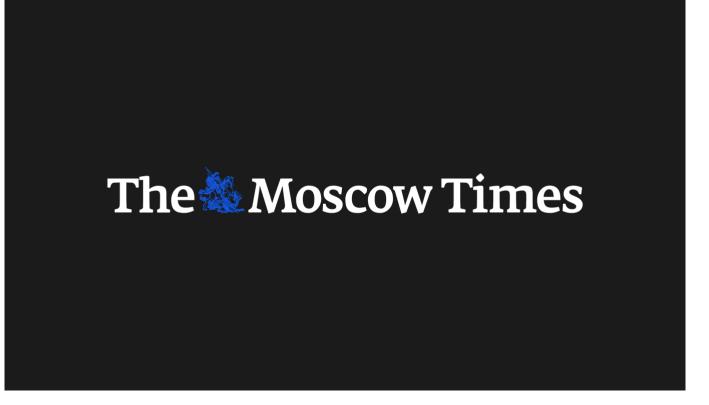# Sibur Selling Units, Diversifying Before IPO

By [The Moscow Times](#)

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Sibur Holding, owned by Leonid Mikhelson and Gennady Timchenko, is close to securing buyers for fertilizer and tire units as Eastern Europe's biggest petrochemical producer turns to specialty chemicals to accelerate growth, according to an executive.

Deals may be announced before the end of the year, said Ilya Gustchin, head of the company's international division. Sibur is looking for partners to accelerate expansion in specialty chemicals, seeking tie-ups similar to the surfactants joint venture it agreed with Solvay's Rhodia.

"Moving into specialties is one of the opportunities that we are exploring right now," Gustchin said in a Nov. 22 interview in Frankfurt. "We don't want to go into specialty chemicals on our own. We really need good partners and a joint venture is a first step for us."

The plans highlight the ambitions of Mikhelson and Timchenko to diversify and grow Sibur's

operations globally before an initial public offering of the company they took more than a year ago. Russia's abundance of cheap feedstock from western Siberia can make the nation a haven for chemical production rivaling the Middle East, Gustchin said.

Sibur's tire business, which employs more than 11,000 workers, generated about $840 million in sales last year, excluding the Voronezh and Kirov plants. Fertilizer generated $922 million and has more than 7,500 staff.

Sibur produces about 24 percent of Russia's tires and about 16 percent of the country's nitrogen fertilizers, according to a company presentation.

Sibur is seeking to tap population growth that will feed demand for materials like polymers, used in cars, bottles and construction. It is expanding its sales force and technical support in Europe and Asia to boost exports and is planning to open branches in Kiev, Istanbul, China and India, Gustchin said.

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