

AXIALL CORP/DE/  
Form DFAN14A  
April 25, 2016

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, DC 20549**

**SCHEDULE 14A**

**(Rule 14a-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under § 240.14a-12

**AXIALL CORPORATION**

**(Name of Registrant as Specified in its Charter)**

**WESTLAKE CHEMICAL CORPORATION**

**(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

On April 25, 2016, Westlake Chemical Corporation ( Westlake ) posted the following investor presentation related to Westlake s proposed acquisition of Axiall Corporation ( Axiall ) and Westlake s nomination of candidates for election to the board of directors of Axiall on Westlake s website:

Rationale for Proposed Combination with Axiall Corporation  
April 2016  
Westlake Chemical

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## Forward-Looking Statements

This communication contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements are limited to, statements regarding Westlake Chemical Corporation's (Westlake) proposal to acquire Axiall Corporation (Axiall) (including financing of the proposed transaction and the benefits, results, effects and timing of a transaction), all statements regarding Westlake's (and Westlake's combined)

expected future financial position, results of operations, cash flows, dividends, financing plans, business strategy, budgets, capital requirements, growth opportunities, plans and objectives of management, estimated synergies from the proposed transaction and similar forward-looking words, such as may, will, could, would, should, project, believe, anticipate, expect, intend, forecast, approximate, intend, upside, and the like, or the use of future tense. Statements contained herein concerning Westlake's economic performance, anticipated profitability, revenues, expenses, dividends or other financial items, and product or service line growth of Westlake (and the combined businesses of Westlake and Axiall), together with other statements that are not historical facts, are forward-looking statements reflecting the best judgment of Westlake based upon currently available information. Statements concerning current conditions that they imply a continuation of current conditions.

Such forward-looking statements are inherently uncertain, and stockholders and other potential investors must recognize that actual results may differ from Westlake's expectations as a result of a variety of factors, including, without limitation, those discussed below. Such forward-looking statements are based upon management's current expectations and include known and unknown risks, uncertainties and other factors, many of which are beyond Westlake's control, that may cause Westlake's actual results, performance or plans with respect to Axiall to differ materially from any future results, performance or plans expressed or implied by such forward-looking statements. These statements involve risks, uncertainties and other factors discussed in Westlake's filings with the Securities and Exchange Commission (the SEC).

Risks and uncertainties related to the proposed business combination transaction include, but are not limited to: (i) the ultimate consummation of the transaction between Westlake and Axiall, including the possibility that Axiall will not accept a transaction with Westlake, (ii) the ultimate outcome and results of integrating the operations of Westlake and Axiall if a transaction is consummated, (iii) the ability to obtain regulatory approvals and meet other closing conditions to any possible transaction, including any necessary stockholder approvals, (iv) potential adverse reactions or changes to business operations from the announcement, pendency or completion of the proposed transaction, (v) competitive responses to the announcement or consummation of the transaction, costs and difficulties related to the integration of Axiall's businesses and operations with Westlake's businesses and operations, (vi) the inability to obtain, or delays in obtaining, cost savings and synergies from the proposed transaction, (vii) uncertainties as to whether the consummation of the transaction or any transaction will have the accretive effect on Westlake's earnings or cash flows that it expects, (viii) unexpected expenses resulting from the proposed transaction, (ix) litigation relating to the proposed transaction, (x) the inability to retain key personnel, and (xi) changes in general economic and/or industry-specific conditions.

In addition to the factors set forth above, other factors that may affect Westlake's plans, results or stock price are set forth in Westlake's Annual Report on Form 10-K and in its reports on Forms 10-Q and 8-K.

Many of these factors are beyond Westlake's control. Westlake cautions investors that any forward-looking statements made here are only estimates of future performance. We do not intend, and undertake no obligation, to publish revised forward-looking statements to reflect events or circumstances after the date of this communication or to reflect the occurrence of unanticipated events.

