

First Quarter Earnings Announcement, Fiscal 2024

CABOT CORPORATION CONSOLIDATED STATEMENTS OF OPERATIONS

| Periods ended December 31 | Three Months | |
|---|----------------|----------------|
| <i>Dollars in millions, except per share amounts (unaudited)</i> | 2023 | 2022 |
| Net sales and other operating revenues..... | \$ 958 | \$ 965 |
| Cost of sales..... | <u>740</u> | <u>784</u> |
| Gross profit..... | 218 | 181 |
| Selling and administrative expenses..... | 67 | 60 |
| Research and technical expenses..... | 15 | 13 |
| Loss on sale of business..... | <u>—</u> | <u>3</u> |
| Income (loss) from operations..... | 136 | 105 |
| Other income (expense) | | |
| Interest and dividend income..... | 9 | 6 |
| Interest expense..... | (22) | (22) |
| Other income (expense)..... | <u>(29)</u> | <u>(5)</u> |
| Total other income (expense)..... | <u>(42)</u> | <u>(21)</u> |
| Income (loss) from operations before income taxes and equity in earnings of affiliated companies | 94 | 84 |
| (Provision) benefit for income taxes..... | (34) | (20) |
| Equity in earnings of affiliated companies, net of tax | <u>1</u> | <u>2</u> |
| Net income (loss)..... | 61 | 66 |
| Net income (loss) attributable to noncontrolling interests, net of tax..... | <u>11</u> | <u>12</u> |
| Net income (loss) attributable to Cabot Corporation..... | \$ 50 | \$ 54 |
| Diluted earnings (loss) per share of common stock attributable to Cabot Corporation..... | \$ 0.88 | \$ 0.93 |
| Diluted weighted average common shares outstanding..... | 55.8 | 56.7 |

First Quarter Earnings Announcement, Fiscal 2024

CABOT CORPORATION SUMMARY RESULTS BY SEGMENT

| Periods ended December 31 | Three Months | |
|--|----------------|---------------|
| <i>Dollars in millions, except per share amounts (unaudited)</i> | 2023 | 2022 |
| Sales | | |
| Reinforcement Materials..... | \$ 641 | \$ 643 |
| Performance Chemicals..... | <u>285</u> | <u>286</u> |
| Segment sales..... | <u>926</u> | 929 |
| Unallocated and other ^(A) | <u>32</u> | <u>36</u> |
| Net sales and other operating revenues..... | <u>\$ 958</u> | <u>\$ 965</u> |
| Segment Earnings Before Interest and Taxes ^(B) | | |
| Reinforcement Materials..... | \$ 129 | \$ 94 |
| Performance Chemicals..... | <u>34</u> | <u>29</u> |
| Total Segment Earnings Before Interest and Taxes..... | 163 | 123 |
| Unallocated and Other | | |
| Interest expense..... | (22) | (22) |
| Certain items ^(C) | (42) | (4) |
| Unallocated corporate costs..... | (17) | (15) |
| General unallocated income (expense) ^(D) | 13 | 4 |
| Less: Equity in earnings of affiliated companies, net of tax..... | <u>1</u> | <u>2</u> |
| Income (loss) from operations before income taxes and equity in earnings of affiliated companies..... | 94 | 84 |
| (Provision) benefit for income taxes (including tax certain items)..... | (34) | (20) |
| Equity in earnings of affiliated companies, net of tax..... | <u>1</u> | <u>2</u> |
| Net income (loss)..... | 61 | 66 |
| Net income (loss) attributable to noncontrolling interests, net of tax..... | <u>11</u> | <u>12</u> |
| Net income (loss) attributable to Cabot Corporation..... | \$ 50 | \$ 54 |
| Diluted earnings (loss) per share of common stock attributable to Cabot Corporation..... | | |
| | \$ 0.88 | \$ 0.93 |
| Adjusted earnings (loss) per share ^(E)..... | | |
| | \$ 1.56 | \$ 0.98 |
| Diluted weighted average common shares outstanding..... | | |
| | 55.8 | 56.7 |

^(A) Unallocated and other reflects external shipping and handling fees, royalties, the impact of unearned revenue, discounting charges for certain Notes receivable, and other by-product revenue.

