



Fourth Quarter 2017 Earnings Presentation

February 7, 2018



Forward-Looking Statements



This communication includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to analyses and other information that are based on management's beliefs, certain assumptions made by management, forecasts of future results, and current expectations, estimates and projections about the markets and economy in which we and our various segments operate. The statements contained in this presentation that are not statements of historical fact may include forward-looking statements that involve a number of risks and uncertainties.

We have used the words "anticipate," "intend," "may," "expect," "believe," "should," "plan," "project," "estimate," "forecast," "optimistic," and variations of such words and similar expressions in this presentation to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict and many of which are beyond our control. Therefore, actual outcomes and results may differ materially from those matters expressed or implied in such forward-looking statements. All references to expectations and other forward-looking statements are based on expectations at February 6, 2018. Olin undertakes no obligation to update publicly any forward-looking statements, whether as a result of future events, new information or otherwise.

Factors that could cause or contribute to such differences include, but are not limited to: our sensitivity to economic, business and market conditions in the U.S. and overseas; higher-than-expected raw material and energy, transportation, and/or logistics costs; our substantial amount of indebtedness and significant debt service obligations; our reliance on a limited number of suppliers for specified feedstock and services and our reliance on third-party transportation; failure to control costs or to achieve targeted cost reductions; the occurrence of unexpected manufacturing interruptions and outages; changes in, or failure to comply with, legislation or government regulations or policies; unexpected litigation outcomes; the integration of the Dow Chemical Products Business not being successful in realizing the benefits of the anticipated synergies; adverse conditions in the credit and capital markets; the failure to attract, retain and motivate key employees; and the other risks detailed in Olin's Form 10-K for the fiscal year ended December 31, 2016 and Olin's Form 10-Q for the quarter ended September 30, 2017. All of the forward-looking statements should be considered in light of these factors. In addition, other risks and uncertainties not presently known to Olin or that Olin considers immaterial could affect the accuracy of our forward-looking statements. The reader is cautioned not to rely unduly on these forward-looking statements.

Non-GAAP Financial Measures

In addition to U.S. GAAP financial measures, this presentation includes certain non-GAAP financial measures including EBITDA, and Adjusted EBITDA. These non-GAAP measures are in addition to, not a substitute for or superior to, measures for financial performance prepared in accordance with U.S. GAAP. Definitions of these measures and reconciliation of GAAP to non-GAAP measures are provided in the appendix to this presentation.

Fourth Quarter 2017 Overview



Adjusted EBITDA of \$277.9 million in the fourth quarter¹

Achieved the highest quarterly adjusted EBITDA since the acquisition, including \$12 million of costs associated with the effects of Hurricane Harvey

CAPV earnings included sequential improvement in caustic soda, chlorine and most chlorine-derivatives pricing except for ethylene dichloride pricing

Epoxy segment improved sequentially as a result of higher pricing and lower raw material costs, primarily benzene and propylene

Winchester results impacted by continued lower commercial ammunition demand partially offset by higher military sales

