



**2009 Citi Basic Materials
Conference**

New York, New York

December 1, 2009

Olin Representatives

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Company Overview

Olin		
	FY 2008	9Mo 2009
Revenue:	\$1,765	\$ 1,181
EBITDA:	\$ 335	\$ 230
Pretax Operating Inc.:	\$ 258	\$ 175
EPS (Diluted):	\$ 2.07	\$ 1.46

Chlor Alkali		
Third Largest North American Producer of Chlorine and Caustic Soda		
	FY 2008	9Mo 2009
Revenue:	\$1,275	\$739
Income:	\$ 328	\$120

Winchester		
A Leading North American Producer of Small Caliber Ammunition		
	FY 2008	9Mo 2009
Revenue:	\$489	\$442
Income:	\$ 33	\$ 59

All financial data are for the year ending 2008 and the nine months ending September 30, 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

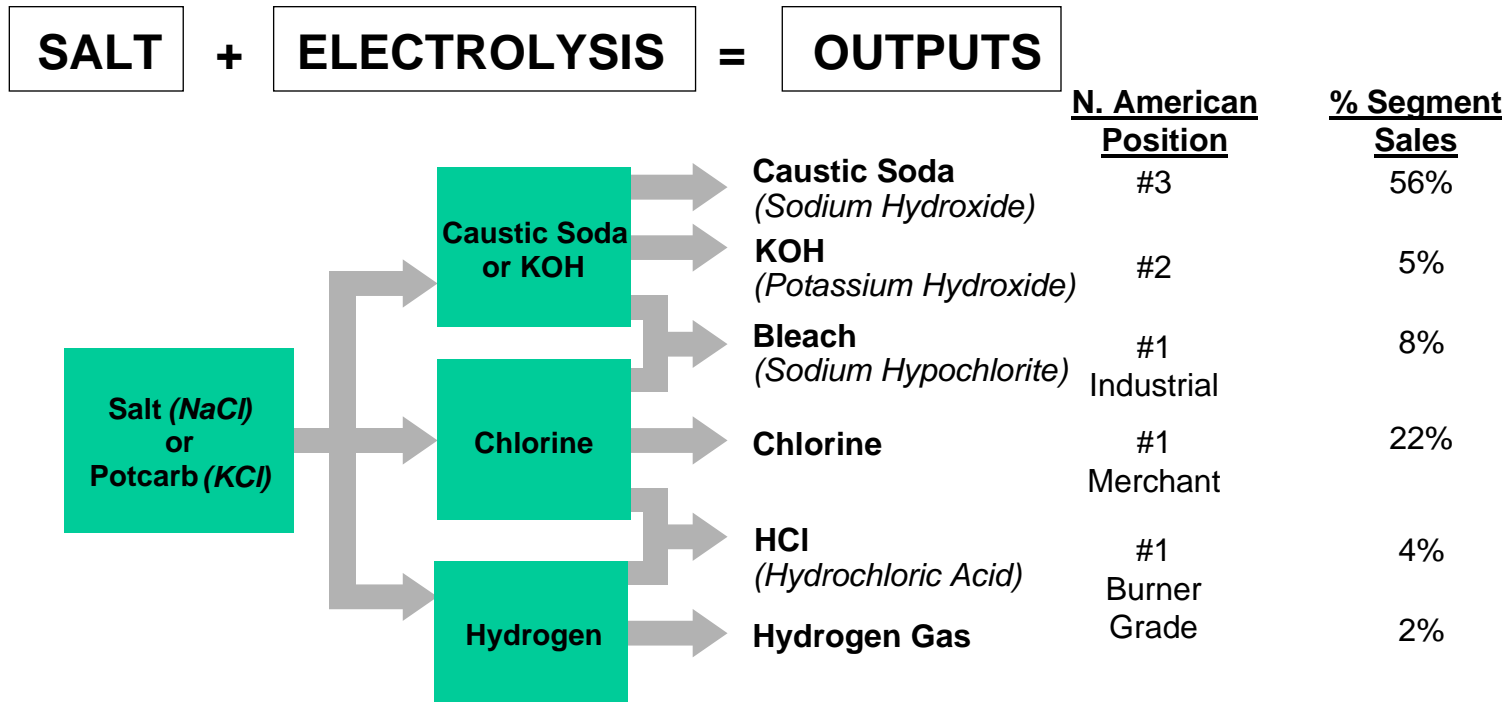
1. Build on current leadership positions in the Chlor-Alkali and Ammunition businesses
 - Improve operating efficiency and profitability
 - Integrate downstream selectively
2. Allocate resources to the businesses that can create the most value
3. Manage financial resources to satisfy legacy liabilities

