



KeyBanc Capital Markets

**Basic Materials & Packaging
Conference**

September 14, 2010

Olin Representatives

Joseph D. Rupp

Chairman, President & Chief Executive Officer

John E. Fischer

Vice President & Chief Financial Officer

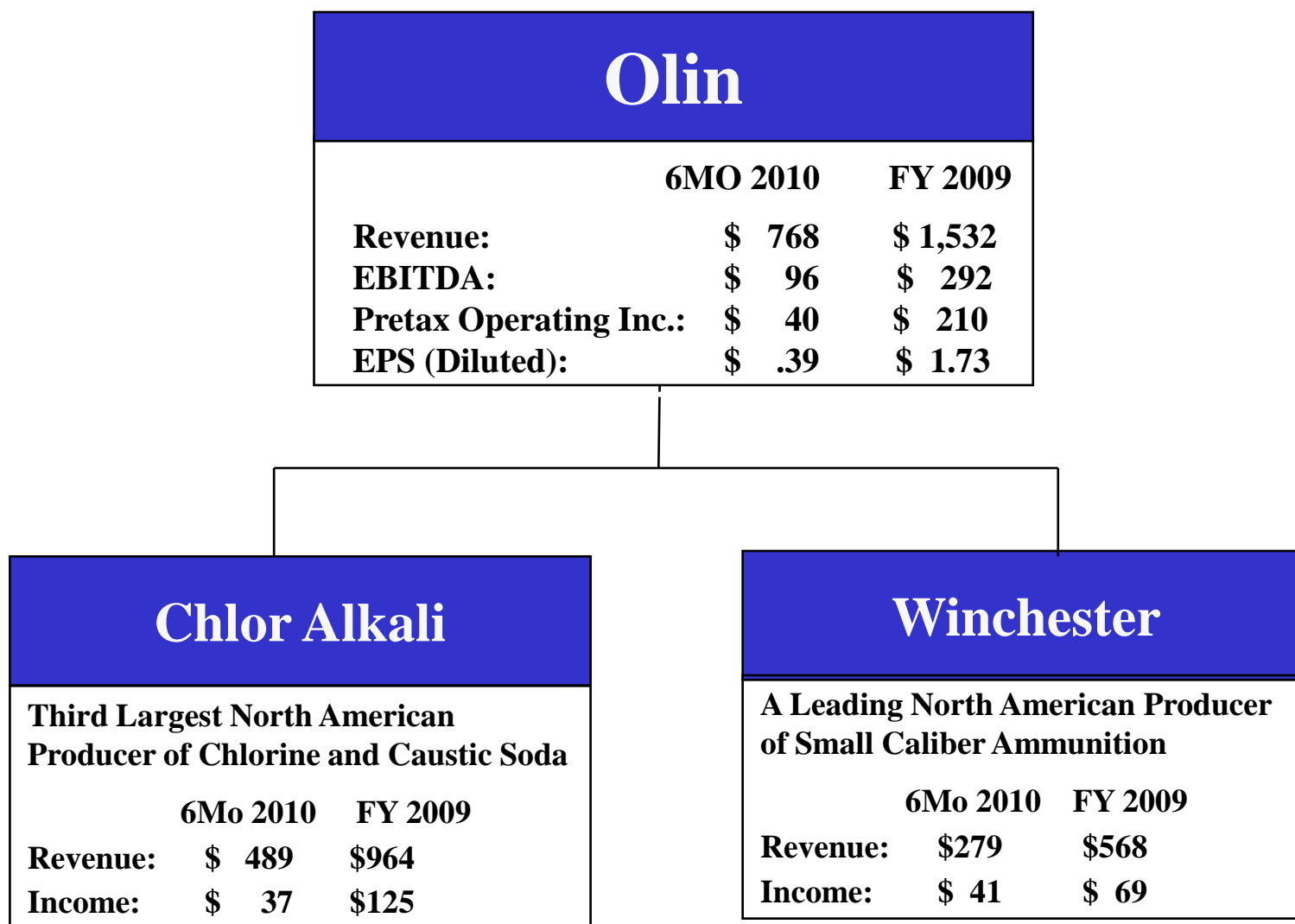
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Company Overview



All financial data are for the six months ending June 30, 2010 and the year ending 2009, and are presented in millions of U.S. dollars except for earnings per share. Additional information is available on Olin's website www.olin.com in the Investors section.

Olin Vision

To be a leading Basic Materials company delivering attractive, sustainable shareholder returns

- Being the low cost, high quality producer, and the #1 or #2 supplier in the markets we serve
- Providing excellent customer service and advanced technological solutions
- Generating returns above the cost of capital over the economic cycle

Olin Corporate Strategy

Olin Corporation Goal: Superior Shareholder Returns

Total Return to Shareholders in Top Third of S&P 1000
Return on Capital Employed Over Cost of Capital Through the Cycle

