



## **Cabot Announces Increase in Share Repurchase Program**

September 17, 2007

BOSTON, Sept. 17 /PRNewswire-FirstCall/ -- Cabot Corporation (NYSE: CBT) today announced that at its meeting on September 14, 2007 the Board of Directors increased its existing authorization to repurchase shares of the Company's common stock by five million shares, bringing the total number of shares authorized for repurchase to ten million. In May 2007 the Board authorized the repurchase of up to five million shares of the Company's common stock. To date, the Company has repurchased approximately 4.1 million shares under this authorization, leaving approximately 5.9 million shares available for repurchase under the expanded authorization.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20000323/CABOTLOGO> )

The timing and amount of any shares repurchased will be determined by Cabot's management based on its evaluation of market conditions and other factors. Shares will be repurchased using the Company's existing sources of liquidity and free cash flow generated in the future. As of June 30, 2007, the Company had cash and cash equivalents of approximately \$229 million. The repurchase program may be suspended or discontinued at any time. All shares repurchased through this program will be retired and restored to the status of authorized but unissued shares of common stock of the Company. As of September 13, 2007, the Company had approximately 66.6 million shares of common stock outstanding.

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

Statements in this press release regarding the Company's intention to repurchase shares of its common stock from time to time under the stock repurchase program and the source of funding are forward-looking statements. There are a number of important factors that could cause actual events to differ materially from those suggested or indicated by such forward-looking statements. These include, among others, the market price of the Company's stock prevailing from time to time, the nature of other investment opportunities presented to the Company from time to time, the Company's cash flows from operations, general economic conditions, and other factors identified in the Company's 2006 Annual Report on Form 10-K and most recent Quarterly Reports on Form 10-Q filed with the SEC

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SOURCE Cabot Corporation