2  
Additional Information  
This  
communication  
relates  
to  
a  
proposal  
which  
Westlake  
has  
made  
for  
a  
business  
combination  
transaction  
with  
Axiall.  
In  
connection



with  
the  
solicitation  
of  
proxies  
for  
Axiall s  
2016  
annual  
meeting  
of  
stockholders  
(including  
any  
adjournment  
or  
postponement  
thereof  
and  
any  
meeting  
of  
Axiall s  
stockholders  
that  
may  
be  
called  
in  
lieu  
thereof,  
the

Annual Meeting ), Westlake filed a definitive proxy statement in connection therewith on Schedule 14A with the SEC on April 25, 2016. The proposal and subject to future developments, Westlake (and, if a negotiated transaction is agreed, Axiall) may also file one or more registration statements, tender offer statements, prospectuses or other documents with the SEC. This communication is not a substitute for a registration statement, tender offer statement, prospectus or other document. Westlake and/or Axiall has

filed  
or

may  
file

with  
the

SEC  
in

connection  
with

the  
proposed

transaction.  
INVESTORS

AND  
SECURITY

HOLDERS  
OF

WESTLAKE  
AND

AXIALL  
ARE

URGED  
TO

READ  
THE

WESTLAKE  
PROXY

STATEMENT  
AND

ANY  
OTHER

PROXY  
STATEMENT(S),

REGISTRATION STATEMENT(S), TENDER OFFER STATEMENT(S), PROSPECTUS(ES) AND OTHER DOCUMENTS IN  
THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION  
REGARDING THIS TRANSACTION.

Westlake  
expects

to  
mail

the  
Westlake

Proxy  
Statement

and  
accompanying

GOLD  
proxy

card  
to

stockholders  
of  
Axiall  
promptly  
after  
Axiall  
sets  
the  
record  
date and  
meeting date for the 2016 Annual Meeting. Any other definitive proxy statement(s) or prospectus(es) (if and when available) v  
Axiall,  
as  
applicable.  
Investors  
and  
security  
holders  
will  
be  
able  
to  
obtain  
copies  
of  
these  
documents  
(if  
and  
when  
available)  
as  
well  
as  
other  
filings  
containing  
information  
about  
Westlake and Axiall, without charge, at the SEC's website, <http://www.sec.gov>. Those documents, when filed, as well as West  
without  
charge  
at  
Westlake's  
website  
at  
<http://www.westlake.com>.  
Participants in Solicitation  
Westlake,  
Westlake

NG  
IV  
Corporation  
and  
certain  
of  
their  
respective  
directors  
and  
executive  
officers  
and  
the  
individuals  
nominated  
by  
Westlake  
for  
election  
to  
Axiall s  
Board  
of  
Directors  
may  
be  
deemed  
to  
be  
participants  
in  
any  
solicitation  
of  
proxies  
from  
Axiall s  
stockholders  
in  
connection  
with  
the  
Annual  
Meeting  
and/or  
the  
proposed  
transaction,  
as

applicable, under the rules of the SEC. Information about the participants, including a description of their direct and indirect interest in the Westlake Proxy Statement and will be available in any other proxy statement(s) or prospectus(es) (if and when available). Westlake using the contact information above. Investors may obtain additional information regarding the interest of such participants in any other proxy statement/prospectus regarding the proposed transaction if and when they become available.

This document shall not constitute an offer to sell, buy or exchange or the solicitation of an offer to sell, buy or exchange any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful

prior  
to  
registration  
or  
qualification  
under  
the  
securities  
laws  
of  
any  
such  
jurisdiction.  
No  
offering  
of  
securities  
shall  
be  
made  
except  
by  
means  
of  
a  
prospectus  
meeting  
the  
requirements  
of  
Section  
10  
of  
the  
U.S.  
Securities  
Act  
of  
1933,  
as  
amended.

Contacts

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& Co

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or

MacKenzie

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dburch@mackenziepartners.com / ckoons@mackenziepartners.com

Key Topics to be Addressed

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I.

Summary of Westlake Proposal and Decision To Nominate Directors

II.

Why Westlake: History of Value Creation

III.

Westlake Proposal: Highly Compelling Value Proposition

IV.

Axiall: Failure to Create Shareholder Value

V.