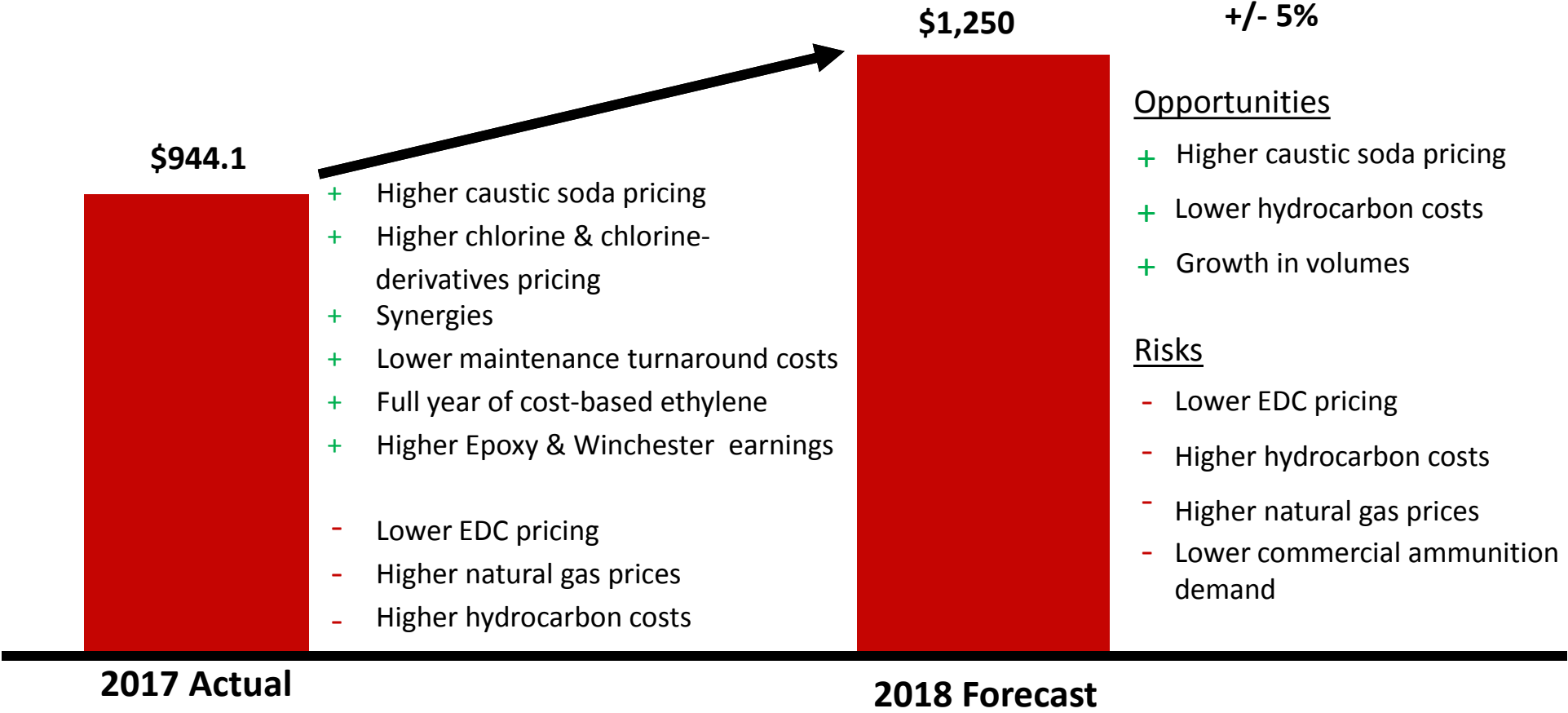
Fourth quarter and full year 2017 net income includes a tax benefit of \$437.9 million from the Tax Cuts and Jobs Act of 2017

¹: Fourth quarter net income is \$489.3 million

Full Year 2018 Adjusted EBITDA¹ Forecast



(\$ in millions)



1: Olin's definition of "Adjusted EBITDA" (earnings before interest, taxes, depreciation and amortization) is net income (loss) plus an add-back for depreciation and amortization, interest expense (income), income tax expense (benefit), other expense (income), restructuring charges, acquisition-related costs and other certain non-recurring items.

Chlor Alkali Products and Vinyls Segment Performance



(\$ in millions)

	4Q17	4Q16	Δ Q/Q
Sales	\$917.6	\$782.6	17.3%
Adjusted EBITDA	\$250.0	\$178.9	39.7%

- 4Q17 Performance vs. 4Q16
 - Higher caustic soda, chlorine and chlorine-derivatives pricing and lower EDC pricing
 - Higher planned maintenance turnaround costs of approximately \$12 million
 - Impact of Hurricane Harvey of approximately \$3 million
- 1Q18 Outlook vs. 1Q17
 - Expect improvement in caustic soda pricing
 - Expect lower EDC pricing
 - Expect lower volumes

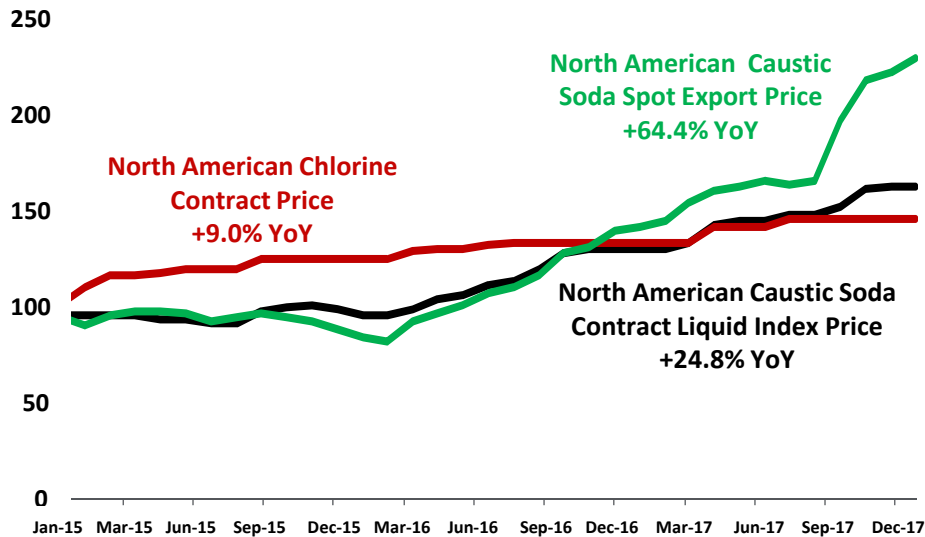
Favorable Chlor-Alkali Industry Conditions Continue