^(B) Segment EBIT is a measure used by Cabot's Chief Operating Decision-Maker to measure consolidated operating results, assess segment performance and allocate resources. Segment EBIT includes Equity in earnings of affiliated companies, net of tax, royalties, Net income attributable to noncontrolling interests, net of tax, and discounting charges for certain Notes receivable.

^(C) Details of Certain items are presented in the Certain Items and Reconciliation of Adjusted EPS and Operating Tax Rate table.

^(D) General unallocated income (expense) consists of gains (losses) arising from foreign currency transactions, net of other foreign currency risk management activities, Interest and dividend income, the profit or loss related to the corporate adjustment for unearned revenue and unrealized holding gains (losses) for investments. This does not include items of income or expense from the items that are separately treated as Certain items.

^(E) Adjusted EPS is a non-GAAP measure, and a reconciliation of Adjusted EPS to GAAP EPS is presented in the Certain Items and Reconciliation of Adjusted EPS and Operating Tax Rate table.

First Quarter Earnings Announcement, Fiscal 2024

CABOT CORPORATION CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| <i>Dollars in millions (unaudited)</i> | December 31, 2023 | September 30, 2023 |
|--|------------------------------|-----------------------|
| Current assets: | | |
| Cash and cash equivalents..... | \$ 244 | \$ 238 |
| Accounts and notes receivable, net of reserve for doubtful accounts of \$3 and \$2 | 726 | 695 |
| Inventories: | | |
| Raw materials..... | 154 | 148 |
| Finished goods..... | 398 | 374 |
| Other..... | 65 | 63 |
| Total inventories..... | <u>617</u> | <u>585</u> |
| Prepaid expenses and other current assets..... | 105 | 108 |
| Total current assets..... | <u>1,692</u> | <u>1,626</u> |
| Property, plant and equipment..... | 3,936 | 3,827 |
| Accumulated Depreciation | (2,492) | (2,415) |
| Net property, plant and equipment..... | <u>1,444</u> | 1,412 |
| Goodwill..... | 138 | 134 |
| Equity affiliates..... | 21 | 20 |
| Intangible assets, net | 61 | 60 |
| Deferred income taxes..... | 166 | 180 |
| Other assets..... | 173 | 172 |
| Total assets..... | <u>\$ 3,695</u> | <u>\$ 3,604</u> |

First Quarter Earnings Announcement, Fiscal 2024

CABOT CORPORATION CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| <i>Dollars in millions, except share and per share amounts (unaudited)</i> | December 31, 2023 | September 30, 2023 |
|--|------------------------------|-----------------------|
| Current liabilities: | | |
| Short-term borrowings..... | \$ 206 | \$ 174 |
| Accounts payable and accrued liabilities..... | 585 | 600 |
| Income taxes payable..... | 31 | 40 |
| Current portion of long-term debt..... | 8 | 8 |
| Total current liabilities..... | <u>830</u> | <u>822</u> |
| Long-term debt..... | 1,098 | 1,094 |
| Deferred income taxes..... | 51 | 50 |
| Other liabilities..... | 241 | 231 |
| Stockholders' equity: | | |
| Preferred stock: | | |
| Authorized: 2,000,000 shares of \$1 par value | | |
| Issued and Outstanding: None and none | — | — |
| Common stock: | | |
| Authorized: 200,000,000 shares of \$1 par value | | |
| Issued: 55,560,648 and 55,379,636 shares | 55 | 55 |
| Outstanding: 55,424,816 and 55,243,804 shares | | |
| Less cost of 135,832 and 135,832 shares of common treasury stock | (3) | (3) |
| Additional paid-in capital..... | — | — |
| Retained earnings..... | 1,582 | 1,574 |
| Accumulated other comprehensive income (loss)..... | <u>(305)</u> | <u>(362)</u> |
| Total Cabot Corporation stockholders' equity..... | 1,329 | 1,264 |
| Noncontrolling interests..... | <u>146</u> | <u>143</u> |
| Total stockholders' equity..... | <u>1,475</u> | <u>1,407</u> |
| Total liabilities and stockholders' equity..... | <u>\$ 3,695</u> | <u>\$ 3,604</u> |

