

Olin Corporation (OLN)

\$21.43 (Stock Price as of 01/07/2026)

Price Target (6-12 Months): **\$23.00**

Long Term: 6-12 Months	Zacks Recommendation:	Neutral
	(Since: 05/08/25)	
	Prior Recommendation: Underperform	
Short Term: 1-3 Months	Zacks Rank: (1-5)	3-Hold
	Zacks Style Scores:	VGM: B
	Value: A	Growth: B Momentum: F

Summary

Fourth-quarter earnings estimates for Olin have been stable over a month. Olin continues to benefit from its completed multiyear enterprise resource planning, engineering and manufacturing systems integration. Beyond250 program and Clean Hydrogen Production Tax Credit under Sec 45V are set to benefit Olin. Winchester's acquisition of AMMO Inc.'s small-caliber ammunition manufacturing assets is also generating synergies, and upbeat demand contributes to profitability. Olin is also using its cash strategically. However, the company's chemical businesses are expected to be adversely impacted by soft global economic conditions. Winchester faces low demand conditions due to retailer destocking. Commercial ammunition demand remains soft and is expected to continue in the near term.

Data Overview

52 Week High-Low	\$34.76 - \$17.66
20 Day Average Volume (sh)	2,046,256
Market Cap	\$2.5 B
YTD Price Change	7.2%
Beta	1.64
Dividend / Div Yld	\$0.80 / 3.6%
Industry	<u>Chemical - Diversified</u>
Zacks Industry Rank	Bottom 4% (235 out of 244)

Last EPS Surprise	344.4%
Last Sales Surprise	-1.1%
EPS F1 Est- 4 week change	-6.9%
Expected Report Date	01/29/2026
Earnings ESP	-35.6%

P/E TTM	38.5
P/E F1	5.5
PEG F1	-0.3
P/S TTM	0.4

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽¹⁾



Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1,632 E	1,725 E	1,753 E		6,823 E
2025	1,644 A	1,758 A	1,713 A	1,622 E	6,749 E
2024	1,635 A	1,644 A	1,590 A	1,671 A	6,540 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2026	0.07 E	0.26 E	0.29 E		0.62 E
2025	0.04 A	0.05 A	0.40 A	-0.28 E	0.16 E
2024	0.40 A	0.62 A	-0.21 A	0.09 A	0.91 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 01/07/2026.

(2) The report's text and the price target are as of 01/07/2026.

Overview

Based in Clayton, MO, Olin Corporation is a vertically-integrated global producer and distributor of chemical products and a U.S. maker of ammunition. Internationally, the company operates in regions including Latin America, Asia Pacific and Europe.

Olin's operations are focused on three business segments: Chlor Alkali Products and Vinyls, Epoxy and Winchester.

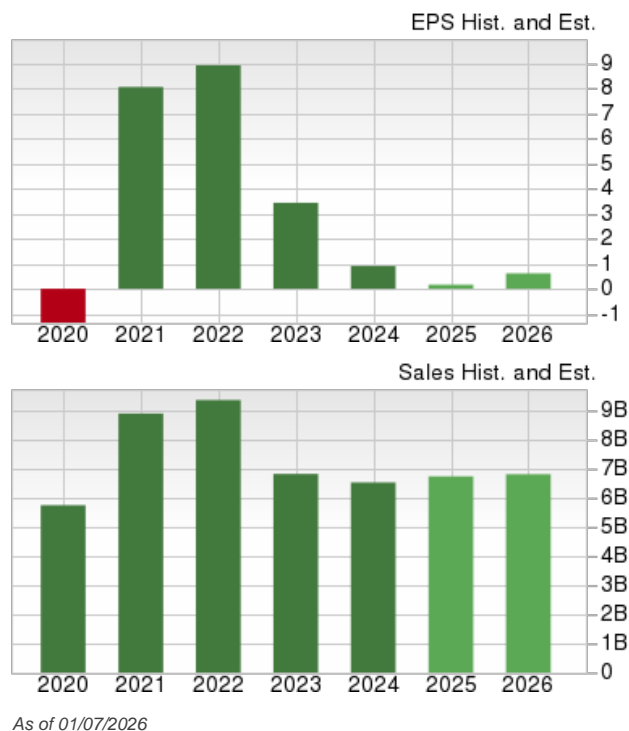
Chlor Alkali Products and Vinyls segment (57% of 2024 Sales) – The division produces and sells chlorine and caustic soda, vinyl chloride monomer and ethylene dichloride, methylene chloride, methyl chloride, carbon tetrachloride, chloroform, trichloroethylene, perchloroethylene, hydrochloric acid, vinylidene chloride, hydrogen, potassium hydroxide and bleach products.

