dollars</i>                          | Q1            | Q2         | Q3         | Q4           | Q1         | Q2         | Q3         | Q4         | Q1         | Q2          | Q3         | Q4         |
| <b>Revenue</b>                                      |               |            |            |              |            |            |            |            |            |             |            |            |
| Olefins/Polyolefins                                 | \$ 521        | 532        | 570        | 605          | 342        | 398        | 454        | 477        | 449        | 410         | 385        | 370        |
| Styrenics   | 459           | 474        | 469        | 457          | 291        | 318        | 319        | 345        | 129        | 137         | 139        | 137        |
| Intersegment eliminations                           | (42)          | (36)       | (51)       | (42)         | (27)       | (32)       | (39)       | (38)       | (24)       | (21)        | (24)       | (12)       |
| <b>Total</b>  | <b>\$ 938</b> | <b>970</b> | <b>988</b> | <b>1,020</b> | <b>606</b> | <b>684</b> | <b>734</b> | <b>784</b> | <b>554</b> | <b>526</b>  | <b>500</b> | <b>495</b> |
| <b>Operating Income (loss)</b>                      |               |            |            |              |            |            |            |            |            |             |            |            |
| Olefins/Polyolefins                                 | \$ 112        | 135        | 140        | 52           | 35         | 70         | 103        | 97         | 64         | 40          | 34         | 20         |
| Styrenics   | 15            | 40         | 16         | 22           | (1)        | 16         | 9          | (6)        | (15)       | (13)        | (5)        | (4)        |
| Corporate and other                                 | (2)           | -          | 2          | -            | -          | -          | -          | -          | -          | -           | -          | -          |
| Restructuring charge                                | -             | -          | -          | (118)        | -          | -          | -          | (18)       | -          | (18)        | -          | -          |
| <b>Total</b>  | <b>\$ 125</b> | <b>175</b> | <b>158</b> | <b>(44)</b>  | <b>34</b>  | <b>86</b>  | <b>112</b> | <b>73</b>  | <b>49</b>  | <b>9</b>    | <b>29</b>  | <b>16</b>  |
| <b>Net Income (loss)</b>                            |               |            |            |              |            |            |            |            |            |             |            |            |
| Olefins/Polyolefins                                 | \$ 66         | 81         | 84         | 27           | 16         | 38         | 57         | 56         | 32         | 10          | 13         | 6          |
| Styrenics   | 6             | 20         | 7          | 9            | (4)        | 4          | (2)        | (10)       | (14)       | (11)        | (6)        | (4)        |
| Corporate and other                                 | -             | -          | -          | -            | -          | -          | (1)        | (2)        | (1)        | 3           | 1          | -          |
| Methanex  | (3)           | 4          | 10         | 12           | (13)       | (8)        | (5)        | (3)        | (1)        | (10)        | (6)        | (8)        |
| Dynegy  | -             | -          | -          | -            | 7          | 6          | 13         | 11         | 1          | 6           | 11         | 8          |
| <b>Total net income (loss) before unusual items</b> | <b>\$ 69</b>  | <b>105</b> | <b>101</b> | <b>48</b>    | <b>6</b>   | <b>40</b>  | <b>62</b>  | <b>52</b>  | <b>17</b>  | <b>(2)</b>  | <b>13</b>  | <b>2</b>   |
| <b>Unusual items (after-tax)</b>                    |               |            |            |              |            |            |            |            |            |             |            |            |
| Gain on sale of investment in Dynegy                | \$ -          | 21         | -          | -            | -          | -          | -          | 184        | -          | -           | -          | -          |
| Tax rate adjustment                                 | 9             | -          | -          | 20           | -          | -          | -          | -          | -          | -           | -          | -          |
| Loss on hedges of former economic exposures         | -             | -          | -          | -            | -          | -          | -          | (60)       | -          | -           | -          | -          |
| Restructuring charge                                | -             | -          | -          | (71)         | -          | -          | -          | (12)       | -          | (12)        | -          | -          |
| Methanex asset writedown and restructuring charge   | -             | -          | -          | -            | -          | -          | -          | (19)       | -          | -           | -          | -          |
| <b>Total unusual items</b>                          | <b>\$ 9</b>   | <b>21</b>  | <b>-</b>   | <b>(51)</b>  | <b>-</b>   | <b>-</b>   | <b>-</b>   | <b>93</b>  | <b>-</b>   | <b>(12)</b> | <b>-</b>   | <b>-</b>   |
| <b>Total net income (loss)</b>                      | <b>\$ 78</b>  | <b>126</b> | <b>101</b> | <b>(3)</b>   | <b>6</b>   | <b>40</b>  | <b>62</b>  | <b>145</b> | <b>17</b>  | <b>(14)</b> | <b>13</b>  | <b>2</b>   |

## EBITDA<sup>1</sup> NET OF PLANT, PROPERTY AND EQUIPMENT ADDITIONS

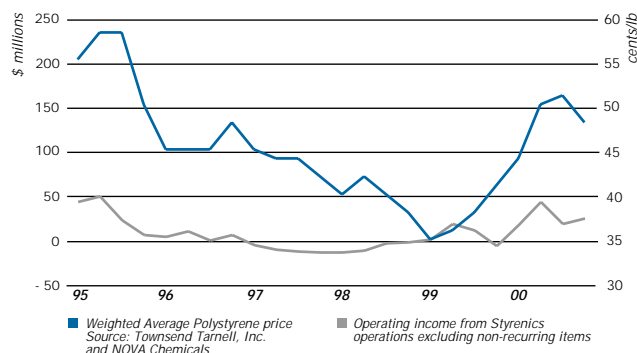
| <i>Year ended December 31 Millions of dollars</i> | 00            | 99           | 98           | 97         | 96         | 95         | 94         | 93        | 92         | 91        |
|---|---------------|--------------|--------------|------------|------------|------------|------------|-----------|------------|-----------|
| EBITDA  | \$ 602        | 460          | 254          | 389        | 421        | 647        | 343        | 194       | 183        | 135       |
| Plant, property and equipment additions           | \$ 440        | 620          | 367          | 223        | 175        | 93         | 139        | 175       | 54         | 75        |
| <b>Net</b>  | <b>\$ 162</b> | <b>(160)</b> | <b>(113)</b> | <b>166</b> | <b>246</b> | <b>554</b> | <b>204</b> | <b>19</b> | <b>129</b> | <b>60</b> |

<sup>1</sup> Earnings before interest, taxes, depreciation and amortization, equity in earnings (losses) of affiliates, other gains (losses) and general and corporate.