- North American chlor alkali capacity reductions, no capacity additions expected in the next two to three years
- European mercury cell chlor-alkali production ban resulted in net capacity closure of .6 million tons in 2017 and 1.2 million tons over the last 5 years
- Increasing caustic soda exports from North America; 2018 volumes are forecast to increase from record levels in 2017
- Lower caustic soda exports from China

Caustic Soda and Chlorine Prices

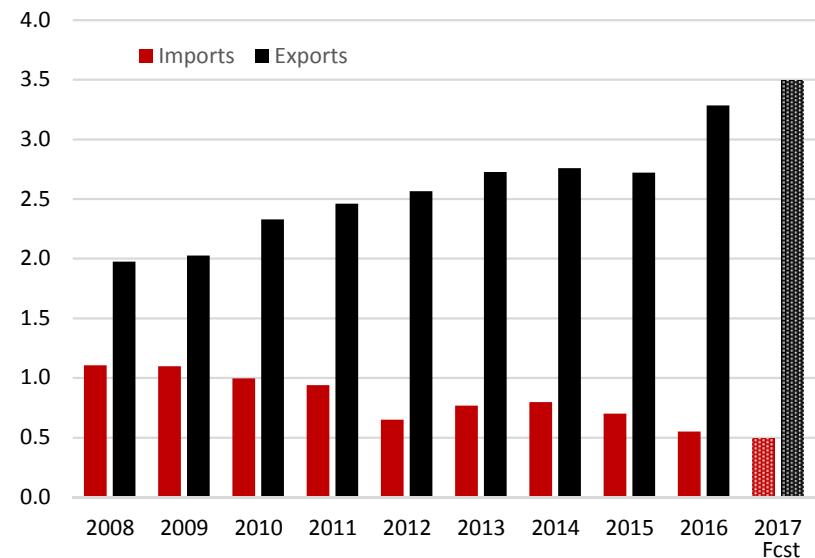
(January 2015 = 100)



Source: IHS

U.S. Caustic Soda Imports and Exports

(in millions of short tons)



