

Fourth Quarter Earnings Announcement, Fiscal 2022

CABOT CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

	Fiscal 2022 ^(A)				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
Reconciliation of Adjusted EPS to GAAP EPS					
Net income (loss) per share attributable to Cabot Corporation	\$ (1.57)	\$ 1.84	\$ 1.69	\$ 1.64	\$ 3.62
Less: Certain items after tax per share	(2.86)	0.15	(0.04)	0.09	(2.66)
Adjusted earnings (loss) per share	\$ 1.29	\$ 1.69	\$ 1.73	\$ 1.55	\$ 6.28
Reconciliation of Adjusted EPS to GAAP EPS					
Net income (loss) per share attributable to Cabot Corporation	\$ 1.06	\$ 1.30	\$ 1.48	\$ 0.50	\$ 4.34
Less: Certain items after tax per share	(0.12)	(0.08)	0.13	(0.61)	(0.68)
Adjusted earnings (loss) per share	\$ 1.18	\$ 1.38	\$ 1.35	\$ 1.11	\$ 5.02

(A) Per share amounts are calculated after tax.

	Fiscal 2022				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
<i>Dollars in millions</i>					
Reconciliation of Total Segment EBIT, Total Segment EBITDA and Adjusted EBITDA to Net Income and Segment EBITDA Margin					
Net income (loss) attributable to Cabot Corporation	\$ (89)	\$ 107	\$ 97	\$ 94	\$ 209
Net income (loss) attributable to noncontrolling interests	9	7	9	9	34
Equity in earnings of affiliated companies, net of tax	(1)	(3)	(3)	(3)	(10)
Provision (benefit) for income taxes	(12)	36	49	29	102
Income (loss) before income taxes and equity in earnings of affiliated companies	\$ (93)	\$ 147	\$ 152	\$ 129	\$ 335
Interest expense	12	11	15	18	56
Certain items	204	(7)	(12)	(2)	183
Unallocated corporate costs	14	16	15	14	59
General unallocated (income) expense	(1)	1	3	(4)	(1)
Less: Equity in earnings of affiliated companies	(1)	(3)	(3)	(3)	(10)
Total Segment EBIT	\$ 137	\$ 171	\$ 176	\$ 158	\$ 642
Depreciation and amortization excluding corporate depreciation	39	36	35	35	145
Total Segment EBITDA	\$ 176	\$ 207	\$ 211	\$ 193	\$ 787
Less: Unallocated corporate costs before corporate depreciation	14	16	14	15	59
Adjusted EBITDA	\$ 162	\$ 191	\$ 197	\$ 178	\$ 728

	Fiscal 2022				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
<i>Dollars in millions</i>					
Reinforcement Materials EBIT	\$ 85	\$ 101	\$ 113	\$ 109	\$ 408
Reinforcement Materials Depreciation and amortization	18	18	17	17	70
Reinforcement Materials EBITDA	\$ 103	\$ 119	\$ 130	\$ 126	\$ 478
Reinforcement Materials Sales	\$ 541	\$ 627	\$ 707	\$ 700	\$ 2,575
Reinforcement Materials EBITDA Margin	19%	19%	18%	18%	19%

	Fiscal 2022				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
<i>Dollars in millions</i>					
Performance Chemicals EBIT	\$ 52	\$ 70	\$ 63	\$ 49	\$ 234
Performance Chemicals Depreciation and amortization	18	18	18	18	72
Performance Chemicals EBITDA	\$ 70	\$ 88	\$ 81	\$ 67	\$ 306
Performance Chemicals Sales	\$ 302	\$ 360	\$ 372	\$ 338	\$ 1,372
Performance Chemicals EBITDA Margin	23%	24%	22%	20%	22%

	Fiscal 2022				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
<i>Dollars in millions</i>					
Purification Solutions EBIT	\$ —	\$ —	\$ —	\$ —	\$ —
Purification Solutions Depreciation and amortization	3	—	—	—	3
Purification Solutions EBITDA	\$ 3	\$ —	\$ —	\$ —	\$ 3
Purification Solutions Sales	\$ 61	\$ 36	\$ —	\$ —	\$ 97
Purification Solutions EBITDA Margin	5%	—%	—%	—%	3%

	Fiscal 2022				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
<i>Dollars in millions</i>					
Reconciliation of Free Cash Flow and Discretionary Free Cash Flow to Cash					
Flow from Operating Activities					
Cash flow from operating activities ^(B)	\$ (49)	\$ 10	\$ 34	\$ 105	\$ 100
Less: Additions to property, plant and equipment	30	41	50	90	211
Free cash flow	\$ (79)	\$ (31)	\$ (16)	\$ 15	\$ (111)
Plus: Additions to property, plant and equipment	30	41	50	90	211
Less: Changes in net working capital ^(C)	(143)	(111)	(136)	(41)	(431)
Less: Sustaining and compliance capital expenditures	22	25	35	54	136
Discretionary free cash flow	\$ 72	\$ 96	\$ 135	\$ 92	\$ 395

^(B) As provided in the Condensed Consolidated Statements of Cash Flows.

^(C) Defined as changes in accounts receivable, inventory and accounts payable and accrued liabilities as presented on the Condensed Consolidated Statements of Cash Flows.