Westlake Director Nominees: Independent and Well Qualified to Create Shareholder Value





Summary of Westlake Proposal and Decision To  
Nominate Directors

Highly Compelling Proposal to Axiall  
Shareholders

5

Substantial

Premium

143%

premium

to

the

closing

share

price

as

of

January

22,

2016

(a)

Attractive

Valuation

Total value of the revised proposal is

\$3.1 billion, which represents 9.3x Axiall's

LTM

Adjusted

EBITDA

(b)

for

the

whole

Axiall

group,

including

Building

Products

Cash

and Stock

Consideration

Cash

and

stock

proposal

values

Axiall

at

\$23.35

per

share

(c)

Consideration includes \$14.00 cash

provides immediate liquidity and certainty

Stock

consideration

of

0.1967

of

a

Westlake

share,

or

\$9.35

per

share

(c)

Compelling

Strategic Logic

Improved scale, resiliency and product / geographic diversity

Backward integration into ethylene

Improved financial profile with anticipated investment grade rating

Significant

Synergies

Upside potential through stock component in proposal

Expected \$90-100mm annual synergies

Speed to

Closing and

Certainty

No financing contingency

No anticipated regulatory issues

Dedicated resources in

place to ensure an efficient integration

(a)

Revised Proposal of \$23.35 per share reflects \$14 per share in cash and 0.1967 in Westlake common stock based on the closing price of Westlake common stock on January 22, 2016 (the last trading date before the revised proposal was made public). Implied premium is based off the unaffected closing price of Axiall stock on January 22, 2016.

(b)

LTM EBITDA of \$330.3mm for FY2015

(c)

Based on closing price of Westlake stock on April 1, 2016 (the last trading date before Westlake's revised proposal was made public).

Strategically Compelling Proposal

6

Axiall Standalone Strategy

Combined Westlake-Axiall Strategy

Announced initiatives are not game changers

and are likely already priced into the stock

Proposal reflects 143% premium to unaffected stock price

(a)

for the whole Axiall

group, including Building

Products

Maintain opportunity to capture cycle recovery through a stronger company with a clear value creation strategy

Bet on volatile commodity prices

Long-term integration strategy captures value throughout commodity cycle

Stock consideration facilitates  
Axiall shareholder  
participation in cyclical recovery  
Building Products divestment strategy results  
in riskier  
business profile and cost  
disadvantaged operating model  
Increased scale  
improves cost position  
Maintain strategic flexibility through  
strong balance  
sheet  
History of value  
destructive acquisitions and  
mergers (PPG Commodity Chemicals, Royal  
Building Products)  
Over-levering business resulted in equity  
holders getting nearly wiped out in 2009 debt  
for equity exchange  
Strong balance sheet support continued investment in  
the business (upstream  
and downstream)  
Experienced management with strong track record of  
value creation and history  
of delivering on commitments

(a)  
Revised Proposal of \$23.35 per share reflects \$14 per share in cash and 0.1967 in Westlake common stock based on the closing revised proposal was made public). Implied premium is based off the unaffected closing price of Axiall stock on January 22, 2014.

Background to the Proposed Combination

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(a)

Initial Proposal of \$20 per share reflects \$11 per share in cash and 0.1967 in Westlake common stock based on the closing price of Westlake common stock on January 22, 2016 (the last trading date before Westlake's initial proposal was made public).

(b)

Revised Proposal of \$23.35 per share reflects \$14 per share in cash and 0.1967 in Westlake common stock based on the closing price of Westlake common stock on January 22, 2016 (the last trading date before Westlake's revised proposal was made public). Implied premium is based off the unaffected closing price of Axiall stock on January 22, 2016.

January 25:

Westlake

meets

with

Axiall

and



indicates  
a  
desire  
to  
acquire  
the  
business  
for  
\$20  
per  
share  
representing  
108%  
premium  
( Initial  
Proposal )  
(a)  
January 27:  
Axiall  
rejects the Initial Proposal  
February 16:  
Westlake  
informs  
Axiall  
of  
its  
intention  
to  
nominate  
directors  
at  
Axiall s  
next  
Annual  
Meeting  
March 7:  
Westlake  
issues  
public  
letter  
voicing  
concern  
about  
Axiall  
management s  
unwillingness  
to  
negotiate  
and  
strategy

to  
sell the Building Products business in the face of a proposal for the entire company  
March 8:  
Axiall  
informs Westlake of its willingness to engage in discussions  
March 18 -  
28:  
Westlake  
attends  
Axiall  
management  
presentation  
and  
undertakes  
limited  
due  
diligence  
Axiall  
provided  
March 29:  
Westlake  
privately  
increases  
its  
proposal  
to  
\$23.35  
per  
share,  
representing  
143%  
premium  
(b)  
( Revised  
Proposal )  
March 31:  
Axiall  
rejects the Revised Proposal, apparently preferring a standalone strategy including a sale of Building Products  
April 1:  
Following  
a  
request  
for  
feedback  
on  
the  
Revised  
Proposal,  
Axiall s  
advisors

