



Cabot Corporation Breaks Ground on New Fumed Silica Facility in China

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Cabot to increase fumed silica production through investment to meet market demand in China

WUHAJ, China & BOSTON--(BUSINESS WIRE)--Jun. 7, 2017-- [Cabot Corporation](#) (NYSE: CBT) and joint venture partner Inner Mongolia Hengye Cheng Silicone Co., Ltd (HYC) broke ground today on their new [fumed silica](#) manufacturing facility in Wuhai, China.

The project, announced in September 2016, is scheduled to be completed in 2019, and will further Cabot's position as a leading producer of fumed silica. Cabot and HYC are investing approximately \$60 million to build a world-class fumed silica manufacturing facility, with Cabot owning an 80 percent equity interest. In this mutually beneficial relationship, Cabot brings advanced fumed silica production technology and a strong leadership position in the rapidly growing region while HYC provides a long-term reliable source of feedstock.

CAB-O-SIL® fumed silica is a key ingredient in a variety of applications, including silicone elastomers, composites, [adhesives](#), [coatings](#), [energy storage](#) and [consumer goods](#). Cabot's fumed silica production technology ensures a high-performing and consistent fumed silica product that helps customers advance solutions in growth markets such as automotive, [construction](#) and renewable energy.

"Today is a momentous day for all of us as we break ground on this important expansion that will allow us to grow our manufacturing capabilities to meet the growing needs of our customers," said Sean Keohane, president and chief executive officer, Cabot Corporation. "We would like to thank our partners HYC and the Wuhai Municipality for their support, and we look forward to becoming a part of this community and contributing to it."

The new facility will have a manufacturing capacity of 8,000 metric tons of fumed silica per year. Cabot's latest technological advances will be incorporated in the plant design and operations. These technologies will enhance Cabot's leadership position in the industry, while promoting an industry standard in energy efficiency and recycling of by-product streams.

"This investment is an important milestone in our corporate strategy to extend our leadership in performance materials by investing for growth in our core businesses," Keohane continued. "We are proud of our industry and technology leadership in China, and this project further demonstrates our long-term commitment to this important core market."

"Our new facility will allow us to better serve our customers in parts of China where we expect to see significant growth and development in the coming years. At the same time, it will enable us to strengthen our overall production capacity to keep pace with growing global demand," said Nick Cross, executive vice president and president, Performance Chemicals segment. "Furthermore, we are committed to consistently delivering the highest quality products and customer service while practicing and promoting [Responsible Care](#). We have been a dedicated leader, promoter and practitioner of Responsible Care in China, and our new world-class fumed silica production site in will serve as an example of sustainable development in Wuhai."

"We are very glad to establish this partnership with Cabot. We will provide all-around support for the construction and operation of the new plant," said Wang Yongquan, Chairman of Zhejiang Zhongcheng Holding Group Co., Ltd, parent company of HYC. "HYC will work closely with Cabot to produce high quality silicone downstream products, in order to meet the growing demands of the Chinese market."

Cabot has operated in China for nearly 30 years, and currently operates manufacturing sites in Shanghai, Xingtai, Jiangxi and Tianjin.

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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