Epoxy Segment Performance

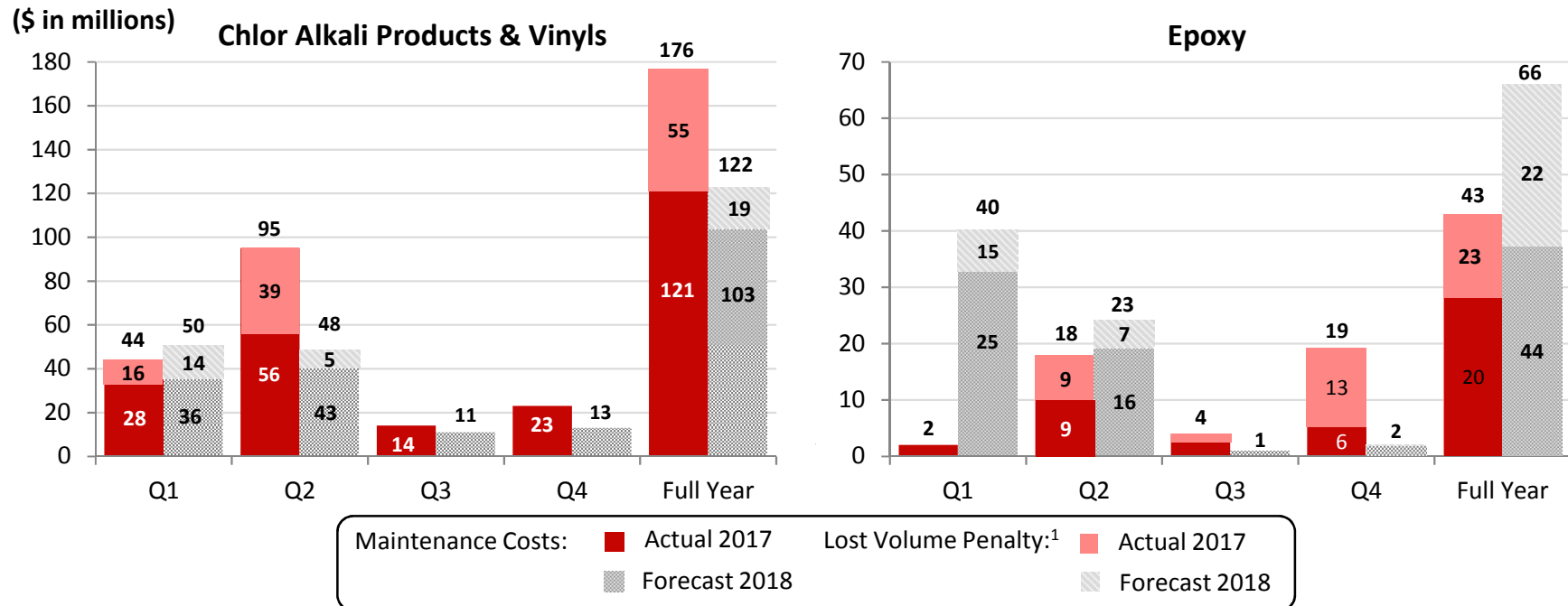


(\$ in millions)

	4Q17	4Q16	Δ Q/Q
Sales	\$536.9	\$441.7	21.6%
Adjusted EBITDA	\$23.9	\$19.6	21.9%

- 4Q17 Performance vs. 4Q16
 - Higher product pricing, partially offset by higher raw material costs
 - Higher turnaround related costs of approximately \$16 million
 - Impact of Hurricane Harvey of approximately \$9 million
- 1Q18 Outlook vs. 1Q17
 - Expect higher product pricing
 - Expect higher raw materials costs associated with benzene and propylene
 - Impacted by a 54-day maintenance turnaround in Freeport, TX that will span 1Q18 and 2Q18

Maintenance Turnaround Costs



- Full year 2018 turnaround costs expected to be approximately \$30 million lower than 2017
- 1Q 2018 CAPV turnaround costs include Plaquemine, LA chlor alkali turnarounds
- 1Q and 2Q 2018 Epoxy turnaround costs include a 54-day Freeport, TX turnaround, last performed six years ago

¹: Lost volume penalty includes unabsorbed fixed manufacturing costs and reduced pretax profit from lost sales associated with the turnarounds and outages

Significant Realizable Synergies



(\$ in millions)

	Actual 2016	Actual 2017	Synergies Breakdown	Forecast 2018	Total
Logistics & Procurement					
Operational Efficiencies	\$75	\$100	Projected Annual Impact	\$75-\$100	\$250-\$275
Asset Optimization					
Accessing New Segments & Customers	\$6	\$30	Projected Annual Impact	\$50-\$65	\$85-\$100
Capital Investment	\$205	\$30	Projected CAPEX & Investments	\$0	\$235
	\$70	\$35	Projected Cash Integration & Restructuring	\$20	\$125

Winchester Segment Performance



(\$ in millions)

