

First Quarter Earnings Announcement, Fiscal 2021

CABOT CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

	Fiscal 2021 ^(A)				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2021
Reconciliation of Adjusted EPS to GAAP EPS					
Net income (loss) per share attributable to Cabot Corporation	\$ 1.06	\$ —	\$ —	\$ —	\$ 1.06
Less: Certain items after tax per share	(0.12)	—	—	—	(0.12)
Adjusted earnings (loss) per share	\$ 1.18	\$ —	\$ —	\$ —	\$ 1.18
	Fiscal 2020 ^(A)				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2020
Reconciliation of Adjusted EPS to GAAP EPS					
Net income (loss) per share attributable to Cabot Corporation	\$ 0.70	\$ (0.01)	\$ (0.12)	\$ (4.81)	\$ (4.21)
Less: Certain items after tax per share	0.01	(0.78)	(0.05)	(5.49)	(6.29)
Adjusted earnings (loss) per share	\$ 0.69	\$ 0.77	\$ (0.07)	\$ 0.68	\$ 2.08

(A) Per share amounts are calculated after tax and, where applicable, noncontrolling interest, net of tax.

	Fiscal 2021				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2021
<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	\$ 60	\$ —	\$ —	\$ —	\$ 60
Net income (loss) attributable to noncontrolling interests	10	—	—	—	10
Equity in earnings of affiliated companies, net of tax	—	—	—	—	—
Provision (benefit) for income taxes	29	—	—	—	29
Income (loss) before income taxes and equity in earnings of affiliated companies	\$ 99	\$ —	\$ —	\$ —	\$ 99
Interest expense	12	—	—	—	12
Certain items	11	—	—	—	11
Unallocated corporate costs	13	—	—	—	13
General unallocated (income) expense	5	—	—	—	5
Less: Equity in earnings of affiliated companies	—	—	—	—	—
Total Segment EBIT	\$ 140	\$ —	\$ —	\$ —	\$ 140
Depreciation and amortization	39	—	—	—	39
Total Segment EBITDA	\$ 179	\$ —	\$ —	\$ —	\$ 179
Less: Unallocated corporate costs before corporate depreciation	13	—	—	—	13
Adjusted EBITDA	\$ 166	\$ —	\$ —	\$ —	\$ 166

	Fiscal 2021				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2021
<i>Dollars in millions</i>					
Reinforcement Materials EBIT	\$ 88	\$ —	\$ —	\$ —	\$ 88
Reinforcement Materials Depreciation and amortization	17	—	—	—	17
Reinforcement Materials EBITDA	\$ 105	\$ —	\$ —	\$ —	\$ 105
Reinforcement Materials Sales	\$ 375	\$ —	\$ —	\$ —	\$ 375
Reinforcement Materials EBITDA Margin	28%	—%	—%	—%	28%

	Fiscal 2021				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2021
<i>Dollars in millions</i>					
Performance Chemicals EBIT	\$ 54	\$ —	\$ —	\$ —	\$ 54
Performance Chemicals Depreciation and amortization	18	—	—	—	18
Performance Chemicals EBITDA	\$ 72	\$ —	\$ —	\$ —	\$ 72
Performance Chemicals Sales	\$ 267	\$ —	\$ —	\$ —	\$ 267
Performance Chemicals EBITDA Margin	27%	—%	—%	—%	27%

	Fiscal 2021				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2021
<i>Dollars in millions</i>					
Purification Solutions EBIT	\$ (2)	\$ —	\$ —	\$ —	\$ (2)
Purification Solutions Depreciation and amortization	4	—	—	—	4
Purification Solutions EBITDA	\$ 2	\$ —	\$ —	\$ —	\$ 2
Purification Solutions Sales	\$ 59	\$ —	\$ —	\$ —	\$ 59
Purification Solutions EBITDA Margin	3%	—%	—%	—%	3%

	Fiscal 2021				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2021
<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)	\$ 21	\$ —	\$ —	\$ —	\$ 21
Less: Additions to property, plant and equipment	29	—	—	—	29
Free cash flow	\$ (8)	\$ —	\$ —	\$ —	\$ (8)
Plus: Additions to property, plant and equipment	29	—	—	—	29
Less: Changes in net working capital ^(C)	(99)	—	—	—	(99)
Less: Sustaining and compliance capital expenditures	21	—	—	—	21
Discretionary free cash flow	\$ 99	\$ —	\$ —	\$ —	\$ 99

(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.