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

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

For the quarterly period ended

DECEMBER 31, 1995

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 DECEMBER 31, 1995, THE COMPANY HAD 35,603,870 SHARES OF COMMON STOCK, PAR VALUE \$1 PER SHARE, OUTSTANDING.

CABOT CORPORATION

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Part I. Financial Information

Item 1. Financial Statements

CABOT CORPORATION
 CONSOLIDATED STATEMENTS OF INCOME
 Three Months Ended December 31, 1995 and 1994

(Dollars in thousands, except per share amounts)

UNAUDITED

	1995	1994
	----	----
Revenues:		
Net sales and other operating revenues	\$443,031	\$427,960
Interest and dividend income	2,461	2,535
	-----	-----
Total revenues	445,492	430,495
	-----	-----
Costs and expenses:		
Cost of sales	305,133	296,829
Selling and administrative expenses	46,631	55,568
Research and technical service	14,277	12,839
Interest expense	9,421	10,036
Other charges, net	5,273	4,326
	-----	-----
Total costs and expenses	380,735	379,598
	-----	-----
Income before income taxes	64,757	50,897
Provision for income taxes	(23,960)	(18,832)
Equity in net income of affiliated companies	3,723	1,683
Minority interest	(1,169)	160
	-----	-----
Net income	43,351	33,908
Dividends on preferred stock, net of tax benefit of \$475 and \$479	(883)	(890)
	-----	-----
Income applicable to primary common shares	\$ 42,468	\$ 33,018
	=====	=====
Weighted average common shares outstanding (000):		
Primary	37,557	38,619
Fully diluted (Note A)	40,659	41,740
Income per common share:		
Primary	\$ 1.13	\$ 0.85
	=====	=====
Fully diluted (Note A)	\$ 1.05	\$ 0.80
	=====	=====
Dividends per common share	\$ 0.18	\$ 0.14
	=====	=====

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

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
December 31, 1995 and September 30, 1995

(Dollars in thousands)

ASSETS

	December 31 1995 (Unaudited)	September 30 1995
	-----	-----
Current assets:		
Cash and cash equivalents	\$ 55,996	\$ 90,792
Accounts and notes receivable (net of reserve for doubtful accounts of \$5,325 and \$5,207)	302,266	292,777
Inventories:		
Raw materials	75,692	64,830
Work in process	57,870	47,058
Finished goods	115,086	97,597
Other	46,389	43,625
Total inventories	----- 295,037	----- 253,110
Prepaid expenses	18,403	13,499
Deferred income taxes	29,498	27,681
Total current assets	----- 701,200	----- 677,859
Investments:		
Equity	75,787	98,866
Other	127,009	119,866
Total investments	----- 202,796	----- 218,732
Property, plant and equipment	1,537,627	1,447,653
Accumulated depreciation and amortization	(766,715)	(741,132)
Net property, plant and equipment	----- 770,912	----- 706,521
Other assets:		
Intangible assets, net of amortization	13,789	13,922
Deferred income taxes	7,404	6,949
Other assets	31,757	30,350
Total other assets	----- 52,950	----- 51,221
Total assets	----- \$1,727,858 =====	----- \$1,654,333 =====

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

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
December 31, 1995 and September 30, 1995

(Dollars in thousands)

LIABILITIES & STOCKHOLDERS' EQUITY

	December 31 1995 (Unaudited) -----	September 30 1995 -----
Current liabilities:		
Notes payable to banks	\$ 163,818	\$ 52,437
Current portion of long-term debt	14,481	15,709
Accounts payable and accrued liabilities	253,558	260,879
U.S. and foreign income taxes payable	44,462	69,286
Deferred income taxes	4,334	4,068
	-----	-----
Total current liabilities	480,653	402,379
	-----	-----
Long-term debt	335,118	306,443
Deferred income taxes	106,938	100,353
Other liabilities	148,408	152,747
Commitments and contingencies (Note B)		
Minority interest	26,263	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 \$71,753 and \$72,479)	75,336	75,336
Less cost of shares of preferred treasury stock	(5,249)	(4,836)
Common stock:		
Authorized: 80,000,000 shares of \$1 par value Issued: 67,774,968 shares	67,775	67,775
Additional paid-in capital	17,762	17,799
Retained earnings	1,096,494	1,062,482
Less cost of common treasury stock (including unearned amounts of \$9,165 and \$10,834)	(626,045)	(539,585)
Deferred employee benefits	(65,513)	(65,907)
Unrealized gain on marketable securities	36,482	32,023
Foreign currency translation adjustments	33,436	39,913
	-----	-----
Total stockholders' equity	630,478	685,000
	-----	-----
Total liabilities and stockholders' equity	<u>\$1,727,858</u>	<u>\$1,654,333</u>
	=====	=====