CABOT CORPORATION QUARTERLY RESULTS BY SEGMENT

| Dollars in millions, except per share amounts (unaudited) | Fiscal 2023 | | | | | Fiscal 2024 | | | | |
|---|-------------|----------|---------|---------|----------|-------------|--------|--------|---------|---------|
| | Dec. Q | Mar. Q | June Q | Sept. Q | FY | Dec. Q | Mar. Q | June Q | Sept. Q | FY |
| Sales | | | | | | | | | | |
| Reinforcement Materials..... | \$ 643 | \$ 672 | \$ 624 | \$ 624 | \$ 2,563 | \$ 641 | \$ — | \$ — | \$ — | \$ 641 |
| Performance Chemicals..... | 286 | 326 | 307 | 306 | \$ 1,225 | 285 | — | — | — | 285 |
| Segment sales..... | 929 | 998 | 931 | 930 | 3,788 | 926 | — | — | — | 926 |
| Unallocated and other ^(A) | 36 | 35 | 37 | 35 | 143 | 32 | — | — | — | 32 |
| Net sales and other operating revenues..... | \$ 965 | \$ 1,033 | \$ 968 | \$ 965 | \$ 3,931 | \$ 958 | \$ — | \$ — | \$ — | \$ 958 |
| Segment Earnings Before Interest and Taxes ^(B) | | | | | | | | | | |
| Reinforcement Materials..... | \$ 94 | \$ 122 | \$ 132 | \$ 134 | \$ 482 | \$ 129 | \$ — | \$ — | \$ — | \$ 129 |
| Performance Chemicals..... | 29 | 28 | 32 | 36 | 125 | 34 | — | — | — | 34 |
| Total Segment Earnings Before Interest and Taxes..... | 123 | 150 | 164 | 170 | 607 | 163 | — | — | — | 163 |
| Unallocated and Other | | | | | | | | | | |
| Interest expense..... | (22) | (23) | (24) | (21) | (90) | (22) | — | — | — | (22) |
| Certain items ^(C) | (4) | (2) | (1) | (22) | (29) | (42) | — | — | — | (42) |
| Unallocated corporate costs..... | (15) | (16) | (11) | (12) | (54) | (17) | — | — | — | (17) |
| General unallocated income (expense) ^(D) | 4 | 2 | 3 | 13 | 22 | 13 | — | — | — | 13 |
| Less: Equity in earnings of affiliated companies, net of tax..... | 2 | 1 | 1 | 1 | 5 | 1 | — | — | — | 1 |
| Income (loss) from operations before income taxes and equity in earnings of affiliated companies..... | 84 | 110 | 130 | 127 | 451 | 94 | — | — | — | 94 |
| (Provision) benefit for income taxes (including tax certain items)..... | (20) | (29) | (41) | 118 | 28 | (34) | — | — | — | (34) |
| Equity in earnings of affiliated companies, net of tax..... | 2 | 1 | 1 | 1 | 5 | 1 | — | — | — | 1 |
| Net income (loss)..... | 66 | 82 | 90 | 246 | 484 | 61 | — | — | — | 61 |
| Net income (loss) attributable to noncontrolling interests, net of tax..... | 12 | 7 | 8 | 12 | 39 | 11 | — | — | — | 11 |
| Net income (loss) attributable to Cabot Corporation..... | \$ 54 | \$ 75 | \$ 82 | \$ 234 | \$ 445 | \$ 50 | \$ — | \$ — | \$ — | \$ 50 |
| Diluted earnings (loss) per share of common stock attributable to Cabot Corporation..... | \$ 0.93 | \$ 1.29 | \$ 1.43 | \$ 4.10 | \$ 7.73 | \$ 0.88 | \$ — | \$ — | \$ — | \$ 0.88 |
| Adjusted earnings (loss) per share ^(E)..... | \$ 0.98 | \$ 1.33 | \$ 1.42 | \$ 1.65 | \$ 5.38 | \$ 1.56 | \$ — | \$ — | \$ — | \$ 1.56 |
| Diluted weighted average common shares outstanding..... | 56.7 | 56.8 | 56.5 | 56.1 | 56.5 | 55.8 | — | — | — | 55.8 |

^(A) Unallocated and other reflects external shipping and handling fees, royalties, the impact of unearned revenue, discounting charges for certain Notes receivable, and other by-product revenue.

^(B) Segment EBIT is a measure used by Cabot's Chief Operating Decision-Maker to measure consolidated operating results, assess segment performance and allocate resources. Segment EBIT includes Equity in earnings of affiliated companies, net of tax, royalties, Net income attributable to noncontrolling interests, net of tax, and discounting charges for certain Notes receivable.