The division is one of the largest marketers of caustic soda in Brazil. The company's diversified caustic soda sourcing enables it to supply global customers cost-effectively. Notably, caustic soda is used in various end-use applications, including water treatment, pulp and paper, soaps and detergents. Products from this segment are delivered through deep water and coastal barges, pipelines, marine vessels, trucks and railcars.

Epoxy segment (17%) – The division makes and sells a complete range of epoxy materials, including epichlorohydrin, allyl chloride, solid epoxy resins and liquid epoxy resins. It also produces downstream products such as differentiated epoxy resins and additives.

The division offers a wide range of applications, including marine coatings, electrical laminates, wind energy, consumer goods and composites. It also caters to numerous applications in protective coatings and civil engineering.

The Winchester segment (26%) – The unit produces and sells sporting ammunition, small caliber military ammunition and components, reloading components and industrial cartridges.



Reasons To Buy:

- ▲ Olin continues to benefit from its completed multi-year enterprise resource planning, engineering, and manufacturing systems integration across its heritage business and the acquired Dow Chlorine Products businesses. The IT integration project, completed in 2020, has already improved operational efficiencies. Additionally, the company reaffirmed that the Beyond250 cost savings program is expected to deliver \$70 million to \$90 million in annual run-rate savings that will be visible through late 2025 and into 2026 and, along with the IT integration benefits, the initiative continues to support Olin's ability to maximize cost-effectiveness, efficiency, and control over its global chemical operations by standardizing business processes. Additionally, Olin also expects to benefit from the U.S. Clean Hydrogen Production Tax Credit 45V, projected to contribute an annual benefit in adjusted EBITDA.
 - ▲ Olin is expected to benefit from its Beyond250 program while also enjoying the Tax Credit under Section 45V. Its AMMO buyout also marks a shift to higher margins paired with strong demands.
 - ▲ Olin is likely to benefit from Winchester's recently completed acquisition of AMMO Inc.'s small-caliber ammunition manufacturing assets in Manitowoc, WI. The company expects this acquisition to generate \$5 million of incremental adjusted EBITDA in the second half of 2025, plus a realized synergy benefit of \$40 million within three years. Demand in Winchester's defense business remains strong. The integration of the AMMO assets marks a structural shift toward growing international military demand, and positions Winchester's long-term shift toward higher-margin military ammunition as a key driver. The Winchester unit is also witnessing robust demand for White Flyer clay targets and is expected to benefit from the launch of the Eco Flyer line.
 - ▲ Olin is using its cash strategically, with a focus on funding growth initiatives, managing debt and returning value to shareholders. In the third quarter, the company generated \$362 million in operating cash flow while also repurchasing \$10 million worth of shares. The Beyond250 structural cost reduction program also aims to maximize cash generation. Olin remains committed to maintaining an investment-grade balance sheet.
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Reasons To Sell:

- ▼ Olin's chemical businesses continue to be adversely impacted by soft global economic conditions. In particular, the Epoxy segment faces headwinds due to subsidized Asian imports and the United States' markets for building and construction, automotive and consumer electronics. Management anticipates higher uncertainty in the timing of any chemical demand recovery as U.S. housing, European demand, and Asian consumption recovery have not yet materialized. Furthermore, in the Chlor Alkali Products and Vinyls segment, there is an expectation that global caustic soda pricing will remain tight as variable costs rise in Europe. Management continues to view tariff impacts as generally neutral, but this balance could shift significantly if retaliatory tariffs are imposed in South America, a key destination for Olin's caustic soda and EDC exports.
- ▼ The Winchester segment is pressured by rising metal costs, including copper. Retailers who built significant inventories ahead of shortages and the U.S. presidential election are reducing their inventories as consumer spending has slowed. The retail inventories still remain elevated, resulting in a dramatic drop in Commercial ammunition margins. Olin will initiate a price increase in the third quarter of 2025 to offset rising input costs. Consumer discretionary spending remains subdued. This has made the company execute production cuts and a make-to-order model.
- ▼ The company is expected to pay cash taxes, 25% to 30% higher than the normalized rates, as a deferred international tax payment of \$80 million. Management now expects total cash tax payments of around \$175 million for the full year. Also, a \$40 million EBITDA penalty in the fourth quarter as part of inventory reduction actions is anticipated, which could be a drag on the company's profitability.

Olin's Epoxy segment is exposed to headwinds from weak economic conditions in Europe & China. It also faces headwinds from higher costs, pressured margins and penalties.

