EARNINGS TELECONFERENCE

FIRST QUARTER - FISCAL 2019

CABOT

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements based on management's current expectations, estimates and projections. All statements that address expectations or projections about the future, including our statements addressing our expectations for adjusted EPS for fiscal 2019, our performance in the second quarter, second half and the full year of fiscal 2019, the factors we expect to impact earnings in each segment, our expectations for segment EBIT for each of our segments and our broad assumptions supporting these expectations, anticipated demand for our products; our expected uses of cash, including for capital expenditures; when we expect the sale of our Specialty Fluids business to be consummated; and when we expect our new fumed silica plant in China to commence operations 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 in the forward-looking statement. Important factors that could cause our results to differ materially from those expressed in the forward-looking statements include, but are not limited to lower than expected demand for our products; the loss of one or more of our important customers; our failure to develop new products or to keep pace with technological developments; unanticipated disruptions or delays in plant operations or development projects; patent rights of others; the timely commercialization of products under development (which may be disrupted or delayed by technical difficulties, market acceptance, competitors' new products, as well as difficulties in moving from the experimental stage to the production stage); changes in raw material costs; demand for our customers' products; competitors' reactions to market conditions; delays in the successful integration of structural changes, including acquisitions or joint ventures; the laws, regulations, policies and economic conditions, including inflation, interest and foreign currency exchange rates, of countries where we do business; global trade policies; and severe weather events that cause business interruptions, including plant and power outages or disruptions in supplier or customer operations. These factors are discussed more fully in the reports we file with the Securities and Exchange Commission, particularly our annual report on Form 10-K for the fiscal year ended September 30, 2018.

Q1 2019 HIGHLIGHTS

- *Delivered Total Segment EBIT of $105M;* Adjusted EPS of $0.87
- *Reinforcement Materials segment results* consistent with last year despite a challenging environment in China
- *Successful completion of 2019 tire customer agreements resulting in volume and price gains in all regions*
- *Soft automotive demand and customer destocking* impacted results in the Performance Chemicals segment
- *Key growth investments on track*
- *Continued commitment to return cash to shareholders* with fiscal first quarter share repurchases and dividends totaling $82 million
- *Agreement to divest Specialty Fluids business* at attractive value of $135M

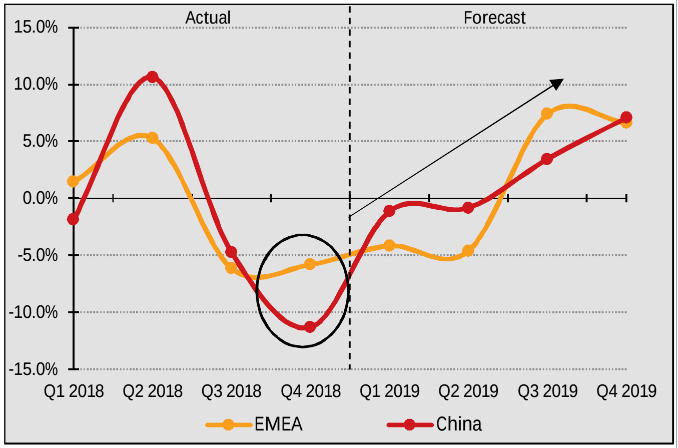
(in millions, except per share amounts)	Q1 2019	Q1 2018	YoY Change
Diluted EPS	$ 1.14	$ (1.98)	158%
Adjusted EPS	$ 0.87	$ 0.93	(6%)
Revenue	$ 821	$ 720	14%
Total Segment EBIT	$ 105	$ 113	(7%)
Adjusted EBITDA	$ 128	$ 138	(7%)

ANNOUNCED DIVESTITURE OF SPECIALTY FLUIDS SEGMENT

- Agreement to sell business to Sinomine (Hong Kong) Rare Metals Resources Co. Ltd.
- Transaction value of $135 million
- Maximize value for shareholders
- Allows more focus on Cabot’s core businesses
- Segment EBITDA of $10M in fiscal 2018
- Expected to close in our third fiscal quarter, subject to customary closing conditions and adjustments
- Limited impact expected to 2019 earnings outlook