### QUARTERLY OLEFINS/POLYOLEFINS OPERATING INCOME CONTRIBUTION VS. POLYETHYLENE PRICE



### QUARTERLY STYRENICS OPERATING INCOME CONTRIBUTION VS. POLYSTYRENE PRICE



## FINANCIAL INFORMATION

### CONSOLIDATED CAPITALIZATION

| Year ended December 31            | Millions of dollars except for percentages | 00       | 99       | 98       | 97       | 96       | 95       | 94       | 93       |
|-----------------------------------|--|----------|----------|----------|----------|----------|----------|----------|----------|
| Consolidated totals               |  |          |          |          |          |          |          |          |          |
| Current bank loans <sup>1</sup>   |  | \$ 25    | \$ -     | \$ -     | \$ 57    | \$ -     | \$ -     | \$ 202   | \$ 194   |
| Long-term debt <sup>1,2</sup>     |  | 1,423    | 1,488    | 1,281    | 726      | 571      | 415      | 302      | 389      |
| Shareholders' equity <sup>3</sup> |  | 1,926    | 1,964    | 1,512    | 1,173    | 1,257    | 1,194    | 746      | 503      |
|                                   |  | \$ 3,374 | \$ 3,452 | \$ 2,793 | \$ 1,956 | \$ 1,828 | \$ 1,609 | \$ 1,250 | \$ 1,086 |
| Debt to total capitalization      |  | 42.9 %   | 43.1%    | 45.9%    | 40.0%    | 31.2%    | 25.8%    | 40.3%    | 53.7%    |

1 Net of cash available for debt repayment.

2 Includes current portion.

3 Amounts prior to 1998 are net of advances to parents and affiliates.

### CAPITAL SPENDING<sup>1,2</sup>

| Year ended December 31        | Millions of dollars | 00     | 99     | 98     | 97     | 96     | 95     | 94     | 93     |
|-------------------------------|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| Olefins/Polyolefins           |                     |        |        |        |        |        |        |        |        |
| Strategic capital             |                     | \$ 338 | \$ 523 | \$ 230 | \$ 100 | \$ 4   | \$ n/a | \$ n/a | \$ n/a |
| Sustaining capital            |                     | 63     | 42     | 55     | 41     | 48     | n/a    | n/a    | n/a    |
| Planned maintenance shutdowns |                     | -      | -      | -      | 22     | -      | n/a    | n/a    | n/a    |
|                               |                     | \$ 401 | \$ 565 | \$ 285 | \$ 163 | \$ 52  | \$ n/a | \$ n/a | \$ n/a |
| Styrenics                     |                     |        |        |        |        |        |        |        |        |
| Strategic capital             |                     | \$ -   | \$ 5   | \$ 66  | \$ 24  | \$ 111 | \$ n/a | \$ n/a | \$ n/a |
| Sustaining capital            |                     | 39     | 44     | 16     | 36     | 12     | n/a    | n/a    | n/a    |
| Planned maintenance shutdowns |                     | -      | 6      | -      | -      | -      | n/a    | n/a    | n/a    |
|                               |                     | \$ 39  | \$ 55  | \$ 82  | \$ 60  | \$ 123 | \$ n/a | \$ n/a | \$ n/a |
| Total                         |                     |        |        |        |        |        |        |        |        |
| Strategic capital             |                     | \$ 338 | \$ 528 | \$ 296 | \$ 124 | \$ 115 | \$ 27  | \$ 41  | \$ 83  |
| Sustaining capital            |                     | 102    | 86     | 71     | 77     | 60     | 66     | 78     | 92     |
| Planned maintenance shutdowns |                     | -      | 6      | -      | 22     | -      | -      | 20     | -      |
|                               |                     | \$ 440 | \$ 620 | \$ 367 | \$ 223 | \$ 175 | \$ 93  | \$ 139 | \$ 175 |

1 Excluding acquisitions.

2 Capital spending not split out by business prior to 1996.

### CAPITALIZATION

| Year ended December 31                             | Millions of dollars | 00       | 99       | 98       |
|--|---------------------|----------|----------|----------|
| Current bank loans (cash)                          |                     | \$ 25    | \$ (37)  | \$ (16)  |
| Long-term debt <sup>1</sup>                        |                     |          |          |          |
| E2 unsecured facility due June 2004 <sup>2</sup>   |                     | 53       | 69       | 77       |
| Huntsman acquisition facility due March 2000       |                     | -        | 220      | 390      |
| 6-1/2% notes due September 2000                    |                     | -        | 150      | 150      |
| 7% notes due September 2005                        |                     | 100      | 100      | 100      |
| 7-7/8% debentures due September 2025 <sup>3</sup>  |                     | 100      | 100      | 100      |
| 7% debentures due August 2026 <sup>4</sup>         |                     | 150      | 150      | 150      |
| 7-1/4% debentures due August 2028 <sup>5</sup>     |                     | 125      | 125      | 125      |
| 7.4% medium-term notes due April 2009 <sup>6</sup> |                     | 250      | 250      | -        |
| 7.85% notes due August 2010                        |                     | 167      | -        | -        |
| Unsecured loan facilities                          |                     | 478      | 361      | 205      |
| Total long-term debt                               |                     | 1,423    | 1,525    | 1,297    |
| Shareholders' equity                               |                     |          |          |          |
| 9.04% preferred securities                         |                     | 173      | 173      | -        |
| 9-1/2% preferred securities                        |                     | 210      | 210      | 210      |
|  |                     | 383      | 383      | 210      |
| Common equity                                      |                     |          |          |          |
| Retractable preferred shares <sup>7</sup>          |                     | 198      | 198      | 198      |
| Common share equity                                |                     | 1,345    | 1,383    | 1,104    |
| Total common equity                                |                     | 1,543    | 1,581    | 1,302    |
| Total shareholders' equity                         |                     | 1,926    | 1,964    | 1,512    |
| Total capitalization                               |                     | \$ 3,374 | \$ 3,452 | \$ 2,793 |

1 Includes current portion.

2 Amortized monthly.

3 Callable at the Corporation's option after September 15, 2005.

4 Redeemable at the holder's option on August 15, 2003.

5 Redeemable at the holder's option on August 15, 2008.

6 Callable at the Corporation's option at any time.

7 Preferred shares of a subsidiary which are exchangeable into NOVA Chemicals common shares.

### CO-PRODUCT SALES VOLUMES AND REVENUES <sup>1</sup>

| MMlbs and Millions of dollars | 00     | 99     | 98     |
|-------------------------------|--------|--------|--------|
| Volumes                       |        |        |        |
| Propylene                     | 764    | 781    | 806    |
| No. 2 Fuel Oil                | 281    | 203    | 241    |
| Vacuum Gas Oil                | 712    | 764    | 782    |
| Residual Fuel Oil (No. 6)     | 378    | 369    | 396    |
| Joffre C3s to C5s             | 297    | 248    | 405    |
| C4s                           | 534    | 509    | 547    |
| C5s                           | 180    | 185    | 173    |
| Other                         | 1,668  | 1,340  | 1,014  |
| Total Volumes                 | 4,814  | 4,399  | 4,364  |
| Total Revenues                | \$ 659 | \$ 368 | \$ 320 |

1 Excludes intercompany sales, third party sales only.

# FINANCIAL INFORMATION

## FACTORS AFFECTING NOVA CHEMICALS' 2001 NET INCOME <sup>1</sup>

|   | Corresponding estimated increase in annual after tax income (\$MM) | Assumed third-party sales (B lbs.) <sup>6</sup> |
|---|--|---|
| <b>Increase <sup>2</sup> of U.S. 1¢ per pound in profit margin</b>    |  |   |
| Ethylene <sup>3</sup>   | \$ 7 million   | 1.1 billion lbs.                                |
| Polyethylene  | \$ 19 million  | 3.0 billion lbs.                                |
| Styrene <sup>4</sup>  | \$ 7 million   | 1.1 billion lbs.                                |
| Polystyrene – North America <sup>5</sup>                              | \$ 13 million  | 2.1 billion lbs.                                |
| Polystyrene – Europe <sup>5</sup>                                     | \$ 9 million   | 1.2 billion lbs.                                |
| Propylene   | \$ 6 million   | 1.0 billion lbs.                                |
| <b>Increase <sup>2</sup> of 1¢ in Euro vs. U.S. dollar</b>            | \$ 2 million   |   |
| <b>Increase <sup>2</sup> of \$10 million in Methanex's net income</b> | \$ 2 million   |   |

1 The expected impact of Canadian exchange rate fluctuations for 2001 is not considered material as substantially all anticipated Canadian dollar costs have been hedged.