inform  
Westlake  
they  
have  
been  
instructed not to provide any feedback or guidance  
April 4:  
Given  
Axiall s  
unwillingness  
to  
negotiate,  
Westlake  
makes  
public  
its  
Revised  
Proposal  
representing  
143%  
premium  
April 8, 11:  
Westlake  
informs  
Axiall  
it  
will  
not  
bid  
for  
the  
Building  
Products  
business  
and  
indicates  
its  
concern  
over  
the  
hastiness  
and  
potential  
value  
destruction  
associated  
with  
a  
Building  
Products

sale

No Alternative Other Than to Go Directly to Shareholders

8

Westlake continues to believe that its proposal is in the best interests of Axiall shareholders

The Revised Proposal represents significantly greater value and certainty than Westlake believes can be achieved by Axiall's standalone strategy

Cash component provides certainty at a premium to unaffected stock price and stock component allows for upside value creation in a larger and more diverse company

However, the Axiall

Board refuses to provide feedback or negotiate with Westlake regarding its Revised Proposal

As a result, Westlake is moving forward with the nomination of nine independent, experienced and highly-qualified directors

Westlake urges all Axiall

shareholders to elect new directors at Axiall's

Annual

Meeting by voting for the GOLD card

Why Westlake: History of Value Creation

Acquired Certain  
Teed, Petro 2  
Ethylene &  
Geismar  
Chlor  
Alkali Expansion  
A History of Strong Integration and Strategic Growth  
Capacity  
(mm lbs.)  
Vinyls  
Olefins

Company Begins  
Operation in LC  
Acquired  
VCM in  
Calvert  
Started Petro 1  
Acquired PVC  
Plant  
Acquired Geismar  
VCM/PVC Plant  
Acquired  
1 Pipe  
Plant  
Acquired 3 Pipe  
Pants; Calgary  
Window Plant  
Start  
Suzhou  
China  
Film  
Plant  
Increased LDPE  
By 500 mm/lbs  
Acquired CAO  
Started Petro 2  
Started  
Poly 3  
Started Suzhou  
PVC  
Plant  
Acquired NY  
Windows  
Plant  
Started Styrene  
Acquired 3 Pipe Plants  
IPO  
20th  
Anniversary  
Acquired  
Longview  
10  
Acquired Vinnolit,  
Calvert City Ethylene  
/ PVC Expansion  
Petro 1  
Ethylene  
Expansion  
0  
2,000  
4,000



6,000  
8,000  
10,000  
12,000  
14,000  
16,000  
18,000  
20,000  
1986  
1988  
1990  
1992  
1994  
1996  
1998  
2000  
2002  
2004  
2006  
2008  
2010  
2012  
2014  
2016

Westlake's History of Superior Profit Growth Driven by  
Efficient Capital Deployment

11

Westlake has a proven history that maximizes  
returns and builds shareholder value

High-return strategy prioritizing brownfield /  
de-bottlenecking initiatives

Axiall s

strategy has been value destructive

Underinvestment in operations has resulted  
in outages and earnings underperformance

Past acquisitions have destroyed  
shareholder value (2006 Royal Building

Products

(a)

acquisition and 2013 PPG

Commodity Chemicals merger)

Pursuing current Building Products sale

process while spurning Westlake's superior proposal demonstrates the apparent misalignment between Axiall management's and shareholders' interests

(a)

At the time

known as Royal Group Technologies

Source:

Public filings

Gross PP&E, '05 -

'15 CAGR (%)

Axiall Board and Management Ownership  
Comparison  
of  
Total  
Shareholder  
Return

Last  
10  
Years

(a)  
Westlake share ownership at board and  
management level aligns interests with  
those of shareholders  
Westlake has delivered superior total  
shareholder return relative to competitors

and the S&P 500

Alignment of Interests Between Westlake's Top Management  
and Shareholders is Key to Westlake's Value Creation

12

Source: Thomson, 13F filings as of December 31, 2015 and subsequent 13D/G filings, public filings, Bloomberg. Market data

(a)

10 years from January 20, 2006 to January 22, 2016, which is the last trading date before Westlake's initial proposal was made

(b)

