



A TURBULENT YEAR WITH GOOD RESULTS

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In an interview with TV channel Russia-24, Chairman of the Management Board and CEO of SIBUR, Mikhail Karisalov, spoke about what helped the company to produce some of the industry-leading financial and operating results for 2020, and also shared plans for 2021.

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“Thanks to the joint efforts of the SIBUR team, a challenging year has turned into a year of achievements,” said Karisalov. “We able to offset the negative effects of the first six months and grow our EBITDA to 180 billion roubles by the year-end, up 5% from 2019. Additionally, the effective transformation of SIBUR into a petrochemicals company took place last year. For the first time in SIBUR’s history, the share of petrochemicals in total EBITDA exceeded 60%. The cost forecasting predictive analytics platform developed by the company and rolled out across its operations, has proved highly successful, while the overall contribution from the efficiency initiatives was about 30 billion roubles,” he added.

Mikhail Karisalov also noted that state support has unlocked unprecedented growth opportunities for the entire industry. In his opinion, the petrochemicals industry will be reshaped within a few years, driven by major systemic changes linked to workforce training and stimulation of demand within the programmes to develop infrastructure, housing and utilities and the automotive industry. SIBUR is already working on a number of areas outlined by the President’s instructions, in particular, the development of low and medium tonnage chemicals. This will allow Russia to not only replace imports, but to also begin looking into exports. The company has already implemented a number of projects: the development of thermoplastic elastomers in Voronezh, the production of dioctyl terephthalate (DOTP) in Perm, and the construction of a maleic anhydride facility in Tobolsk, which will be completed this year. “These non large capacity facilities are changing the face of the industry through a multiplier effect,” Karisalov is confident.

Another result of 2020 was the company’s entrance into new and more diversified markets. In addition, a fairly large volume of ZapSibNeftekhim products is directed towards the domestic market, thereby contributing to import substitution. “SIBUR expects that its facilities will run at full utilisation in 2021,” anticipates Mikhail Karisalov.