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 exceeded expectations
- Winchester's leading industry position

Chlor Alkali Segment

Chlor Alkali Manufacturing Process

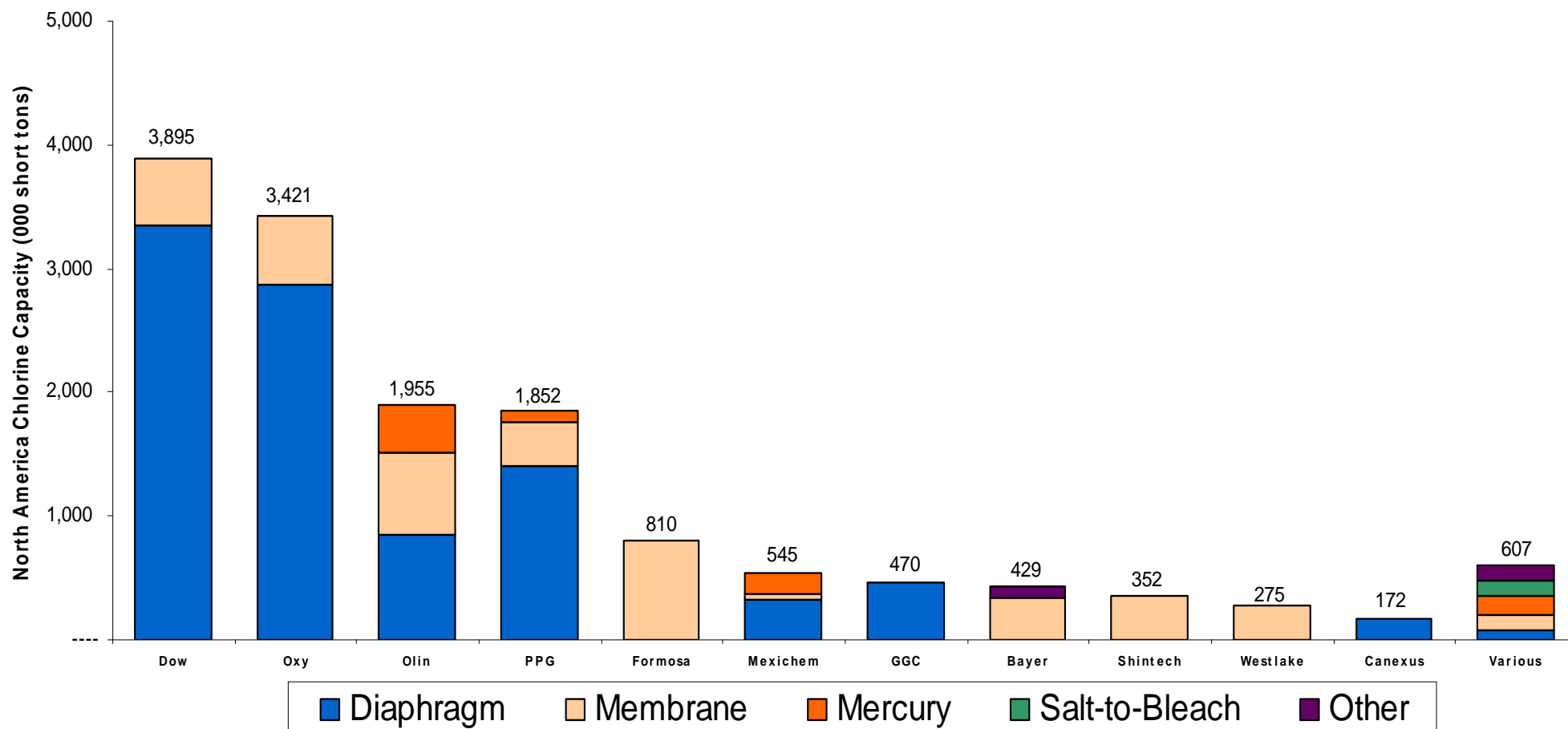


ECU = Electrochemical Unit; a unit of measure reflecting the chlor alkali process outputs of 1 ton of chlorine, 1.13 tons of 100% caustic soda and 0.3 tons of hydrogen.

