



Cabot Corporation Announces Acquisition of Tokai Carbon (Tianjin) Co., Ltd Carbon Black Plant in China

November 15, 2021

BOSTON--(BUSINESS WIRE)--Nov. 15, 2021-- [Cabot Corporation](#) (NYSE: CBT) announced that it has entered a definitive agreement to acquire Tokai Carbon (Tianjin) Co., Ltd from Tokai Carbon Group for \$9 million, subject to customary closing adjustments. The carbon black manufacturing facility was commissioned in 2006 and is located in close proximity to Cabot's current carbon black and specialty compounds facility in Tianjin, China. The acquisition is expected to support the growth of Cabot's Battery Materials product line, while continuing to serve existing carbon black customers.

The growth of electric vehicles has led to rapid development in lithium-ion batteries. Conductive carbon black additives play a key role in battery chemistry to increase the range and cycle life of lithium-ion batteries. The site currently can produce up to 50,000 metric tons of carbon black annually and Cabot plans to invest to upgrade the capabilities to produce battery grades.

"The acquisition of Tokai Carbon (Tianjin) is a natural extension for us as it aligns with our strategy to strengthen our global leadership positions while pursuing advantaged growth opportunities in high-growth, high-performance markets such as battery materials," said Cabot President and Chief Executive Officer Sean Keohane. "With this acquisition, we will be better positioned to deliver solutions to meet the rapidly increasing demands for lithium-ion batteries and will do so by operating responsibly and investing in advanced environmental controls to reduce our impact."

President and CEO of Tokai Carbon Co., Ltd., Hajime Nagasaka, said, "We are very pleased to transfer the business to Cabot and wish the employees great success with the new owner."

Cabot will run the plant and intends to continue to supply current customers while conducting technology upgrades. The upgrades to manufacturing and environmental equipment will enable the site to manufacture conductive carbon black for battery materials as well as other carbon black products while meeting environmental standards.

The parties expect to close the transaction in the second fiscal quarter of 2022.

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 [carbon black](#), [specialty carbons](#), [activated carbon](#), [elastomer composites](#), [inkjet colorants](#), [masterbatches and conductive compounds](#), [fumed silica](#) and [aerogel](#). For more information on Cabot, please visit the company's [website](#) at [cabotcorp.com](#).

About Tokai Carbon Co., Ltd. (Tokai Carbon)

Founded in 1918 and headquartered in Tokyo, Japan, Tokai Carbon has for over 100 years been the market leader in a broad range of high-quality carbon and graphite products servicing numerous global customers in wide range of industries such as steel, aluminum, autos, semiconductors, and electronic components. Tokai Carbon maintains a global network of over 40 business locations across 10 countries in Asia, Europe and North America. It posted consolidated sales of JPY 202 billion and total assets of JPY 460 billion in the fiscal year ending December 31, 2020. Tokai Carbon is listed on the Tokyo Stock Exchange. For further information: [www.tokaicarbon.co.jp/en/](#)

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, Tokai Carbon Tianjin's capacity for growth over the next several years and the expected benefits of the acquisition, including to Cabot's future financial performance. 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.

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