FORM 10-Q

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended

JUNE 30, 1996

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______ to _______

COMMISSION FILE NUMBER 1-5667

CABOT CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	04-2271897
(State of Incorporation)	(I.R.S. Employer Identification No.)
75 STATE STREET	02109-1806
BOSTON, MASSACHUSETTS	(Zip Code)
(Address of principal executive offices)	

Registrant's telephone number, including area code: (617) 345-0100

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

YES X NO ___

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of the latest practicable date.

AS OF JUNE 30, 1996, THE COMPANY HAD 71,418,021 SHARES OF COMMON STOCK, PAR VALUE $1 PER SHARE, OUTSTANDING.

CABOT CORPORATION

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PART I. FINANCIAL INFORMATION
ITEM 1.

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Three Months Ended June 30, 1996 and 1995

(Dollars in thousands)

UNAUDITED

	1996	1995
Revenues:		
Net sales and other operating revenues	$457,318	$494,817
Interest and dividend income	2,171	2,182
Total revenues	459,489	496,999
Costs and expenses:		
Cost of sales	318,510	336,139
Selling and administrative expenses	50,842	63,441
Research and technical service	21,301	15,180
Interest expense	10,571	8,567
Other charges, net	5,107	7,838
Total costs and expenses	406,331	431,165
Income before income taxes	53,158	65,834
Provision for income taxes	(19,668)	(24,358)
Equity in net income of affiliated companies	4,091	5,656
Minority interest	(1,831)	(107)
Net income	35,750	47,025
Dividends on preferred stock, net of tax benefit of $635 and $477, respectively	(715)	(886)
Income applicable to primary common shares	$ 35,035	$ 46,139
Weighted average common shares outstanding (000):		
Primary	72,710	77,980
Fully diluted (Note A)	78,808	84,376
Income per common share:		
Primary	$ 0.48	$ 0.59
Fully diluted (Note A)	$ 0.45	$ 0.55
Dividends per common share	$ 0.09	$ 0.07

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Nine Months Ended June 30, 1996 and 1995

(Dollars in thousands)

UNAUDITED

	1996	1995
Revenues:		
Net sales and other operating revenues	$1,391,621	$1,404,117
Interest and dividend income	6,886	6,623
Total revenues	1,398,507	1,410,740
Costs and expenses:		
Cost of sales	968,942	962,388
Selling and administrative expenses	150,120	181,469
Research and technical service	53,955	41,684
Interest expense	31,205	27,475
Other charges, net	13,874	16,294
Total costs and expenses	1,218,096	1,229,310
Income before income taxes	180,411	181,430
Provision for income taxes	(66,752)	(67,129)
Equity in net income of affiliated companies	12,747	12,655
Minority Interest	(4,390)	356
Net income	122,016	127,312
Dividends on preferred stock, net of tax benefit of $1,585 and $1,435, respectively	(2,479)	(2,665)
Income applicable to primary common shares	$ 119,537	$ 124,647
Weighted average common shares outstanding (000):		
Primary	73,383	77,678
Fully diluted (Note A)	79,481	84,310
Income per common share:		
Primary	$ 1.63	$ 1.61
Fully diluted (Note A)	$ 1.52	$ 1.49
Dividends per common share	$ 0.27	$ 0.21

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS

June 30, 1996 and September 30, 1995

(Dollars in thousands)

ASSETS

	June 30 1996 (Unaudited)	September 30 1995
Current assets:		
Cash and cash equivalents	$ 34,939	$ 90,792
Accounts and notes receivable (net of reserve for doubtful accounts of $5,358 and $5,207)	313,671	292,777
Inventories:		
Raw materials	70,039	64,830
Work in process	73,952	47,058
Finished goods	111,780	97,597
Other	45,289	43,625
Total inventories	301,060	253,110
Prepaid expenses	19,341	13,499
Deferred income taxes	26,476	27,681
Total current assets	695,487	677,859
Investments:		
Equity	74,332	98,866
Other	150,158	119,866
Total investments	224,490	218,732
Property, plant and equipment, at cost	1,671,385	1,447,653
Accumulated depreciation	(808,991)	(741,132)
Net property, plant and equipment	862,394	706,521
Other assets:		
Intangible assets, net of amortization	33,191	13,922
Deferred income taxes	6,645	6,949
Other assets	25,276	30,350
Total other assets	65,112	51,221
Total assets	$1,847,483	$1,654,333

