

First Quarter Earnings Announcement, Fiscal 2023

**CABOT CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**

	Fiscal 2023 <sup>(A)</sup>				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2023
<b>Reconciliation of Adjusted EPS to GAAP EPS</b>					
Net income (loss) per share attributable to Cabot Corporation	\$ 0.93	\$ —	\$ —	\$ —	\$ 0.93
Less: Certain items after tax per share	(0.05)	—	—	—	(0.05)
<b>Adjusted earnings (loss) per share</b>	<b>\$ 0.98</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 0.98</b>
	Fiscal 2022 <sup>(A)</sup>				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
<b>Reconciliation of Adjusted EPS to GAAP EPS</b>					
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)
<b>Adjusted earnings (loss) per share</b>	<b>\$ 1.29</b>	<b>\$ 1.69</b>	<b>\$ 1.73</b>	<b>\$ 1.55</b>	<b>\$ 6.28</b>

<sup>(A)</sup> Per share amounts are calculated after tax.

	Fiscal 2023				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2023
<i>Dollars in millions</i>					
<b>Reconciliation of Total Segment EBIT, Total Segment EBITDA and Adjusted EBITDA to Net Income and Segment EBITDA Margin</b>					
<b>Net income (loss) attributable to Cabot Corporation</b>	<b>\$ 54</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 54</b>
Net income (loss) attributable to noncontrolling interests	12	—	—	—	12
Equity in earnings of affiliated companies, net of tax	(2)	—	—	—	(2)
Provision (benefit) for income taxes	20	—	—	—	20
<b>Income (loss) before income taxes and equity in earnings of affiliated companies</b>	<b>\$ 84</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 84</b>
Interest expense	22	—	—	—	22
Certain items	4	—	—	—	4
Unallocated corporate costs	15	—	—	—	15
General unallocated (income) expense	(4)	—	—	—	(4)
Less: Equity in earnings of affiliated companies	(2)	—	—	—	(2)
<b>Total Segment EBIT</b>	<b>\$ 123</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 123</b>
Depreciation and amortization excluding corporate depreciation	34	—	—	—	34
<b>Total Segment EBITDA</b>	<b>\$ 157</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 157</b>
Less: Unallocated corporate costs before corporate depreciation	15	—	—	—	15
<b>Adjusted EBITDA</b>	<b>\$ 142</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 142</b>

	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2023
<i>Dollars in millions</i>					
Reinforcement Materials EBIT	\$ 94	\$ —	\$ —	\$ —	\$ 94
Reinforcement Materials Depreciation and amortization	17	—	—	—	17
<b>Reinforcement Materials EBITDA</b>	<b>\$ 111</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 111</b>
Reinforcement Materials Sales	\$ 643	\$ —	\$ —	\$ —	\$ 643
<b>Reinforcement Materials EBITDA Margin</b>	<b>17%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>17%</b>

	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2023
<i>Dollars in millions</i>					
Performance Chemicals EBIT	\$ 29	\$ —	\$ —	\$ —	\$ 29
Performance Chemicals Depreciation and amortization	17	—	—	—	17
<b>Performance Chemicals EBITDA</b>	<b>\$ 46</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 46</b>
Performance Chemicals Sales	\$ 286	\$ —	\$ —	\$ —	\$ 286
<b>Performance Chemicals EBITDA Margin</b>	<b>16%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>16%</b>

	Fiscal 2023				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2023
<i>Dollars in millions</i>					
<b>Reconciliation of Free Cash Flow and Discretionary Free Cash Flow to Cash Flow from Operating Activities</b>					
Cash flow from operating activities <sup>(B)</sup>	\$ 52	—	—	—	\$ 52
Less: Additions to property, plant and equipment	35	—	—	—	35
<b>Free cash flow</b>	<b>\$ 17</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 17</b>
Plus: Additions to property, plant and equipment	35	—	—	—	35
Less: Changes in net working capital <sup>(C)</sup>	(34)	—	—	—	(34)
Less: Sustaining and compliance capital expenditures	23	—	—	—	23
<b>Discretionary free cash flow</b>	<b>\$ 63</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 63</b>

<sup>(B)</sup> As provided in the Condensed Consolidated Statements of Cash Flows.

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