Last Earnings Report

Olin's Earnings Top Estimates in Q3, Revenues Miss Amid Challenges

Olin posted a third-quarter 2025 profit of \$42.8 million, or 37 cents per share. This compares to a loss of \$24.9 million or 21 cents in the year-ago quarter. Barring one-time items, earnings came in at 40 cents per share, topping the Zacks Consensus Estimate of 9 cents.

The chemical maker's revenues rose roughly 7.8% year over year to \$1,713.2 million in the quarter. It missed the Zacks Consensus Estimate of \$1,731.5 million. The company saw constrained demand growth amid continued market challenges.

FY Quarter Ending **12/31/2025**

Earnings Reporting Date	Oct 27, 2025
Sales Surprise	-1.06%
EPS Surprise	344.44%
Quarterly EPS	0.40
Annual EPS (TTM)	0.58

Segment Review

Chlor Alkali Products and Vinyls: In the third quarter of 2025, revenues amounted to \$924 million, which rose around 6% year over year. The reported figure lagged the consensus estimate of \$992 million. The upside in sales was primarily due to increased volume. Segment earnings were \$127.6 million compared with \$45.3 million in the third quarter of 2024.

Epoxy: Revenues in the division went up around 22.6% year over year to \$349.6 million. It beat the consensus estimate of \$321 million.

Winchester: Revenues rose around 1.6% year over year to \$439.6 million. The sales were maintained at this level primarily due to higher military sales and military project revenues, which were partially offset by reduced commercial ammunition pricing and sales. It missed the consensus estimate of \$448 million.

Financials

The cash balance at the end of the third quarter was \$140.3 million. At the end of the reported quarter, Olin had roughly \$2.85 billion in net debt.

During the third quarter, roughly 0.5 million shares of common stock were repurchased for \$10.1 million. As of Sept. 30, 2025, Olin had approximately \$2 billion in share repurchase authorizations.

Outlook

Per Olin, the fourth quarter is the weakest seasonal quarter for the company. Additionally, the continued challenges in the markets, the possibility of rising costs and inventory reductions, Olin anticipates its adjusted EBITDA for the fourth quarter of 2025 to be within the range of \$110 million to \$130 million. The company maintains its commitment to a disciplined capital allocation strategy, with a strong emphasis on maximizing cash generation and maintaining its net debt at previous year levels. This outlook is underpinned by Olin's solid financial foundation.

Valuation

Olin's shares are down 29.8% over the trailing 12-month period. Over the past year, the Zacks Chemical - Diversified industry and the Zacks Basic Materials sector are down 22.3% and up 32.8%, respectively.

The S&P 500 index is up 18.9% in the past year.

The stock is currently trading at 7.2X trailing 12-month enterprise value-to EBITDA (EV/EBITDA) ratio, which compares to 11.27X for the Zacks sub-industry, 15.32X for the Zacks sector and 18.8X for the S&P 500 index.

Over the past five years, the stock has traded as high as 9.64X and as low as 3X, with a 5-year median of 6.2X.

Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$23 price target reflects 1.32X tangible book value.

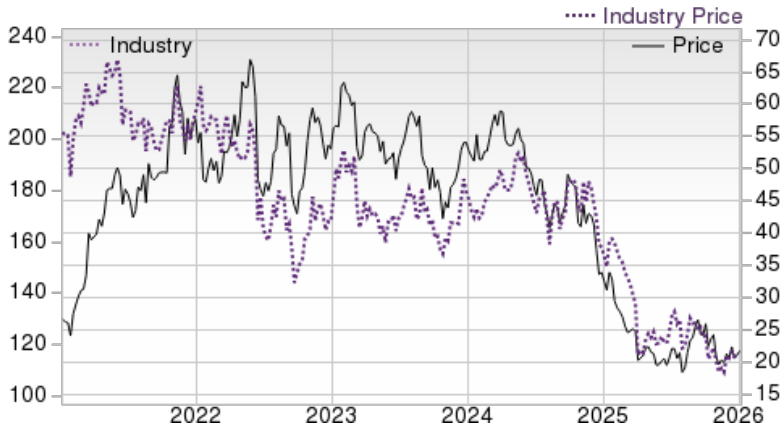
The table below shows summary valuation data for OLN:

