



Cabot Corporation Signs Agreement to Divest Purification Solutions Business

November 26, 2021

BOSTON--(BUSINESS WIRE)--Nov. 26, 2021-- [Cabot Corporation](#) (NYSE: CBT) announced today that the company entered into an agreement to sell its Purification Solutions business to One Equity Partners, a middle market private equity firm, in a transaction valued at \$111 million, subject to certain debt-like and other closing adjustments. Cabot's Purification Solutions business is a global leader in the research, development, manufacturing, and sale of high-performing activated carbon used in a range of environmental, health, safety, and industrial applications.

"We are pleased to have reached an agreement with One Equity Partners as they have a proven track record of advancing market-leading industrial companies and are committed to the future success of the business," said Sean Keohane, Cabot president and chief executive officer. "At the same time, this transaction will allow us to focus resources on our core business segments and invest in areas where we see strong future growth and innovation potential for Cabot, such as Battery Materials."

"Cabot's Purification Solutions business is a premier activated carbon company with unique service offerings and strong manufacturing and technology capabilities," said Joe Huffsmith, Managing Director, OEP. "We believe the business is well-positioned to begin executing on a number of strategic growth initiatives. We look forward to partnering with the talented team and providing the Company with the resources to accelerate its growth and build it into a global leader in activated carbon."

In fiscal 2021, the Purification Solutions business generated \$257 million in revenue. Cabot anticipates that the transaction will close during its second fiscal quarter of 2022, subject to customary closing conditions and applicable works council consultations. The Company expects to recognize a pre-tax impairment charge in the range of \$155 million to \$165 million in the first fiscal quarter of 2022 in relation to the sale with net cash proceeds from the transaction expected to be approximately \$80 million. Cabot's full year 2022 adjusted EPS outlook of \$5.20-\$5.60 remains unchanged.

Credit Suisse is acting as exclusive financial advisor, and K&L Gates is acting as legal counsel to Cabot in connection with the transaction.

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 ONE EQUITY PARTNERS

One Equity Partners ("OEP") is a middle market private equity firm focused on the industrial, healthcare, and technology sectors in North America and Europe. The firm builds market-leading companies by identifying and executing transformative business combinations. OEP is a trusted partner with a differentiated investment process, a broad and senior team, and an established track record generating long-term value for its partners. Since 2001, the firm has completed more than 300 transactions worldwide. OEP, founded in 2001, spun out of JP Morgan in 2015. The firm has offices in New York, Chicago, Frankfurt and Amsterdam. For more information, please visit [www.oneequity.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 sale, expected cash proceeds from the sale, the charge the Company expects to recognize in connection with the sale, and expectations regarding the Company's adjusted EPS outlook for fiscal 2022. 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 for the fiscal year ended September 30, 2020.

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Source: Cabot Corporation