

First 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)	\$ —	\$ —	\$ —	\$ (1.57)
Less: Certain items after tax per share	(2.86)	—	—	—	(2.86)
Adjusted earnings (loss) per share	\$ 1.29	\$ —	\$ —	\$ —	\$ 1.29
Reconciliation of Adjusted EPS to GAAP EPS					
Fiscal 2021 ^(A)					
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2021
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)	\$ —	\$ —	\$ —	\$ (89)
Net income (loss) attributable to noncontrolling interests	9	—	—	—	9
Equity in earnings of affiliated companies, net of tax	(1)	—	—	—	(1)
Provision (benefit) for income taxes	(12)	—	—	—	(12)
Income (loss) before income taxes and equity in earnings of affiliated companies	\$ (93)	\$ —	\$ —	\$ —	\$ (93)
Interest expense	12	—	—	—	12
Certain items	204	—	—	—	204
Unallocated corporate costs	14	—	—	—	14
General unallocated (income) expense	(1)	—	—	—	(1)
Less: Equity in earnings of affiliated companies	(1)	—	—	—	(1)
Total Segment EBIT	\$ 137	\$ —	\$ —	\$ —	\$ 137
Depreciation and amortization	39	—	—	—	39
Adjustments to depreciation ^(B)	—	—	—	—	—
Total Segment EBITDA	\$ 176	\$ —	\$ —	\$ —	\$ 176
Less: Unallocated corporate costs before corporate depreciation	14	—	—	—	14
Adjusted EBITDA	\$ 162	\$ —	\$ —	\$ —	\$ 162

(B) Adjustments to depreciation includes the addition of the depreciation expense of a contractual joint venture in Purification Solutions less accelerated depreciation expense not allocated to a business.

	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
<i>Dollars in millions</i>					
Reinforcement Materials EBIT	\$ 85	\$ —	\$ —	\$ —	\$ 85
Reinforcement Materials Depreciation and amortization	18	—	—	—	18
Reinforcement Materials EBITDA	\$ 103	\$ —	\$ —	\$ —	\$ 103
Reinforcement Materials Sales	\$ 541	\$ —	\$ —	\$ —	\$ 541
Reinforcement Materials EBITDA Margin	19%	—%	—%	—%	19%

	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
<i>Dollars in millions</i>					
Performance Chemicals EBIT	\$ 52	\$ —	\$ —	\$ —	\$ 52
Performance Chemicals Depreciation and amortization	18	—	—	—	18
Performance Chemicals EBITDA	\$ 70	\$ —	\$ —	\$ —	\$ 70
Performance Chemicals Sales	\$ 302	\$ —	\$ —	\$ —	\$ 302
Performance Chemicals EBITDA Margin	23%	—%	—%	—%	23%

	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	\$ —	\$ —	\$ —	\$ 61
Purification Solutions EBITDA Margin	5%	—%	—%	—%	5%

	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 ^(C)	\$ (49)	\$ —	\$ —	\$ —	\$ (49)
Less: Additions to property, plant and equipment	30	—	—	—	30
Free cash flow	\$ (79)	\$ —	\$ —	\$ —	\$ (79)
Plus: Additions to property, plant and equipment	30	—	—	—	30
Less: Changes in net working capital ^(D)	(143)	—	—	—	(143)
Less: Sustaining and compliance capital expenditures	22	—	—	—	22
Discretionary free cash flow	\$ 72	\$ —	\$ —	\$ —	\$ 72

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

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