2 A decrease in these factors will have the opposite effect on net income.

3 Excludes cost-of-service third-party sales.

4 Includes short-term purchase arrangements.

5 Includes solid polystyrene and expandable polystyrene (EPS).

6 Estimate based on projected 2001 utilization rates.

## EQUITY INVESTMENTS – METHANEX<sup>1</sup>

Year ended December 31 Millions of dollars

|   | 00    | 99      | 98      | 97    | 96    | 95    | 94    |
|---|-------|---------|---------|-------|-------|-------|-------|
| Equity earnings (loss) <sup>2</sup>     | \$ 40 | \$ (22) | \$ (18) | \$ 46 | \$ 18 | \$ 46 | \$ 98 |
| Amortization of purchase differential   | (8)   | (7)     | (7)     | (7)   | (6)   | (7)   | (7)   |
| Net equity earnings contribution (loss) | \$ 32 | \$ (29) | \$ (25) | \$ 39 | \$ 12 | \$ 39 | \$ 91 |

1 Equity accounting began in 1994 when ownership percentage increased from 9% to 24%.

2 Excludes asset writedown and restructuring charge of \$19 million in 1999 and asset writedown of \$22 million in 1996.

## COST-OF-SERVICE DATA

Millions of dollars

|                                  | 00       | 99       | 98       | 97       | 96       | 95       | 94       | 93       |
|----------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>Revenue</b>                   |          |          |          |          |          |          |          |          |
| Cost-of-service <sup>1,2,3</sup> | \$ 226   | \$ 172   | \$ 310   | \$ 290   | \$ 281   | \$ 250   | \$ 392   | \$ 324   |
| Non-cost-of-service              | 3,690    | 2,636    | 1,765    | 1,995    | 1,788    | 1,827    | 1,443    | 1,272    |
|                                  | \$ 3,916 | \$ 2,808 | \$ 2,075 | \$ 2,285 | \$ 2,069 | \$ 2,077 | \$ 1,835 | \$ 1,596 |
| <b>Operating Income</b>          |          |          |          |          |          |          |          |          |
| Cost-of-service <sup>1,2,3</sup> | \$ 36    | \$ 50    | \$ 75    | \$ 74    | \$ 78    | \$ 75    | \$ 72    | \$ 60    |
| Non-cost-of-service              | 378      | 255      | 28       | 155      | 193      | 435      | 144      | 13       |
|                                  | \$ 414   | \$ 305   | \$ 103   | \$ 229   | \$ 271   | \$ 510   | \$ 216   | \$ 73    |
| <b>Net Income</b>                |          |          |          |          |          |          |          |          |
| Cost-of-service <sup>1,2,3</sup> | \$ 13    | \$ 19    | \$ 24    | \$ 25    | \$ 27    | \$ 27    | \$ 29    | \$ 24    |
| Non-cost-of-service              | 289      | 234      | (6)      | 86       | 126      | 327      | 256      | 22       |
|                                  | \$ 302   | \$ 253   | \$ 18    | \$ 111   | \$ 153   | \$ 354   | \$ 285   | \$ 46    |

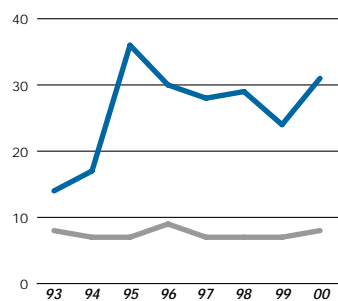
1 The cost-of-service arrangements related to E1 expired on December 31, 1998. After that date, E1 and E2 ethylene production previously contracted to cost-of-service customers is now split 46% to cost-of-service and 54% to non-cost-of-service sales. Joffre LLDPE is contracted for 33% of E1 and E2 ethylene production.

2 Includes cost-of-service contribution from NOVA Chemicals' ethane storage and gathering system 1993 to 1998. These cost-of-service arrangements expired at the end of 1998.

3 Includes Fort Saskatchewan Ethylene Storage Limited Partnership.

## RESEARCH AND DEVELOPMENT EXPENDITURES<sup>1</sup>

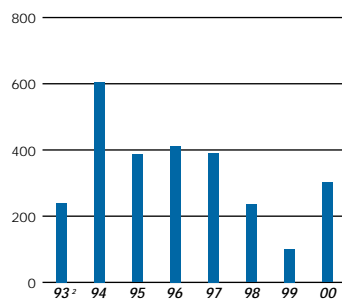
\$ millions



1 Year ended December 31

## MARKET VALUE<sup>1</sup> OF INVESTMENT IN METHANEX

\$ millions

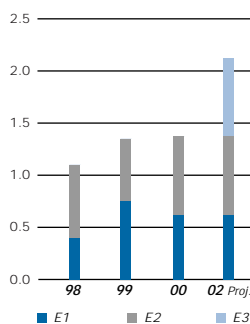


1 Based on NASDAQ closing prices at December 31.

2 Original investment of \$109 million in 1993. Invested an additional \$152 million in 1994.

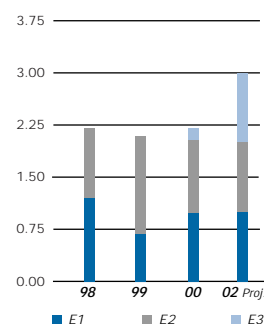
## INTERNAL ETHYLENE CONSUMPTION FROM JOFFRE