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION

CONSOLIDATED BALANCE SHEETS
June 30, 1996 and September 30, 1995

(Dollars in thousands)

LIABILITIES & STOCKHOLDERS' EQUITY

	June 30 1996 (Unaudited)	September 30 1995
Current liabilities:		
Notes payable to banks	$ 236,473	$ 52,437
Current portion of long-term debt	15,387	15,709
Accounts payable and accrued liabilities	249,908	260,879
U.S. and foreign income taxes payable	26,732	69,286
Deferred income taxes	3,891	4,068
Total current liabilities	532,391	402,379
Long-term debt	336,287	306,443
Deferred income taxes	109,317	100,353
Other liabilities	150,400	152,747
Commitments and contingencies (Note B)		
Minority interest	25,220	7,411
Stockholders' Equity (Note C):		
Preferred Stock: Authorized: 2,000,000 shares of $1 par value; Series A Junior Participating Preferred Stock Issued and outstanding: none; Series B ESOP Convertible Preferred Stock 7.75% Cumulative Issued: 75,336 shares (aggregate redemption value of $71,341 and $72,576)	75,336	75,336
Less cost of shares of preferred treasury stock	(6,288)	(4,836)
Common stock: Authorized: 200,000,000 and 80,000,000 shares of $1 par value; Issued: 135,549,936 and 67,774,968 shares	135,550	67,775
Additional paid-in capital	13,020	17,799
Retained earnings	1,111,403	1,062,482
Less cost of common treasury stock (including unearned amounts of $18,265 and $11,823)	(641,130)	(539,585)
Deferred employee benefits	(64,701)	(65,907)
Unrealized gain on marketable securities	48,963	32,023
Foreign currency translation adjustments	21,715	39,913
Total stockholders' equity	693,868	685,000
Total liabilities and stockholders' equity	$1,847,483	$1,654,333

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
Nine Months Ended June 30, 1996 and 1995

(Dollars in thousands)
UNAUDITED

	1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 122,016	$ 127,312
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	73,194	71,686
Deferred tax provision	123	4,736
Equity in net income of affiliated companies, net of dividends received	(1,384)	(4,245)
Other, net	6,969	4,779
Changes in assets and liabilities, net of consolidation of equity affiliates:		
Increase in accounts receivable	(11,703)	(58,343)
Increase in inventory	(38,635)	(53,297)
Decrease in accounts payable and accruals	(24,924)	(5,299)
Decrease in prepayments and intangible assets	2,029	5,332
Decrease in income taxes payable	(44,252)	13,466
Other, net	(1,652)	1,024
Cash provided by operating activities	81,781	107,151
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to plant, property and equipment	(134,871)	(86,348)
Investments and acquisitions	(52,639)	(20)
Cash provided from consolidation of equity affiliates	9,306	
Sales of property, plant and equipment	2,621	136
Other	1,223	
Cash used by investing activities	(174,360)	(86,232)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	11,258	17,385
Repayments of long-term debt	(27,568)	(156,114)
Increase in short-term debt	170,884	94,133
Purchases of treasury stock	(102,709)	(14,834)
Sales and issuance of treasury stock	8,828	8,533
Cash dividends paid to stockholders	(23,742)	(18,656)
Cash provided (used) by financing activities	36,951	(69,553)
Effect of exchange rate changes on cash	(225)	2,170
Decrease in cash and cash equivalents	(55,853)	(46,464)
Cash and cash equivalents at beginning of period	90,792	80,917
Cash and cash equivalents at end of period	$ 34,939	$ 34,453

The accompanying notes are an integral part of these financial statements.

