



## **Cabot Announces Joint Venture With China Bluestar New Chemical Materials Company, Ltd. To Build State-of-the-Art Fumed Silica Plant**

February 2, 2004

(Boston, MA and Beijing, China) - February 2, 2004 -- Cabot Corporation (NYSE: CBT) announced today that its wholly-owned subsidiary, Cabot (China) Ltd., has signed a joint venture agreement with Bluestar New Chemical Materials Co.,Ltd., a part of the China National Bluestar Group, to manufacture fumed silica in China. The new company will operate under the name Cabot Bluestar Chemical (Jiangxi) Company Ltd. Cabot will own 90 percent of the venture and Bluestar will own the remaining ten percent. The agreement was signed following a ceremony in China's Great Hall of the People.

Cabot Bluestar Chemical Company will invest approximately US \$30 million to build China's first world class, fumed silica manufacturing facility to be located near Nanchang, in Jiangxi province. Construction of the plant is expected to begin in spring 2004 and be completed in late 2005.

Kennett F. Burnes, Cabot Chairman and CEO said, "Our experience in China over the years has been very positive. We're excited about this partnership with Bluestar and the opportunity to provide a long-term, reliable source of high quality material. "

Ren Jianxin, President of China National Bluestar Group said, "This new facility, which will be built in close cooperation between Cabot and Bluestar, will become the first state-of-the-art fumed silica plant in China, and a great help to the growth of the Chinese silicone industry."

The Honorable Huang Zhiqun, Governor of Jiangxi Province, said, "All levels of the Jiangxi government will provide all necessary support to ensure the success of the Cabot-Bluestar joint venture."

Cabot has had operations in China for more than a decade and has carbon black manufacturing facilities in Shanghai. The new plant in Jiangxi will become Cabot's sixth fumed silica plant. The other Cabot fumed silica manufacturing facilities are located throughout the US and Europe.

### About Cabot Corporation

Cabot Corporation is a global specialty chemicals and performance materials company headquartered in Boston, MA. The Company produces carbon black, fumed silica and metal oxides, thermoplastic concentrates, specialty metals, ink-jet colorants, and drilling fluids. Our website address is: <http://www.cabot-corp.com>

### About China National Bluestar (Group) Corporation

China National Bluestar (Group) Corporation is one of the backbone state-owned enterprises in China, administered by the central government, headquartered in Beijing with a total asset of over 20 billion yuan. The Bluestar Group owns 10 specialized companies under which there are nearly hundreds of enterprise and scientific research institutions, as well as three listed companies in the stock market. Its overseas branch offices are located in the USA, Japan, Australia and Ukraine.