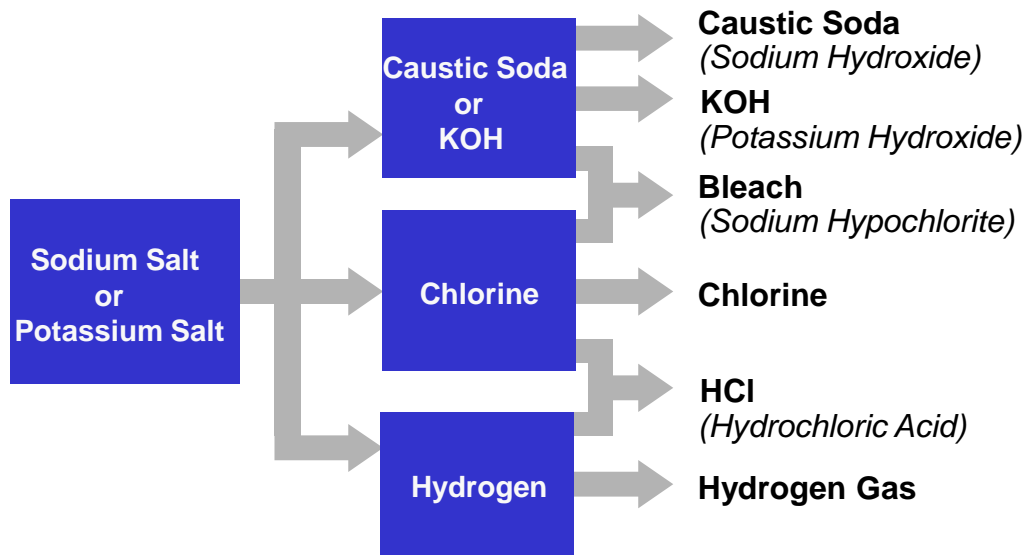
1. Build on current leadership positions in the Chlor-Alkali and Ammunition businesses
 - Improve operating efficiency and profitability
 - Integrate downstream selectively
2. Allocate resources to the businesses that can create the most value
3. Manage financial resources to satisfy legacy liabilities

Investment Rationale

- Leading North American producer of Chlor-Alkali
- Strategically positioned facilities
- Diverse end customer base
- Favorable industry dynamics
- Leading producer of industrial bleach with additional growth opportunities
- Pioneer synergies improved chlor-alkali price structure
- Winchester's leading industry position

Chlor Alkali Segment

Chlor Alkali Manufacturing Process



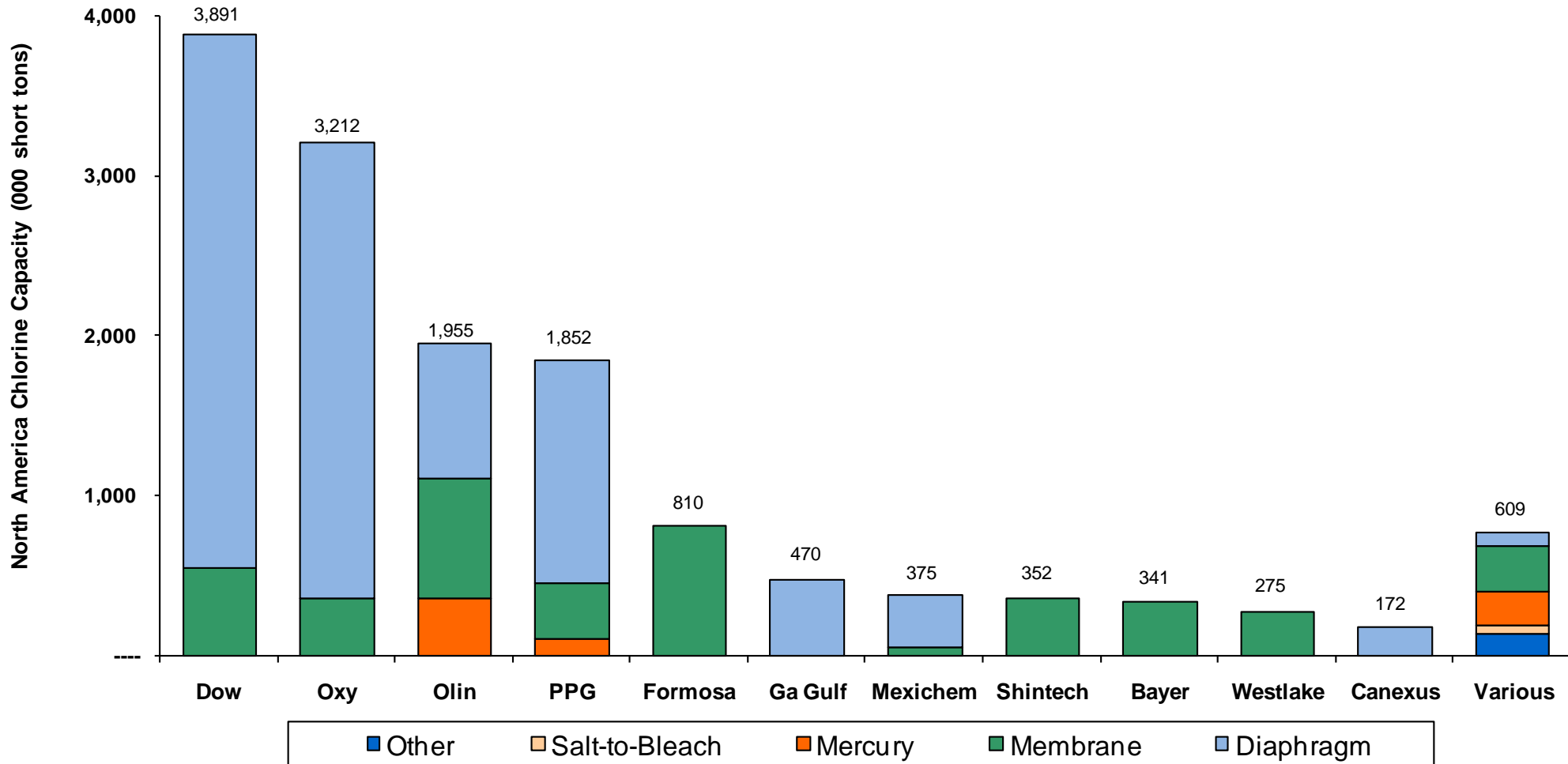
<u>N. American Position</u>	<u>% 2009 Revenue</u>
#3	53%
#2	8%
#1 Industrial	10%
#1 Merchant	24%
#1 Burner Grade	4%
	1%

ECU = Electrochemical Unit; a unit of measure reflecting the chlor alkali process outputs of 1 ton of chlorine, 1.13 tons of 100% caustic soda and 0.3 tons of hydrogen.

