



Cabot Corporation Provides Update on Liquidity

June 8, 2020

BOSTON--(BUSINESS WIRE)--Jun. 8, 2020-- [Cabot Corporation](#) (NYSE: CBT) today announced it has amended its revolving credit facilities to increase the maximum leverage ratio permitted under those agreements. The maximum leverage ratio applicable on the last day of each fiscal quarter will increase to 4.5 times beginning with the quarter ending September 30, 2020 and through the quarter ending June 30, 2021. There were no changes in material terms under the agreements. The company's maximum leverage ratio was previously 3.5 times for the term of these credit facilities. The agreements are scheduled to mature in October 2022.

Cabot President and CEO Sean Keohane said, "While our liquidity position remains strong, increasing the maximum leverage ratio permitted under these credit facilities represents a prudent step to provide incremental headroom in light of the uncertainty in demand due to the COVID-19 pandemic. This step will provide additional flexibility beyond the COVID-19 related stress test scenarios we have assessed."

"Our financial position remains sound as we work through this uncertain environment. We are confident in our expected strong cash flow generation in the second half of the fiscal year and believe our solid balance sheet will allow us to successfully navigate this period and emerge from the downturn as an even stronger industry leader," said Keohane.

About Cabot Corporation

Cabot Corporation (NYSE: CBT) is a global specialty chemicals and performance materials company, headquartered in Boston, Massachusetts. The company is a leading provider of [rubber](#) and [specialty carbons, activated carbon, inkjet colorants, masterbatches and conductive compounds, fumed silica](#), and [aerogel](#). For more information on Cabot, please visit the company's [website](https://www.cabotcorp.com) at: <https://www.cabotcorp.com>. The Company encourages investors and potential investors to consult the Cabot website regularly.

Forward-Looking Statements – This press release contains forward-looking statements. All statements that address expectations or projections about the future, including with respect to our expectations for our performance in fiscal year 2020, including our expectations for cash flow generation in the second half of the fiscal year and our ability to navigate the current downturn, are forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties, potentially inaccurate assumptions, and other factors, some of which are beyond our control and difficult to predict. If known or unknown risks materialize, or should underlying assumptions prove inaccurate, our actual results could differ materially from past results and from those expressed or implied by forward-looking statements. Importantly, as we cannot predict the duration or scope of the COVID-19 pandemic, the negative impact to our results cannot be estimated. Factors that will influence the impact on our business and operations include the duration and extent of the pandemic, the extent of imposed or recommended containment and mitigation measures, and the general economic consequences of the pandemic. Other important factors that could cause our results to differ materially from those expressed or implied in the forward-looking statements include, but are not limited to, competition from other specialty chemical companies; volatility in the price of energy and raw materials; a significant adverse change in a customer relationship; safety, health and environmental requirements; unanticipated delays in site development projects; negative or uncertain worldwide or regional economic conditions and market opportunities, including from trade relations or global health matters; and fluctuations in foreign currency exchange and interest rates. These factors are discussed more fully in the reports we file with the Securities and Exchange Commission ("SEC"), particularly under the heading "Risk Factors" in our annual report on Form 10-K for our fiscal year ended September 30, 2019 and in our quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2020, and subsequent SEC filings, filed with the SEC at www.sec.gov. We assume no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws.

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Source: Cabot Corporation