Includes Tim Mann (CEO) (Form 4, March 10, 2016), Gregory Thompson (CFO) (Form 4, March 10, 2016), Simon Bates (SV  
Counsel) (Form 4, March 10, 2016), Bill Doherty (SVP, Chemicals) (Form 4, March 10, 2016), and Dean Adelman (VP, Hum

241.7 %

(98.6)%

11.1 %

86.9 %

Westlake

Axiall

Olin

S&P 500

Conversely, Axiall has limited ownership at  
board and management level

Entirety of Axiall Senior Leadership Team

owns

less

than

1%

of

Axiall

shares

(less

than Westlake owns)

Institutional and Retail

94.6%

Axiall

Board

0.2%

Axiall

Management

0.8%

Westlake

4.4%

(b)

Westlake Proposal: Highly Compelling Value  
Proposition

Combination Creates a  
North American  
Vinyls  
Leader

14

Note:

PVC and Chlor-alkali represent respective companies capacity levels

Source:

IHS Chemical

North

American

PVC

capacity

North

America

Chlor-alkali

capacity

Top 3 North American PVC / Chlor-alkali producer

0

500

1,000

1,500

2,000

2,500

3,000

Shintech

Combined

Oxy

FPC

Axiall

Mexichem

Westlake

0

1,000

2,000

3,000

4,000

5,000

6,000

Olin

Oxy

Combined

Axiall

Shintech

FPC

Westlake



Highly Integrated Chain in the U.S. Should Enhance  
Margin Stability for the Combined Company

15

The combined company is expected to have a lower cost structure due to integration which enhances margin stability

With its operational expertise and strong balance sheet, Westlake should be able to efficiently access significant additional ethylene capacity

v

Polyethylene

Styrene

Chlorine

Ethylene

Vinyls

PVC

Building

Products

Gas-based

feedstock

capability  
Ethylene Expansion  
Expansion  
Olefins  
Vinyls

Combination Would Create a Stronger Company With  
Demonstrated Track Record of Enhancing Shareholder Value

16

2015 net sales (\$bn)

2015 EBITDA margin (%)

Net debt / 2015 EBITDA

Who would you rather  
be a shareholder of?

Axiall?

Westlake + Axiall?

Smaller, one-dimensional  
company with exposure to a  
single, volatile commodity

Larger, more stable producer  
with product and value-chain  
diversification to capture  
margins throughout

cycle

Leveraged,

small-scale

company and shrinking

Robust balance sheet with

investment grade ratings

History of value-destructive

investments

Track record of earnings

growth through disciplined

investments and acquisitions

3.8x

3.2x

1.9x

1.0x

(0.3x)

Olin

Axiall

Mexichem

WLK + AXLL

Westlake

28%

21%

16%

13%

10%

Westlake

WLK + AXLL

Mexichem

Olin

Axiall

\$7.8

\$6.9

\$5.7

\$4.5

\$3.4

WLK + AXLL

Olin

Mexichem

Westlake

Axiall

Note:

Combined financials illustratively include \$95m of expected synergies, which is the midpoint of Westlake's \$90-100mm synergy consideration. Olin sales and EBITDA figures are 2014 Pro Forma per S-4 filed September 2, 2015 (Olin EBITDA includes \$2

Source:

Public filings

Westlake Believes Axiall's  
View of Synergies is Unrealistic and Overly Optimistic  
Axiall's  
synergy estimates were prepared without any familiarity with Westlake operations or input from Westlake  
Excludes dis-synergies  
and costs to achieve  
Overly reliant on difficult to achieve revenue synergies  
Significant Potential Upside from Synergy  
Opportunity for Axiall  
Shareholders  
Westlake Synergy View  
Total  
expected  
run-rate  
synergies  
of  
\$90-100mm  
reflected  
in

proposal

of

\$23.35

(a)

Synergy estimate prepared following careful review of business overlap including cost to achieve and potential dis-synergies in combination

Westlake's proposal provides Axiall shareholders with the opportunity to participate in any additional synergy creation through the stock component

17

General &

Administrative

Procurement /

Supply Chain

Manufacturing

Sales & Marketing

(a)

Based on closing price of Westlake stock on April 1, 2016 (the last trading date before Westlake's revised proposal was made

\$14.00

\$9.35

\$23.35

\$9.60

\$11.32

Westlake Proposal

Axiall Pre-Proposal Price

(Jan. 22)