Olin's Chlor Alkali Strategy

- Be the preferred supplier to chlor alkali customers in addition to being the low cost producer
- Goal is to increase the value of the Chlor Alkali Division to Olin through:
 - Optimizing capacity utilization
 - Higher margin downstream products
 - Cost reduction and financial discipline

Olin is #3 Chlor-alkali Producer

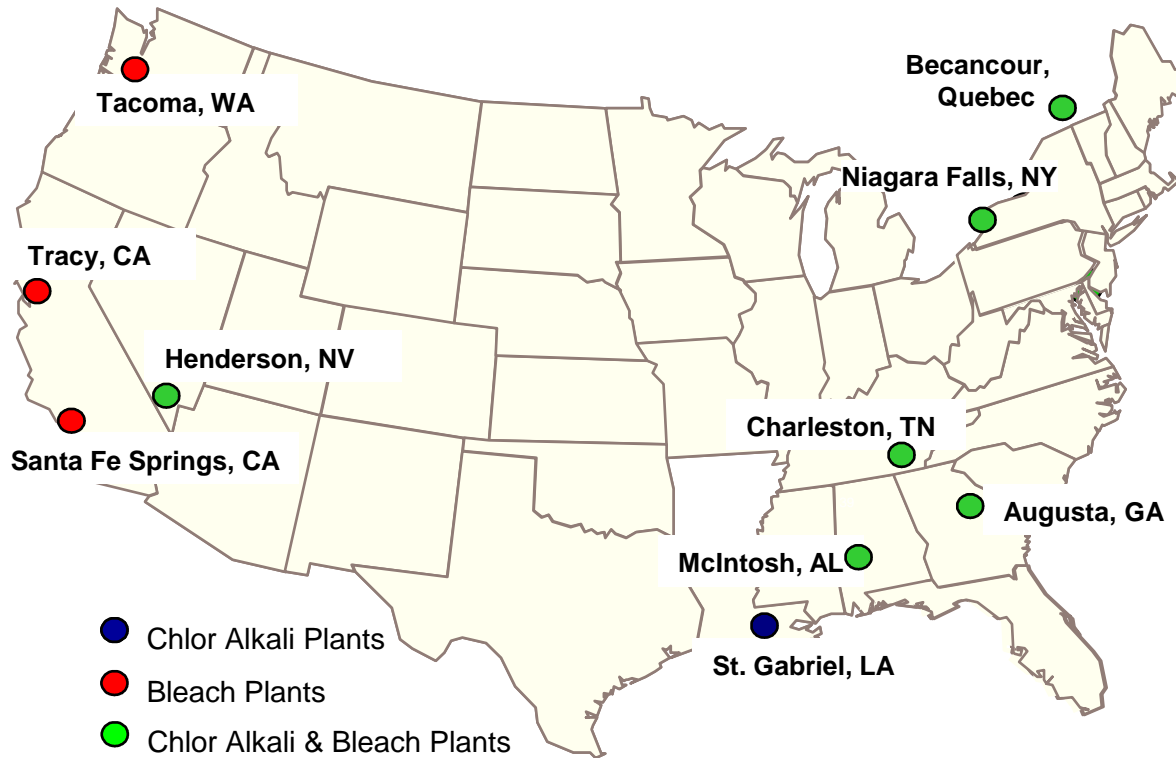


Source: CMAI/Olin – 2009 year-end figures

Oxy includes OxyVinyls and does not reflect the announced reduction of approximately 280,000 tons of capacity at their Taft, LA facility.

Olin includes 50% of Sunbelt joint venture.

Olin's Geographic Advantage



Location	Chlorine Capacity (000s Short Tons)
McIntosh, AL	415
Becancour, Quebec ⁽¹⁾	340
Niagara Falls, NY	286
Charleston, TN	248
St. Gabriel, LA	246
McIntosh, AL (50% of Sunbelt JV)	160
Henderson, NV	152
Augusta, GA	108
Total	1,955

- Access to regional customers including bleach and water treatment
- Access to alternative energy sources
 - Coal, hydroelectric, nuclear, natural gas

Source: Olin.

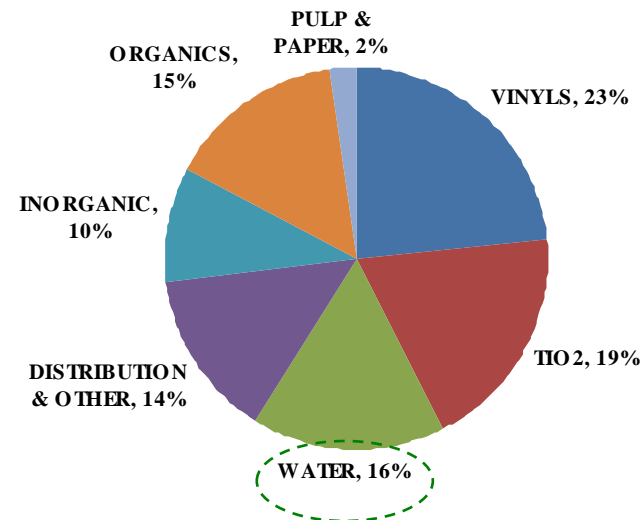
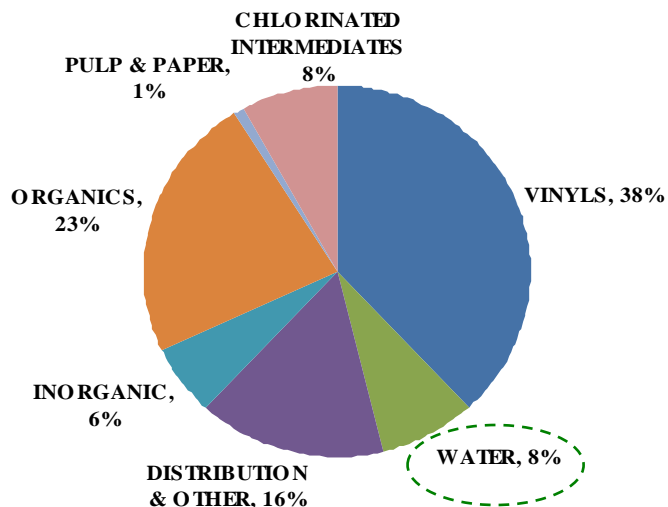
(1) The Becancour Plant has 275,000 short tons diaphragm and 65,000 short tons membrane capacity.