^(C) Details of certain items are presented in the Certain Items and Reconciliation of Adjusted EPS and Operating Tax Rate table.

^(D) General unallocated income (expense) consists of gains (losses) arising from foreign currency transactions, net of other foreign currency risk management activities, Interest and dividend income, the profit or loss related to the corporate adjustment for unearned revenue and unrealized holding gains (losses) for investments. This does not include items of income or expense from the items that are separately treated as Certain items.

^(E) Adjusted EPS is a non-GAAP measure, and a reconciliation of Adjusted EPS to GAAP EPS is presented in the Certain Items and Reconciliation of Adjusted EPS and Operating Tax Rate table.

First Quarter Earnings Announcement, Fiscal 2024

CABOT CORPORATION CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

| Periods ended December 31 <i>Dollars in millions (unaudited)</i> | Three Months | |
|---|---------------|---------------|
| | 2023 | 2022 |
| Cash Flows from Operating Activities: | | |
| Net income (loss)..... | \$ 61 | \$ 66 |
| Adjustments to reconcile net income to cash provided by operating activities: | | |
| Depreciation and amortization..... | 41 | 35 |
| Other non-cash charges (gains), net..... | 49 | 2 |
| Cash dividends received from equity affiliates..... | 1 | 2 |
| Changes in assets and liabilities: | | |
| Changes in certain working capital items ^(A) | (46) | (34) |
| Changes in other assets and liabilities, net..... | (1) | (19) |
| Cash provided by (used in) operating activities..... | <u>105</u> | <u>52</u> |
| Cash Flows from Investing Activities: | | |
| Additions to property, plant and equipment..... | (54) | (35) |
| Proceeds from sale of business..... | — | 6 |
| Other investing activities, net..... | — | 12 |
| Cash provided by (used in) investing activities..... | <u>(54)</u> | <u>(17)</u> |
| Cash Flows from Financing Activities: | | |
| Change in debt, net..... | 31 | (43) |
| Cash dividends paid to common stockholders..... | (22) | (21) |
| Other financing activities, net..... | (38) | (28) |
| Cash provided by (used in) financing activities..... | <u>(29)</u> | <u>(92)</u> |
| Effect of exchange rates on cash..... | (16) | 41 |
| Increase (decrease) in cash and cash equivalents..... | 6 | (16) |
| Cash and cash equivalents at beginning of period..... | 238 | 206 |
| Cash and cash equivalents at end of period..... | <u>\$ 244</u> | <u>\$ 190</u> |

^(A) Includes Accounts and notes receivable, Inventories, and Accounts payable and accrued liabilities.

First Quarter Earnings Announcement, Fiscal 2024

CABOT CORPORATION CERTAIN ITEMS AND RECONCILIATION OF ADJUSTED EPS AND OPERATING TAX RATE

TABLE 1: DETAIL OF CERTAIN ITEMS

| Periods ended December 31 <i>Dollars in millions, except per share amounts (unaudited)</i> | Three Months | |
|---|--------------|-----------|
| | 2023 | 2022 |
| <u>Certain items before and after income taxes</u> | | |
| Argentina controlled currency devaluation loss | \$ (33) | \$ — |
| Global restructuring activities | (9) | — |
| Gain on sale of land | — | 1 |
| Loss on sale of business | — | (3) |
| Legal and environmental matters and reserves | — | (1) |
| Acquisition and integration-related charges | — | (1) |
| Total certain items, pre-tax | (42) | (4) |
| Non-GAAP tax adjustments ^(A) | 4 | 1 |
| Total certain items after tax | \$ (38) | \$ (3) |
| Total certain items after tax per share impact | \$ (0.68) | \$ (0.05) |

TABLE 2: CERTAIN ITEMS STATEMENT OF OPERATIONS LINE ITEM

| Periods ended December 31 <i>Dollars in millions, Pre-Tax (unaudited)</i> | Three Months | |
|--|--------------|--------|
| | 2023 | 2022 |
| <u>Statement of Operations Line Item^(B)</u> | | |
| Cost of sales | \$ (9) | \$ (2) |
| Selling and administrative expenses | — | 1 |
| Other income (expense) | (33) | — |
| Loss on sale of business | — | (3) |
| Total certain items | \$ (42) | \$ (4) |

