



Cabot Corporation and AVX in Tantalum Supply Dispute

August 5, 2002

AVX Files Complaint in U.S. District Court

BOSTON, MA (August 5, 2002) – Cabot Corporation (CBT/NYSE) today announced that one of its tantalum customers, AVX Corporation (AVX/NYSE), filed a complaint against Cabot in U.S. District Court in Massachusetts on July 29, 2002. The complaint involves a supply agreement between Cabot and AVX entered into in January 2001 and claims unfair and deceptive trade practices, breach of contract, and other related matters. Cabot believes that AVX's complaint is not meritorious and that Cabot has valid defenses, which it intends to assert vigorously. AVX has indicated, however, that it intends to continue to purchase product under the supply agreement with Cabot. The parties are in discussions and Cabot is hopeful that an amicable resolution will be reached.

Cabot Corporation is a Fortune 500 global specialty chemicals and materials company headquartered in Boston, MA. Cabot's major products are carbon black, fumed silica, inkjet colorants, and capacitor materials.