Diverse Customer Base

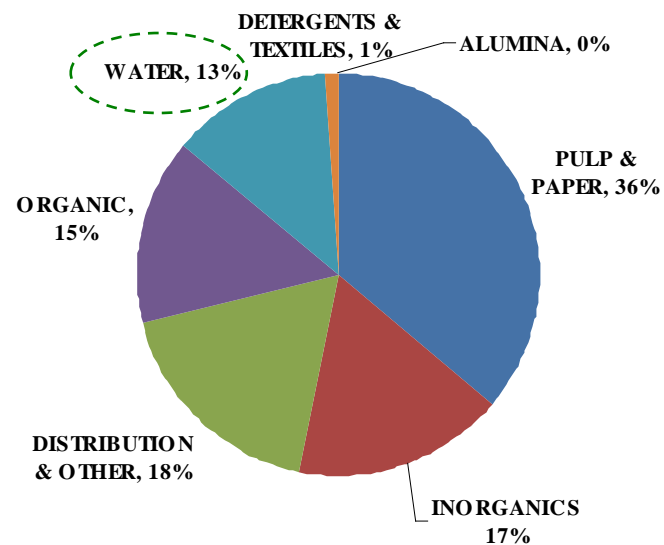
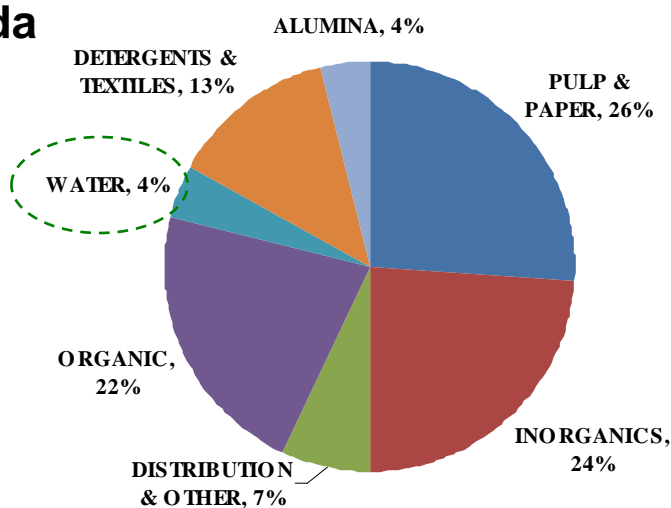
North American Industry

Olin

Chlorine



Caustic Soda



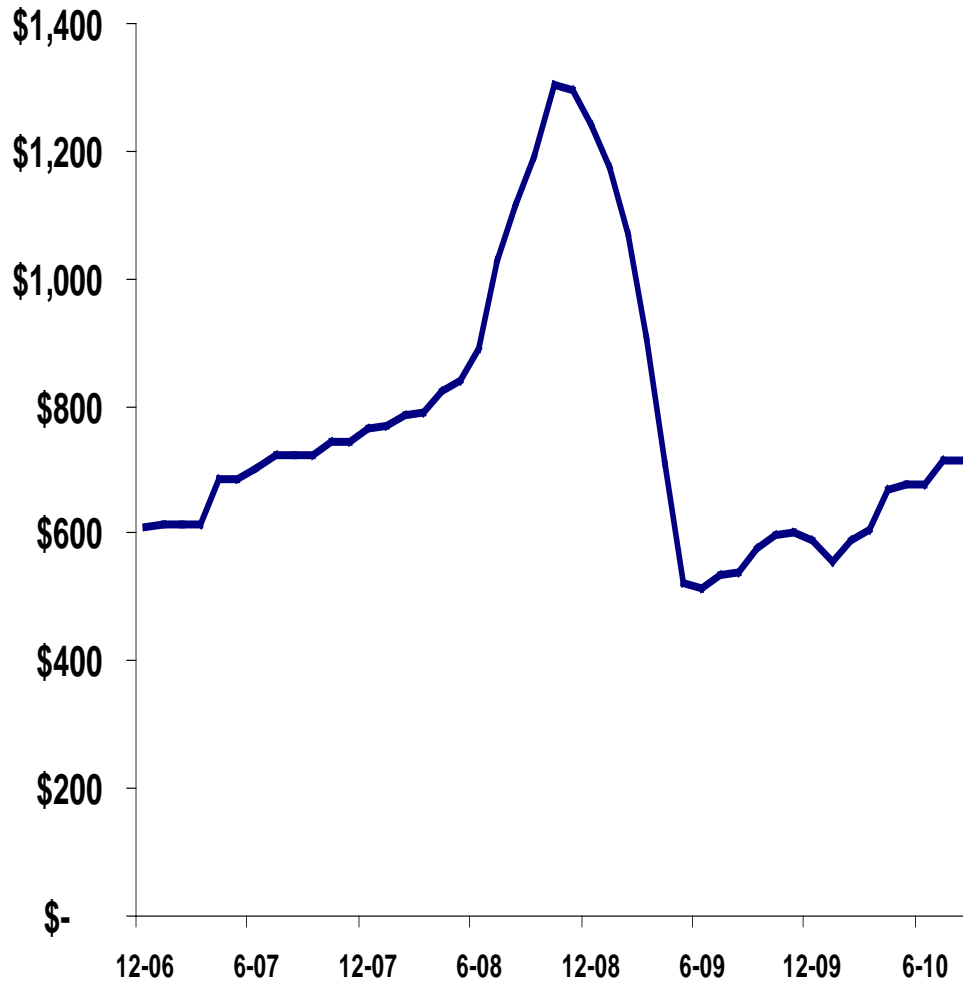
Source: CMAI and Olin.

