



## Cabot Corporation to Acquire Tech Blend

October 31, 2017

*Acquisition will extend Cabot's global footprint and strengthen formulations capabilities*

BOSTON--(BUSINESS WIRE)--Oct. 31, 2017-- [Cabot Corporation](#) (NYSE: CBT) entered into an agreement to purchase [Tech Blend](#), a leading North American producer of black masterbatches, for approximately \$64 million, company officials announced today. The acquisition extends Cabot's global footprint in [black masterbatch and compounds](#); provides a platform to serve global customers and grow in conductive formulations; and offers Tech Blend resources and capabilities to support growth.

Tech Blend currently produces black masterbatches (also known as concentrates) for applications in the automotive, infrastructure and agricultural industries at its manufacturing facility in Saint-Jean-sur-Richelieu, Québec. As one of the largest producers of black masterbatches in North America, Tech Blend has a deep understanding of the North American masterbatch market and has long-standing and close relationships with both customers and raw material suppliers and partners. The company will be managed as part of Cabot's global specialty compounds business within the Performance Chemicals segment.

Cabot has been manufacturing and selling black masterbatches and compounds for approximately 50 years and currently makes products for use in applications including transportation, industrial packaging, electronics and electrical, and industrial safety. Currently, Cabot operates four black masterbatch manufacturing facilities located in Europe, the Middle East and Asia. Cabot's long-standing participation in the plastics value chain as both a supplier of [specialty carbon blacks](#) and black masterbatches and compounds has allowed it to develop a deep understanding of [plastics](#) applications and markets. This strategic linkage between upstream carbon particles and downstream formulations has resulted in industry leadership and innovations in plastics. With the acquisition of Tech Blend, Cabot expands its global manufacturing footprint and creates a platform from which to better serve global customers.

"This bolt-on acquisition is a great example of our 'Advancing the Core' strategy," said Cabot President and Chief Executive Officer Sean Keohane. "This acquisition will not only strengthen our global leadership position in black masterbatches and compounds and provide a platform from which to better serve global customers, but it will also support our strategy of driving application innovation with our customers."

For Tech Blend, the acquisition by Cabot is an opportunity to become part of a recognized leader and innovator in the masterbatch and compounds space that is committed to growth. "For nearly two decades, we have grown our business and capabilities to become a leading provider of high-quality black masterbatch products in North America," said Tech Blend President and Chief Executive Officer Manouk Djoukhadjian. "Cabot has strong leadership positions, technology expertise and financial resources that can help to take the business to the next level."

"We are excited about the acquisition of Tech Blend as it fits strongly with our strategy of growing in the formulations space and provides a new platform for the business," said Nick Cross, president, Performance Chemicals segment. "We also see a strong cultural fit between our companies and are confident that with our combined capabilities we will continue to be a leading innovator and find new opportunities to grow and, ultimately, create shareholder value."

Tech Blend's trailing twelve month EBITDA was approximately \$8 million. Cabot expects the acquisition to provide approximately \$0.04 in earnings per share accretion on a full year basis, and anticipates generating synergies from purchasing, new product introduction and expansion of global accounts. The parties expect to close the transaction in November 2017.

### **About Cabot Corporation**

Cabot Corporation (NYSE: CBT) is a global specialty chemicals and performance materials company, headquartered in Boston, Massachusetts. The company is a leading provider of [rubber](#) and [specialty carbons](#), [activated carbon](#), [inkjet colorants](#), [cesium formate drilling fluids](#), [masterbatches and conductive compounds](#), [fumed silica](#), and [aerogel](#). For more information on Cabot, please visit the company's [website](#) at: <http://www.cabotcorp.com>.

### **About Tech Blend**

Tech Blend and Co, LP, established in 1999, is located in Saint-Jean-sur-Richelieu, Québec. Tech Blend is a leading North American producer and the largest Canadian manufacturer of black concentrates for the thermoplastics market.

### **Forward-Looking Statements**

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release involving the Company that are not statements of historical fact are forward-looking statements and are subject to risks and uncertainties inherent in projecting future conditions, events and results. Such forward looking statements include statements regarding Cabot's expectations pertaining to the timing of completion of the acquisition, the expected benefits of the acquisition, including to Cabot's future financial performance. Such expectations are based upon certain preliminary information, internal estimates and management assumptions, expectations and plans. For a discussion of the risks and uncertainties that could cause results to differ from those expressed in the forward-looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K.

Source: Cabot Corporation

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