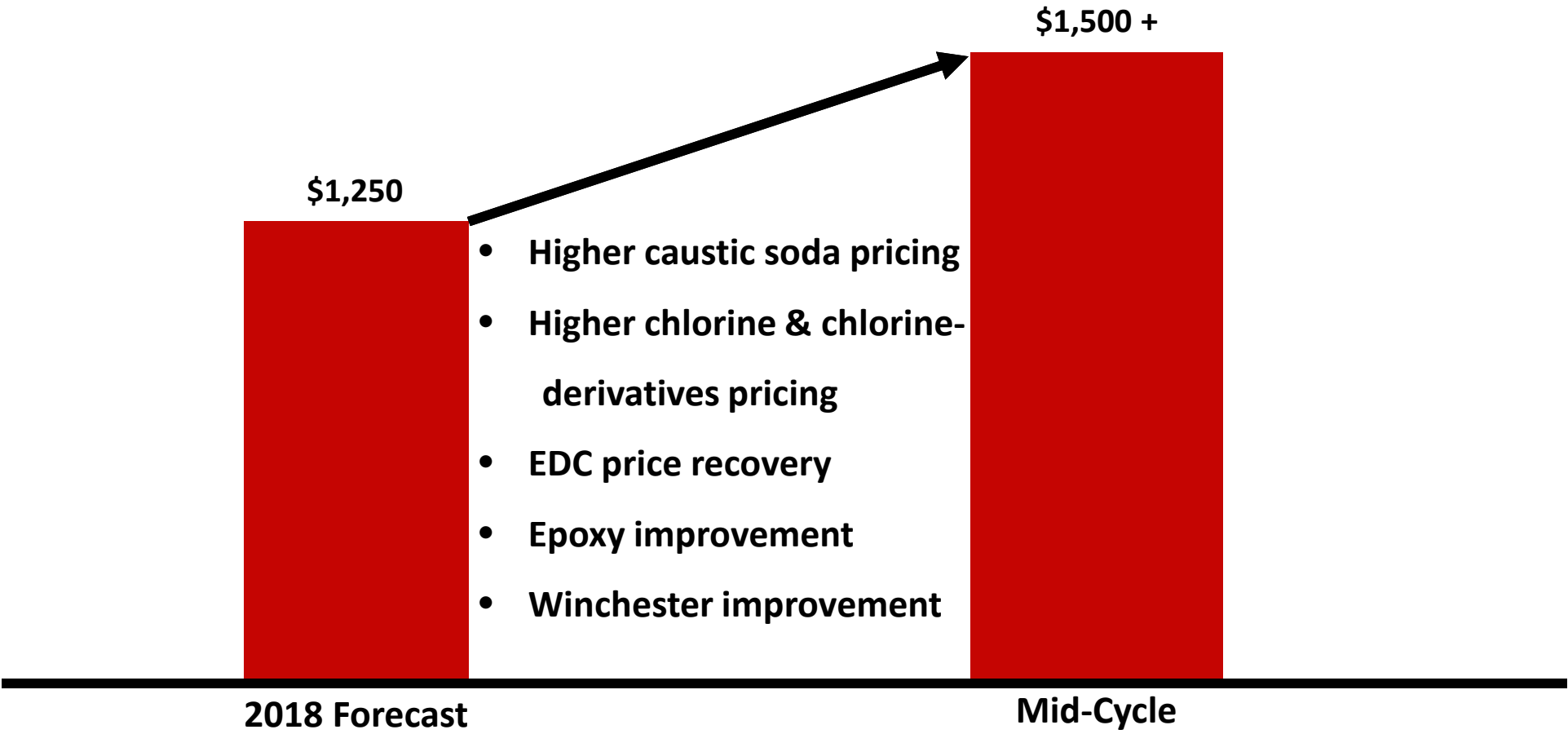
	4Q17	4Q16	Δ Q/Q
Sales	\$165.4	\$161.4	2.5%
Adjusted EBITDA	\$16.4	\$29.7	-44.8%

- 4Q17 Performance vs. 4Q16
 - Less favorable product mix
 - Lower selling prices
 - Higher commodity and other material costs
- 1Q18 Outlook vs. 1Q17
 - Expect higher sales to commercial and military customers
 - Expect lower selling prices and less favorable product mix
 - Expect higher commodity and other material costs



Mid-Cycle Adjusted EBITDA Potential

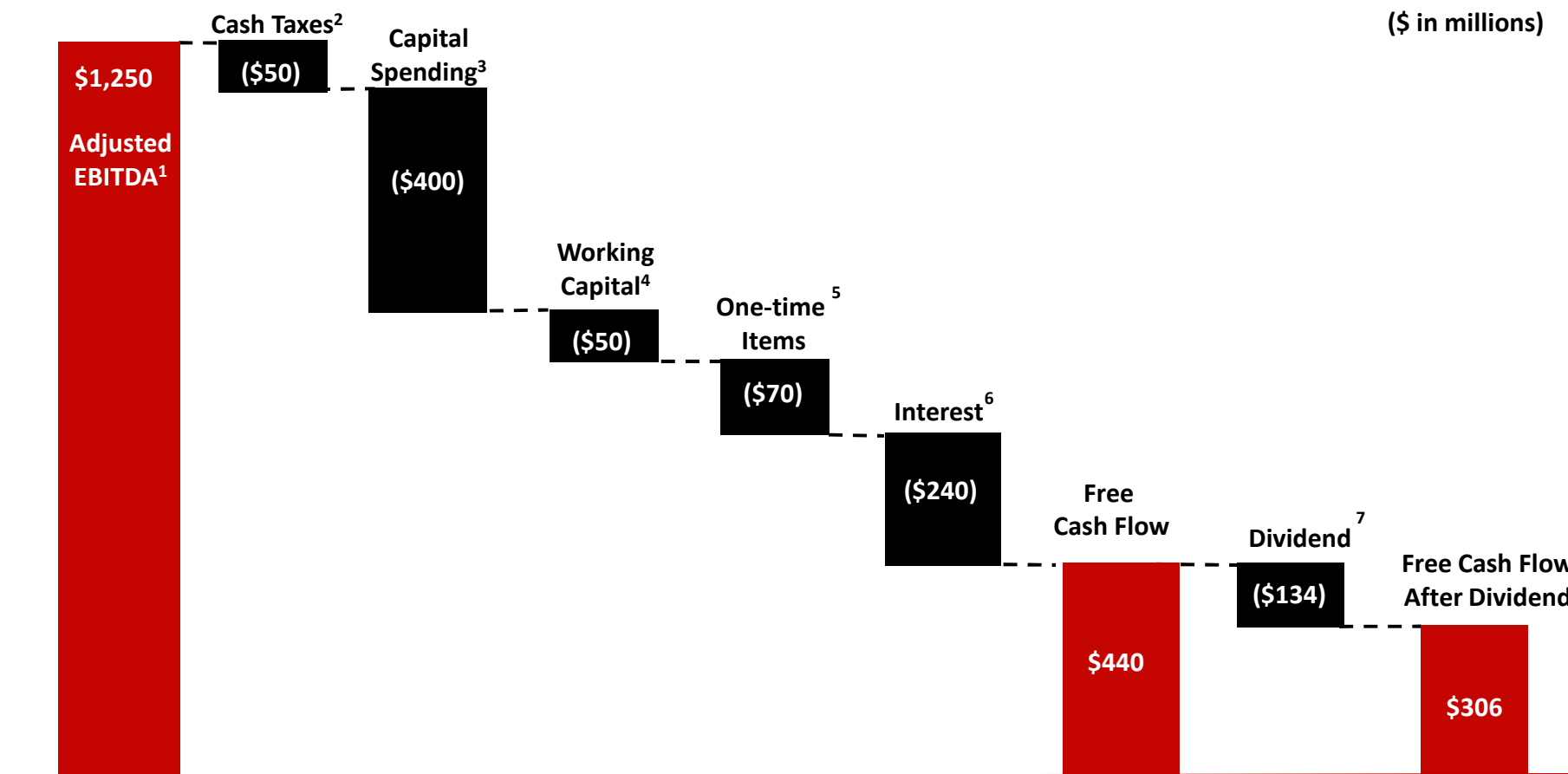
(\$ in millions)