Chlorine: "Organics" includes: Propylene oxide, epichlorohydrin, MDI, TDI, polycarbonates. "Inorganics" includes: Titanium dioxide and bromine.

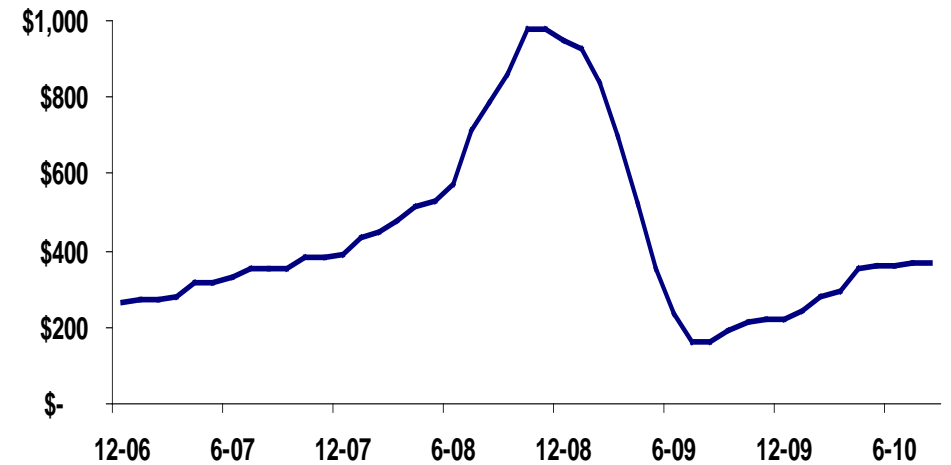
Caustic Soda: "Organics" includes: MDI, TDI, polycarbonates, synthetic glycerin, sodium formate, monosodium glutamate. "Inorganics" includes: titanium dioxide, sodium silicates, sodium cyanide.

Product Pricing Has Been Dynamic

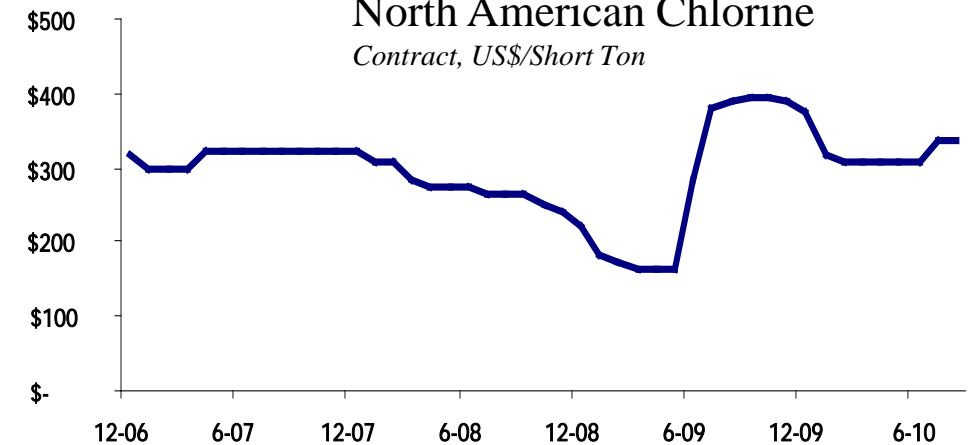
North American ECU Prices ⁽¹⁾
Contract, US\$/Short Ton



North American Caustic Soda
Avg. Acquisition, US\$/Short Ton



North American Chlorine
Contract, US\$/Short Ton

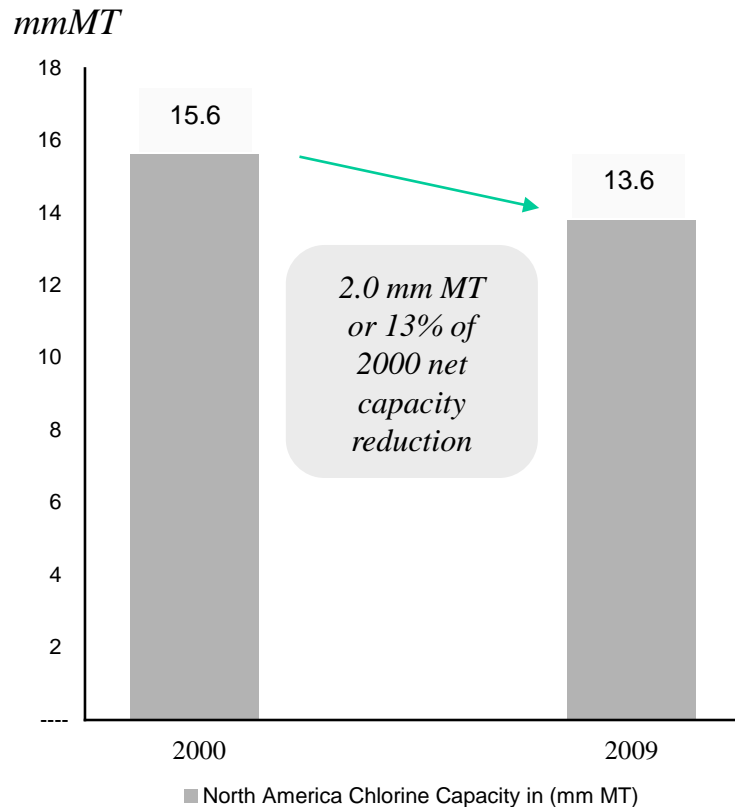


(1) ECU Price = the price of 1 ton of chlorine + 1.1 times the price of 1 ton of caustic

Source: CMAI.

