



Olin Announces Third Quarter 2022 Results

Highlights

- Third quarter 2022 net income of \$315.2 million, or \$2.18 per diluted share
- Quarterly adjusted EBITDA of \$547.8 million
- Share repurchases of \$410.9 million in third quarter 2022

CLAYTON, Mo., Oct. 26, 2022 /PRNewswire/ – Olin Corporation (NYSE: OLN) announced financial results for the third quarter ended September 30, 2022. Third quarter 2022 reported net income was \$315.2 million, or \$2.18 per diluted share, which compares to third quarter 2021 reported net income of \$390.7 million, or \$2.38 per diluted share. Third quarter 2022 adjusted EBITDA of \$547.8 million excludes depreciation and amortization expense of \$149.8 million, gains on sale of former manufacturing facilities of \$13.0 million, and restructuring charges of \$7.6 million. Third quarter 2021 adjusted EBITDA was \$707.0 million. Sales in the third quarter 2022 were \$2,321.7 million compared to \$2,340.1 million in the third quarter 2021.

Scott Sutton, Chairman, President, and Chief Executive Officer, said, "We are experiencing recessionary global economic conditions. Our third quarter adjusted EBITDA performance begins to demonstrate how our winning model, that emphasizes 'value first' versus a volume maximization approach, should dramatically improve our recessionary level of adjusted EBITDA compared to Olin's historical performance. While our chemical businesses have been challenged by European and North American epoxy and vinyls intermediate demand shortfalls and increased Asian exports, the core electrochemical unit (ECU) pricing for merchant chlorine and caustic soda continued to move higher.

"We expect Chlor Alkali Products and Vinyls fourth quarter segment results to be slightly lower than third quarter 2022 levels, as we expect chlorine and caustic soda pricing to continue to improve, while vinyls intermediates pricing is likely to remain under pressure. Our Epoxy segment fourth quarter results are expected to seasonally decline from third quarter 2022 levels, exacerbated by increased Chinese exports precipitated by continuing weak Chinese domestic demand. Our team continues to adeptly reduce operating rates and increase product purchases; thereby, refraining from selling incremental volume into poor-quality markets. We expect Winchester segment fourth quarter results to seasonally decline from third quarter 2022 levels as we execute our holiday shutdowns. Overall, we expect Olin's fourth quarter 2022 adjusted EBITDA to decline approximately 15% to 20% from third quarter 2022 levels.

"So far in 2022, we repurchased approximately 13% of our outstanding shares from available cash flow, while reducing our net debt level. With our strong balance sheet and confidence in Olin's earnings and cash flow generation even in recessionary economic conditions, we expect to continue our capital allocation strategy, while committing to maintain an investment-grade balance sheet and move Olin to an investment-grade credit rating."

SEGMENT REPORTING

Olin defines segment earnings as income (loss) before interest expense, interest income, other operating income (expense), non-operating pension income, other income, and income taxes.

CHLOR ALKALI PRODUCTS AND VINYLs

Chlor Alkali Products and Vinyls sales for the third quarter 2022 were \$1,263.5 million compared to \$1,062.4 million in the third quarter 2021. The increase in Chlor Alkali Products and Vinyls sales was primarily due to higher pricing, partially offset by 17% lower volumes. Third quarter 2022 segment earnings were \$253.9 million compared to \$263.0 million in the third quarter 2021. The \$9.1 million decrease in segment earnings was primarily due to lower volumes and higher raw material and operating costs, mainly increased natural gas and electrical power costs, partially offset by higher pricing across all products except vinyls intermediates, which declined. Chlor Alkali Products and Vinyls third quarter 2022 results included depreciation and amortization expense of \$121.1 million compared to \$116.7 million in the third quarter 2021.

EPOXY

Epoxy sales for the third quarter 2022 were \$644.1 million compared to \$877.7 million in the third quarter 2021. The decrease in Epoxy sales was primarily due to 29% lower volumes, partially offset by higher pricing. Third quarter 2022 segment earnings were \$80.1 million compared to \$215.2 million in the third quarter 2021. The \$135.1 million decrease in Epoxy segment earnings was primarily due to lower volumes and higher operating costs, mainly increased benzene, propylene, natural gas and electrical power costs, partially offset by higher product pricing. Epoxy third quarter 2022 results included depreciation and amortization expense of \$20.1 million compared to \$21.1 million in the third quarter 2021.