2018 Cash Flow Forecast



(\$ in millions)



1: Mid-point of Olin's estimated Adjusted EBITDA forecast of \$1.25 billion plus or minus 5%. Includes pension income consistent with prior year's reporting

2: Estimated using the cash tax rate of 10% to 15%, reflects 2017 Tax Act and utilization of tax credit carryforwards

3: Represents the mid-point of management's annual capital spending estimate range of \$375 million to \$425 million, which includes \$100 million associated with an information technology project

4: Estimated increase in working capital due to higher selling prices and hydrocarbon costs

5: One-time items include integration expenses, including \$50 million for the information technology project, and restructuring charges

6: Calculated based on Olin's capital structure, mandatory debt repayments and assuming current interest rates

7: Calculated based on 167 million shares outstanding and an annual dividend of \$0.80 per share

2018 Forecast Assumptions



(\$ in millions)

Line Item	Forecast	Key Elements
Capital Spending	\$375 to \$425	Maintenance level of capital spending of \$225M to \$275M annually, information technology project spending of \$100M, and other projects
Depreciation & Amortization	\$560 to \$570	Forecast is a slight increase from 2017 levels of \$559M
Pension Income	\$30 to \$40	Lower than 2017 income levels by approximately \$10M
Environmental Expense	\$15 to \$20	Represents a more historic level of expense; approximately \$9 million higher than 2017
Other Corporate & Unallocated Costs	\$120 to \$130	Forecast is a slight increase from 2017 levels due to stock-based compensation and legal and litigation costs
Restructuring & Acquisition Costs	\$70	Acquisition related integration, including information technology project of \$50 million and restructuring costs
Book Effective Tax Rate	25%	Reflects 2017 tax law changes and favorable book/tax deductions, partially offset by state and foreign income taxes
Cash Tax Rate	10% to 15%	Reflects 2017 tax law changes and 2017 tax credit carryforwards benefits; primarily paying foreign income taxes in 2017

Appendix



Non-GAAP Financial Measures – Adjusted EBITDA ^(a)



Olin's definition of Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) is net income (loss) plus an add-back for depreciation and amortization, interest expense (income), income tax expense (benefit), other expense (income), restructuring charges, acquisition-related costs and certain other non-recurring items. Adjusted EBITDA is a non-GAAP financial measure. Management believes that this measure is meaningful to investors as a supplemental financial measure to assess the financial performance without regard to financing methods, capital structures, taxes or historical cost basis. The use of non-GAAP financial measures is not intended to replace any measures of performance determined in accordance with GAAP and Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies. Reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures are omitted from this release because Olin is unable to provide such reconciliations without the use of unreasonable efforts. This inability results from the inherent difficulty in forecasting generally and quantifying certain projected amounts that are necessary for such reconciliations. In particular, sufficient information is not available to calculate certain adjustments required for such reconciliations, including interest expense (income), income tax expense (benefit), other expense (income), restructuring charges and acquisition-related costs. Because of our inability to calculate such adjustments, forward-looking net income guidance is also omitted from this release. We expect these adjustments to have a potentially significant impact on our future GAAP financial results.