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

Oxy includes OxyVinyls and does not reflect the announced reduction of approximately 280,000 tons of capacity at their Taft, LA facility.
 Olin includes St. Gabriel conversion/expansion, Sunbelt joint venture.

Olin's Geographic Advantage



Location	Chlorine Capacity (-000's Short Tons)
McIntosh, AL	415
Becancour, Quebec ⁽¹⁾	340
Niagara Falls, NY	286
Charleston, TN	248
St. Gabriel, LA ⁽²⁾	246
McIntosh, AL (50% Sunbelt)	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.

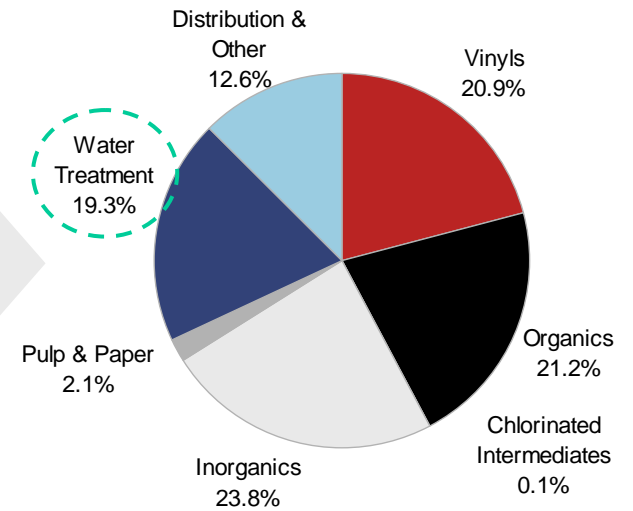
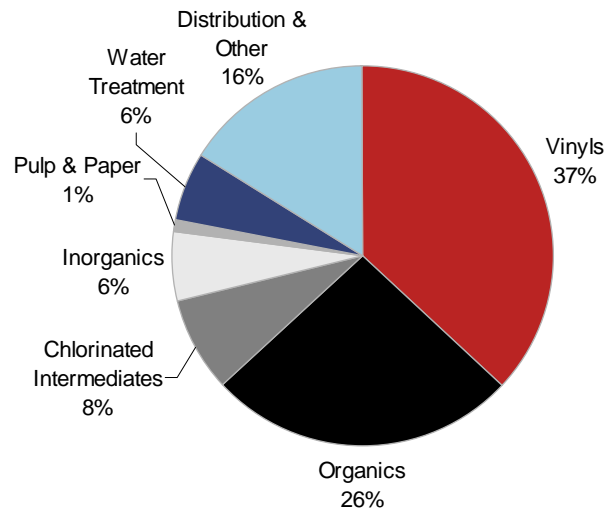
(2) The St. Gabriel plant includes the announced 49,000 short tons capacity expansion and conversion to membrane cell technology.