EXTERNAL DYNAMICS

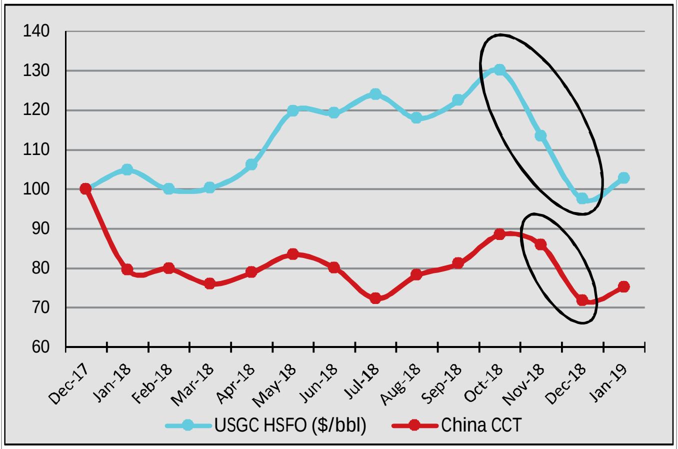
Automotive Builds[1]
(Calendar Year Qtr. Vs Prior Year Qtr.)



Impacts and Outlook

- Lower auto production in EMEA and China resulting in a decrease in volumes for Reinforcement Materials and Performance Chemicals
- 2H 2019 recovery projected

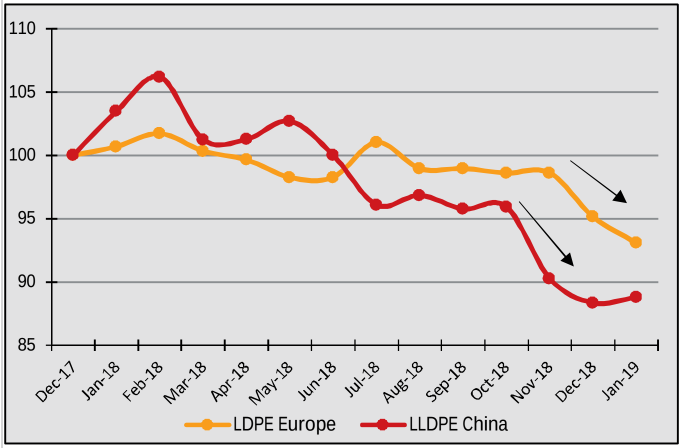
Monthly Avg. Feedstock Indices[2]
(Price Index: Dec. 2017 = 100)



Impacts and Outlook

- Rapid decline in feedstock prices during the quarter impacting margins
- Margin pressure continues into fiscal Q2 for Reinforcement Materials; margin benefit expected for Performance Chemicals

Monthly Avg. Polyethylene Indices[3]
(Price Index: Dec. 2017 = 100)



Impacts and Outlook

- Declining polymer prices have led to customer destocking
- As polymer prices begin to flatten and increase, demand and volumes expected to return to normal levels with additional restocking possible

1. IHS Markit
2. USGC HSFO – S&P Global Platts; China CCT – ChinaCCM
3. LDPE Europe – S&P Global Platts; LLDPE China – ICIS Global Petrochemical Index

COMMITMENT TO CASH RETURN

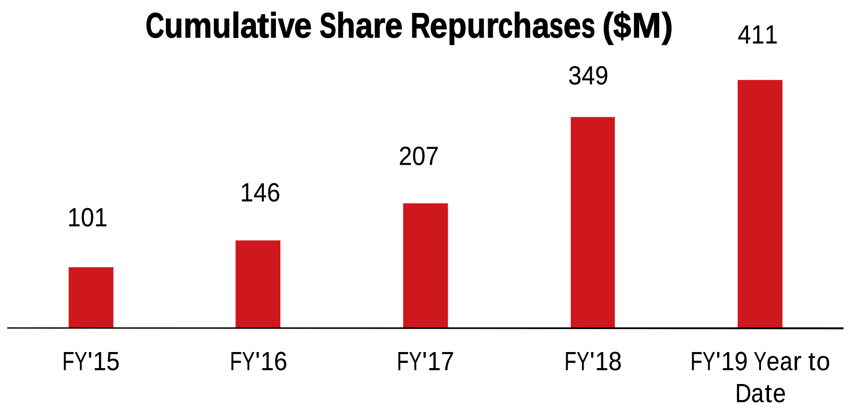
Continued commitment to return cash to shareholders with fiscal first quarter share repurchases and dividends totaling $82 million