(In millions)	Three Months		Years Ended	
	Ended December 31,		December 31,	
	2017	2016	2017	2016
Reconciliation of Net Income (Loss) to Adjusted EBITDA:				
Net Income (Loss)	\$ 489.3	\$ 17.5	\$ 549.5	\$ (3.9)
Add Back:				
Interest Expense	59.4	48.3	217.4	191.9
Interest Income	(0.8)	(2.1)	(1.8)	(3.4)
Income Tax (Benefit) Provision (b)	(428.6)	6.0	(432.3)	(30.3)
Depreciation and Amortization	147.5	136.1	558.9	533.5
EBITDA	266.8	205.8	891.7	687.8
Add Back:				
Restructuring Charges (c)	11.7	6.7	37.6	112.9
Acquisition-related Costs (d)	0.3	9.2	12.8	48.8
Information Technology Integration Project (e)	2.4	-	5.3	-
Certain Non-recurring Items (f)	(3.3)	-	(3.3)	(11.0)
Adjusted EBITDA	\$ 277.9	\$ 221.7	\$ 944.1	\$ 838.5

(a) Unaudited.

(b) Income tax (benefit) provision for both the three months and year ended December 31, 2017 reflects the tax benefit of \$437.9 million from the Tax Cuts & Jobs Act.

(c) Restructuring charges for the three months and years ended December 31, 2017 and 2016 were primarily associated with the closure of 433,000 tons of chlor alkali capacity across three separate Olin locations. For the year ended December 31, 2016, \$76.6 million of these charges were non-cash impairment charges for equipment and facilities.

(d) Acquisition-related costs for the three months and years ended December 31, 2017 and 2016 were associated with our integration of the Acquired Business.

(e) Information technology integration project for both the three months and year ended December 31, 2017 included costs associated with the implementation of new enterprise resource planning, manufacturing, and engineering systems, and related infrastructure costs of \$2.4 million and \$5.3 million, respectively.

(f) Certain non-recurring items for both the three months and year ended December 31, 2017 included a gain of \$3.3 million on the sale of a former manufacturing facility. Certain non-recurring items for the year ended December 31, 2016 included an \$11.0 million insurance recovery for property damage and business interruption related to a 2008 chlor alkali facility incident.

Non-GAAP Financial Measures by Segment



	Three Months Ended December 31, 2017			Three Months Ended December 31, 2016		
	Income (loss) before Taxes	Depreciation and Amortization	Adjusted EBITDA	Income (loss) before Taxes	Depreciation and Amortization	Adjusted EBITDA
Chlor Alkali Products and Vinyls	\$ 135.8	\$ 114.2	\$ 250.0	\$ 72.4	\$ 106.5	\$ 178.9
Epoxy	(0.8)	24.7	23.9	(3.1)	22.7	19.6
Winchester	11.1	5.3	16.4	25.0	4.7	29.7

	Year Ended December 31, 2017			Year Ended December 31, 2016		
	Income (loss) before Taxes	Depreciation and Amortization	Adjusted EBITDA	Income (loss) before Taxes	Depreciation and Amortization	Adjusted EBITDA
Chlor Alkali Products and Vinyls	\$ 405.8	\$ 432.2	\$ 838.0	\$ 224.9	\$ 418.1	\$ 643.0
Epoxy	(11.8)	94.3	82.5	15.4	90.0	105.4
Winchester	72.4	19.5	91.9	120.9	18.5	139.4

Chlor Alkali Products and Vinyls Pricing and Volume Comparisons



Volume Comparison *

	4Q17 versus	
	4Q16	3Q17
Chlorine		
Caustic Soda		
EDC		
Bleach		
HCl		
Chlorinated Organics		