Diverse Customer Base

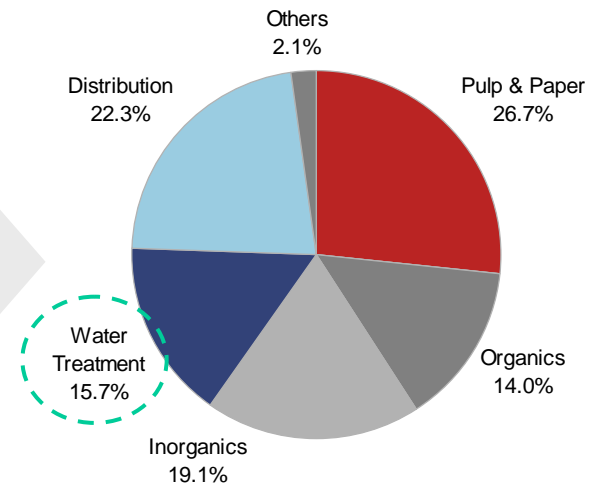
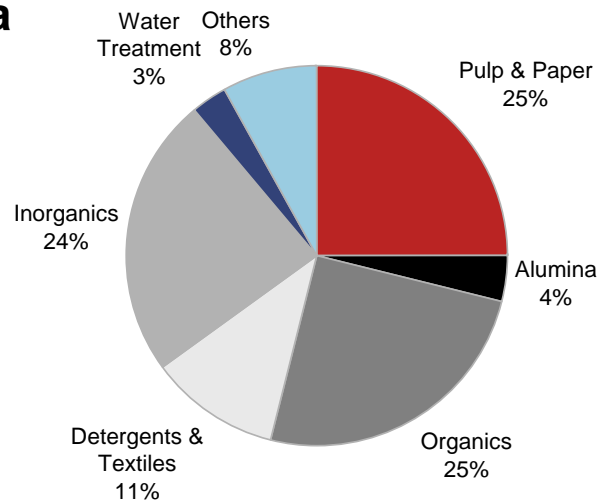
North American Industry

Olin

Chlorine



Caustic Soda



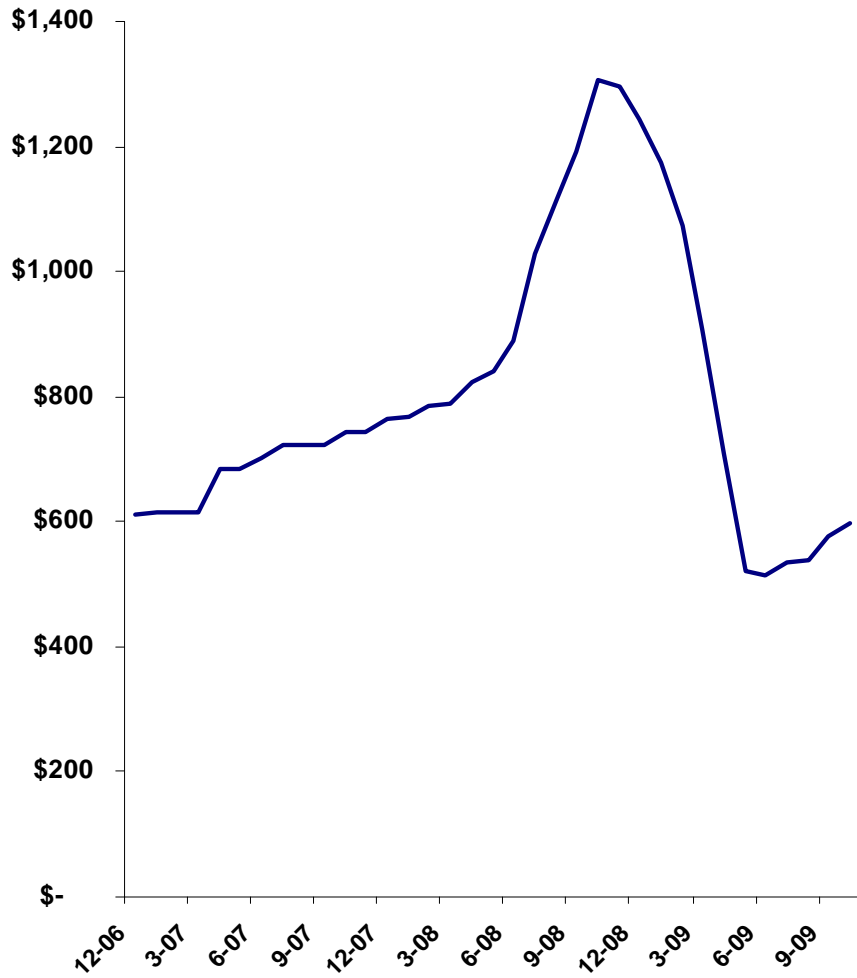
Source: CMAI and Olin.