WINCHESTER

Winchester sales for the third quarter 2022 were \$414.1 million compared to \$400.0 million in the third quarter 2021. The increase in Winchester sales was primarily due to higher commercial ammunition pricing. Sales also reflected lower commercial ammunition shipments partially offset by higher military and law enforcement shipments. Third quarter 2022 segment earnings were \$89.0 million compared to \$115.3 million in the third quarter 2021. The \$26.3 million decrease in segment earnings was primarily due to higher commodity and other materials costs and lower commercial ammunition shipments partially offset by higher commercial ammunition pricing and higher military and law enforcement sales. Winchester third quarter 2022 results included depreciation and amortization expense of \$6.1 million compared to \$5.7 million in the third quarter 2021.

CORPORATE AND OTHER COSTS

Other corporate and unallocated costs in the third quarter of 2022 decreased \$9.3 million compared to the third quarter 2021 primarily due to lower incentive costs, which includes mark-to-market adjustments on stock-based compensation partially offset by higher legal fees and unfavorable foreign currency impacts.

LIQUIDITY AND SHARE REPURCHASES

The cash balance on September 30, 2022, was \$163.6 million and we ended the quarter with net debt of approximately \$2.4 billion and a net debt to adjusted EBITDA ratio of 0.9 times. During third quarter 2022, Olin repaid the \$200 million 5.5% senior notes which became due.

During third quarter 2022, approximately 8.2 million shares of common stock were repurchased at a cost of \$410.9 million. During the first nine months of 2022, approximately 20.8 million shares of common stock were repurchased at a cost of \$1,100.6 million. For the full year 2021, Olin repurchased approximately 4.7 million shares of common stock at a cost of \$251.9 million. On September 30, 2022, Olin had approximately \$1,951.6 million available under its current share repurchase authorization.

CONFERENCE CALL INFORMATION

Olin senior management will host a conference call to discuss third quarter 2022 financial results at 9:00 a.m. Eastern time on Thursday, October 27, 2022. Remarks will be followed by a question-and-answer session. Associated slides, which will be available the evening before the call, and the conference call will be accessible via webcast through Olin's website, www.olin.com, under the third quarter conference call icon. An archived replay of the webcast will also be available in the Investor Relations section of Olin's website beginning at 12:00 p.m. Eastern time. A final transcript of the call will be posted the next business day.

COMPANY DESCRIPTION

Olin Corporation is a leading vertically-integrated global manufacturer and distributor of chemical products and a leading U.S. manufacturer of ammunition. The chemical products produced include chlorine and caustic soda, vinyls, epoxies, chlorinated organics, bleach, hydrogen, and hydrochloric acid. Winchester's principal manufacturing facilities produce and distribute sporting ammunition, law enforcement ammunition, reloading components, small caliber military ammunition and components, and industrial cartridges.

Visit www.olin.com for more information on Olin.

FORWARD-LOOKING STATEMENTS

This communication includes forward-looking statements. 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 communication 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," "outlook," "project," "estimate," "forecast," "optimistic," "target," and variations of such words and similar expressions in this communication to identify such forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding the Company's intent to repurchase, from time to time, the Company's common stock. 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. We undertake no obligation to update publicly any forward-looking statements, whether as a result of future events, new information or otherwise. The payment of cash dividends is subject to the discretion of our board of directors and will be determined in light of then-current conditions, including our earnings, our operations, our financial conditions, our capital requirements and other factors deemed relevant by our board of directors. In the future, our board of directors may change our dividend policy, including the frequency or amount of any dividend, in light of then-existing conditions.