Implied Axiall Share Price

Based on Olin Performance

Since Unaffected Date

Westlake Proposal Allows Axiall

Shareholders to Crystallize

Value and Participate in Upside Potential and Synergies

18

(3%)

Source:

FactSet

(11%)

Significant downside

risk for Axiall

shareholders

Westlake's proposal represents  
a significant premium to Axiall's  
unaffected share price

Cash component crystallizes

\$14 in value

on its own a

premium to Axiall's unaffected  
share price, providing certainty  
relative to Axiall's standalone  
plan

Significant participation in  
combined company upside  
including synergy value through  
stock component

(b)

(a)

Note:

Axiall Pre-Proposal Price is based off the unaffected closing price of Axiall stock on January 22, 2016 (the last trading date before

(a)

Revised Proposal of \$23.35 per share reflects \$14 per share in cash and 0.1967 in Westlake common stock based on the closing price of Westlake common stock on January 22, 2016 (Westlake's revised proposal was made public).

(b)

Calculated as Axiall unaffected share price on January 22, 2016 of \$9.60 multiplied by (1+18%) (Olin share price return from January 22, 2016 to January 22, 2017)



Axiall: Failure to Create Shareholder Value

Axiall Management Has Repeatedly  
Failed to Deliver on Expectations

20

At various points over last 4 years, Axiall announced  
that ECU margins have reached a trough or a floor level  
Jul 19,

2012

(a)`

we illustrate the dramatic improvement in mid-cycle and  
trough EBITDA  
that comes from this combination. We expect  
combined mid-cycle EBITDA of over \$850 million, including cost  
synergies [ ] Likewise, trough EBITDA for the combined company  
will exceed \$550 million

Dec

3,  
2013

(b)  
2013-2016 Growth 2-3% per year  
plus exports will balance market

May 6,  
2014

(c)  
And I would say, at this level, there's a bit of pain to go much lower than where we were or have been. So, that's another reason for saying that we expected, as a general comment, that we were at the floor of ECUs at this point in time.

Nov 3,  
2015

(d)  
We also want to be respectful of the balance sheet and the right level of leverage given the tough conditions that we're at right now.

Feb 11,  
2016

(e)  
Axiall expects to have significant operating leverage as the chlor-alkali industry comes out of the trough. Industry capacity rationalization underway; historically, caustic prices start to recover within approximately 6-12 months

Feb 25,  
2016

(f)  
We now believe that we have bottomed and that we are at the beginning of what should be a multiyear improvement in ECU margins as the cycle turns

Axiall  
Forecasted  
Performance  
through  
Cycle

(a)  
Facts

/  
Realized  
Performance

(g)  
Axiall has underperformed investor expectations every year since merger with PPG

Commodity

Chemicals

(h)

Axiall s

Management has been unable to assess trough  
performance levels for its business

>\$850

>\$550

\$ 672

\$ 436

\$ 330

Mid-Cycle

Trough

FY 2013A

FY 2014A

FY 2015A

\$826

\$740

\$585

\$329

\$672

\$436

\$330

?

FY 2013A

FY 2014A

FY 2015A

FY 2016E

Consensus Broker Estimates

Dec-31 Realized LTM EBITDA

(19)%

(41)%

(44)%

Source:

Axiall

public filings, earnings

release transcripts,

investor presentations

(a)

Paul

Carrico,

PPG

merger

transcript

and

presentation.

Includes

projected

EBITDA

contribution

of  
the  
divested  
Aromatics  
business  
of  
approximately  
\$40mm  
and  
\$15mm  
in  
the  
Mid-Cycle  
and  
Trough  
estimates,  
respectively.  
Realized  
performance  
of  
the  
Aromatics  
business  
is  
included  
in  
the  
FY  
2013A  
and  
FY  
2014A  
realized  
EBITDA  
but  
not  
in  
FY  
2015A  
(as  
the  
business  
was  
divested)  
/  
(b)  
Citibank  
Basic  
Materials  
Conference,