Pricing Comparison

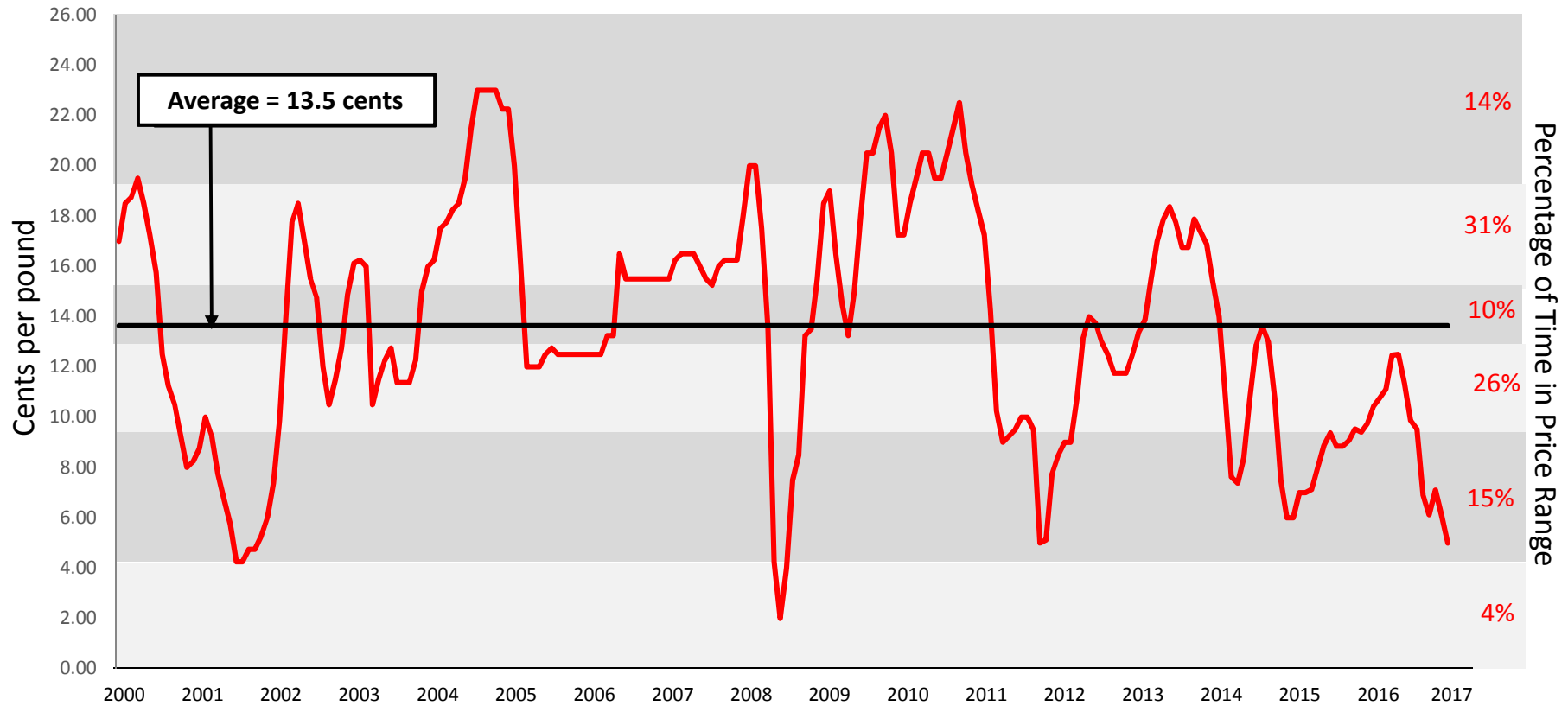
	4Q17 versus	
	4Q16	3Q17
Chlorine		
Caustic Soda		
EDC		
Bleach		
HCl		
Chlorinated Organics		

* Note: Third quarter 2017 volumes impacted by Hurricane Harvey.

EDC Pricing History 2000 – 2017



EDC Spot Export Prices



Source: IHS

- Full year 2018 EDC pricing is forecast to decline from full year 2017 pricing
- A \$0.01 change in Olin's EDC sales price changes annual Adjusted EBITDA by \$20 million

Annual EBITDA Sensitivity



Product	Price Change	EBITDA Impact
Chlorine	\$10/ton	\$10 million
Caustic	\$10/ton	\$30 million
EDC	\$.01/pound	\$20 million

Olin Caustic Soda Price Realization



Fundamental Principle

- A \$10 per ton change in Olin's caustic soda selling price changes annual Adjusted EBITDA by approximately \$30 million

Export Sales

- Typically range between 20% and 25% of caustic sales
- Sold on a combination of negotiated sales and export index price
- Realization of index price changes are typically 90% to 100%
- Changes in export index prices are typically realized on a 30 to 90 day lag

Domestic Sales

- A significant portion of domestic sales are linked to index prices
- Index price changes typically occur 30 to 60 days post our price nomination
- Realization of index price changes are typically 50% to 100%
- Overall price realization lags index price changes by 30 to 90 days