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

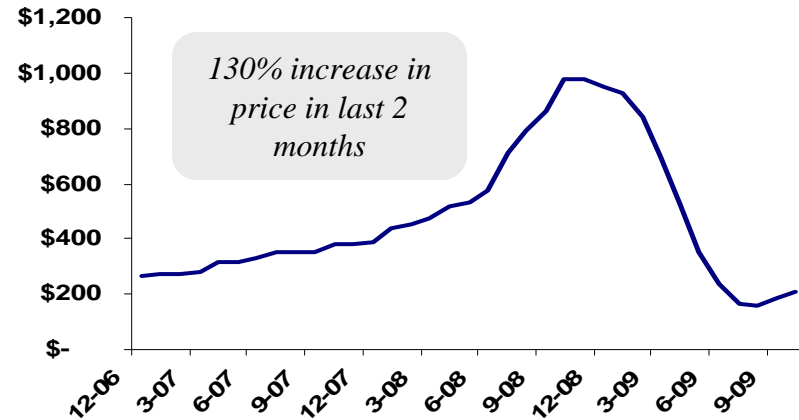
Caustic Soda: "Organics" includes: MDI, TDI, polycarbonates, synthetic glycerin, sodium formate, monosodium glutamate. "Inorganics" includes: titanium dioxide, sodium silicates, sodium cyanide.

Product Pricing Has Been Dynamic

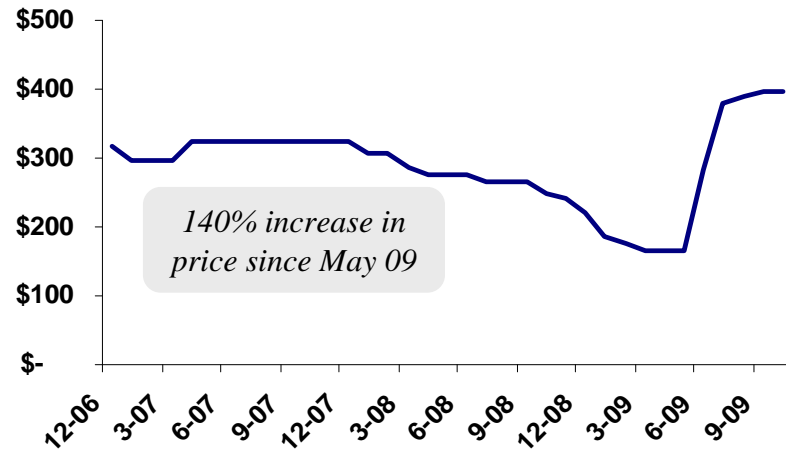
North American ECU Prices
Contract, US\$/Short Ton



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



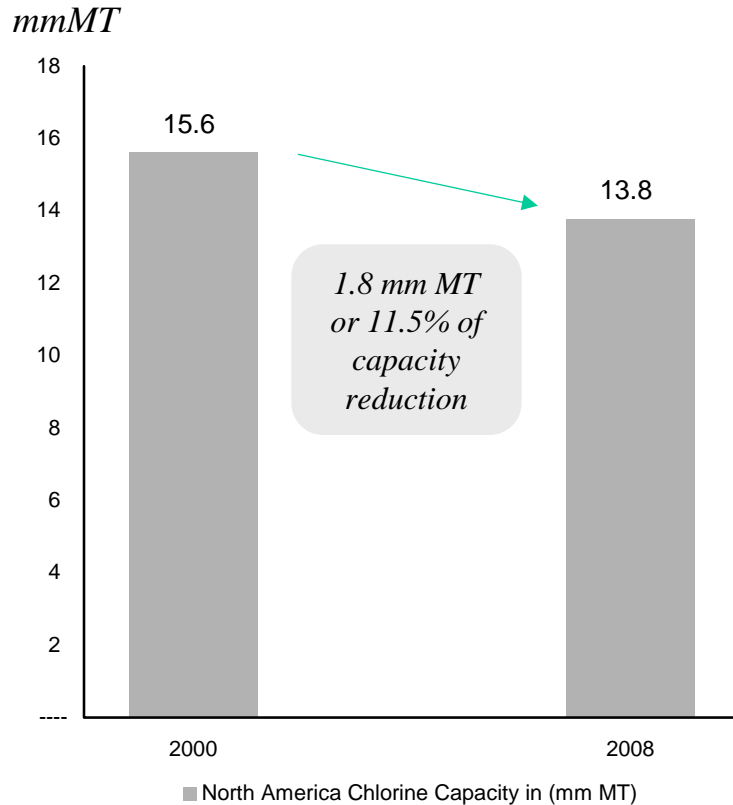
North American Chlorine
Contract, US\$/Short Ton