quote  
from  
presentation  
/

(c)  
Paul  
Carrico,  
President  
&  
CEO,  
2014

Q1  
Earnings  
Call  
Q&A  
/

(d)  
Greg  
Thompson,  
CFO,  
2015

Q3  
Earnings  
Call  
Q&A  
/

(e)  
Axiall  
Investor  
Update  
presentation  
released

on  
February  
11,  
2016  
/

(f)  
Tim  
Mann,  
CEO,  
Q4

2015  
Earnings  
Call  
/

(g)  
Synergy  
amount  
from

Georgia  
Gulf  
and  
PPG  
Chemicals  
RMT  
of  
\$140mm  
as  
per  
Greg  
Thompson,  
CFO,  
at  
Bank  
of  
America  
Merrill  
Lynch  
Leveraged  
Finance  
Conference,  
December  
3,  
2014  
/  
(h)  
For  
historical  
periods  
(FY  
2013,  
FY  
2014,  
FY  
2015),  
consensus  
broker  
estimates  
reflect  
IBES  
median  
estimate  
as  
of  
January  
1  
of  
the  
corresponding

period.

For

the

projected

period

(FY

2016E),

the

consensus

broker

estimate reflects the current IBES median estimate as of April 22, 2016



Axiall  
Has a Track Record of Value Destruction  
21  
Source:  
Axiall  
filings  
Strategic Decision  
Outcome  
Overpaid for Acquisition  
of Building Products  
(2006, 2011)  
Acquired  
Royal  
Group  
Technologies

for  
~\$1.6bn;  
transaction  
entirely  
financed  
with  
debt,  
bringing  
leverage  
to  
~6.5x  
end  
of  
FY2007  
Acquired Crane Plastics Siding for ~\$72mm  
Sold  
Window  
and  
Door  
Profiles  
and  
Solucor  
for  
a  
combined  
\$41mm  
Investments in Building  
Products business of  
~\$1.7bn  
Total expected proceeds  
from sale of Building  
Products  
of  
~\$0.7bn  
(a)  
Weakened Balance Sheet  
Leads to Costly Debt for  
Equity Exchange  
(2009)  
Poorly  
positioned in 2009 to deal with financial distress with a significantly weakened balance sheet  
Executed  
a  
debt  
for  
equity  
exchange  
which  
nearly  
wiped-out

all  
value  
of  
shareholders  
Overpaid  
for Merger with  
PPG Commodity  
Chemicals  
(2013)  
Merger with PPG Commodity Chemicals for ~\$2.1bn driven by apparent desire to remain  
independent in response to earlier proposal from Westlake  
~\$850mm  
impairment  
charge  
taken  
in  
2015  
from  
the  
PPG  
merger  
Missed Ethylene Super-  
Cycle Due to Misguided  
Strategy and Slow  
Execution  
(2009 -  
2019)  
Failed  
to  
backward  
integrate  
chlorovinyls  
operations  
into  
ethylene,  
and  
missed  
the  
Ethylene  
Super-  
Cycle  
Announced  
ethylene  
JV  
not  
expected  
on-line  
until  
2019  
at

earliest;

Axiall

will

not

realize

benefit

until

almost a decade after the beginning of the Ethylene Super-Cycle

Rejection of Attractive

Westlake Proposal

(2016)

Axiall

rejected

Westlake's

proposal

representing

143%

premium

(b)

(a)

Reflects sale of Window and Door Profiles and Solucor for a combined \$41mm plus midpoint of Axiall's estimated range of \$ press release dated April 7, 2016.

(b)

Revised Proposal of \$23.35 per share reflects \$14 per share in cash and 0.1967 in Westlake common stock based on the closing revised proposal was made public). Implied premium is based off the unaffected closing price of Axiall stock on January 22, 2016.

Axiall s  
Major Initiatives Have  
Not Unlocked Value for Shareholders  
22  
Axiall s  
So-Called  
Major  
Initiatives  
(a)  
Stock Price Impact  
on Announcement  
Date  
Stock  
Price  
Performance since  
Announcement

Date

(b)

?

Summer

2015:

Renegotiation of ethane

cracker

joint

venture

with

Lotte

Chemical

0.7%

(75.6)%

?

July 2015:

Paul Carrico

resigns; Tim Mann

appointed Interim President and CEO;

named President and CEO, November 2015

4.1%

(71.8)%

?

October

2015:

Sale of aromatics business

resulting in up to \$93 million in proceeds

(0.8)%

(38.8)%

?

December 2015:

Final investment decision

reached on ethane cracker joint venture

(3.0)%

(29.9)%

?

February 2016:

Realized 25% of \$100

million

cost

reduction

target

(c)

Likely priced-in given objective was previously

announced and at this stage only partially reached

?

