



Cabot Signs Agreement with Risun for New China Carbon Black Manufacturing

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BOSTON & BEIJING, Mar 15, 2011 (BUSINESS WIRE) -- Cabot (China) Ltd., a wholly-owned subsidiary of [Cabot Corporation](#) (NYSE: CBT), has entered into a joint venture with [Risun Chemicals Company](#), Ltd., a wholly owned subsidiary of Risun Coal Chemicals Group, Ltd., company officials announced today.

Cabot owns a 60-percent equity interest in the new joint venture under the agreement.

Additionally, Cabot and Risun will invest approximately \$100 million to construct a state-of-the-art [carbon black](#) manufacturing facility in Xingtai City. The city is located about 250 miles (400 kilometers) south of Beijing in Hebei Province.

"Cabot has been a leader in the China carbon black industry for many years," said Patrick Prevost, Cabot president and chief executive officer. "This investment builds on our strong position in China, where demand for carbon black continues to grow. Cabot has been a successful supplier in China for more than 20 years. Our investment will further build our presence in the region."

Carbon black is an intensely black performance material, used as a reinforcing agent in rubber as well as a pigmenting, UV stabilizing and conductive additive in a variety of other specialty products.

Once commissioned in early 2013, the Xingtai facility will produce approximately 130,000 metric tons of carbon black annually with the potential for expansion to 300,000 metric tons. The new plant will employ advanced emissions control technology and energy recapture.

Dave Miller, Cabot Core Segment executive vice president and general manager, said this new facility will enable the manufacture of products not readily available in China. "We are committed to meeting the changing needs of [tire](#) producers in this important region," Miller said. "Our customers know they can rely on us to provide a long-term, secure source of high quality material in China and provide innovative solutions for their needs."

"We are grateful for the strong support from the Xingtai and China governments for this joint venture project," said Dr. Xinsheng Zhang, president, Cabot China Ltd., and Cabot president, Asia Pacific region. "We are also excited to partner with Risun Chemicals Company, Ltd., on this new project. Risun has been an important supplier to our current China operations and this joint venture will enhance our relationship, helping ensure supply reliability for the Xingtai facility and providing an outlet for some of Risun's key products."

Yang Xuegang, Chairman Risun Chemicals Company, Ltd., said, "This joint venture reflects the strength of our longstanding relationship with our partner, Cabot Corporation. We look forward to building on the success of our relationship with this state-of-the-art facility. It is truly a beneficial project for both companies."

ABOUT CABOT CORPORATION

Cabot Corporation, headquartered in Boston, Massachusetts, USA, is a global specialty chemical and performance materials company. Cabot's major products are carbon black, fumed silica, inkjet colorants, aerogel, capacitor materials, and cesium formate drilling fluids. The company's website is: www.cabot-corp.com.

SOURCE: Cabot Corporation

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