Favorable Industry Dynamics

Capacity Rationalization



Industry Consolidation

Target	Acquisition Date	Position
Pioneer	2007	<ul style="list-style-type: none"> Acquired by Olin 725,000 Short Tons ECU Capacity Then the #7 ranked producer in North America 4.7% of North American capacity
Vulcan	2004	<ul style="list-style-type: none"> Acquired by OxyChem 859,000 Short Tons ECU Capacity Then the #7 ranked producer in North America 5.5% of North American capacity

Delayed Capacity Expansion

Westlake Chemical	<ul style="list-style-type: none"> 250,000 Short Ton ECU capacity plant expansion 2H 2013 Plant located at Geismar, LA
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Chlor-Alkali Outlook

- Q3 2010 segment earnings are expected to improve over Q2 2010 results on higher caustic soda prices
- ECU Netbacks are expected to improve as caustic soda prices reflect the bulk of the \$80 February price announcement
- May price announcements of \$50 on chlorine and \$35/\$50 on caustic soda are currently being negotiated, if successful, will increase Q4 2010 ECU netbacks
- In early August, North American chlor-alkali producers announced a \$40/ton caustic price increase, and in late August followed it with an additional \$45/ton caustic hike
- Q2 2010 operating rates improved to 83%, Q3 2010 operating rates are expected to be in the mid 80% range

Why Industrial Bleach?

- Olin is the leading North American bleach producer with a capacity of 250 million gallons (or 160,000 ECUs) in a 1 billion gallon industry
- Olin has 18% market share and current installed capacity to service 25% of the market with low-cost expansion opportunities
- Utilizes both chlorine and caustic soda in an ECU ratio
- Commands a \$100 to \$200/ton premium over ECU prices
- Demand is not materially impacted by economic cycles
- Regional nature of bleach business benefits Olin's geographic diversity, further enhanced by Olin's proprietary railcar technology to reach more distant customers
- 2009 bleach volumes increased almost 18% over 2008 levels, and Olin expects 2010 volumes to be 20 to 25% higher than 2009

Mercury Legislation

- On October 21, 2009, the U.S. House of Representatives Committee on Energy and Commerce passed a bill that would require chlor-alkali producers using mercury cell technology to decide by 6/30/12 whether they would shut down or convert those plants. The plants would need to be shut down by 6/30/13 or converted by 6/30/15.
- During the third quarter of 2009, a companion bill was introduced in the U.S. Senate
- To date, no votes have been taken on the House floor and the Senate has not acted; outcome of legislation is uncertain
- Olin currently operates 2 mercury cell plants representing 356,000 ECUs or 18% of our total capacity *

* Olin's total capacity includes 50% ownership of the SunBelt JV

Winchester Segment

Hunters & Recreational Shooters

Products	Retail	Distributors	Mass Merchants	Law Enforcement	Military	Industrial
Rifle	✓	✓	✓	✓	✓	
Handgun	✓	✓	✓	✓	✓	
Rimfire	✓	✓	✓	✓	✓	✓
Shotshell	✓	✓	✓	✓	✓	✓
Components	✓	✓	✓	✓	✓	✓

Winchester Strategy

- Leverage existing strengths
 - Seek new opportunities to leverage the legendary Winchester® brand name
 - Investments that maintain Winchester as the retail brand of choice, and lower costs
- Focus on product line growth
 - Continue to develop new product offerings
- Provide returns in excess of cost of capital

Brands



Winchester's Leading Industry Position

- One of the three leading ammunition manufacturers in the United States *
- Strong brand awareness
 - Top 15 of all sporting goods brands
- Legendary brand image
 - Positively associated with American heritage, John Wayne, Teddy Roosevelt and cowboy/western connotations
- Category leadership and expertise demonstrated by selection to manage ammunition category for key, national retailers
- Leading consumer goods marketer with an increased presence on television and the Internet
- Innovator of market-driven new products



* Source: National Shooting Sports Foundation.

Favorable Industry Dynamics

Commercial

- Economic environment leading to personal security concerns
- Fears of increased gun/ammunition control due to change in administration
- New gun and ammunition products
- Strong hunting activity in weak economy, driven by cost/benefit of hunting for food and increased discretionary time

Law Enforcement

- Significant new federal agency contracts and solid federal law enforcement funding
- Higher numbers of law enforcement officers and increase in federal agency hiring
- Increased firearms training requirements among state and local law enforcement agencies

Military

- Sustained high demand for small caliber ammunition due to wars in Iraq and Afghanistan
- Commitment to maintaining the “Second-Source Program” to mitigate the risk of a sole-source small caliber ammunition contract

Winchester

- Record Q2 2010 segment earnings of \$21 million follows record Q1 2010 and full year 2009 earnings of \$69 million
- Long-term military and law enforcement agency contract sales accounted for more than 30% of segment revenue in 2010
- Winchester has been awarded approximately \$110 million of new military and law enforcement business thus far this year
- New gun ownership is expected to translate into higher long-term ammunition consumption
- Commercial backlog declined in Q2 2010 to \$117 million
- Military and Law Enforcement backlog remains strong and stable at \$118 million at June 30, 2010