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 / Postponed Capacity Expansion

- | | |
|-------------------|--|
| Westlake Chemical | <ul style="list-style-type: none"> 352,000 Short Ton ECU capacity plant expansion on hold Plant located at Geismar, LA |
|-------------------|--|

ECU Netback* Environment

- Pricing for chlorine has improved \$230/ton since May and caustic soda pricing has improved \$50/ton since August according to CMAI
- Significant capacity reductions continue to occur (Dow's Oyster Creek, TX closure of 396,000 tons) and may continue as older plants will need significant investment of capital
- Caustic imports from China have dropped dramatically since first half of the year with supply / demand roughly in balance
- High grade caustic demand exceeds supply
- Second caustic price announcement of \$90/ton for diaphragm grade and \$120/ton for high grade material is being sought by producers
- Dow announced a \$75 per ton caustic price increase late November

* ECU Netback = ECU price - freight +/- customer premiums/discounts

Why Industrial Bleach?

- Olin is the leading bleach producer with a current capacity of 250 million gallons, or 160,000 equivalent ECUs, in a 1 billion gallon industry, 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
- Platform for future growth in fastest growing segment

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
- 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% of SunBelt

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

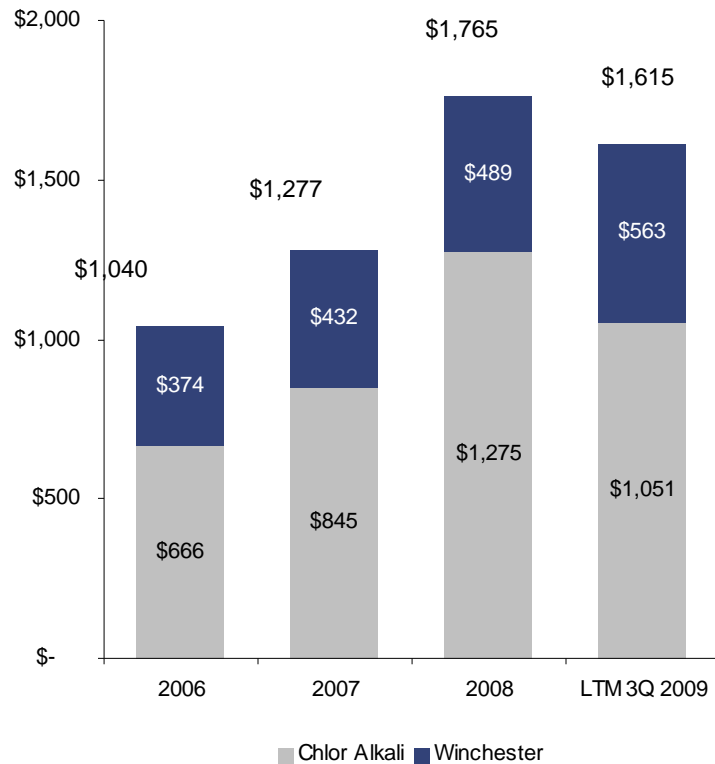
- Nine month earnings are almost 80% higher than 2008 full year record earnings
- Further manufacturing cost reductions with additional relocation of operations to low-cost Oxford, MS plant
- Long-term contracts with military and law enforcement agencies now account for 25% to 30% of total revenue
- Commercial backlog in Q3 2009 is more than 5 times higher than Q3 2008 levels
- Military and Law Enforcement backlog is \$150 million