The risks, uncertainties and assumptions involved in our forward-looking statements, many of which are discussed in more detail in our filings with the SEC, including without limitation the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2021, and our Quarterly Reports on Form 10-Q and other reports furnished or filed with the SEC, include, but are not limited to, the following:

Business, Industry and Operational Risks

- sensitivity to economic, business and market conditions in the United States and overseas, including economic instability or a downturn in the sectors served by us;
- declines in average selling prices for our products and the supply/demand balance for our products, including the impact of excess industry capacity or an imbalance in demand for our chlor alkali products;
- unsuccessful execution of our strategic operating model, which prioritizes Electrochemical Unit (ECU) margins over sales volumes;
- failure to control costs and inflation impacts or failure to achieve targeted cost reductions;
- our reliance on a limited number of suppliers for specified feedstock and services and our reliance on third-party transportation;
- availability of and/or higher-than-expected costs of raw material, energy, transportation, and/or logistics;
- the occurrence of unexpected manufacturing interruptions and outages, including those occurring as a result of labor disruptions, production hazards and weather-related events;
- the failure or an interruption of our information technology systems;
- failure to identify, attract, develop, retain and motivate qualified employees throughout the organization;
- our inability to complete future acquisitions or joint venture transactions or successfully integrate them into our business;
- our substantial amount of indebtedness and significant debt service obligations;
- risks associated with our international sales and operations, including economic, political or regulatory changes;
- the negative impact from the COVID-19 pandemic and the global response to the pandemic, including without limitation adverse impacts in complying with governmental mandates;
- weak industry conditions affecting our ability to comply with the financial maintenance covenants in our senior credit facility;
- adverse conditions in the credit and capital markets, limiting or preventing our ability to borrow or raise capital;
- the effects of any declines in global equity markets on asset values and any declines in interest rates or other significant assumptions used to value the liabilities in, and funding of, our pension plans;
- our long-range plan assumptions not being realized causing a non-cash impairment charge of long-lived assets;

Legal, Environmental and Regulatory Risks

- changes in, or failure to comply with, legislation or government regulations or policies, including changes regarding our ability to manufacture or use certain products and changes within the international markets in which we operate;
- new regulations or public policy changes regarding the transportation of hazardous chemicals and the security of chemical manufacturing facilities;
- unexpected outcomes from legal or regulatory claims and proceedings;
- costs and other expenditures in excess of those projected for environmental investigation and remediation or other legal proceedings;
- various risks associated with our Lake City U.S. Army Ammunition Plant contract and performance under other governmental contracts; and
- failure to effectively manage environmental, social and governance (ESG) issues and related regulations, including climate change and sustainability.

All of our forward-looking statements should be considered in light of these factors. In addition, other risks and uncertainties not presently known to us or that we consider immaterial could affect the accuracy of our forward-looking statements.

2022-18

Olin Corporation

Consolidated Statements of Operations (a)

Three Months

Nine Months

| (In millions, except per share amounts) | Ended September 30, | | Ended September 30, | |
|---|---------------------|------------|---------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| Sales | \$ 2,321.7 | \$ 2,340.1 | \$ 7,399.2 | \$ 6,480.2 |
| Operating Expenses: | | | | |
| Cost of Goods Sold | 1,840.9 | 1,679.8 | 5,599.8 | 4,815.8 |
| Selling and Administration | 92.7 | 107.2 | 296.0 | 314.7 |
| Restructuring Charges | 7.6 | 3.6 | 14.3 | 24.5 |
| Other Operating Income (Expense) (b) | 13.0 | (0.5) | 16.3 | - |
| Operating Income | 393.5 | 549.0 | 1,505.4 | 1,325.2 |
| Interest Expense (c) | 36.0 | 54.0 | 103.4 | 204.4 |
| Interest Income | 0.5 | 0.1 | 1.2 | 0.2 |
| Non-operating Pension Income | 9.9 | 9.2 | 29.0 | 26.7 |
| Income before Taxes | 367.9 | 504.3 | 1,432.2 | 1,147.7 |
| Income Tax Provision (d) | 52.7 | 113.6 | 301.9 | 157.6 |
| Net Income | \$ 315.2 | \$ 390.7 | \$ 1,130.3 | \$ 990.1 |
| Net Income Per Common Share: | | | | |
| Basic | \$ 2.23 | \$ 2.44 | \$ 7.62 | \$ 6.21 |
| Diluted | \$ 2.18 | \$ 2.38 | \$ 7.44 | \$ 6.07 |
| Dividends Per Common Share | \$ 0.20 | \$ 0.20 | \$ 0.60 | \$ 0.60 |
| Average Common Shares Outstanding - Basic | 141.2 | 160.1 | 148.3 | 159.4 |
| Average Common Shares Outstanding - Diluted | 144.3 | 163.9 | 151.9 | 163.0 |

(a) Unaudited.