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 1996

A. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Cabot Corporation and majority-owned and controlled domestic and foreign subsidiaries. Investments in majority-owned affiliates where control does not exist and investments in 20 percent to 50 percent-owned affiliates are accounted for using the equity method. As of October 1, 1995, the Company changed the accounting for its Czech Republic and Indian carbon black affiliates from the equity method to the consolidated method upon achieving control. Intercompany transactions have been eliminated.

The financial statements have been prepared in accordance with the Securities and Exchange Commission requirements for Form 10-Q and consequently do not include all information required to be disclosed by the Securities and Exchange Commission on the Form 10-K. Additional information may be obtained by referring to the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 1995.

The financial information submitted herewith is unaudited and reflects all adjustments which are, in the opinion of management, necessary to provide a fair statement of the results for the interim periods ended June 30, 1996 and 1995. All such adjustments are of a normal recurring nature. The results for interim periods are not necessarily indicative of the results to be expected for the fiscal year.

Earnings Per Share

The computation of fully diluted earnings per share considers the conversion of the Company's Series B ESOP Convertible Preferred Stock held by the Company's Employee Stock Ownership Plan, and also includes the potentially dilutive effects of the stock options and rights issued under the Company's Equity Incentive Plans.

Reclassification

Certain amounts in fiscal 1995 have been reclassified to conform to the fiscal 1996 presentation.

B. COMMITMENTS AND CONTINGENCIES

The Company has various lawsuits, claims and contingent liabilities. In the opinion of the Company, although final disposition of all of its suits and claims may impact the Company's financial statements in a particular period, they should not, in the aggregate, have a material adverse effect on the Company's financial position. As of the end of the quarter, approximately $60 million was committed for various capital projects.

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 1996
UNAUDITED

C. STOCKHOLDERS' EQUITY

The following table summarizes the changes in stockholders' equity for the nine months ended June 30, 1996.

(Dollars in thousands)	Preferred Stock Shares Issued	Preferred Stock Value	Preferred Treasury Stock Shares	Preferred Treasury Stock Cost	Common Stock Shares Issued	Common Stock Value	Additional Paid-in Capital	Retained Earnings
Balance at September 30, 1995	75,336	$75,336	5,036	$(4,836)	67,774,968	$ 67,775	$ 17,799	$1,062,482
Net Income								122,016
Common stock dividends paid								(19,423)
Redempton of preferred stock purchase rights								(1,840)
Issuance of treasury stock under employee compensation plans							11,988	(10)
Purchase of treasury stock - common								
Purchase of treasury stock - preferred			580	(1,452)				
Sale of treasury stock to Cabot Retirement Incentive Savings Plan							1,665	
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax								(2,479)
Principal payment by Employee Stock Ownership Plan under guaranteed loan								
Effect of two-for-one stock split distributed March 22, 1996					67,774,968	67,775	(18,432)	(49,343)
Amortization of unearned compensation								
Unrealized gain/(loss), net of deferred tax								
Foreign currency translation adjustments								
Balance at June 30, 1996	75,336	$75,336	5,616	$(6,288)	135,549,936	$135,550	$ 13,020	$1,111,403

(Dollars in thousands)	Common Treasury Stock Shares	Common Treasury Stock Cost	Unearned Compensation	Deferred Employee Benefits	Unrealized Gain/(Loss) Marketable Securities	Foreign Currency Translation Adjustments	Total Stockholders' Equity
Balance at September 30, 1995	30,392,967	$(528,751)	$(10,834)	$(65,907)	$32,023	$ 39,913	$ 685,000
Net Income							122,016
Common stock dividends paid							(19,423)
Redempton of preferred stock purchase rights							(1,840)
Issuance of treasury stock under employee compensation plans	(444,375)	6,228	(11,958)				6,248
Purchase of treasury stock - common	2,187,809	(101,257)					(101,257)
Purchase of treasury stock - preferred							(1,452)
Sale of treasury stock to Cabot Retirement Incentive Savings Plan	(63,562)	915					2,580
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax							(2,479)
Principal payment by Employee Stock Ownership Plan under guaranteed loan				1,206			1,206

