

Fourth Quarter Earnings Announcement, Fiscal 2023

CABOT CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

	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
Reconciliation of Adjusted EPS to GAAP EPS					
Fiscal 2022 ^(A)					
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2022
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

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

	Fiscal 2023				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2023
<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	\$ 54	\$ 75	\$ 82	\$ 234	\$ 445
Net income (loss) attributable to noncontrolling interests	12	7	8	12	39
Equity in earnings of affiliated companies, net of tax	(2)	(1)	(1)	(1)	(5)
Provision (benefit) for income taxes	20	29	41	(118)	(28)
Income (loss) before income taxes and equity in earnings of affiliated companies	\$ 84	\$ 110	\$ 130	\$ 127	\$ 451
Interest expense	22	23	24	21	90
Certain items	4	2	1	22	29
Unallocated corporate costs	15	16	11	12	54
General unallocated (income) expense	(4)	(2)	(3)	(13)	(22)
Less: Equity in earnings of affiliated companies	(2)	(1)	(1)	(1)	(5)
Total Segment EBIT	\$ 123	\$ 150	\$ 164	\$ 170	\$ 607
Depreciation and amortization excluding corporate depreciation	34	36	36	36	142
Total Segment EBITDA	\$ 157	\$ 186	\$ 200	\$ 206	\$ 749
Less: Unallocated corporate costs before corporate depreciation	15	16	11	12	54
Adjusted EBITDA	\$ 142	\$ 170	\$ 189	\$ 194	\$ 695

	Fiscal 2023				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2023
<i>Dollars in millions</i>					
Reinforcement Materials EBIT	\$ 94	\$ 122	\$ 132	\$ 134	\$ 482
Reinforcement Materials Depreciation and amortization	17	18	17	18	70
Reinforcement Materials EBITDA	\$ 111	\$ 140	\$ 149	\$ 152	\$ 552
Reinforcement Materials Sales	\$ 643	\$ 672	\$ 624	\$ 624	\$ 2,563
Reinforcement Materials EBITDA Margin	17%	21%	24%	24%	22%

	Fiscal 2023				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2023
<i>Dollars in millions</i>					
Performance Chemicals EBIT	\$ 29	\$ 28	\$ 32	\$ 36	\$ 125
Performance Chemicals Depreciation and amortization	17	18	19	18	72
Performance Chemicals EBITDA	\$ 46	\$ 46	\$ 51	\$ 54	\$ 197
Performance Chemicals Sales	\$ 286	\$ 326	\$ 307	\$ 306	\$ 1,225
Performance Chemicals EBITDA Margin	16%	14%	17%	18%	16%

	Fiscal 2023				
	Dec. Q	Mar. Q	June Q	Sept. Q	FY 2023
<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)	\$ 52	\$ 162	\$ 243	\$ 138	\$ 595
Less: Additions to property, plant and equipment	35	51	80	78	244
Free cash flow	\$ 17	\$ 111	\$ 163	\$ 60	\$ 351
Plus: Additions to property, plant and equipment	35	51	80	78	244
Less: Changes in net working capital ^(C)	(34)	59	71	1	97
Less: Sustaining and compliance capital expenditures	23	27	44	49	143
Discretionary free cash flow	\$ 63	\$ 76	\$ 128	\$ 88	\$ 355

^(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.