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Higher sales, lower profit for LyondellBasell



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LyondellBasell Industries

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Materials maker LyondellBasell Industries has wrapped up 2022 with higher sales but lower profit.

Full-year sales at Houston-based LBI were up more than 9 percent to almost \$50.5 billion, as profit slid almost 31 percent to just under \$3.9 billion.

In a [Feb. 3 news release](#), CEO Peter Vanacker said that in 2022, LBI's balanced portfolio, cash generation and strong balance sheet "enabled the company to successfully navigate through challenging market conditions while continuing to provide significant returns for our shareholders."

Officials added that during 2022, petrochemical markets were pressured by high and volatile energy and feedstock costs as well as softer global demand. LBI's Olefins & Polyolefins businesses "encountered headwinds" from reduced demand in Europe and Asia, as well as from global capacity additions.

Full-year sales in LBI's Olefins & Polyolefins-Americas unit were down 7 percent to just under \$14 billion, with operating profit dropping more than 54 percent to just under \$2.1 billion. At the firm's Advanced Polymer Solutions unit —including North America's largest compounding business — sales were up almost 2 percent to more than \$5.2 billion, but operating profit slumped almost 30 percent to \$201 million.

Annual polyethylene resin sales volume in pounds for O&P-Americas was up 3 percent to almost 7 billion pounds in 2022, with polypropylene resin sales volume down 8 percent to a little less than 1.9 billion pounds. At APS, compounding sales volume in pounds was down 3 percent to a little more than 3.3 billion pounds.

Officials said that O&P-Americas results were down in 2022 because of lower polyolefin margins driven by softer demand, new capacity and higher energy costs. They added that these results were partially offset by higher PE export volumes.

APS compounding results were down for the year because of lower margins driven by higher raw material and energy costs and because of lower demand and volumes, officials said.

Looking to 2023, officials said that January demand from consumer packaging remained stable and that moderating energy and feedstock costs "are providing some offsets to tepid global demand." They added that "challenging market conditions" are expected to persist through the first half of 2023.

LBI "expects typical spring and summer seasonal demand improvements and is prepared to leverage any increased economic activity in China as the year progresses," officials said.

On Wall Street, LBI's per-share stock price was up 2 percent to \$98.40 in early trading Feb. 3. The price has increased 17 percent since Jan. 1.