Effect of two-for-one stock split distributed March 22, 1996	32,059,076						
Amortization of unearned compensation			4,527				4,527
Unrealized gain/(loss), net of deferred tax					16,940		16,940
Foreign currency translation adjustments						(18,198)	(18,198)
Balance at June 30, 1996	64,131,915	$(622,865)	$(18,265)	$(64,701)	$48,963	$ 21,715	$ 693,868

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 1996
(Continued)

D. ACQUISITION

On February 16, 1996, the Company acquired an 80% controlling ownership interest in an Indonesian carbon black company for approximately $50 million which was accounted for as a purchase. The appraisals for the estimated fair values of assets and liabilities have not yet been completed. Accordingly, final purchase accounting adjustments may be required in order to properly state assets and liabilities at their fair value as of the date of acquisition. Results of operations, subsequent to the acquisition date have been included in the Consolidated Statements of Income as of June 30, 1996.

E. SUBSEQUENT EVENTS

On July 31, 1996, the Company sold approximately 1.85 million shares of its investment in KN Energy, Inc. The Company received cash proceeds of $57.6 million related to the sale.

ITEM 2. CABOT CORPORATION

Management's Discussion and Analysis of Financial Condition and Results of Operations

I. RESULTS OF OPERATIONS

Sales and operating profit by industry segment are shown in the accompanying table on page 14.

THREE MONTHS ENDED JUNE 30, 1996 VERSUS THREE MONTHS ENDED JUNE 30, 1995

Net income for the third quarter of fiscal year 1996 was $35.7 million ($0.48 per primary common share and $0.45 per fully diluted common share) compared with $47.0 million ($0.59 per primary common share and $0.55 per fully diluted common share) in the same quarter a year ago. Net sales and other operating revenues fell 8% to $457.3 million from last year's $494.8 million. Operating profit declined 12% to $71.3 million from $81.1 million last year. Performance in 1996 excluded the results of Cabot Safety Corporation, which was restructured in July,1995. Exclusive of Cabot Safety, third quarter revenues increased 4% and operating profit fell 4% from the prior year.

In the Specialty Chemicals and Materials Group, sales declined 13% to $359.7 million from $413.9 million last year and operating profit decreased 16% to $68.6 million from $81.8 million. The decrease in operating profit reflects an overall 4% decline in volumes and significantly higher spending on research and development and new business initiatives, largely offset by better margins than a year ago. The most significant volume variances by business were a 16% decline in performance materials (tantalum) and a 10% decline in plastics. Regionally, the most significant volume declines were in the European specialty chemicals businesses. Volumes improved in the Pacific Asia region due to the recent acquisition of the Company's second Indonesian carbon black subsidiary. Results in 1995 included a contribution from Cabot Safety Corporation. Exclusive of Cabot Safety, sales for the Group were flat, and operating profit fell 8%.

In the Energy Group, sales increased 21% from $80.9 million to $97.6 million, and operating profit improved to $2.7 million from a loss of $0.7 million last year. The improvement was mainly due to higher volumes and lower development spending in the Group's liquefied natural gas (LNG) business.

The Company experienced weakened demand during the quarter in Europe, North America and South America. This led to volume declines in most of the Company's specialty chemicals businesses. In addition, a slowdown in the North American personal electronics market led to lower sales in Cabot's tantalum business. This slowdown, coupled with an inventory correction in the electronics industry, is expected to continue for the next several months. In light of the various global economic uncertainties, and continued spending on research and development and new business initiatives, the Company is not anticipating earnings growth in fiscal year 1996 versus 1995.