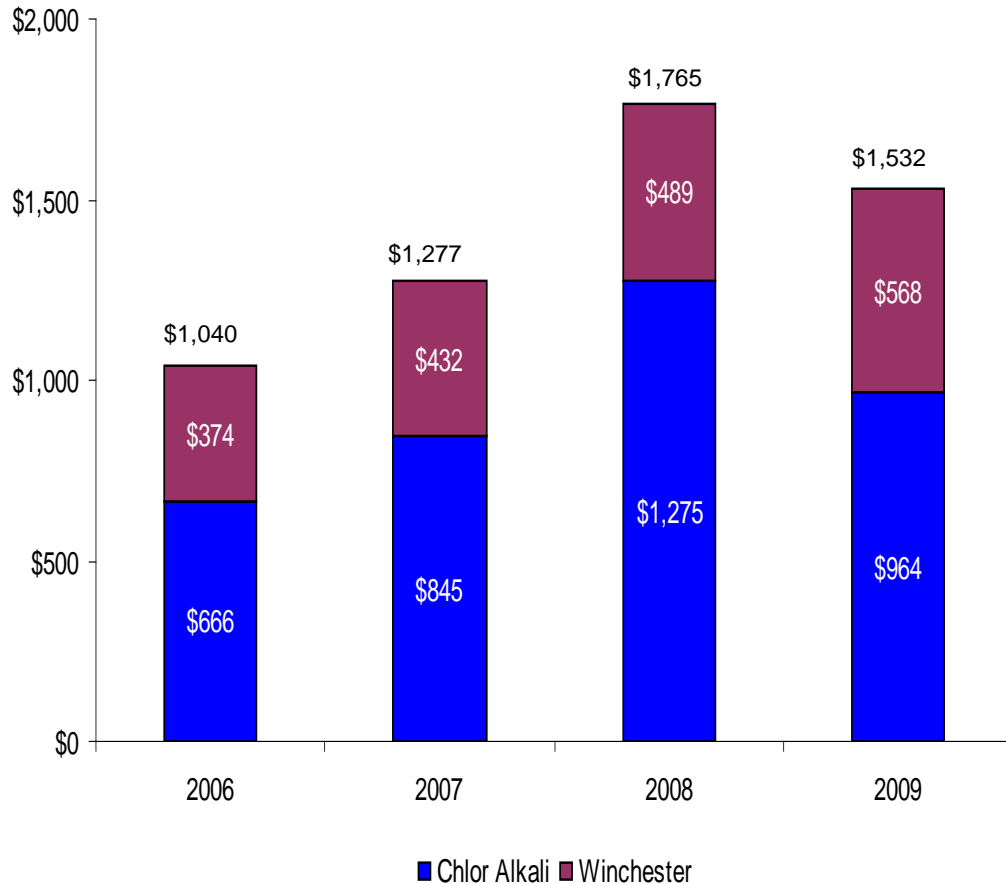
Financial Highlights

- Strong Balance Sheet
 - Q2 2010 cash balance approximately \$388 million and is expected to be at least \$425 million by year end
 - Pension plan remains fully funded with no contributions required until at least 2012
 - 2010 capital spending forecast to be 85% of depreciation
- Profit Outlook
 - ECU pricing trends are positive
 - Higher margin bleach business is growing
 - Converted and expanded St. Gabriel facility is on-line and reducing both operating and freight costs
 - Winchester performance continues to be strong

Historical Financial Performance

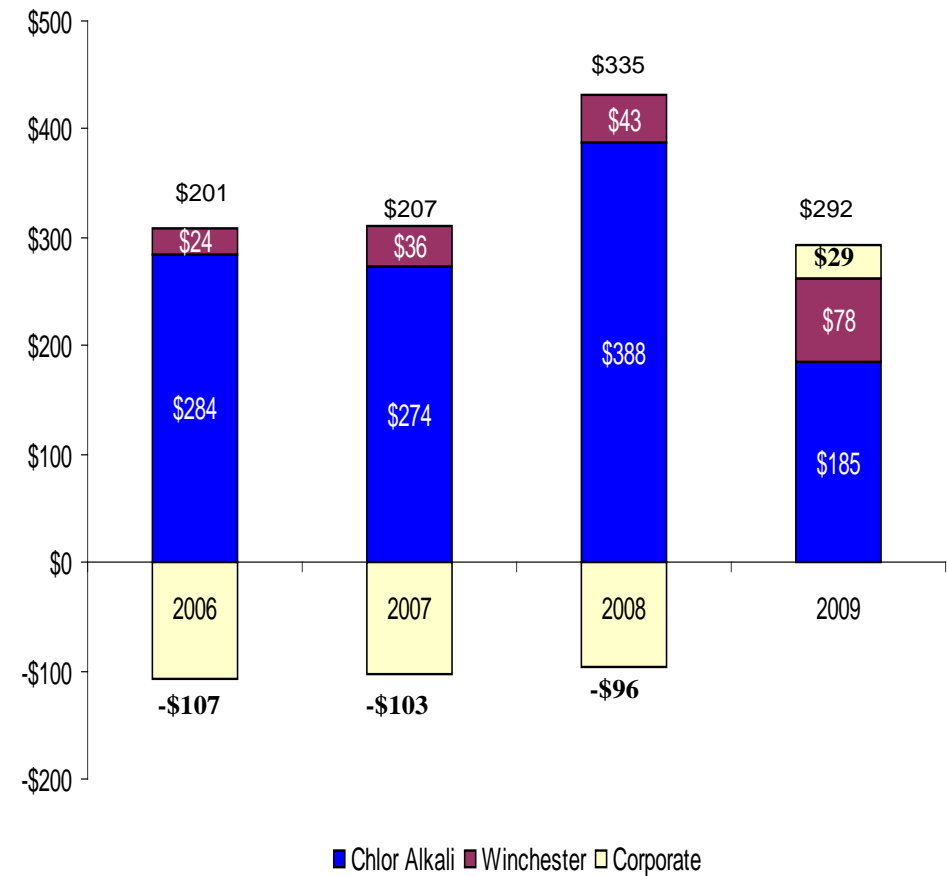
Revenues

(\$ millions)



EBITDA

(\$ millions)



Note: EBITDA is Income from Continuing Operations Before Taxes, excluding Interest Expense, Interest Income, and Depreciation and Amortization expense.