TABLE 3: RECONCILIATION OF EFFECTIVE TAX RATE TO OPERATING TAX RATE

| Three months ended December 31 <i>Dollars in millions (unaudited)</i> | 2023 | | 2022 | |
|--|--|------|---|------|
| | (Provision) / Benefit for Income Taxes | Rate | (Provision) / Benefit for Income Taxes | Rate |
| Effective Tax Rate | \$ (34) | 36% | \$ (20) | 24% |
| Less: Non-GAAP tax adjustments ^(A) | 4 | | 1 | |
| Operating tax rate ^{(C) (D)} | \$ (38) | 28% | \$ (21) | 25% |

TABLE 4: RECONCILIATION OF ADJUSTED EPS BY QUARTER FOR FISCAL 2024 and FISCAL 2023

| Periods ended (unaudited) | Fiscal 2024 ^(E) | | | | | |
|---|----------------------------|---------|---------|---------|----------|--|
| | Dec. Q | Mar. Q | June Q | Sept. Q | FY 2024 | |
| <u>Reconciliation of Adjusted EPS to GAAP EPS</u> | | | | | | |
| Net income (loss) per share attributable to Cabot Corporation | \$ 0.88 | \$ — | \$ — | \$ — | \$ 0.88 | |
| Less: Certain items after tax per share | (0.68) | — | — | — | \$(0.68) | |
| Adjusted earnings (loss) per share | \$ 1.56 | \$ — | \$ — | \$ — | \$ 1.56 | |
| | Fiscal 2023 ^(E) | | | | | |
| | Dec. Q | Mar. Q | June Q | Sept. Q | FY 2023 | |
| <u>Reconciliation of Adjusted EPS to GAAP EPS</u> | | | | | | |
| Net income (loss) per share attributable to Cabot Corporation | \$ 0.93 | \$ 1.29 | \$ 1.43 | \$ 4.10 | \$ 7.73 | |
| Less: Certain items after tax per share | (0.05) | (0.04) | 0.01 | 2.45 | 2.35 | |
| Adjusted earnings (loss) per share | \$ 0.98 | \$ 1.33 | \$ 1.42 | \$ 1.65 | \$ 5.38 | |

^(A) Non-GAAP tax adjustments are made to arrive at the operating tax provision. It includes the income tax (expense) benefit on certain items, discrete tax items, and, on a quarterly basis the timing of losses in certain jurisdictions. The income tax (expense) benefit on certain items is determined using the applicable rates in the taxing jurisdictions in which the certain items occurred and includes both current and deferred income tax (expense) benefit based on the nature of the certain items. Discrete tax items include, but are not limited to, changes in valuation allowance, uncertain tax positions, and other tax items, such as the tax impact of legislative changes and tax accruals on historic earnings due to changes in indefinite reinvestment assertions.

^(B) This table indicates the line items where certain items are recorded in the Consolidated Statements of Operations.

^(C) The operating tax rate is calculated based upon management's forecast of the annual operating tax rate for the fiscal year applied to adjusted pre-tax earnings. The operating tax rate excludes income tax (expense) benefit on certain items, discrete tax items and, on a quarterly basis the timing of losses in certain jurisdictions.

^(D) Our operating tax rate for fiscal 2024 is expected to be in the range of 28% to 30%

^(E) Per share amounts are calculated after tax.

First Quarter Earnings Announcement, Fiscal 2024

CABOT CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

| | Fiscal 2024 ^(A) | | | | |
|---|----------------------------|---------|---------|---------|---------|
| | Dec. Q | Mar. Q | June Q | Sept. Q | FY 2024 |
| Reconciliation of Adjusted EPS to GAAP EPS | | | | | |
| Net income (loss) per share attributable to Cabot Corporation | \$ 0.88 | \$ — | \$ — | \$ — | \$ 0.88 |
| Less: Certain items after tax per share | (0.68) | — | — | — | (0.68) |
| Adjusted earnings (loss) per share | \$ 1.56 | \$ — | \$ — | \$ — | \$ 1.56 |
| | Fiscal 2023 ^(A) | | | | |
| | Dec. Q | Mar. Q | June Q | Sept. Q | FY 2023 |
| Reconciliation of Adjusted EPS to GAAP EPS | | | | | |
| Net income (loss) per share attributable to Cabot Corporation | \$ 0.93 | \$ 1.29 | \$ 1.43 | \$ 4.10 | \$ 7.73 |
| Less: Certain items after tax per share | (0.05) | (0.04) | 0.01 | 2.45 | 2.35 |
| Adjusted earnings (loss) per share | \$ 0.98 | \$ 1.33 | \$ 1.42 | \$ 1.65 | \$ 5.38 |