billions of pounds



## EXTERNAL ETHYLENE SALES FROM JOFFRE

billions of pounds



# PRODUCTION AND PRODUCT INFORMATION

## PRODUCTION INFORMATION

| <i>MMLbs. except for methanol</i> | 00    | 99    | 98    | 97    | 96    | 95    | 94    | 93    | 92    | 91    |
|-----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Ethylene – Joffre                 | 3,547 | 3,071 | 3,366 | 3,547 | 3,270 | 3,200 | 3,453 | 3,158 | 3,188 | 3,250 |
| – Corunna                         | 1,514 | 1,476 | 1,578 | 1,228 | 1,420 | 1,387 | 1,246 | 1,371 | 1,388 | 1,130 |
| Total ethylene                    | 5,061 | 4,547 | 4,944 | 4,775 | 4,690 | 4,587 | 4,699 | 4,529 | 4,576 | 4,380 |
| Co-products <sup>1</sup>          | 4,783 | 4,059 | 3,992 | 3,604 | 3,684 | 3,581 | 3,558 | 4,319 | 4,355 | 4,303 |
| Propylene                         | 793   | 776   | 800   | 623   | 710   | 687   | 627   | 675   | 706   | 635   |
| Polyethylene                      |       |       |       |       |       |       |       |       |       |       |
| NOVAPOL®                          |       |       |       |       |       |       |       |       |       |       |
| LLDPE                             | 1,317 | 1,236 | 1,103 | 1,143 | 1,159 | 996   | 1,108 | 1,009 | 1,008 | 950   |
| LDPE                              | 320   | 282   | 296   | 249   | 261   | 237   | 223   | 222   | 204   | 170   |
| HDPE                              | 472   | 458   | 465   | 440   | 412   | 377   | 388   | 331   | 364   | 320   |
| SCLAIR® <sup>2</sup>              |       |       |       |       |       |       |       |       |       |       |
| LLDPE and HDPE                    | 624   | 597   | 566   | 532   | 547   | 515   | 260   | –     | –     | –     |
| Total polyethylene                | 2,733 | 2,573 | 2,430 | 2,364 | 2,379 | 2,125 | 1,979 | 1,562 | 1,576 | 1,440 |
| Styrene <sup>3</sup>              | 2,426 | 2,376 | 915   | 954   | 927   | 907   | 914   | 740   | 582   | 419   |
| Polystyrene <sup>4</sup>          | 3,057 | 2,900 | 1,210 | 1,216 | 849   | 674   | 675   | 617   | 641   | 650   |
| Polypropylene <sup>5</sup>        | –     | –     | –     | –     | –     | 63    | 141   | 120   | 116   | 115   |
| Methanol <sup>6,7</sup>           | –     | –     | –     | –     | –     | –     | –     | 301   | 282   | 310   |

1 Includes crude, crude C, hydrocarbons, pyrolysis gasoline and hydrogen.

2 1994 includes six months of production from the St. Clair facility acquired from DuPont Canada Inc.

3 Includes equity arrangements. Does not include tolling arrangements. 1999 includes styrene production from Bayport facility acquired from Huntsman.

4 1996 includes three months of production from facilities acquired from ARCO.

5 The polypropylene operation was sold on June 30, 1995.

6 In January 1994, NOVA Chemicals exchanged its methanol facilities for shares in Methanex.

7 Millions of U.S. gallons.

## REGIONAL DEMAND GROWTH SUMMARY BY WORLD <sup>2</sup>

| <i>Consumption in millions of lbs. except growth percentages</i> | 93-00 <sup>1</sup> | 00     | 99     | 98     | 97     | 96     | 95     | 94     | 93     |
|--|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Polyethylene</b>  |                    |        |        |        |        |        |        |        |        |
| North America  | 5.3 %              | 34,906 | 34,445 | 31,440 | 30,104 | 29,226 | 26,987 | 26,812 | 24,248 |
| South America  | 7.1 %              | 7,087  | 6,657  | 6,490  | 6,258  | 5,423  | 5,224  | 4,684  | 4,376  |
| Asia   | 9.0 %              | 37,046 | 34,282 | 30,126 | 30,635 | 29,013 | 25,240 | 22,628 | 20,300 |
| West Europe  | 4.7 %              | 26,427 | 24,758 | 24,354 | 22,703 | 21,488 | 21,221 | 20,763 | 19,202 |
| East Europe  | 6.3 %              | 2,153  | 2,072  | 2,066  | 2,099  | 1,881  | 1,726  | 1,534  | 1,400  |
| Africa and Mid-East  | 7.3 %              | 6,673  | 6,352  | 6,127  | 5,877  | 5,287  | 4,870  | 4,491  | 4,076  |
| <b>Solid and Expandable Polystyrene</b>                          |                    |        |        |        |        |        |        |        |        |
| North America  | 4.0 %              | 8,043  | 7,978  | 7,573  | 7,379  | 6,982  | 6,523  | 6,662  | 6,111  |
| South America  | 6.4 %              | 1,146  | 1,112  | 1,149  | 1,100  | 1,034  | 994    | 840    | 745    |
| Asia   | 7.6 %              | 12,987 | 12,276 | 10,840 | 10,604 | 10,015 | 9,244  | 8,727  | 7,751  |
| West Europe  | 3.6 %              | 6,971  | 6,768  | 6,574  | 6,191  | 5,957  | 5,950  | 5,871  | 5,432  |
| East Europe  | 12.0 %             | 915    | 840    | 754    | 648    | 536    | 514    | 463    | 414    |
| Africa and Mid-East  | 9.8 %              | 1,118  | 1,051  | 941    | 851    | 716    | 661    | 589    | 578    |

1 7-Year compound annual demand growth rate.

2 Source: Chemical Markets Associates, Inc.

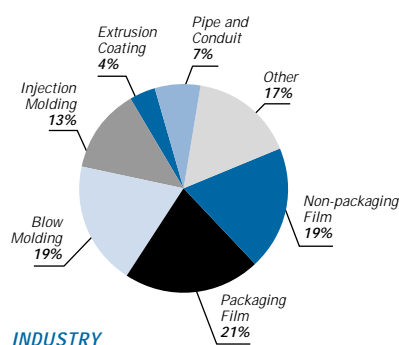
## SHARE OF POLYETHYLENE AND POLYSTYRENE CAPACITY <sup>1</sup>

| %                                       | 00 | 99 | 98 | 97 | 96 | 95 | 94 | 93 |
|---|----|----|----|----|----|----|----|----|
| <b>Polyethylene</b>                     |    |    |    |    |    |    |    |    |
| North America                           | 6  | 6  | 7  | 7  | 6  | 6  | 7  | 6  |
| <b>Solid and Expandable Polystyrene</b> |    |    |    |    |    |    |    |    |
| North America                           | 25 | 25 | 16 | 16 | 16 | 16 | 16 | 16 |
| Europe                                  | 16 | 9  | –  | –  | –  | –  | –  | –  |

1 Industry data source: American Plastics Council.

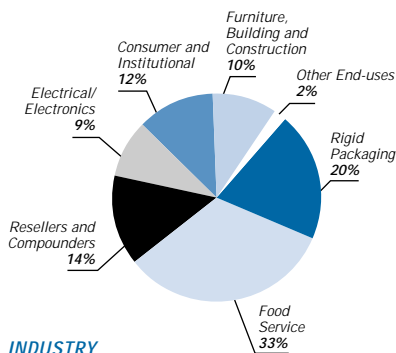
## MAJOR U.S. POLYETHYLENE PRODUCT MARKETS AND PERCENTAGE OF TOTAL SALES BY VOLUME

Source: American Plastics Council



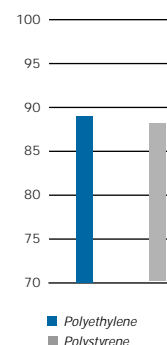
## MAJOR U.S. POLYSTYRENE PRODUCT MARKETS AND PERCENTAGE OF TOTAL SALES BY VOLUME

Source: American Plastics Council



## 2000 AVERAGE NORTH AMERICAN INDUSTRY OPERATING RATES (%)

Source: Chemical Markets Associates, Inc.



