

# ModernGraham Valuation

Company Name:

Olin Corporation

Company Ticker OLN

Date of Analysis

6/29/2016



## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$4,246,433,118	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.79	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-35.60%	Fail
6. Moderate PEmg Ratio	PEmg < 20	23.31	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.67	Pass

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	1.79	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	4.38	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Fail

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$1.03
MG Growth Estimate	-4.25%
<b>MG Value</b>	<b>\$0.00</b>
MG Value based on 3% Growth	\$14.95
MG Value based on 0% Growth	\$8.77
Market Implied Growth Rate	7.40%

### MG Opinion

Current Price	\$24.04
% of Intrinsic Value	N/A
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D</b>

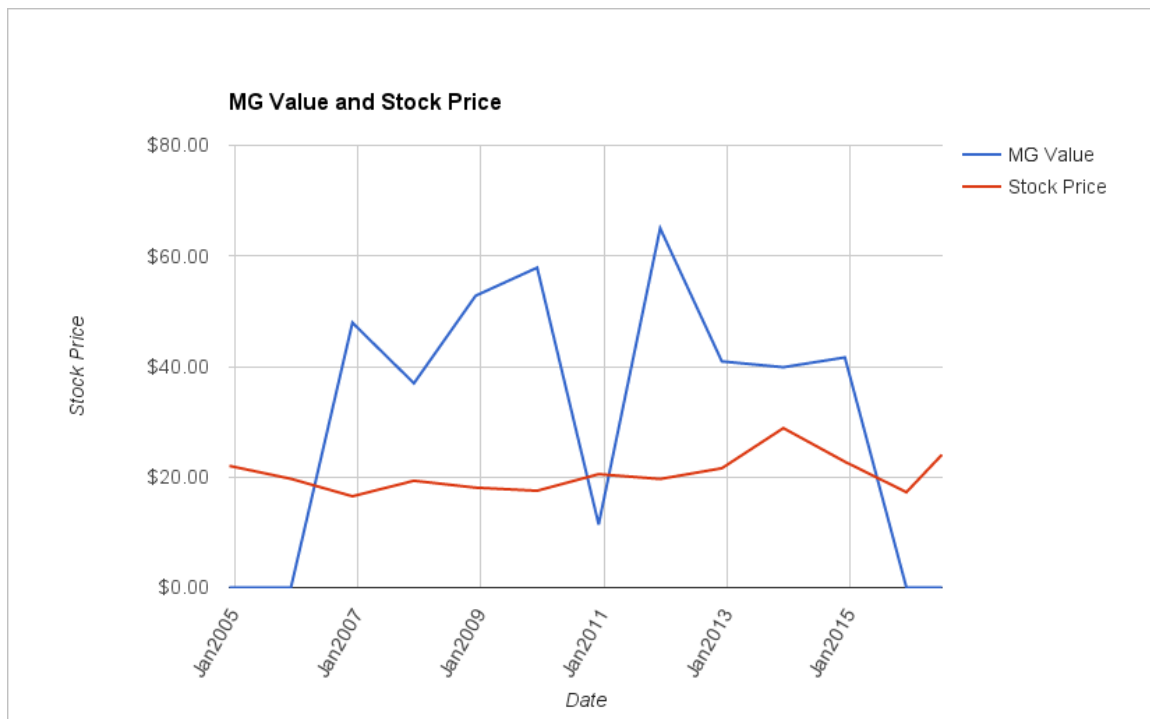
## Stage 3: Information for Further Research