^(A) Per share amounts are calculated after tax.

| | Fiscal 2024 | | | | |
|---|-------------|--------|--------|---------|---------|
| | Dec. Q | Mar. Q | June Q | Sept. Q | FY 2024 |
| <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 | \$ 50 | \$ — | \$ — | \$ — | \$ 50 |
| Net income (loss) attributable to noncontrolling interests | 11 | — | — | — | 11 |
| Equity in earnings of affiliated companies, net of tax | (1) | — | — | — | (1) |
| Provision (benefit) for income taxes | 34 | — | — | — | 34 |
| Income (loss) from operations before income taxes and equity in earnings of affiliated companies | \$ 94 | \$ — | \$ — | \$ — | \$ 94 |
| Interest expense | 22 | — | — | — | 22 |
| Certain items | 42 | — | — | — | 42 |
| Unallocated corporate costs | 17 | — | — | — | 17 |
| General unallocated (income) expense | (13) | — | — | — | (13) |
| Less: Equity in earnings of affiliated companies | (1) | — | — | — | (1) |
| Total Segment EBIT | \$ 163 | \$ — | \$ — | \$ — | \$ 163 |
| Depreciation and amortization excluding corporate depreciation | 35 | — | — | — | 35 |
| Total Segment EBITDA | \$ 198 | \$ — | \$ — | \$ — | \$ 198 |
| Less: Unallocated corporate costs before corporate depreciation | 17 | — | — | — | 17 |
| Adjusted EBITDA | \$ 181 | \$ — | \$ — | \$ — | \$ 181 |

| | Fiscal 2024 | | | | |
|---|-------------|--------|--------|---------|---------|
| | Dec. Q | Mar. Q | June Q | Sept. Q | FY 2024 |
| <i>Dollars in millions</i> | | | | | |
| Reinforcement Materials EBIT | \$ 129 | \$ — | \$ — | \$ — | \$ 129 |
| Reinforcement Materials Depreciation and amortization | 17 | — | — | — | 17 |
| Reinforcement Materials EBITDA | \$ 146 | \$ — | \$ — | \$ — | \$ 146 |
| Reinforcement Materials Sales | \$ 641 | \$ — | \$ — | \$ — | \$ 641 |
| Reinforcement Materials EBITDA Margin | 23% | —% | —% | —% | 23% |

| | Fiscal 2024 | | | | |
|---|-------------|--------|--------|---------|---------|
| | Dec. Q | Mar. Q | June Q | Sept. Q | FY 2024 |
| <i>Dollars in millions</i> | | | | | |
| Performance Chemicals EBIT | \$ 34 | \$ — | \$ — | \$ — | \$ 34 |
| Performance Chemicals Depreciation and amortization | 18 | — | — | — | 18 |
| Performance Chemicals EBITDA | \$ 52 | \$ — | \$ — | \$ — | \$ 52 |
| Performance Chemicals Sales | \$ 285 | \$ — | \$ — | \$ — | \$ 285 |
| Performance Chemicals EBITDA Margin | 18% | —% | —% | —% | 18% |

| | Fiscal 2024 | | | | |
|---|-------------|--------|--------|---------|---------|
| | Dec. Q | Mar. Q | June Q | Sept. Q | FY 2024 |
| <i>Dollars in millions</i> | | | | | |
| Reconciliation of Free Cash Flow and Discretionary Free Cash Flow to Cash provided by (used in) operating activities | | | | | |
| Cash provided by (used in) operating activities ^(B) | \$ 105 | \$ — | \$ — | \$ — | \$ 105 |
| Less: Additions to property, plant and equipment | 54 | — | — | — | 54 |
| Free cash flow | \$ 51 | \$ — | \$ — | \$ — | \$ 51 |
| Plus: Additions to property, plant and equipment | 54 | — | — | — | 54 |
| Less: Changes in net working capital ^(C) | (46) | — | — | — | (46) |
| Less: Sustaining and compliance capital expenditures | 33 | — | — | — | 33 |
| Discretionary free cash flow | \$ 118 | \$ — | \$ — | \$ — | \$ 118 |

^(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.