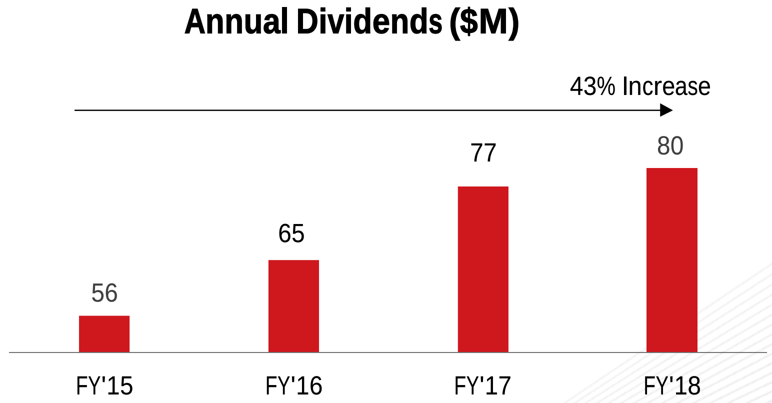
Share repurchases

- $62M in Q1’19
- Repurchased $188M of shares and reduced share count by 5% over last 9 months

Dividends

- Increased 5% in last year
- Increased 43% since announcement of new strategy
- Dividends paid $80M in fiscal 2018



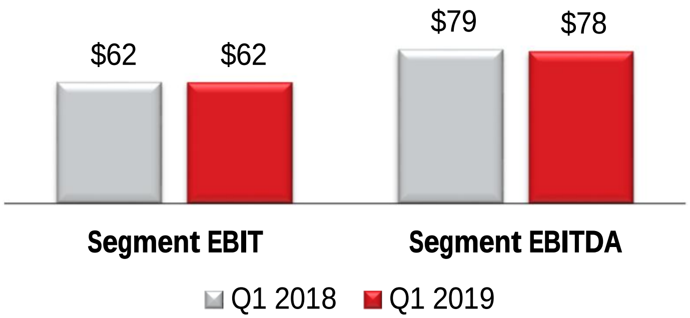


REINFORCEMENT MATERIALS SEGMENT OPERATING PERFORMANCE

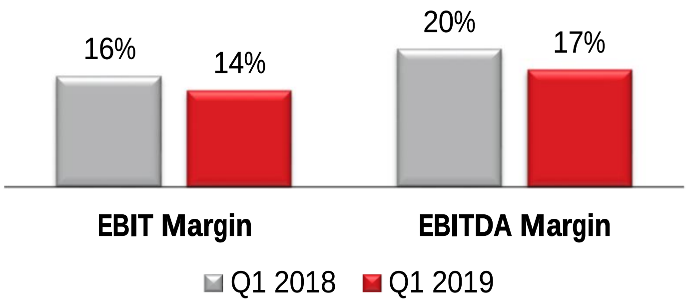
Q1 FISCAL 2019 HIGHLIGHTS

- Improved pricing and product mix from calendar year 2018 tire customer agreements
- Margins lower in China; softer automotive demand, rapid decline in feedstock prices, and customer destocking
- Volume growth of 1% driven by continued demand in Asia and Americas offsetting EMEA decline

SEGMENT EBIT AND EBITDA ($ MILLIONS)



SEGMENT EBIT AND EBITDA MARGINS



FISCAL 2019 OUTLOOK

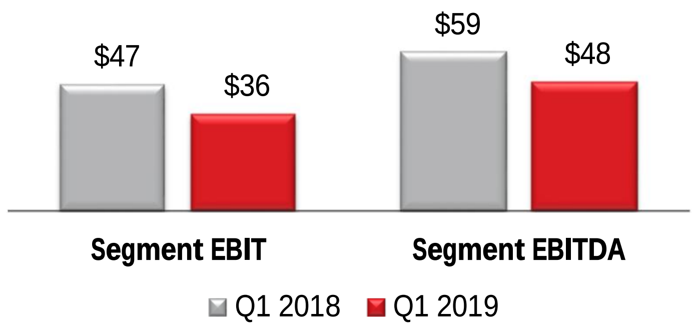
- Margin improvement and volume growth as customers transition to CY 2019 agreements
- Unfavorable impact from the rapid decline in feedstock prices expected in fiscal Q2
- China uncertainties expected to continue into fiscal Q2 with recovery anticipated after Chinese New Year