Financial Highlights

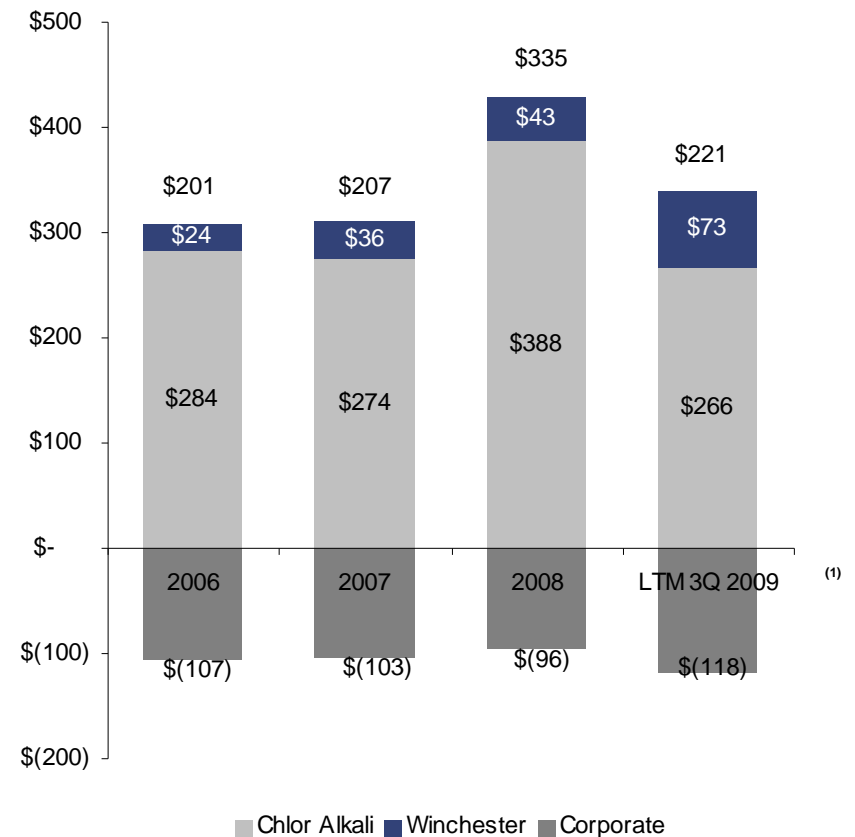
- Strong Balance Sheet
 - Ample liquidity with lines of credit totaling \$350 million support seasonal working capital growth of \$100 million
 - Q3 2009 cash balance approximately \$375 million
 - 2009 expected environmental recoveries of approximately \$80 million
 - Pension plan remains fully funded
- Strong Profit Outlook
 - ECU pricing is recovering
 - Pioneer synergies add \$50 million annually
 - Winchester continues to deliver record performance
 - Significant reduction in legacy costs

Historical Financial Performance

Revenues
(\$ millions)



EBITDA
(\$ millions)



(1) LTM 3Q 2009 depreciation is equal to full year 2008 depreciation.

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

August Debt Offering Rationale

- Olin's financial policies have prioritized conservatism, caution and prudence
- We have witnessed significant turbulence in the broader credit and capital markets and significant weakening of our Chlor Alkali business related to overall economic weakness
- Proceeds from the \$150 million bond will be earmarked for potential short and medium term needs
 - \$75 million notes due 2011
 - \$11.4 million notes due 2013
 - Restructuring/downsizing of Chlor Alkali system necessitated by low levels of industry operating rates
 - Potential small, bolt-on acquisitions
 - Excess liquidity

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 exceeded expectations
- **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, 2008 and in Olin's Third Quarter 2009 Earnings Release. 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			3,533,000
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
ANNOUNCED			2,718,000
Dow ¹	Freeport, TX	DIA	2,279,000
Olin	St. Gabriel, LA	HG	197,000
Canexus	North Vancouver, BC	DIA	145,000
ERCO	Port Edwards, WI	HG	97,000
Reductions			6,251,000

Chlor Alkali Capacity **Expansions**

Company	Location	Tech	ECU
COMPLETED			1,745,000
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
ANNOUNCED			3,400,000
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
Olin	St. Gabriel	MB	246,000
Canexus	North Vancouver, BC	MB	180,000
ERCO	Port Edwards, WI	MB	105,000
Expansions			5,145,000

	Completed	Announced	Total
Reductions	(3,533,000)	(2,718,000)	(6,251,000)
Expansions	1,745,000	3,400,000	5,145,000
Net Reduction	(1,788,000)	682,000	(1,106,000)

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

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

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.