

OLIN INDUSTRIES, INC., TO MERGE WITH MATHIESON CHEMICAL CORPORATION

The Boards of Directors of Mathieson Chemical Corporation and Olin Industries, Inc., recently voted unanimously to submit to their stockholders at special meetings on June 29, 1954, a proposal to merge the two companies.

The announcement was made jointly by John M. Olin, president of Olin Industries and Thomas S. Nichols, president and chairman of Mathieson. The name of the new company will be Olin Mathieson Chemical Corporation. Following the merger Mr. Olin will become chairman of the board of Olin Mathieson and Mr. Nichols will become president. Mr. John W. Hanes will become chairman of the Finance committee.

Based on 1953 figures, the combined corporation will have total assets of about \$500,000,000 and sales of over \$500,000,000, including sales of non-consolidated subsidiaries and licensees.

When the merger becomes effective, each outstanding share of Mathieson preferred stock and each outstanding share of Olin preferred stock will be one share of Olin Mathieson \$4.25 convertible preferred stock, and each outstanding share of Mathieson common stock and each outstanding share of Olin common stock will be one share of Olin Mathieson common stock. When the merger is approved and carried out, a 5 percent stock dividend on the Mathieson common stock will be paid prior to the effective date.

The proposed combination will be one of America's important diversified processing and manufacturing enterprises. Both companies were founded in 1892, generally are of the same size and each has approximately 18,000 employees.

Mathieson is a leading producer of industrial and agricultural chemicals, petrochemicals, and through its E. R. Squibb & Sons division, drugs and pharmaceuticals. Its operations are world wide and include 25 plants in the United States and 16 in foreign countries.

Olin Industries is a large producer of metals and fabricated parts, industrial explosives, military and sporting firearms and ammunition, cellophane, polyethylene, fine specialty papers, forest products, powder-actuated fasteners and tools and electrical products and maintains a large research staff to develop new and improved products. Olin operates 18 plants, all in the United States.

The proposal to merge Mathieson and Olin is the result of extended negotiations and studies by the boards of directors and managements of both corporations. Each of the corporations has, since World War II engaged in an aggressive program of expansion and diversification along traditional lines of its own business or in lines closely and naturally related to its own business.

In June, 1953, Mathieson and Olin entered into an agreement to form the jointly-owned Matholin Corporation to manufacture, sell and conduct research on hydrazine, a new industrial chemical of great promise.

Mathieson and Olin have been considered "growth" companies on account of their rapid development during the last few years. Merged into a single enterprise, possibilities for further growth will be greatly enhanced, in the opinions of both managements.

Further details as to management and operating plans, as well as details of capitalization after the merger, will be announced at an early date.