PERFORMANCE CHEMICALS SEGMENT OPERATING PERFORMANCE

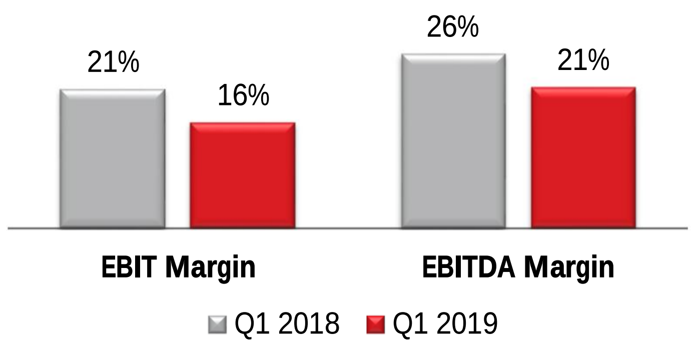
Q1 FISCAL 2019 HIGHLIGHTS

- Volumes lower due to customer inventory destocking and softer automotive demand in EMEA and China
- Specialty carbons and specialty compounds margins impacted by the timing of high cost feedstock
- Metal Oxides business results fully recovered from fourth quarter

SEGMENT EBIT AND EBITDA ($ MILLIONS)

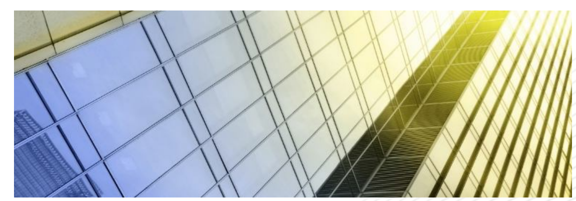


SEGMENT EBIT AND EBITDA MARGINS



FISCAL 2019 OUTLOOK

- Volumes expected to improve as automotive demand and global polymer prices recover
- Margin improvement in fiscal Q2 from lower raw material costs
- Anticipate demand to recover in China after Chinese New Year; stronger automotive demand and end to destocking

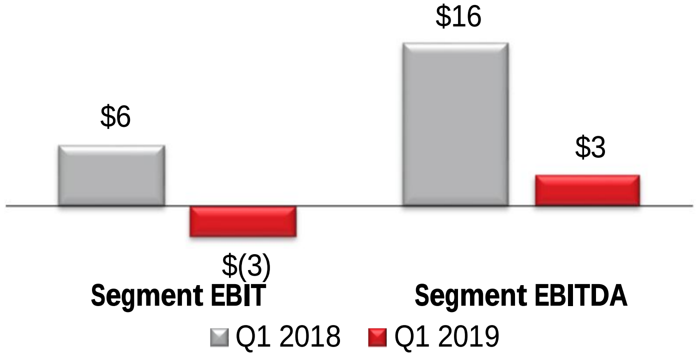


PURIFICATION SOLUTIONS SEGMENT OPERATING PERFORMANCE

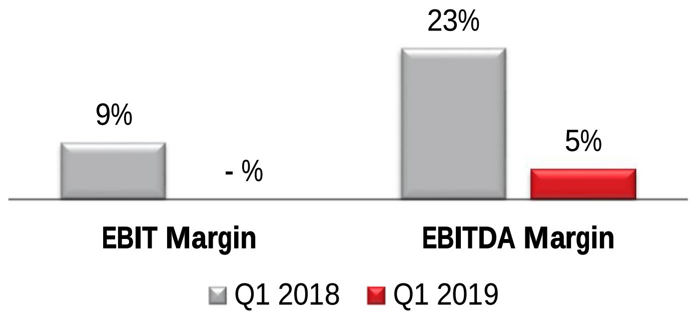
Q1 FISCAL 2019 HIGHLIGHTS

- Prior year royalty payment ($5M) did not reoccur
- Competitive intensity in mercury removal and North America powder applications drove lower volumes and margins

SEGMENT EBIT AND EBITDA ($ MILLIONS)



SEGMENT EBIT AND EBITDA MARGINS



FISCAL 2019 OUTLOOK

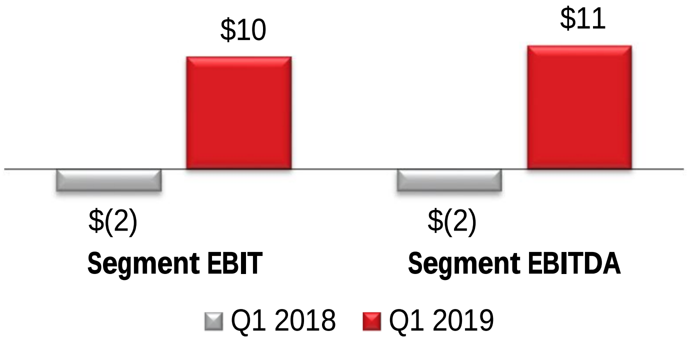
- Impact from transformation plan expected to drive EBIT improvement
- Continue to pursue strategic alternatives

