



## Cabot Corporation Comments on Supreme Court's Ruling on Mercury and Air Toxics Standards Regulation for Coal-Fired Utility Plants

June 30, 2015

BOSTON--(BUSINESS WIRE)--Jun. 30, 2015-- Yesterday the United States Supreme Court remanded the Mercury and Air Toxics Standards (MATS) regulation back to the D.C. Circuit Court of Appeals, finding that the U.S. Environmental Protection Agency (EPA) did not properly consider cost in adopting the MATS regulation.

"We are, of course, disappointed with the result of this ruling which will cause a delay in the control of mercury and other hazardous air pollutants which is critical to public health and the environment," said Patrick Prevost, Cabot's president and CEO. "Furthermore, most of the coal-fired utilities have already invested in the control of mercury, and activated carbon has proven to be a cost-effective solution."

The toxicity and persistence of mercury in emissions from coal-fired power plants have caused environmental agencies in numerous states and Canada to establish regulatory controls on flue gas emissions. These regulations will remain in place.

The future of the MATS regulation, and the effect this ruling will have on our Purification Solutions segment, will depend on a variety of factors, including the future rulings of the D.C. Circuit Court of Appeals and the actions of the EPA. The timing of these actions is difficult to predict; however, these developments will likely cause a delay in the achievement of the Purification Solutions segment's EBITDA expectations for 2017.

The Purification Solutions segment represents approximately 10 percent of Cabot Corporation's revenue and EBITDA. The segment provides activated carbon for the purification of air, water and food, and supplies many industry and consumer sectors beyond the U.S. coal-fired utility industry. We will continue to focus on these growth markets and regions within the Purification Solutions segment and will manage our cost structure and capital plans appropriately.

### 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](#), and [aerogel](#). For more information on Cabot, please visit the company's website at: <http://www.cabotcorp.com>.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in the press release regarding Cabot's business that are not historical facts are forward looking statements that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K.

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