February 2016:

Announces sale of Window

and

Door

Profiles  
and  
Solucor  
Business

(c)

Sale of Building Products business puts value at risk

(a)

According to Axiall Investor Update presentation on February 11, 2016, except for announcement of sale of Window and Door

(b)

Stock price performance represents percent change from announcement to unaffected stock price of \$9.60 on January 22, 2016

(c)

Stock price reaction not shown where event occurred after Westlake proposal was made public

Note:

Assumed announcement dates as follows: ethane cracker JV renegotiated on June 17, 2015, Tim Mann appointed interim CEO  
ethane JV on December 17, 2015 and 25% realization of cost reduction on February 11, 2016

Westlake Director Nominees: Independent and  
Well Qualified to Create Shareholder Value



Board Nominee  
Independent  
CEO / CFO  
Experience  
Chemicals / Energy  
Industry Expertise  
M&A / Finance  
Experience  
Public Company  
Board  
Experience  
Steven Blank  
Michael Campbell  
Charles Crew  
(a)

Ruth Dreessen

Angela Minas

David Reeves

(a)

James Swent III

Gary Whitlock

Randy Woelfel

(a)

Experience of Axiall

Board Nominees

24

(a)

Private company Board experience. Charles Crew serves on the board of directors of Dubois Chemicals Company and Restau  
Company board of directors from 2012 to 2014. Randy Woelfel served as CEO and a director of NOVA Chemicals from 2009

Nominee

Age

Experience

Steven Blank

61

Former Executive Vice President, CFO and Treasurer of NuStar GP, LLC and NuStar GP Holdings LLC

Currently an Independent Director of TransMontaigne GP, L.L.C. the general partner of TransMontaigne Partners L.P., and Dakota Plains Holdings, Inc.

Michael Campbell

69

Former Chairman, President and CEO of Arch Chemicals, Inc., and Executive Vice President of Olin Corporation

Currently an Independent Director of WestRock Company

Former Director of Milliken & Company and former Chairman of the American Chemistry Council

Charles Crew

64

Former Executive Vice President and President, CEO, SABIC Innovative Plastics, Saudi Basic Industries Corporation (SABIC) and long-time executive of GE Plastics, General Electric Company (GE)

Currently an Independent Director of DuBois Chemicals

Ruth Dreessen

60

Managing Director of Lion Chemical Partners LLC

Former Executive Vice President and CFO of TPC Group Inc. and Senior Vice President and CFO of Westlake Chemical Corporation from 2003-2005

Currently Chairman of Gevo

Former Director of Georgia Gulf Corporation (a predecessor to Axiall) from 2001-2003, Targa Resources Partners LP and Versar, Inc.

Angela Minas

52

Independent Director and Chair of the Audit Committee of CONE Midstream Partners LP and Independent Director of Ciner Resources LP (formerly OCI Resources LP)

Former Vice President and CFO of DCP Midstream Partners

Proposed Axiall Board Nominees

25

Nominee

Age

Experience

David Reeves

60

Former President of Strategy, Planning and Technology, and long-time executive of Chevron Corporation

Former Director of ChevronPhillips Chemical Company (CPChem)

James Swent III

65

Former Executive Vice President and CFO of Ensco plc., Co-Founder and Managing Director of Amrita Holdings, LLC, CFO and CEO of Cyrix Corporation and CFO and CEO of American Pad and Paper Company

Gary Whitlock

66

Former Executive Vice President and CFO of CenterPoint Energy, Inc. and Vice President of Finance and CFO of Dow AgroSciences, a subsidiary of The Dow Chemical Company

Former Director of various Dow entities, Texas Genco Holdings, Inc., KiOR, Inc. and Enable Midstream Partners, LLC

Randy Woelfel

61

Former CEO of NOVA Chemicals, Inc., President of Basell International and Basell North America (now part of LyondellBasell) and longtime employee of Royal Dutch Shell plc (Shell)

Currently an Independent Director of Black & Veatch and advisor to several petrochemicals and plastics companies

Proposed Axiall Board Nominees

26

Conclusions  
Vote GOLD Card for New Director Nominees  
27

Why Westlake: History of Value Creation

Westlake Proposal: Highly Compelling Value  
Proposition

Axiall: Failure to Create Shareholder Value

Westlake Director Nominees: Independent  
and Well Qualified to Create Shareholder  
Value  
Vote GOLD Card to  
Elect New Director  
Nominees