SPECIALTY FLUIDS SEGMENT OPERATING PERFORMANCE

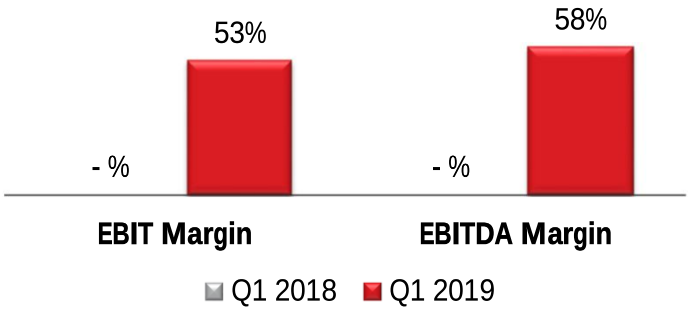
Q1 FISCAL 2019 HIGHLIGHTS

- Continued strong project activity in Middle East and Africa
- Entered into agreement to divest business

SEGMENT EBIT AND EBITDA ($ MILLIONS)



SEGMENT EBIT AND EBITDA MARGINS



FISCAL 2019 OUTLOOK

- Positioned well for solid second quarter of fiscal 2019
- Expect to close divestiture in third fiscal quarter

CORPORATE FINANCIAL ITEMS[1]

- Liquidity remains strong at $645 million
- Cash flow from operations of ($39) million; DFCF[2] of $45 million
- Capital expenditures of $54 million; $250-$275 million forecasted for fiscal 2019
- Share repurchases of $62 million and dividends of $20 million
- Year-to-date operating tax rate of 24%; forecasted 23%-25%

1. All amounts are for the first quarter fiscal 2019 or as of December 31, 2018, unless otherwise specified
2. Discretionary Free Cash Flow. For definition, refer to Non-GAAP Measures

FISCAL 2019 FINANCIAL PERFORMANCE OUTLOOK

REINFORCEMENT MATERIALS

- *Favorable industry fundamentals*
- *Positive outcome from 2019 customer agreements*
- *China pricing uncertainty in the short-term; strong leadership position in the long-term*

PERFORMANCE CHEMICALS

- *Specialty carbons and specialty compounds recover with automotive demand pickup*
- *Tailwind from lower specialty carbons feedstock*
- *Start up of new fumed silica plant in China in fiscal Q4*

PURIFICATION SOLUTIONS

- *Higher unit margins from better mix within specialty applications*
- *Performance improvement plan*
- *Positive impact to business performance expected*

SPECIALTY FLUIDS

- *Solid results into second fiscal quarter*
- *Divestiture expected to close in third fiscal quarter*

Adjusted earnings per share $4.20 - $4.60

Q&A

CABOT

USE OF NON-GAAP FINANCIAL MEASURES & DEFINITIONS OF TERMS USED

Use of Non-GAAP Financial Measures

This presentation includes references to adjusted earnings per share (EPS), total segment EBIT, segment EBITDA, adjusted EBITDA, discretionary free cash flow and operating tax rate, which are non-GAAP measures. Reconciliations of adjusted EPS to EPS from continuing operations, Total segment EBIT to Income (Loss) from continuing operations before income taxes and equity in earnings of affiliated companies, and operating tax rate to effective tax rate, the most directly comparable GAAP financial measures, are provided in the tables included in our first quarter earnings release and filed on our Current Report on Form 8-K filed on February 4, 2019.

Reconciliations for Total Segment EBIT and segment EBITDA for each segment are included in the following slides.

This presentation also includes our forecast of adjusted EPS for fiscal 2019. We do not provide a forecast for GAAP EPS or reconcile either our forecast of adjusted EPS to GAAP EPS or our expected adjusted EPS growth rate range with a GAAP EPS growth rate range because, without unreasonable effort, we are unable to predict with reasonable certainty the matters we would allocate to "certain items," including unusual gains and losses, costs associated with future restructurings, acquisition-related expenses and litigation outcomes. These items are uncertain, depend on various factors, and could have a material impact on GAAP EPS in future periods.

To calculate "Discretionary Free Cash Flow" we deduct sustaining and compliance capital expenditures and changes in Net Working Capital from cash flow from operating activities.