# PRODUCTION AND PRODUCT INFORMATION

## NOVA CHEMICALS FACILITY PROFILE

| Site   | Main Products                            | 2000 Rated Capacity <sup>1</sup> (MMlbs per year) |
|--|--|---|
| <b>Ethylene</b>                                      |  |   |
| Joffre, Alberta                                      | Ethylene (E1)                            | 1,600   |
|  | Ethylene (E2)                            | 1,800   |
|  | Ethylene (E3) <sup>3</sup>               | 1,550   |
|  | Co-products <sup>2</sup>                 | 740   |
| Corunna, Ontario                                     | Ethylene                                 | 1,600   |
|  | Propylene                                | 750- 875 <sup>4</sup>                             |
|  | Co-products                              | 3,250 - 3,750 <sup>5,6</sup>                      |
| <b>Total Ethylene Production Capacity</b>            |  | <b>6,550</b>                                      |
| <b>Polyethylene</b>                                  |  |   |
| Joffre, Alberta                                      | LLDPE                                    | 1,255   |
| St. Clair River Site, Ontario                        | LLDPE                                    | 265   |
|  | HDPE                                     | 335   |
| Moore Township, Ontario                              | HDPE                                     | 450   |
|  | LDPE                                     | 300   |
| <b>Total Polyethylene Production Capacity</b>        |  | <b>2,605</b>                                      |
| <b>Styrene monomer</b>                               |  |   |
| Bayport, Texas                                       | Styrene                                  | 1,250   |
| Sarnia, Ontario                                      | Styrene                                  | 950   |
| Channelview, Texas <sup>7</sup>                      | Styrene                                  | 400   |
| <b>Total Styrene Production Capacity</b>             |  | <b>2,600</b>                                      |
| <b>Styrenic polymers</b>                             |  |   |
| <b>Solid polystyrene and other styrenic polymers</b> |  |   |
| North America  |  |   |
| Belpre, Ohio   | Polystyrene                              | 480   |
| Chesapeake, Virginia                                 | Polystyrene and HPS                      | 400   |
| Decatur, Alabama                                     | Polystyrene                              | 395   |
| Joliet, Illinois <sup>8</sup>                        | Polystyrene                              | 230   |
| Montréal, Québec                                     | Polystyrene                              | 130   |
| Springfield, Massachusetts                           | Polystyrene and HPS                      | 310   |
| Europe   |  |   |
| Breda, the Netherlands                               | Polystyrene                              | 265   |
| Carrington, United Kingdom                           | Polystyrene                              | 400   |
| <b>Total Solid Polystyrene Capacity</b>              |  | <b>2,610</b>                                      |
| <b>Expandable polystyrene</b>                        |  |   |
| North America  |  |   |
| Beaver Valley Site, Pennsylvania <sup>9</sup>        | EPS, DYLARK® and other styrenic polymers | 405   |
| Painesville, Ohio                                    | EPS                                      | 75  |
| Europe   |  |   |
| Berre, France  | EPS                                      | 140   |
| Breda, the Netherlands                               | EPS                                      | 200   |
| Carrington, United Kingdom                           | EPS                                      | 155   |
| Ribécourt, France                                    | EPS                                      | 200   |
| <b>Total Expandable Polystyrene Capacity</b>         |  | <b>1,175</b>                                      |
| <b>Total Styrenic Polymer Production Capacity</b>    |  | <b>3,785</b>                                      |

1 Capacity at December 31, 2000.

2 Co-products include crude C<sub>4</sub> hydrocarbons, pyrolysis gasoline, hydrogen, propylene, carbon dioxide and other hydrocarbons.

3 The annual design production capacity of E3 totals 2,800 million pounds and is divided between Union Carbide and NOVA Chemicals. NOVA Chemicals' share is 55%.

4 Variable depending on feedstock.

5 Excludes propylene.

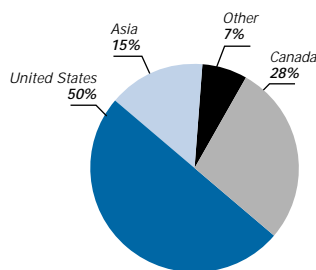
6 Variable depending on feedstock used and includes crude C<sub>4</sub> hydrocarbons, C<sub>5</sub> dienes, dicyclopentadiene (DCPD), aromatics, C<sub>9</sub> resin oils, hydrogen and fuels.

7 This represents the equity position in the Lyondell Chemical Company Channelview, Texas facility and does not include a long-term tolling arrangement for an additional 400 million pounds.

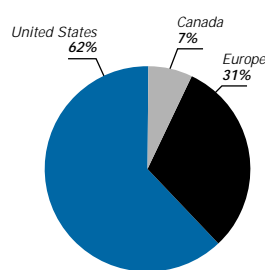
8 In November 2000, NOVA Chemicals announced it will close this plant in the first quarter of 2001.

9 Includes a total of 130 million pounds of production capacity divided between DYLARK engineering resin, ARCEL™ moldable foam resin and polystyrene.

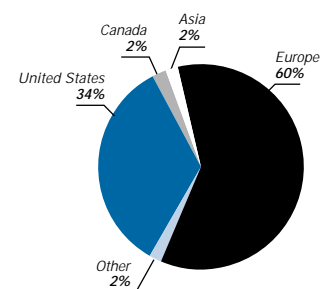
**2000 POLYETHYLENE SALES BY VOLUME**



**2000 SOLID AND HIGH PERFORMANCE POLYSTYRENE SALES BY VOLUME**



**2000 EXPANDABLE POLYSTYRENE SALES BY VOLUME**



## PRODUCTION AND PRODUCT INFORMATION

### CAPACITY RANKINGS

(Based on 2000 average annual capacities. Styrene capacities adjusted for fixed supply agreements between NOVA Chemicals, BASF and Lyondell)