Potential Uses of Cash

- Olin's financial policies have prioritized conservatism, caution and prudence
- Current cash levels support:
 - Annual working capital swings of \$50 to \$100 million
 - Investments to expand bleach business including low salt, high strength bleach plants
 - Restructuring/downsizing of Chlor Alkali system necessitated by low industry operating rates and mercury legislation
 - Potential acquisitions
 - \$75 million notes due 2011
 - Liquidity cushion for uncertain economic and credit environments

Investment Rationale

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- Diverse end customer base
- **Favorable industry dynamics**
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- Pioneer synergies improved chlor-alkali price structure
- **Winchester's leading industry position**

Forward-Looking Statements

This presentation contains estimates of future performance, which are forward-looking statements and actual results could differ materially from those anticipated in the forward-looking statements. Some of the factors that could cause actual results to differ are described in the business and outlook sections of Olin's Form 10-K for the year ended December 31, 2009 and Form 10-Q for the quarter ended June 30, 2010. These reports are filed with the U.S. Securities and Exchange Commission.

Appendix

Olin Industries

1892 founded in East Alton, IL providing blasting powder to Midwestern coal mines

1898 formed Western Cartridge Company to manufacture small arms ammunition

1931 acquires Winchester Repeating Arms

1940s & 1950s acquires cellophane, paper, lumber & powder-actuated tools businesses

1954 Merger creates the Olin Mathieson Chemical Corporation

1950s & 1960 entered into phosphates, aluminum, urethanes, TDI, skis, camping equipment, homebuilding and expanded paper and forestry businesses

1970s to 2000 consolidation back to core businesses, spin-offs included forest products (Olinkraft), military ordnance (Primex) and specialty chemicals (Arch) and sold aluminum, TDI, urethanes and Squibb businesses

2007 acquired Pioneer and sold the Metals business, resulting in a company similar in businesses to that which existed in the late 1890s

Mathieson Chemical Corp.

1892 founded in Saltville, VA to produce soda ash.

1896 builds first chlor-alkali plant in US

1909 introduces first commercial production of liquefied chlorine

1940s & 1950s builds plants in Lake Charles, LA & McIntosh, AL, buys Squibb

Capacity Rationalization: 2000-2012

Chlor Alkali Capacity **Reductions**

Company	Location	Tech	ECU
COMPLETED			3,827,000
Dow	Ft. Saskatchewan	DIA	526,000
Dow	Plaquemine, LA	DIA	375,000
Formosa Plastics	Baton Rouge, LA	DIA	201,000
La Roche	Gramercy, LA	DIA	198,000
Oxy Vinyls LP	Deer Park, TX	DIA/HG	395,000
Georgia Pacific	(3 locations)	DIA/HG	24,000
Pioneer	Tacoma, WA	DIA/MB	214,000
Atofina	Portland, OR	DIA/MB	187,000
St. Anne Chem	Nackawic, NB	MB	10,000
PPG	Lake Charles, LA	HG	280,000
Oxy (KOH)	Taft, LA	HG	210,000
Oxy	Delaware City, DE	HG	145,000
Olin (KOH)	Charleston, TN	HG	110,000
Holtra Chem	Orrington, ME	HG	80,000
Holtra Chem	Acme, NC	HG	66,000
Mexichem	Santa Clara, Mex	HG	40,000
Cedar Chem	Vicksburg, MS	HG	40,000
Olin	Dalhousie, NB	HG	36,000
Dow	Oyster Creek, TX	DIA	396,000
ERCO	Port Edwards, WI	HG	97,000
Olin	St. Gabriel, LA	HG	197,000
ANNOUNCED			2,424,000
Dow ¹	Freeport, TX	DIA	2,279,000
Canexus	North Vancouver, BC	DIA	145,000
Reductions			6,251,000

Annual caustic demand growth: 0.8% or 110,000 Tons/Year

Technology Key: DIA=Diaphragm, HG=Mercury, MB=Membrane, STB=Salt-to-Bleach.

Chlor Alkali Capacity **Expansions**

Company	Location	Tech	ECU
COMPLETED			2,096,000
Dow	Freeport, TX	MB	500,000
PPG	Lake Charles, LA	MB	280,000
Oxy	Geismar, LA	MB	210,000
Equachlor	Longview, WA	MB	88,000
Westlake	Calvert City, KY	MB	80,000
SunBelt	McIntosh, AL	MB	70,000
Mexichem	Santa Clara, Mex	MB	45,000
Oxy	Various Sites	MB	22,000
AV Nackawic	Nackawic, NB	MB	10,000
Kuehne	Delaware City, DE	STB	40,000
Trinity	Hamlet, NC	STB	40,000
Odyssey	Tampa, FL	STB	30,000
Shintech	Plaquemine, LA	MB	330,000
ERCO	Port Edwards, WI	MB	105,000
Olin	St. Gabriel	MB	246,000
ANNOUNCED			3,049,000
Shintech	Plaquemine, LA	MB	252,000
Westlake ²	Geismar, LA	MB	352,000
Allied Universal	Fort Pierce, FL	STB	40,000
Dow ¹	Freeport, TX	MB	2,225,000
Canexus	North Vancouver, BC	MB	180,000
Expansions			5,145,000

	Completed	Announced	Total
Reductions	(3,827,000)	(2,424,000)	(6,251,000)
Expansions	2,096,000	3,049,000	5,145,000
Net Reduction	(1,731,000)	625,000	(1,106,000)

¹ Dow's announced Freeport, TX membrane conversion is on hold and under review; their supply agreement renewal with Shintech remains pending.

² Westlake's announced 352,000 ton green-field project has been postponed and is being reconsidered.