Explanation of Terms Used

Product Mix. The term "product mix" refers to the mix of types and grade of products sold or the mix of geographic regions where products are sold, and the positive or negative impact this has on the revenue or profitability of the business or segment.

Net Working Capital. The term "net working capital" includes accounts receivable, inventory and accounts payable and accrued liabilities.

NON-GAAP FINANCIAL MEASURES
TOTAL SEGMENT EBIT AND ADJUSTED EBITDA

Our Chief Operating Decision Maker uses segment income (loss) from continuing operations before interest and taxes (which we refer to as segment "EBIT") to evaluate the operating results of each segment and to allocate resources to the segments. We believe Total segment EBIT, which reflects the sum of EBIT from our 4 reportable segments, provides useful supplemental information for our investors as it is an important indicator of the Company's operational strength and performance, allows investors to see our results through the eyes of management, and provides context for our discussion of individual business segment performance. Total segment EBIT is a non-GAAP financial measure, and should not be considered an alternative for Income (loss) from continuing operations before income taxes and equity in earnings of affiliated companies, which is the most directly comparable GAAP financial measure. In calculating Total segment EBIT, we exclude from our income (loss) from continuing operations before income taxes and equity in earnings of affiliated companies: (i) items of expense and income that management does not consider representative of our fundamental on-going segment results, which we refer to as "certain items", and (ii) items that, because they are not controlled by the business segments and primarily benefit corporate objectives, are not allocated to our business segments, such as interest expense and other corporate costs, which include unallocated corporate overhead expenses such as certain corporate salaries and headquarter expenses, plus costs related to special projects and initiatives, which we refer to as "other unallocated items". Management believes excluding the items identified as certain items facilitates operating performance comparisons from period to period by eliminating the differences caused by the existence and timing of certain expenses and income items that would not otherwise be apparent on a GAAP basis. Investors should consider the limitations associated with this non-GAAP measure, including the potential lack of comparability of this measure from one company to another. A reconciliation of Total segment EBIT to Income (loss) from continuing operations before income taxes and equity in earnings of affiliated companies is below.

	Q1 2019	Q1 2018
Income (loss) from continuing operations before income taxes and equity in earnings of affiliated companies	**$ 70**	**$ 92**
Less: Certain items	(10)	7
Less: Other unallocated items	(25)	(28)
Total Segment EBIT	**$ 105**	**$ 113**
Plus: Total Depreciation & Amortization	35	39
Less: Unallocated Corporate Costs	12	14
Adjusted EBITDA	**$ 128**	**$ 138**

NON-GAAP FINANCIAL MEASURES
SEGMENT EBITDA

Segment EBITDA is comprised of Segment EBIT plus depreciation and amortization. Management believes that Segment EBITDA is useful supplemental information because it provides investors with a view of the cash generated by each of the Company's segments, which is available to fund operating needs such as working capital and capital expenditures as well as the cost of financing the Company's capital needs and returning cash to shareholders.

	Q1 2019	Q1 2018
Reinforcement Materials EBIT	$ 62	$ 62
Plus: Depreciation & Amortization	16	17
Reinforcement Materials EBITDA	**$ 78**	**$ 79**
	Q1 2019	**Q1 2018**
Performance Chemicals EBIT	$ 36	$ 47
Plus: Depreciation & Amortization	12	12
Performance Chemicals EBITDA	**$ 48**	**$ 59**
	Q1 2019	**Q1 2018**
Purification Solutions EBIT	$ (3)	$ 6
Plus: Depreciation & Amortization	6	10
Purification Solutions EBITDA	**$ 3**	**$ 16**
	Q1 2019	**Q1 2018**
Specialty Fluids EBIT	$ 10	$ (2)
Plus: Depreciation & Amortization	1	-
Specialty Fluids EBITDA	**$ 11**	**$ (2)**

NON-GAAP FINANCIAL MEASURES
DISCRETIONARY FREE CASH FLOW

To calculate “Discretionary Free Cash Flow” we deduct sustaining and compliance capital expenditures and changes in Net Working Capital from cash flow from operating activities.

	Q1 2019
Cash flow from operating activities (A)	$ (39)
Less: Changes in net working capital (B)	(111)
Less: Sustaining and compliance capital expenditures	27
Discretionary Free Cash Flow	**$ 45**

(A) As provided in the Condensed Consolidated Statement of Cash Flows.

(B) Defined as changes in accounts receivable, inventory and accounts payable and accrued liabilities as presented on the Condensed Consolidated Statement of Cash Flows.