| North America                               | (MMlbs)       | Global                                      | (MMlbs)        |
|---|---------------|---|----------------|
| <b>Ethylene</b>                             |               |   |                |
| Dow <sup>1</sup>                            | 14,700        | Dow <sup>1</sup>                            | 22,000         |
| Equistar Chemicals LP                       | 11,300        | ExxonMobil Chemical Company                 | 14,500         |
| ExxonMobil Chemical Company                 | 9,300         | Shell Chemical Company                      | 12,500         |
| Chevron Phillips Chemical Company           | 8,100         | Equistar Chemicals LP                       | 11,300         |
| NOVA Chemicals                              | 6,550         | Chevron Phillips Chemical Company           | 8,100          |
| Shell Chemical Company                      | 5,500         | BP  | 6,800          |
| BP Amoco                                    | 3,200         | NOVA Chemicals                              | 6,600          |
| PEMEX                                       | 3,000         | SABIC                                       | 6,550          |
| Westlake Group                              | 2,700         | BASF  | 4,900          |
| Huntsman Chemical Corporation               | 2,700         | TotalFina                                   | 4,000          |
| Others                                      | 7,350         | Others                                      | 119,450        |
| <b>Total</b>                                | <b>74,400</b> | <b>Total</b>                                | <b>216,700</b> |
| <b>Polyethylene</b>                         |               |   |                |
| Dow <sup>1</sup>                            | 10,280        | Dow <sup>1</sup>                            | 17,720         |
| ExxonMobil Chemical Company                 | 8,050         | ExxonMobil Chemical Company                 | 13,150         |
| Equistar Chemicals LP                       | 6,590         | Equistar Chemicals LP                       | 6,590          |
| Chevron Phillips Chemical Company           | 5,000         | Chevron Phillips Chemical Company           | 5,550          |
| NOVA Chemicals                              | 2,605         | BP  | 3,680          |
| Solvay                                      | 1,900         | Borealis                                    | 3,630          |
| Westlake Group                              | 1,360         | Shell Chemical Company                      | 3,210          |
| PEMEX                                       | 1,240         | Formosa                                     | 3,050          |
| Formosa                                     | 1,150         | Solvay                                      | 2,870          |
| Eastman                                     | 1,140         | NOVA Chemicals                              | 2,605          |
| Others                                      | 3,025         | Others                                      | 73,845         |
| <b>Total</b>                                | <b>42,340</b> | <b>Total</b>                                | <b>135,900</b> |
| <b>Styrene</b>                              |               |   |                |
| NOVA Chemicals <sup>2</sup>                 | 2,600         | Dow <sup>1</sup>                            | 4,840          |
| Lyondell Petrochemical Company <sup>3</sup> | 2,000         | Shell Chemical Company                      | 4,280          |
| Sterling Chemical Company                   | 1,700         | BASF  | 2,950          |
| Chevron Phillips Chemical Company           | 1,700         | NOVA Chemicals <sup>2</sup>                 | 2,600          |
| Dow <sup>1</sup>                            | 1,420         | ATOFINA                                     | 2,590          |
| General Electric Plastics <sup>4</sup>      | 1,000         | Lyondell Petrochemical Company <sup>3</sup> | 2,400          |
| ATOFINA <sup>4</sup>                        | 1,000         | Saudi Petrochemical Co.                     | 1,870          |
| BP  | 1,000         | BP  | 1,770          |
| Shell Chemical Company                      | 990           | Sterling Chemical Company                   | 1,700          |
| Westlake Styrene Corporation                | 400           | Chevron Phillips Chemical Company           | 1,700          |
| Others                                      | 1,030         | Others                                      | 23,870         |
| <b>Total</b>                                | <b>14,840</b> | <b>Total</b>                                | <b>50,570</b>  |
| <b>Polystyrene</b>                          |               |   |                |
| NOVA Chemicals                              | 1,945         | Dow <sup>1</sup>                            | 4,320          |
| Dow <sup>1</sup>                            | 1,750         | BASF AG                                     | 3,290          |
| BASF Corporation                            | 1,150         | NOVA Chemicals                              | 2,610          |
| ATOFINA                                     | 1,070         | ATOFINA                                     | 2,200          |
| Chevron Phillips Chemical Company           | 800           | Chi Mei Industrial Company, Ltd.            | 1,490          |
| Resirene                                    | 250           | Chevron Phillips Chemical Company           | 1,020          |
| Deltech Polymers                            | 140           | BP  | 990            |
| American Polymers                           | 110           | A&M Styrene                                 | 890            |
| Polidesa                                    | 110           | Toyo Styrene                                | 840            |
| Dart Container Corporation                  | 110           | Eni-Chem SpA                                | 780            |
| Others                                      | 355           | Others                                      | 11,310         |
| <b>Total</b>                                | <b>7,790</b>  | <b>Total</b>                                | <b>29,740</b>  |
| <b>Expandable Polystyrene</b>               |               |   |                |
| NOVA Chemicals <sup>5</sup>                 | 350           | BASF AG                                     | 1,180          |
| BASF Corporation                            | 300           | NOVA Chemicals <sup>5</sup>                 | 1,045          |
| Styrochem International                     | 240           | Styrochem International                     | 440            |
| Huntsman Chemical Corporation               | 200           | He-Qiao                                     | 400            |
| Dart Container Corporation                  | 150           | BP  | 320            |
| Poliolles, S.A.                             | 100           | Jiangau Xingda                              | 280            |
| Polidesa                                    | 35            | Kazakhstan                                  | 220            |
| Plastifab                                   | 20            | Sekisui Plastics Company Ltd.               | 220            |
| Productos de Estireano, S.A. de C.V.        | 8             | Taita Chemical Company, Ltd.                | 220            |
| Polimeros de Mexico                         | 5             | Mitsubishi Foam Plastics                    | 220            |
| Others                                      | 12            | Others                                      | 4,015          |
| <b>Total</b>                                | <b>1,420</b>  | <b>Total</b>                                | <b>8,560</b>   |

Source: Chemical Markets Associates, Inc. and public information compiled by NOVA Chemicals.

<sup>1</sup> Includes combined Dow and Union Carbide capacity.

<sup>2</sup> Includes an equity position in the Lyondell Chemical Company Channelview, Texas facility and does not include a long-term arrangement for an additional 400 million pounds.

<sup>3</sup> Excludes equity positions with NOVA Chemicals and BASF.

<sup>4</sup> Operated under Cosmar 50/50 joint venture.

<sup>5</sup> Excludes 130 million pounds of DYLARK and ARCEL resins.

### ANNOUNCED ETHYLENE CAPACITY ADDITIONS 2001-2004

| Year                        | Region                      | Company                       | Size of Expansion (MMlbs) | Capacity Increase (%) |
|-----------------------------|-----------------------------|-------------------------------|---------------------------|-----------------------|
| 2001                        | North America               | BASF/ATOFINA, United States   | 2,000                     |                       |
|                             |                             | Formosa, United States        | 1,800                     |                       |
|                             | Global                      | ExxonMobil, Singapore         | 1,765                     |                       |
|                             |                             | Petrokemya, Saudi Arabia      | 1,765                     |                       |
|                             |                             | KEMYA, Saudi Arabia           | 1,545                     |                       |
|                             |                             | Dow, Netherlands              | 1,325                     |                       |
|                             |                             | OPTIMAL, Malaysia             | 1,325                     |                       |
|                             |                             | PBB, Argentina                | 935                       |                       |
|                             |                             | Others                        | 2,887                     |                       |
|                             | <b>Total 2001 Additions</b> |                               |                           | <b>15,347</b>         |
| 2002                        | Global                      | Borouge, United Arab Emirates | 1,322                     |                       |
|                             |                             | QGPC/Phillips, Qatar          | 1,100                     |                       |
|                             |                             | Shanghai PC, China            | 660                       |                       |
|                             |                             | Yangzi PC, China              | 550                       |                       |
|                             |                             | Others                        | 3,749                     |                       |
| <b>Total 2002 Additions</b> |                             |                               | <b>7,381</b>              | <b>3.2%</b>           |
| 2003                        | North America               | Shell Chemical, United States | 1,200                     |                       |
|                             |                             | BP, United States             | 500                       |                       |
|                             | Global                      | Bandar Imam PC, Iran          | 1,100                     |                       |
| TVK, Hungary                |                             | 550                           |                           |                       |
|                             | Jilin Chemical, China       | 440                           |                           |                       |
|                             | Others                      | 1,726                         |                           |                       |
| <b>Total 2003 Additions</b> |                             |                               | <b>5,516</b>              | <b>2.3%</b>           |
| 2004                        | North America               | PEMEX, Mexico                 | 440                       |                       |
|                             |                             |                               |                           |                       |
|                             | Global                      | Rio Polimeros, Brazil         | 1,475                     |                       |
|                             |                             | BASF, Belgium                 | 725                       |                       |
|                             |                             | Maoming PC, China             | 440                       |                       |
|                             |                             | Reliance Industries, India    | 440                       |                       |
|                             | Others                      | 1,062                         |                           |                       |
| <b>Total 2004 Additions</b> |                             |                               | <b>4,582</b>              | <b>1.9%</b>           |