Valuation Multiples - OLN					
		Stock	Sub-Industry	Sector	S&P 500
EV/EBITDA TTM	Current	7.2	11.27	15.32	18.8
	5-Year High	9.64	12.79	15.86	22.34
	5-Year Low	3	5.59	5.75	13.86
	5-Year Median	6.2	9.92	10.98	17.93
P/B TTM	Current	1.28	1.42	3.66	8.57
	5-Year High	4.78	3.12	4.29	9.13
	5-Year Low	1.02	1.28	2.18	6.57
	5-Year Median	2.79	2	3.05	8.04
P/S TTM	Current	0.38	0.87	3.53	6.03
	5-Year High	1.31	2.03	3.84	6.16
	5-Year Low	0.31	0.78	1.92	3.99
	5-Year Median	0.85	1.17	2.84	5.35

As of 01/06/2026

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 4% (235 out of 244)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Albemarle Corporation... (ALB)	Neutral	3
Huntsman Corporation (HUN)	Neutral	3
Koppers Holdings Inc... (KOP)	Neutral	3
Quaker Houghton (KWR)	Neutral	3
Methanex Corporation (MEOH)	Neutral	5
Cabot Corporation (CBT)	Underperform	5
The Chemours Company (CC)	Underperform	5
Eastman Chemical Com... (EMN)	Underperform	5

Industry Comparison⁽¹⁾ Industry: Chemical - Diversified

	OLN	X Industry	S&P 500	CBT	CC	HUN
Zacks Recommendation (Long Term)	Neutral	-	-	Underperform	Underperform	Neutral
Zacks Rank (Short Term)	3	-	-	5	5	3
VGM Score	B	-	-	A	B	B
Market Cap	2.55 B	2.78 B	40.27 B	3.71 B	1.99 B	1.90 B
# of Analysts	4	2.5	22	2	5	7
Dividend Yield	3.58%	1.67%	1.35%	2.56%	2.64%	3.20%
Value Score	A	-	-	B	A	A
Cash/Price	0.06	0.16	0.04	0.07	0.33	0.26
EV/EBITDA	6.37	6.56	14.84	5.42	7.20	9.30
PEG Ratio	-0.32	2.54	2.06	3.68	NA	NA
Price/Book (P/B)	1.28	1.18	3.44	2.19	6.64	0.63
Price/Cash Flow (P/CF)	4.15	6.68	15.60	6.75	3.60	6.85
P/E (F1)	5.51	15.77	18.94	10.84	7.62	NA
Price/Sales (P/S)	0.38	0.64	3.12	1.00	0.34	0.33
Earnings Yield	2.78%	6.08%	5.28%	9.22%	13.10%	-2.65%
Debt/Equity	1.49	0.55	0.57	0.50	13.66	0.54
Cash Flow (\$/share)	5.37	3.39	8.98	10.39	3.69	1.60
Growth Score	B	-	-	B	B	B
Hist. EPS Growth (3-5 yrs)	-33.88%	-10.37%	8.24%	16.85%	-22.10%	-59.71%
Proj. EPS Growth (F1/F0)	327.47%	20.27%	9.18%	-10.76%	-24.79%	-687.50%
Curr. Cash Flow Growth	-35.92%	0.55%	7.00%	0.55%	-25.64%	-20.00%
Hist. Cash Flow Growth (3-5 yrs)	-2.05%	-1.87%	7.49%	14.83%	-5.70%	-15.03%
Current Ratio	1.56	1.99	1.19	1.61	1.71	1.36
Debt/Capital	59.87%	35.66%	38.14%	33.42%	93.18%	35.20%
Net Margin	0.79%	0.48%	12.77%	8.91%	-5.71%	-5.69%
Return on Equity	3.36%	5.89%	17.03%	24.55%	35.27%	-3.26%
Sales/Assets	0.89	0.74	0.53	0.99	0.78	0.81
Proj. Sales Growth (F1/F0)	8.60%	1.83%	5.29%	-5.20%	0.40%	-6.30%
Momentum Score	F	-	-	D	F	F
Daily Price Chg	4.54%	2.10%	0.62%	0.95%	4.24%	4.19%
1 Week Price Chg	3.16%	0.58%	0.70%	0.84%	1.32%	1.09%
4 Week Price Chg	9.63%	6.92%	1.52%	6.87%	7.10%	8.65%
12 Week Price Chg	-9.01%	3.52%	4.52%	3.07%	-3.49%	33.46%
52 Week Price Chg	-30.53%	-12.58%	17.53%	-20.90%	-29.21%	-35.55%
20 Day Average Volume	2,046,256	188,335	2,426,458	464,382	1,969,810	3,799,861
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-6.93%	0.00%	0.00%	0.00%	-1.69%	-3.59%
(F1) EPS Est 12 week change	-51.28%	-9.73%	0.44%	-19.06%	-20.46%	-138.72%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	0.00%	-14.10%	-11.36%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	A
Growth Score	B
Momentum Score	F
VGM Score	B

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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