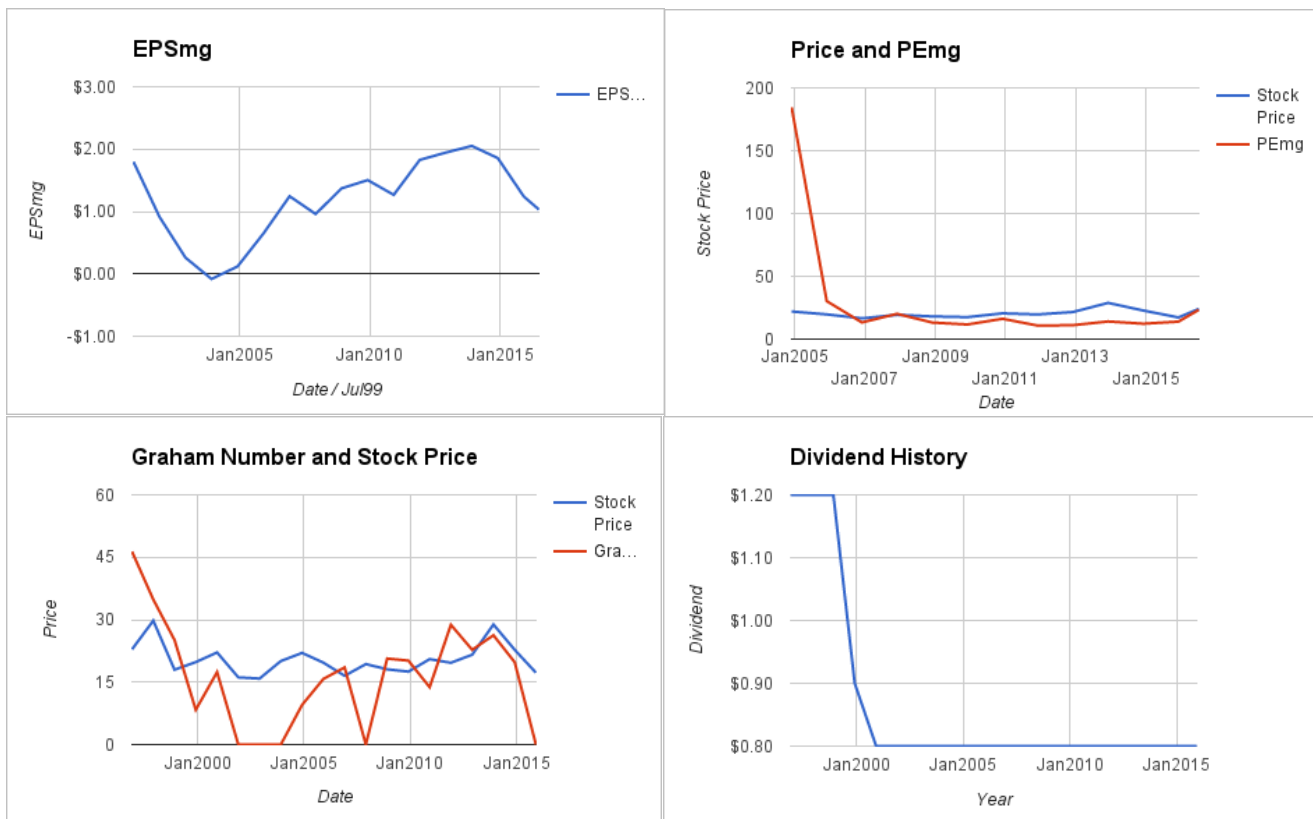
Net Current Asset Value (NCAV)	-\$29.48
Graham Number	\$18.42
PEmg	23.31
Current Ratio	1.79
PB Ratio	1.67
Current Dividend	\$0.80
Dividend Yield	3.33%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$1.05	Next Fiscal Year Estimate	\$1.03
Dec2015	-\$0.01	Dec2015	\$1.24
Dec2014	\$1.33	Dec2014	\$1.86
Dec2013	\$2.21	Dec2013	\$2.05
Dec2012	\$1.85	Dec2012	\$1.94
Dec2011	\$2.99	Dec2011	\$1.83
Dec2010	\$0.81	Dec2010	\$1.27
Dec2009	\$1.73	Dec2009	\$1.50
Dec2008	\$2.07	Dec2008	\$1.37
Dec2007	-\$0.12	Dec2007	\$0.96
Dec2006	\$2.06	Dec2006	\$1.24
Dec2005	\$1.86	Dec2005	\$0.65
Dec2004	\$0.80	Dec2004	\$0.12
Dec2003	-\$0.42	Dec2003	-\$0.08
Dec2002	-\$0.63	Dec2002	\$0.26
Dec2001	-\$0.22	Dec2001	\$0.91
Dec2000	\$1.80	Dec2000	\$1.80
Dec1999	\$0.45	<b>Balance Sheet Information 3/1/2016</b>	
Dec1998	\$1.63	Total Current Assets	\$1,877,400,000
Dec1997	\$3.00	Total Current Liabilities	\$1,049,600,000
Dec1996	\$5.27	Long-Term Debt	\$3,627,900,000
		Total Assets	\$9,116,900,000
		Intangible Assets	\$2,809,300,000
		Total Liabilities	\$6,744,100,000
		Shares Outstanding (Diluted Average)	165,100,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

## Recommended Reading:

Other  
ModernGraham  
posts about the  
company

- [47 Companies in the Spotlight This Week – 5/16/15](#)
- [Olin Corporation Annual Valuation – 2015 \\$OLN](#)
- [Olin Corporation Quarterly Valuation – January 2015 \\$OLN](#)
- [13 Companies in the Spotlight This Week – 10/4/14](#)
- [Olin Corporation Quarterly Stock Valuation – September 2014 \\$OLN](#)

Other  
ModernGraham  
posts about related  
companies

- [LyondellBasell Industries Valuation – June 2016 \\$LYB](#)
- [Praxair Inc Valuation – June 2016 \\$PX](#)
- [Albemarle Corp Valuation – February 2016 \\$ALB](#)
- [Airgas Inc Stock Valuation – February 2016 \\$ARG](#)
- [Air Products & Chemicals Inc Valuation – February 2016 \\$APD](#)
- [FMC Corporation Valuation – January 2016 Update \\$FMC](#)
- [Eastman Chemical Co Valuation – January 2016 \\$EMN](#)
- [Dow Chemical Co Valuation – January 2016 Update \\$DOW](#)
- [Ashland Inc Valuation – January 2016 Update \\$ASH](#)
- [Albemarle Corp Valuation – February 2016 \\$ALB](#)