Source: Chemical Markets Associates, Inc. and public information compiled by NOVA Chemicals.

## PRODUCTION AND PRODUCT INFORMATION

### ANNOUNCED POLYETHYLENE CAPACITY ADDITIONS 2001-2004

| Year                        | Region        | Company                                | Size of Expansion<br>(MMlbs) | Capacity Increase<br>(%) |
|-----------------------------|---------------|--|------------------------------|--------------------------|
| 2001                        | North America | Formosa, USA                           | 850                          |                          |
|                             |               | NOVA Chemicals, Canada                 | 850                          |                          |
|                             |               | Others                                 | 350                          |                          |
|                             | Global        | KEMYA, Saudi Arabia                    | 1,800                        |                          |
|                             |               | DSM, Germany                           | 1,000                        |                          |
|                             |               | ExxonMobil, Singapore                  | 1,000                        |                          |
|                             |               | Petronas, Malaysia                     | 560                          |                          |
|                             |               | Polisur Dow, Argentina                 | 460                          |                          |
|                             |               | Others                                 | 2,200                        |                          |
|                             |               | <b>Total 2001 Additions</b>            |                              | <b>9,070</b>             |
| 2002                        | North America | Chevron Phillips/Solvay, United States | 700                          |                          |
|                             |               | Others                                 | 30                           |                          |
|                             | Global        | QGPC/ Chevron Phillips, Qatar          | 1,020                        |                          |
|                             |               | Borouge, United Arab Emirates          | 1,000                        |                          |
|                             |               | Solvay/Atofina, Belgium                | 550                          |                          |
|                             |               | Chemopetrol, Czech Rep.                | 440                          |                          |
|                             |               | TPE, Thailand                          | 440                          |                          |
|                             |               | Erdolchemie, Germany                   | 440                          |                          |
|                             |               | Others                                 | 550                          |                          |
|                             |               | <b>Total 2002 Additions</b>            |                              | <b>5,170</b>             |
| 2003                        | Global        | Rio Polimeros, Brazil                  | 1,100                        |                          |
|                             |               | NPC/Elenac, Iran                       | 1,000                        |                          |
|                             |               | Petrokemya, Saudi Arabia               | 880                          |                          |
|                             |               | Banmdar Imam PC, Iran                  | 680                          |                          |
|                             |               | TVK, Hungary                           | 550                          |                          |
|                             |               | Others                                 | 1,660                        |                          |
| <b>Total 2003 Additions</b> |               | <b>5,870</b>                           | <b>3.9%</b>                  |                          |
| 2004                        | Global        | PT Peni, Indonesia                     | 275                          |                          |
|                             |               | Neftekhim, Russia                      | 220                          |                          |
|                             |               | Reliance Industries, India             | 220                          |                          |
|                             |               | Others                                 | 240                          |                          |
| <b>Total 2004 Additions</b> |               | <b>955</b>                             | <b>0.6%</b>                  |                          |

Source: Chemical Markets Associates, Inc. and public information compiled by NOVA Chemicals.

### ANNOUNCED STYRENE CAPACITY ADDITIONS 2001-2004

| Year                        | Region        | Company                 | Size of Expansion<br>(MMlbs) | Capacity Increase<br>(%) |
|-----------------------------|---------------|-------------------------|------------------------------|--------------------------|
| 2002                        | Global        | Elba Eastern, Singapore | 1,200                        |                          |
| <b>Total 2002 Additions</b> |               |                         | <b>1,200</b>                 | <b>2.3%</b>              |
| 2003                        | Global        | Lyondell, Netherlands   | 1,400                        |                          |
|                             |               | PC Malaysia, Malaysia   | 440                          |                          |
|                             |               | SK Evertec, South Korea | 330                          |                          |
|                             |               | Others                  | 375                          |                          |
| <b>Total 2003 Additions</b> |               |                         | <b>2,545</b>                 | <b>4.9%</b>              |
| 2004                        | North America | Dow, United States      | 1,260                        |                          |
|                             | Global        | SABIC, Saudi Arabia     | 1,200                        |                          |
|                             |               | BASF/Dow, Brazil        | 1,100                        |                          |
| <b>Total 2004 Additions</b> |               |                         | <b>3,560</b>                 | <b>6.6%</b>              |

Source: Chemical Markets Associates, Inc. and public information compiled by NOVA Chemicals.

### ANNOUNCED SOLID POLYSTYRENE CAPACITY ADDITIONS 2001-2004

| Year                        | Region        | Company                     | Size of Expansion<br>(MMlbs) | Capacity Increase<br>(%) |
|-----------------------------|---------------|-----------------------------|------------------------------|--------------------------|
| 2001                        | Global        | BASF, Brazil                | 260                          |                          |
|                             |               | FCFC, Taiwan                | 260                          |                          |
|                             |               | Innova, Brazil              | 260                          |                          |
|                             |               | Shantou Ocean, China        | 220                          |                          |
|                             |               | Taita Chemical, Taiwan      | 220                          |                          |
|                             |               | Others                      | 570                          |                          |
|                             |               | <b>Total 2001 Additions</b> |                              |                          |
| 2002                        | North America | Atofina, United States      | 500                          |                          |
|                             | Global        | SAL Petrochemical, China    | 260                          |                          |
|                             |               | Others                      | 70                           |                          |
| <b>Total 2002 Additions</b> |               |                             | <b>830</b>                   | <b>2.6%</b>              |
| 2003                        | Global        | PC Malaysia, Malaysia       | 220                          |                          |
|                             |               | Others                      | 310                          |                          |
| <b>Total 2003 Additions</b> |               |                             | <b>530</b>                   | <b>1.6%</b>              |

Source: Chemical Markets Associates, Inc. and public information compiled by NOVA Chemicals.

