



## Cabot Corporation Completes Acquisition of NHUMO to Meet Growing Demand in North America

November 18, 2013

*Mexican Carbon Black Business Adds 140,000 Tons of Capacity Extending Cabot's Leadership in Carbon Black*

BOSTON--(BUSINESS WIRE)--Nov. 18, 2013-- [Cabot Corporation](#) (NYSE: CBT) announced that it has completed its acquisition of the equity stake owned by Grupo Kuo S.A.B. de C.V. (KUOB.MX) in its Mexican carbon black manufacturing joint venture, NHUMO, S.A.de C.V.



NHUMO is the leading carbon black producer in Mexico, and the acquisition of Kuo's NHUMO interest strengthens Cabot's global carbon black business. The NHUMO business will be integrated into the company's Reinforcement Materials Segment. Under the terms of the agreement, Cabot will pay \$105 million, of which \$80 million was paid upon closing. In addition, at closing, a special dividend payment will be paid to NHUMO shareholders, of which Cabot will receive \$14 million. This strategic business in Mexico will also serve to meet the growing demand for carbon black throughout North America.

"The acquisition of NHUMO is a major step forward in our strategy to enhance Cabot's global presence in the carbon black industry, one of our key growth platforms,"

Cabot Corporation completes acquisition of Mexican joint venture, NHUMO, to meet growing demand in North America. (Photo: Business Wire)

said Patrick Prevost, president and CEO, Cabot Corporation. "From a market perspective, NHUMO has significant opportunities in the growing Mexican market and enables us to create an even stronger presence in North America to further accelerate growth. This transaction is another great example of our acquisition strategy to strengthen our position in growing markets, expand our customer offerings and create value for our shareholders."

Since 1990, Cabot has owned approximately 40 percent of the NHUMO joint venture. The NHUMO facility in Altamira, Mexico is Cabot's nineteenth carbon black plant globally, and adds an annual carbon black manufacturing capacity of 140,000 metric tons. Cabot is one of the world's leading producers of carbon black and its global annual capacity now exceeds two million tons.

"Mexican tire and auto production is expected to grow approximately 5 percent or more over the next several years and will create long-term growth in the demand for rubber blacks in the region," said Dave Miller, president, Reinforcement Materials Segment. "The acquisition of NHUMO allows us to build on our industry position, while continuing to deliver high-quality, reliable products to meet the demands of customers throughout the U.S. and Mexico."

### 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](#), [cesium formate drilling fluids](#), [fumed silica](#), [aerogel](#), and [elastomer composites](#). For more information on Cabot, please visit the company's website at: <http://www.cabotcorp.com>.

### Forward-Looking Statements

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release involving the Company that are not statements of historical fact are forward-looking statements and are subject to risks and uncertainties inherent in projecting future conditions, events and results. Such forward looking statements include statements regarding Cabot's expectations pertaining to the timing of completion of the acquisition, the expected benefits of the acquisition and Cabot's future financial performance, including expectations for growth. Such expectations are based upon certain preliminary information, internal estimates and management assumptions, expectations and plans. For a discussion of the risks and uncertainties that could cause results to differ from those expressed in the forward-looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K.

### Use of Non-GAAP Financial Measures

The preceding discussion includes a discussion of our future expectations for adjusted earnings per share (EPS), which is a non-GAAP financial measure. In calculating adjusted EPS, we exclude certain items of expense and income that management does not consider representative of the Company's ongoing operations, which will include advisor fees associated with the acquisition and purchase accounting adjustments. Adjusted EPS should be considered as supplemental to, and not as a replacement for, EPS determined in accordance with GAAP.

Adjusted EBITDA for the joint venture is a non-GAAP financial measure and refers to earnings before interest, taxes, depreciation and amortization, excluding items that management does not consider representative of the fundamental operating results.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/multimedia/home/20131118005169/en/>

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