



GETTING THE PRIORITIES RIGHT

BIAXPLEN sells non-core business to RUSCOMPOZIT.

The RUSCOMPOZIT Group has acquired BIAXPEN's insulation and composite materials division. This non-core business was part of the Novokuybyshevsk site, which SIBUR purchased back in 2010. Now BIAXPEN is using the Novokuybyshevsk site to develop its core business lines, including the production of biaxially-oriented polypropylene and CPP films. Both products are highly popular in the market, as they are widely used to manufacture various kinds of packaging.

The division acquired by the RUSCOMPOZIT Group is set to become one of the key assets of Integrated Insulation Systems. The company's management plans on further development of the production facilities to increase their output. In addition to the production site, BIAXPEN sold RUSCOMPOZIT all of the division's product trademarks so that the buyer could maintain most of the existing product range. The division's current annual production capacity totals approximately 6.1 kt of insulation materials for gas and oil transmission pipelines.