New products continue to be the focus of future earnings growth. A new product as referred to here is a product first sold in commercial quantities within the last five years. New products are expected to account for over 8% of revenues and 5% of volumes in 1996. These products generally have higher margins than older products, but are not yet significant enough to offset the effects of a possible short-term decline in demand for traditional products. It is expected that these new products will begin to make significant profit contributions during fiscal 1997. During the quarter, two new business units within the Company were formed, Ink Jet Colorants and Cabot Specialty Fluids.

The Company plans to incur approximately $15 million of expense on one particular research and development project during fiscal 1996. The Company has developed a new dispersion technology which may dramatically change the way in which reinforcing materials are dispersed in rubber. Using this technology, the Company is developing a new line of products known as elastomer composites. The Company is constructing a pilot plant in Malaysia to allow further development and testing of these new products.

CABOT CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations

NINE MONTHS ENDED JUNE 30, 1996 VERSUS
NINE MONTHS ENDED JUNE 30, 1995

For the nine months ended June 30, 1996, net income was $122.0 million ($1.63 per primary common share and $1.52 per fully diluted common share) compared with $127.3 million ($1.61 per primary common share and $1.49 per fully diluted common share) in the same period a year ago. Net sales slipped 1% to $1,391.6 million from $1,404.1 million last year, and operating profit grew 1% to $232.8 million, from $231.5 million.

In the Specialty Chemicals and Materials Group, revenues decreased 6% during the first nine months to $1,074.0 million from $1,148.2 million last year and operating profit fell 3% to $212.8 million from $219.3 million. The decline is due to the absence of Cabot Safety Corporation, which was restructured in July 1995. On a comparable basis, revenues increased 6% and operating profit grew 5%. Compared with the same nine month period a year ago, improved pricing was partially offset by increased raw material costs, volume declines during the latter part of the period, most notably in the Company's European businesses, and increased spending on research and development and new business initiatives.

In the Energy Group, sales increased 24% to $317.6 million from $255.9 million and operating profit grew 64% to $20.0 million from $12.2 million. Operating profit in fiscal 1996 included a $3.3 million reimbursement of expenses, accounted for as a gain (approximately $0.03 per fully diluted common share), associated with the reduction in the Company's ownership position, from 25% to 10%, in the Trinidad natural gas liquefaction plant project. Operating profit exclusive of this gain improved 37%, largely due to reduced development spending and improved volumes and pricing in the Company's LNG business, partially offset by significantly higher costs for pipeline gas in that business. Supplies of LNG continued to be curtailed by the refurbishment efforts of the Company's Algerian supplier. This is expected to continue through the balance of the fiscal year and is affecting the ability of the business to participate in a strong summer refill market.

As previously announced, the Company is a participant in a Trinidad liquefaction project. During the third quarter, contracts were finalized for the gas supply, gas sales and the construction of the liquefaction facility. The project schedule calls for shipments beginning in the Company's fiscal year 2000. As previously announced, the Company has agreed to sell its subsidiary, TUCO INC., to Southwestern Public Service Company ("SPS") for consideration of approximately $77 million. The sale is subject to regulatory approval. One such approval, involving SPS's request for special rate treatment for the transaction, was recently denied by the Public Utility Commission of Texas and a motion for rehearing was also denied. SPS is now working with a third party in an effort to complete the transaction.

Interest expense increased 13% to $31.2 million from $27.5 million last year. The increase is due to higher total debt than a year ago, primarily due to the stock repurchase program described below and the consolidation of the Czech Republic and Indian carbon black affiliates.

The Company's effective tax rate was at 37% for the nine month periods ended June 30, 1996 and June 30, 1995.

CABOT CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations (Continued)

II. CASH FLOWS AND LIQUIDITY

During the first nine months of the year, the Company's operations provided $81.8 million of cash compared to $107.2 million last year. The change is primarily due to the timing of tax payments and a greater decrease in accounts payable, partially offset by a smaller increase in accounts receivable and inventory as compared with the same period last year.