(b) Other operating income (expense) for both the three and nine months ended September 30, 2022 included \$13.0 million of gains for the sale of two former manufacturing facilities.

(c) Interest expense for the three and nine months ended September 30, 2021 included a loss on extinguishment of debt of \$8.7 million and \$47.6 million, respectively, which includes bond redemption premiums, write-off of deferred debt issuance costs and recognition of deferred fair value interest rate swap losses associated with the optional prepayment of existing debt.

(d) Income tax provision for both the three and nine months ended September 30, 2022 included a benefit of \$36.6 million primarily associated with the release of deferred tax liabilities as a result of a legal entity liquidation. Income tax provision for the nine months ended September 30, 2021 included a benefit of \$82.8 million primarily associated with the release of the valuation allowance in the second quarter 2021 related to deferred tax assets of our German operations.

Olin Corporation
Segment Information (a)

| (In millions) | Three Months | | Nine Months | |
|---------------------------------------|--------------------------|------------|--------------------------|------------|
| | Ended September 30, 2022 | 2021 | Ended September 30, 2022 | 2021 |
| Sales: | | | | |
| Chlor Alkali Products and Vinyls | \$ 1,263.5 | \$ 1,062.4 | \$ 3,912.2 | \$ 2,896.7 |
| Epoxy | 644.1 | 877.7 | 2,206.3 | 2,390.3 |
| Winchester | 414.1 | 400.0 | 1,280.7 | 1,193.2 |
| Total Sales | \$ 2,321.7 | \$ 2,340.1 | \$ 7,399.2 | \$ 6,480.2 |
| Income before Taxes: | | | | |
| Chlor Alkali Products and Vinyls | \$ 253.9 | \$ 263.0 | \$ 929.0 | \$ 703.0 |
| Epoxy | 80.1 | 215.2 | 358.0 | 445.7 |
| Winchester | 89.0 | 115.3 | 327.2 | 310.3 |
| Corporate/Other: | | | | |
| Environmental Expense (b) | (7.4) | (3.6) | (18.0) | (8.6) |
| Other Corporate and Unallocated Costs | (27.5) | (36.8) | (92.8) | (100.7) |
| Restructuring Charges | (7.6) | (3.6) | (14.3) | (24.5) |
| Other Operating Income (Expense) (c) | 13.0 | (0.5) | 16.3 | - |
| Interest Expense (d) | (36.0) | (54.0) | (103.4) | (204.4) |
| Interest Income | 0.5 | 0.1 | 1.2 | 0.2 |
| Non-operating Pension Income | 9.9 | 9.2 | 29.0 | 26.7 |
| Income before Taxes | \$ 367.9 | \$ 504.3 | \$ 1,432.2 | \$ 1,147.7 |

- (a) Unaudited.
- (b) Environmental expense for the nine months ended September 30, 2021 included \$2.2 million of insurance recoveries for costs incurred and expensed in prior periods.
- (c) Other operating income (expense) for both the three and nine months ended September 30, 2022 included \$13.0 million of gains for the sale of two former manufacturing facilities.
- (d) Interest expense for the three and nine months ended September 30, 2021 included a loss on extinguishment of debt of \$8.7 million and \$47.6 million, respectively, which includes bond redemption premiums, write-off of deferred debt issuance costs and recognition of deferred fair value interest rate swap losses associated with the optional prepayment of existing debt.

Olin Corporation

Consolidated Balance Sheets (a)