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

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Three Months Ended December 31, 1995 and 1994

(Dollars in thousands)

UNAUDITED

	1995	1994	
		----	----
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	\$ 43,351	\$ 33,908	
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	23,542	23,417	
Deferred tax provision	62	1,579	
Equity in net income of affiliated companies, net of dividends received	(258)	(423)	
Other, net	2,414	1,585	
Changes in assets and liabilities, net of consolidation of equity affiliates:			
Decrease/(increase) in accounts receivable	837	(13,825)	
Increase in inventory	(34,677)	(27,437)	
Decrease in accounts payable and accruals	(17,283)	(17,689)	
Increase in prepayments and intangible assets	(695)	(1,235)	
Other, net	(29,561)	9,692	
	-----	-----	
Cash (used) provided by operating activities	(12,268)	9,572	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Additions to property, plant and equipment	(28,621)	(24,288)	
Investments	--	(20)	
Cash from consolidation of equity affiliates	9,306	--	
Other	1,254	33	
	-----	-----	
Cash used by investing activities	(18,061)	(24,275)	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayments of long-term debt	(10,247)	(151,411)	
Net increase in short-term debt	103,345	119,046	
Purchases of treasury stock	(90,410)	(4,096)	
Sales and issuances of treasury stock	2,025	6,085	
Cash dividends paid to stockholders	(7,499)	(6,211)	
Redemption of preferred stock purchase rights	(1,840)	--	
	-----	-----	
Cash used by financing activities	(4,626)	(36,587)	
Effect of exchange rate changes on cash	159	(105)	
	-----	-----	
Decrease in cash and cash equivalents	(34,796)	(51,395)	
Cash and cash equivalents at beginning of period	90,792	80,917	
	-----	-----	
Cash and cash equivalents at end of period	\$ 55,996	\$ 29,522	
	=====	=====	

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

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 1995

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 on 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 requirements of Form 10-Q and consequently do not include all disclosures required by Form 10-K. Additional information may be obtained by referring to the Company's Form 10-K for the 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 December 31, 1995 and 1994. 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 Company's Equity Incentive Plan.

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 is presently committed for various capital projects.

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
December 31, 1995
UNAUDITED

C. STOCKHOLDERS' EQUITY

The following table summarizes the changes in stockholders' equity for the three months ended December 31, 1995.

(Dollars in thousands)

	Preferred Stock		Preferred Treasury Stock		Common Stock		Additional Paid-in Capital
	Shares Issued	Value	Shares	Cost	Shares Issued	Value	
Balance at September 30, 1995	75,336	\$75,336	5,036	\$(4,836)	67,774,968	\$67,775	\$17,799
Net Income							
Common stock dividends paid							
Redemption of preferred stock purchase rights							
Issuance of treasury stock under employee compensation plans							(338)
Purchase of treasury stock - common							
Purchase of treasury stock - preferred			177	(413)			
Sale of treasury stock to Cabot Retirement Incentive Savings Plan							301
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax							
Principal payment by Employee Stock Ownership Plan under guaranteed loan							
Amortization of unearned compensation							
Unrealized gain/(loss), net of deferred tax							
Foreign currency translation adjustments							
Balance at December 31, 1995	75,336	\$75,336	5,213	\$(5,249)	67,774,968	\$67,775	\$17,762

(Dollars in thousands)

	Retained Earnings	Common Treasury Stock		Unearned Compensation	Unrealized Deferred Employee Benefits	Unrealized Gain/(Loss) Marketable Securities
		Shares	Cost			
Balance at September 30, 1995	\$1,062,482	30,392,967	\$(528,751)	\$(10,834)	\$(65,907)	\$32,023
Net Income	43,351					
Common stock dividends paid	(6,616)					
Redemption of preferred stock purchase rights	(1,840)					
Issuance of treasury stock under employee compensation plans		(88,475)	1,701	194		
Purchase of treasury stock - common		1,876,004	(89,997)			
Purchase of treasury stock - preferred						
Sale of treasury stock to Cabot Retirement Incentive Savings Plan		(9,398)	167			
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax	(883)					
Principal payment by Employee Stock Ownership Plan under guaranteed loan					394	
Amortization of unearned compensation				1,475		
Unrealized gain/(loss), net of deferred tax						4,459
Foreign currency translation adjustments						
Balance at December 31, 1995	\$1,096,494	32,171,098	\$(616,880)	\$(9,165)	\$(65,513)	\$36,482