### ANNOUNCED EXPANDABLE POLYSTYRENE CAPACITY ADDITIONS 2001-2004

| Year                        | Region | Company                     | Size of Expansion<br>(MMlbs) | Capacity Increase<br>(%) |
|-----------------------------|--------|-----------------------------|------------------------------|--------------------------|
| 2001                        | Global | He-Qiao, China              | 240                          |                          |
|                             |        | Jiangsu Xingda, China       | 120                          |                          |
|                             |        | Taita Chemical, China       | 110                          |                          |
|                             |        | Dalian, China               | 55                           |                          |
|                             |        | Dart, Bahamas               | 55                           |                          |
|                             |        | Others                      | 120                          |                          |
|                             |        | <b>Total 2001 Additions</b> |                              |                          |
| 2002                        | Global | He-Qiao, China              | 110                          |                          |
|                             |        | Jiangsu Xingda, China       | 45                           |                          |
|                             |        | Dwory, Poland               | 65                           |                          |
|                             |        | Others                      | 30                           |                          |
| <b>Total 2002 Additions</b> |        |                             | <b>250</b>                   | <b>2.7%</b>              |

Source: Chemical Markets Associates, Inc. and public information compiled by NOVA Chemicals.

## PRODUCTION AND PRODUCT INFORMATION

### AVERAGE BENCHMARK PRICES <sup>1</sup>

|  | 00           | 99    | 98    | 97    | 96    | 95    | 94    | 93    | 92    | 91    |
|--|--------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>Ethylene (\$/lb) <sup>2</sup></b>               | <b>0.30</b>  | 0.22  | 0.18  | 0.25  | 0.22  | 0.25  | 0.20  | 0.18  | 0.18  | 0.21  |
| Natural Gas –                                      |              |       |       |       |       |       |       |       |       |       |
| NYMEX (\$/MMbtu) <sup>3</sup>                      | <b>3.91</b>  | 2.29  | 2.07  | 2.61  | 2.57  | 1.64  | 1.90  | 2.13  | 1.82  | 1.55  |
| Alberta Spot Price (\$/MMbtu) <sup>4</sup>         | <b>3.37</b>  | 1.99  | 1.38  | 1.35  | 1.02  | 0.85  | 1.62  | 1.77  | 0.95  | n/a   |
| W.T.I. Oil (\$/bbl) <sup>5</sup>                   | <b>30.20</b> | 19.20 | 14.40 | 20.60 | 22.00 | 18.40 | 17.20 | 18.40 | 20.60 | 21.50 |
| Purity Ethane (\$/gallon) <sup>6</sup>             | <b>0.40</b>  | 0.28  | 0.19  | 0.23  | 0.26  | 0.16  | 0.21  | 0.21  | 0.24  | 0.22  |
| Propylene (\$/lb) <sup>7</sup>                     | <b>0.23</b>  | 0.13  | 0.13  | 0.19  | 0.17  | 0.21  | 0.14  | 0.12  | 0.13  | 0.16  |
| <b>Polyethylene</b>                                |              |       |       |       |       |       |       |       |       |       |
| Linear low-butene liner (\$/lb) <sup>8</sup>       | <b>0.40</b>  | 0.33  | 0.27  | 0.37  | 0.36  | 0.42  | 0.33  | 0.29  | 0.32  | 0.32  |
| Weighted Average Polyethylene (\$/lb) <sup>9</sup> | <b>0.42</b>  | 0.36  | 0.33  | 0.42  | 0.40  | n/a   | n/a   | n/a   | n/a   | n/a   |
| <b>Styrene (\$/lb) <sup>7</sup></b>                | <b>0.40</b>  | 0.27  | 0.24  | 0.27  | 0.29  | 0.38  | 0.29  | 0.24  | 0.25  | 0.29  |
| Benzene (\$/gallon) <sup>7</sup>                   | <b>1.37</b>  | 0.86  | 0.80  | 1.00  | 0.97  | 0.95  | 1.07  | 0.97  | 1.11  | 1.22  |
| <b>Polystyrene (\$/lb) <sup>10</sup></b>           | <b>0.50</b>  | 0.38  | 0.36  | 0.39  | 0.44  | 0.55  | 0.44  | 0.41  | 0.41  | 0.44  |
| Weighted Average Polystyrene (\$/lb) <sup>11</sup> | <b>0.50</b>  | 0.37  | 0.38  | 0.44  | 0.46  | n/a   | n/a   | n/a   | n/a   | n/a   |
| <b>Methanol (\$/gallon) <sup>12</sup></b>          | <b>0.48</b>  | 0.32  | 0.36  | 0.56  | 0.45  | 0.67  | 0.87  | 0.47  | 0.43  | 0.51  |

1 Average benchmark prices are not necessarily the prices realized by NOVA Chemicals or any other petrochemical company.

2 U.S. Gulf Coast large buyer price. Source: Dewitt and Company, Incorporated.

3 NYMEX Henry Hub.

4 Weighted average spot price at AECO C monthly index via NOVA Gas Transmission Inventory Transfer. Source: Canadian Gas Price Reporter.

5 U.S. Gulf Coast price. Source: 1991-1994, the Purvin & Gertz LPG Yearbook, 1995 Edition, Volume 1. 1995-2000. Public information compiled by NOVA Chemicals.

6 U.S. Gulf Coast price. Source: Oil Price Information Service.

7 U.S. Gulf Coast price. Source: Chemical Markets Associates, Inc.

8 U.S. Gulf Coast price. Source: Townsend Tarnell, Inc.

9 Benchmark prices weighted according to NOVA Chemicals' product mix. Source for benchmark prices: Townsend Tarnell, Inc.

10 Marker price which includes a combination of high heat crystal, high impact extrusion, high impact injection and GP crystal polystyrene, weighted according to NOVA Chemicals' product mix. Source: Townsend Tarnell, Inc.

11 Average benchmark prices and NOVA Chemicals' actual realized prices (for certain products where there are no benchmarks available), weighted according to NOVA Chemicals' product mix. Includes EPS, but excludes high performance styrenics, DYLARK and other. Source for benchmark prices: Townsend Tarnell, Inc. and NOVA Chemicals.


12 Methanex's average realized price.

### U.S./CANADIAN DOLLAR EXCHANGE RATES

|                   | 00           | 99    | 98    | 97    | 96    | 95    | 94    | 93    | 92    | 91    |
|-------------------|--------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| High              | <b>.6984</b> | .6935 | .7123 | .7493 | .7526 | .7533 | .7642 | .8065 | .8771 | .8934 |
| Low               | <b>.6398</b> | .6462 | .6309 | .6945 | .7212 | .7009 | .7097 | .7416 | .7729 | .8573 |
| Average Noon Rate | <b>.6733</b> | .6730 | .6743 | .7223 | .7223 | .7334 | .7285 | .7753 | .8276 | .8728 |
| Year-End          | <b>.6672</b> | .6929 | .6534 | .6997 | .7301 | .7325 | .7321 | .7566 | .7868 | .8654 |

Example: \$1.00 Cdn. = U.S. \$.6672.

On February 23, 2001 the noon rate for Canadian dollars as reported by the Bank of Canada was Cdn. \$1.00 = U.S. \$.6504.

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