| (In millions, except per share data) | September 30, 2022 | December 31, 2021 | September 30, 2021 |
|---|-----------------------|----------------------|-----------------------|
| Assets: | | | |
| Cash & Cash Equivalents | \$ 163.6 | \$ 180.5 | \$ 306.1 |
| Accounts Receivable, Net | 1,075.4 | 1,106.5 | 1,041.7 |
| Income Taxes Receivable | 26.0 | 0.3 | 3.0 |
| Inventories, Net | 945.1 | 868.3 | 826.8 |
| Other Current Assets | 74.9 | 92.7 | 127.7 |
| Total Current Assets | 2,285.0 | 2,248.3 | 2,305.3 |
| Property, Plant and Equipment | | | |
| (Less Accumulated Depreciation of \$4,296.5, \$4,076.5 and \$3,997.2) | 2,690.8 | 2,913.6 | 2,934.5 |
| Operating Lease Assets, Net | 371.4 | 372.4 | 386.8 |
| Deferred Income Taxes | 81.9 | 99.3 | 104.9 |
| Other Assets | 1,090.7 | 1,131.8 | 1,152.4 |
| Intangibles, Net | 279.2 | 331.7 | 348.5 |
| Goodwill | 1,421.2 | 1,420.6 | 1,420.3 |
| Total Assets | \$ 8,220.2 | \$ 8,517.7 | \$ 8,652.7 |
| Liabilities and Shareholders' Equity: | | | |
| Current Installments of Long-term Debt | \$ 1.0 | \$ 201.1 | \$ 201.1 |
| Accounts Payable | 892.6 | 847.7 | 811.7 |
| Income Taxes Payable | 183.2 | 98.4 | 62.1 |
| Current Operating Lease Liabilities | 74.3 | 76.8 | 78.1 |
| Accrued Liabilities | 467.6 | 458.1 | 434.0 |
| Total Current Liabilities | 1,618.7 | 1,682.1 | 1,587.0 |
| Long-term Debt | 2,580.4 | 2,578.2 | 2,823.5 |
| Operating Lease Liabilities | 305.1 | 302.0 | 314.7 |

| | | | |
|---|-------------------|-------------------|-------------------|
| Accrued Pension Liability | 286.3 | 381.9 | 654.2 |
| Deferred Income Taxes | 546.8 | 558.9 | 526.8 |
| Other Liabilities | 333.2 | 362.4 | 358.6 |
| Total Liabilities | 5,670.5 | 5,865.5 | 6,264.8 |
| Commitments and Contingencies | | | |
| Shareholders' Equity: | | | |
| Common Stock, \$1.00 Par Value Per Share, Authorized 240.0 Shares: | | | |
| Issued and Outstanding 137.0 Shares (156.8 and 159.4 in 2021) | 137.0 | 156.8 | 159.4 |
| Additional Paid-in Capital | 920.3 | 1,969.6 | 2,133.1 |
| Accumulated Other Comprehensive Loss | (562.3) | (488.0) | (643.8) |
| Retained Earnings | 2,054.7 | 1,013.8 | 739.2 |
| Total Shareholders' Equity | 2,549.7 | 2,652.2 | 2,387.9 |
| Total Liabilities and Shareholders' Equity | \$ 8,220.2 | \$ 8,517.7 | \$ 8,652.7 |

(a) Unaudited.

Olin Corporation

Consolidated Statements of Cash Flows (a)

| (In millions) | Nine Months Ended | |
|---|-------------------|----------------|
| | September 30, | |
| | 2022 | 2021 |
| Operating Activities: | | |
| Net Income | \$ 1,130.3 | \$ 990.1 |
| Gains on Disposition of Property, Plant and Equipment | (13.0) | - |
| Loss on Debt Extinguishment | - | 47.6 |
| Stock-based Compensation | 10.4 | 5.0 |
| Depreciation and Amortization | 450.3 | 432.4 |
| Deferred Income Taxes | (3.7) | (25.2) |
| Qualified Pension Plan Contributions | (0.9) | (1.0) |
| Qualified Pension Plan Income | (24.7) | (20.8) |
| Changes in: | | |
| Receivables | (25.8) | (291.6) |
| Income Taxes Receivable/Payable | 75.5 | 64.8 |
| Inventories | (102.9) | (161.8) |
| Other Current Assets | 5.8 | 18.4 |
| Accounts Payable and Accrued Liabilities | 31.7 | 157.9 |
| Other Assets | (17.5) | (9.2) |
| Other Noncurrent Liabilities | (9.1) | 41.3 |
| Other Operating Activities | 3.3 | 3.8 |
| Net Operating Activities | 1,509.7 | 1,251.7 |
| Investing Activities: | | |
| Capital Expenditures | (168.4) | (135.8) |
| Proceeds from Disposition of Property, Plant and Equipment | 14.9 | - |
| Net Investing Activities | (153.5) | (135.8) |
| Financing Activities: | | |
| Long-term Debt Repayments, Net | (200.9) | (851.1) |
| Debt Early Redemption Premiums | - | (37.7) |
| Common Stock Repurchased and Retired | (1,100.6) | (68.3) |
| Stock Options Exercised | 21.3 | 58.3 |
| Dividends Paid | (89.4) | (95.8) |
| Debt Issuance Costs | - | (3.8) |
| Net Financing Activities | (1,369.6) | (998.4) |
| Net (Decrease) Increase in Cash and Cash Equivalents | (13.4) | 117.5 |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | (0.2) | (4.4) |

| | | |
|--|----------|----------|
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | (3.5) | (1.1) |
| Cash and Cash Equivalents, Beginning of Year | 180.5 | 189.7 |
| Cash and Cash Equivalents, End of Period | \$ 163.6 | \$ 306.1 |

(a) Unaudited.