(Dollars in thousands)

	Foreign	
	Currency Translation Adjustments	Total Stockholders' Equity
	-----	-----
Balance at September 30, 1995	\$39,913	\$685,000
Net Income		43,351
Common stock dividends paid		(6,616)
Redemption of preferred stock purchase rights		(1,840)
Issuance of treasury stock under employee compensation plans		1,557
Purchase of treasury stock - common		(89,997)
Purchase of treasury stock - preferred		(413)
Sale of treasury stock to Cabot Retirement Incentive Savings Plan		468
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax		(883)
Principal payment by Employee Stock Ownership Plan under guaranteed loan		394
Amortization of unearned compensation		1,475
Unrealized gain/(loss), net of deferred tax		4,459
Foreign currency translation adjustments	(6,477)	(6,477)
	-----	-----
Balance at December 31, 1995	\$33,436	\$630,478
	=====	=====

CABOT CORPORATION

Item 2. 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 11.

Three Months Ended December 31, 1995 versus
 Three Months Ended December 31, 1994

Net income for the first quarter of fiscal 1996 was \$43.4 million (\$1.05 per common share, fully diluted), compared with net income of \$33.9 million (\$0.80 per common share, fully diluted) in the same quarter a year ago. Net sales and other operating revenues increased 4% to \$443.0 million from \$428.0 million. Total operating profit improved 20% to \$80.1 million, reflecting improvement in both the Specialty Chemicals and Materials, and Energy Groups.

In the Specialty Chemicals and Materials Group, net sales fell 2% to \$344.0 million from \$349.8 million last year due to the removal of sales of Cabot Safety Corporation, which was deconsolidated in the fourth quarter of fiscal 1995, partly offset by the addition of sales from carbon black subsidiaries in the Czech Republic and India, both of which were consolidated at the beginning of the quarter. On a comparable basis, Specialty Chemicals and Materials Group sales increased 8% in the quarter versus last year. The reported operating profit of the Group improved 19% to \$71.8 million from \$60.4 million last year. The increase is a result of pricing improvement in every business in the Group, which more than offset raw material cost increases and volume decreases in several sectors. The most significant volume variances during the first quarter of fiscal 1996 from 1995 were decreases of 24% and 13% in the Plastics and Cab-O-Sil businesses, respectively, and a 15% increase in the Performance Materials Division.

In the Energy Group, sales increased 27% to \$99.0 million from \$78.2 million and operating profit grew 32% to \$8.3 million from \$6.3 million last year. Operating profit in the first quarter of fiscal 1996 includes a \$3.3 million gain (approximately \$0.05 per common share, fully diluted) associated with the reduction in the Company's ownership position, from 25% to 10%, in the Trinidad liquefaction plant project. Operating profit, exclusive of this gain, declined 21% due primarily to higher costs for pipeline gas purchased by the Company's liquefied natural gas ("LNG") business. Supplies of LNG continue to be curtailed by the refurbishment efforts of the Company's Algerian supplier. This is expected to continue through the peak winter months. As previously announced, the Company has agreed to sell its TUCO subsidiary to Southwestern Public Service Company ("SPS") for consideration of approximately \$77 million. The closing of the sale is subject to SPS's receiving various regulatory approvals; these approvals are presently being sought by SPS. One such approval, involving SPS's request for special rate treatment for the transaction, was recently denied by the Public Utility Commission of Texas. SPS is considering what action it will take as a result of that denial.

Equity in net income of affiliates improved to \$3.7 million from \$1.7 million in the same quarter a year ago. The significant growth is due to improved profitability at several of the Company's affiliates, including the Mexican carbon black affiliate and the Japanese performance materials affiliate. Also, as of October 1, 1995, the Company began to report the results of its Czech Republic and Indian carbon black businesses on a consolidated basis, which partially offset the above increases.

During the months of November and December, the Company began to see some early signs of economic softening in several regions of the world. However, the Company believes that it is too early to determine whether these conditions are temporary or will have a significant impact on the businesses.

CABOT CORPORATION

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

II. CASH FLOWS AND LIQUIDITY

During the quarter, the Company's operations used \$12.3 million of cash primarily as a result of building inventories in the Company's Performance Materials, TUCO, LNG, and North American Carbon Black businesses and decreases in accounts payable and income taxes payable.