The Company increased its borrowings by $154.6 million during the first nine months of the year. The increase primarily relates to share repurchases, the purchase of an 80% interest in P.T. Continental Carbon Indonesia and the consolidation of the Czech Republic and Indian carbon black affiliates.

Capital spending for the first nine months of the year was $187.5 million. In addition to the Indonesian acquisition mentioned above, the Company has continued to invest in several previously announced capacity expansions, including a contract-supported carbon black expansion at Ville Platte, Louisiana, and capacity expansions in the South American and Pacific Asia carbon black businesses and the performance materials (tantalum) business. The Company expects total capital expenditures of approximately $250 million during the 1996 fiscal year. In light of softened demand in certain markets, the Company will proceed cautiously with planned expansions and may delay one or more projects depending on how market forecasts develop. Already, the Company has delayed construction of a new carbon black unit in North America and a new North American fumed silica plant.

During the first nine months of the year, the Company repurchased 2.2 million shares of its common stock. Approximately 0.4 million shares were repurchased under the Company's current 4 million share authorization. As a result, the number of outstanding shares was reduced by approximately 5.5%. To the extent shares are repurchased over the remainder of the year, the Company plans to finance such repurchases with proceeds from the recent sale of a portion of its investment in KN Energy, Inc., the pending sale of TUCO INC. or through interim period borrowings.

The Company's ratio of total debt (including short-term debt, net of cash) to capital increased from 29% at September 30, 1995, to 43% at the end of the third quarter due to increased borrowings for the share repurchases, capital expenditures and working capital, and due to reductions in capital resulting from share repurchases.

Management expects cash from operations and present financing arrangements, including the Company's unused line of credit of $250 million, to be sufficient to meet the Company's cash requirements for the foreseeable future.

CABOT CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations (Continued)

(Dollars in millions, except per share amounts)

UNAUDITED

	Three Months Ended		Nine Months Ended	
	6/30/96	6/30/95	6/30/96	6/30/95
Industry Segment Data				
Sales:				
Specialty Chemicals and Materials	$359.7	$413.9	$1,074.0	$1,148.2
Energy	97.6	80.9	317.6	255.9
Net sales	$457.3	$494.8	$1,391.6	$1,404.1
Operating profit:				
Specialty Chemicals and Materials	$ 68.6	$ 81.8	$ 212.8	$ 219.3
Energy	2.7	(0.7)	20.0	12.2
Total operating profit	71.3	81.1	232.8	231.5
Interest expense	(10.6)	(8.6)	(31.2)	(27.5)
General corporate/other expenses	(7.6)	(6.7)	(21.2)	(22.7)
Income before income taxes	53.1	65.8	180.4	181.3
Provision for income taxes	(19.7)	(24.4)	(66.7)	(67.1)
Equity in net income of affiliated companies	4.1	5.7	12.7	12.7
Minority interest	(1.8)	(0.1)	(4.4)	0.4
Net income	35.7	47.0	122.0	127.3
Dividends on preferred stock	(0.7)	(0.9)	(2.5)	(2.7)
Income applicable to primary common shares	$ 35.0	$ 46.1	$ 119.5	$ 124.6
Income per common share:				
Primary	$ 0.48	$ 0.59	$ 1.63	$ 1.61
Fully diluted	$ 0.45	$ 0.55	$ 1.52	$ 1.49

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

The exhibit numbers in the following list correspond to the number assigned to such exhibits in the Exhibit Table of Item 601 of Regulation S-K.

Exhibit Number	Description
11	Statement Regarding Computation of Per Share Earnings, filed herewith.
12	Statement Regarding Computation of Ratio of Earnings to Fixed Charges, filed herewith.
27	Financial Data Schedule, filed herewith.(Not included with printed copy of the Form 10-Q.)