Olin Corporation

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, goodwill impairment charges 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) and restructuring charges. 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 | | Nine Months | |
|---|-----------------------------|----------|-----------------------------|------------|
| | Ended September 30, 2022 | 2021 | Ended September 30, 2022 | 2021 |
| Reconciliation of Net Income to Adjusted EBITDA: | | | | |
| Net Income | \$ 315.2 | \$ 390.7 | \$ 1,130.3 | \$ 990.1 |
| Add Back: | | | | |
| Interest Expense | 36.0 | 54.0 | 103.4 | 204.4 |
| Interest Income | (0.5) | (0.1) | (1.2) | (0.2) |
| Income Tax Provision | 52.7 | 113.6 | 301.9 | 157.6 |
| Depreciation and Amortization | 149.8 | 145.2 | 450.3 | 432.4 |
| EBITDA | 553.2 | 703.4 | 1,984.7 | 1,784.3 |
| Add Back: | | | | |
| Restructuring Charges | 7.6 | 3.6 | 14.3 | 24.5 |
| Environmental Recoveries (b) | - | - | - | (2.2) |
| Certain Non-recurring Items (c) | (13.0) | - | (13.0) | - |
| Adjusted EBITDA | \$ 547.8 | \$ 707.0 | \$ 1,986.0 | \$ 1,806.6 |

(a) Unaudited.

(b) Environmental recoveries for the nine months ended September 30, 2021 included insurance recoveries for costs incurred and expensed in prior periods.

(c) Certain non-recurring items for both the three and nine months ended September 30, 2022 included \$13.0 million of gains for the sale of two former manufacturing facilities.

Olin Corporation

Non-GAAP Financial Measures - Net Debt to Adjusted EBITDA (a)

Olin's definition of Net Debt to Adjusted EBITDA is Net Debt divided by Adjusted EBITDA. Net Debt at the end of any reporting period is defined as the sum of our current installments of long-term debt and long-term debt less cash and cash equivalents. Trailing Twelve Months 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, goodwill impairment charges and certain other non-recurring items for the previous twelve months. Net Debt to Adjusted EBITDA is a non-GAAP financial measure. Management believes that this measure is meaningful to investors as a measure of our ability to manage our indebtedness. The use of non-GAAP financial measures is not intended to replace any measures of indebtedness or liquidity determined in accordance with GAAP and Net Debt or Net Debt to Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies.

| (In millions) | September 30, | December 31, | September 30, |
|--|---------------|--------------|---------------|
| | 2022 | 2021 | 2021 |
| Current Installments of Long-term Debt | \$ 1.0 | \$ 201.1 | \$ 201.1 |
| Long-term Debt | 2,580.4 | 2,578.2 | 2,823.5 |
| Total Debt | 2,581.4 | 2,779.3 | 3,024.6 |
| Less: Cash and Cash Equivalents | (163.6) | (180.5) | (306.1) |
| Net Debt | \$ 2,417.8 | \$ 2,598.8 | \$ 2,718.5 |
| Trailing Twelve Months Adjusted EBITDA (b) | \$ 2,672.7 | \$ 2,493.3 | \$ 2,052.8 |
| Net Debt to Adjusted EBITDA | 0.9 | 1.0 | 1.3 |

(a) Unaudited.

(b) Trailing Twelve Months Adjusted EBITDA as of September 30, 2022 is calculated as the nine months ended September 30, 2022 plus the year ended December 31, 2021 less the nine months ended September 30, 2021. Trailing Twelve Months Adjusted EBITDA as of September 30, 2021 is calculated as the nine months ended September 30, 2021 plus the year ended December 31, 2020 less the nine months ended September 30, 2020.

SOURCE Olin Corporation

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