(b) Reports on Form 8-K

No report on Form 8-K was filed by the Company during the three months ended June 30, 1996.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CABOT CORPORATION

Date: August 14, 1996	/s/ Kenyon C. Gilson -------------------- Kenyon C. Gilson Executive Vice President and Chief Financial Officer
Date: August 14, 1996	/s/ Paul J. Gormisky -------------------- Paul J. Gormisky Vice President and Controller (Chief Accounting Officer)

EXHIBIT 11

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

STATEMENT REGARDING COMPUTATION OF PER SHARE EARNINGS
For the three month period ended June 30, 1996
(In thousands, except per share amounts)

	Primary	Fully Diluted
Shares of common stock outstanding at April 1, 1996, less treasury stock	71,436	71,436
Plus net weighted shares of treasury stock issued	120	120
Plus common stock equivalents:		
Effect of convertible preferred stock conversion		6,098
Effect of equity incentive awards	1,154	1,154
Weighted average shares outstanding	72,710	78,808
Income applicable to common shares	$35,035	$35,035
Dividends on preferred stock		715
Preferred stock conversion compensation shortfall		(514)
Earnings applicable to common shares	$35,035	$35,236
Earnings per common share	$ 0.48	$ 0.45

EXHIBIT 11

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

STATEMENT REGARDING COMPUTATION OF PER SHARE EARNINGS
For the nine month period ended June 30, 1996
(In thousands, except per share amounts)

	Primary	Fully Diluted
Shares of common stock outstanding at October 1, 1995 less treasury stock	74,764	74,764
Plus net weighted shares of treasury stock purchased	(2,528)	(2,528)
Plus common stock equivalents:		
Effect of convertible preferred stock conversion		6,098
Effect of equity incentive awards	1,147	1,147
Weighted average shares outstanding	73,383	79,481
Income applicable to common shares	$119,537	$119,537
Dividends on preferred stock		2,479
Preferred stock conversion compensation shortfall		(1,547)
Earnings applicable to common shares	$119,537	$120,469
Earnings per common share	$ 1.63	$ 1.52

EXHIBIT 12

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

STATEMENT REGARDING COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in thousands)

	Nine Months ended	Years ended September 30				
	June 30, 1996	1995	1994	1993	1992	1991
Earnings:						
Pre-tax income from continuing operations	$180,411	$256,342	$118,325	$ 67,900	$116,599	$ 62,362
Distributed income of affiliated companies	9,636	11,699	5,638	5,988	5,766	4,688
Add fixed charges:						
Interest on indebtedness	31,205	35,639	41,668	44,043	41,714	38,661
Portion of rents representative of the interest factor	3,418	5,515	5,879	4,838	4,933	5,715
Income as adjusted	$224,670	$309,195	$171,510	$122,769	$169,012	$111,426
Fixed charges:						
Interest on indebtedness	$ 31,205	$ 35,639	$ 41,668	$ 44,043	$ 41,714	$ 38,661
Capitalized interest					3,963	8,745
Portion of rents representative of the interest factor	3,418	5,515	5,879	4,838	4,933	5,715
Total fixed charges	$ 34,623	$ 41,154	$ 47,547	$ 48,881	$ 50,610	$ 53,121
Ratio of earnings to fixed charges	6.49	7.51	3.61	2.51	3.34	2.10

*THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS (UNAUDITED) OF CABOT CORPORATION FOR THE NINE MONTHS ENDED JUNE 30, 1996, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
US DOLLARS

9-MOS
SEP-30-1996
OCT-01-1995
JUN-30-1996
1
34,939
0
319,029
5,358
301,060
649,670
1,671,385
808,991
1,847,483
532,391
336,287
135,550
0
75,336
1,111,446
1,847,483
1,391,621
1,398,507
968,942
968,942
67,829
0
31,205
180,411
66,752
122,016
0
0
0
122,016
1.63
1.52