The Company increased its borrowings by \$93.1 million during the quarter, primarily to fund the previously announced share repurchase program described below.

The Company expects capital expenditures, which were \$28.6 million in the quarter, to continue at a higher rate for the remainder of the fiscal year. As the Company continues to invest in new business opportunities, it expects to spend approximately \$300 million during this fiscal year on capital expenditures. Of this amount, approximately \$60 million is committed as of the end of the quarter. The Company recently announced it had approved funding for the LNG project being developed by Atlantic LNG Company of Trinidad and Tobago. The Company has a 10% ownership position in the project. The Company expects to spend approximately \$100 million over the next three years on the Trinidad project, to upgrade and refurbish its LNG tanker "Gamma" and to increase vaporization capacity at its Everett, Massachusetts facility. A portion of the \$100 million LNG expenditures will be made in fiscal 1996 and is included in the \$300 million expected to be spent in 1996.

During the quarter, the Company purchased approximately 1,800,000 shares of common stock under a previously announced 3,000,000 share repurchase program. This brings the total number of shares purchased from September 8, 1995 through December 31, 1995 under the authorization to approximately 2,400,000.

During the quarter, the Company paid \$0.05 per common share, or an aggregate of \$1.8 million, for the redemption of rights issued under a Rights Agreement adopted in 1986. A new Rights Agreement was adopted in November 1995 and will expire in November 2005.

The Company's ratio of total debt (including short-term debt net of cash) to capital increased from 29% at September 30, 1995, to 41% at the end of the quarter due to increased borrowings and the reduction of the number of shares of common stock outstanding as a result of the Company's share repurchase program.

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

Industry Segment Data	Three Months Ended	
	12/31/95	12/31/94
-----	-----	-----
Sales:		
Specialty Chemicals and Materials	\$344.0	\$349.8
Energy	99.0	78.2
	-----	-----
Net sales	\$443.0	\$428.0
	=====	=====
Operating profit:		
Specialty Chemicals and Materials	\$ 71.8	\$ 60.4
Energy	8.3	6.3
	-----	-----
Total operating profit	80.1	66.7
Interest expense	(9.4)	(10.0)
General corporate/other expenses	(5.9)	(5.9)
	-----	-----
Income before income taxes	64.8	50.8
Provision for income taxes	(24.0)	(18.8)
Equity in net income of affiliated companies	3.7	1.7
Minority interest	(1.1)	0.2
	-----	-----
Net income	43.4	33.9
Dividends on preferred stock	(0.9)	(0.9)
	-----	-----
Income applicable to primary common shares	\$ 42.5	\$ 33.0
	=====	=====
Income per common share:		
Primary	\$ 1.13	\$ 0.85
	=====	=====
Fully diluted	\$ 1.05	\$ 0.80
	=====	=====

Part II. Other Information

Item 2. Changes in Securities

In November 1995, the Company entered into a new Rights Agreement with The First National Bank of Boston, as Rights Agent, which will expire in 2005. The rights issued under a previous Rights Agreement, which had been adopted in 1986, were redeemed at a price of \$0.05 per share. Rights under the new Rights Agreement were distributed to persons who were stockholders at the close of business on November 24, 1995.

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 -----
4	Rights Agreement dated as of November 10, 1995, between Cabot Corporation and The First National Bank of Boston, as Rights Agent (incorporated herein by reference to Exhibit 1 of Cabot's Registration Statement on Form 8-A, file reference 1-5667, filed with the Commission on November 13, 1995).
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

A Current Report on Form 8-K dated November 10, 1995, was filed with the Securities and Exchange Commission which described the distribution of preferred stock purchase rights, as set forth in a Rights Agreement, dated as of November 10, 1995, between the Company and The First National Bank of Boston, and the redemption of preferred stock purchase rights previously issued under a Rights Agreement adopted in 1986.

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: February 14, 1996

/s/ Kenyon C. Gilson

Kenyon C. Gilson
Vice President and Chief Financial Officer

Date: February 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 December 31, 1995
(In thousands, except per share amounts)

	Primary -----	Fully Diluted -----
Shares of common stock outstanding at October 1, 1995, less treasury stock	37,382	37,382
Plus net weighted shares of treasury stock purchased	(614)	(614)
Plus common stock equivalents:		
Effect of convertible preferred stock conversion	--	3,067
Effect of equity incentive awards	789	824
	-----	-----
Weighted average shares outstanding	37,557 =====	40,659 =====
Income applicable to common shares	\$42,468	\$42,468
Dividends on preferred stock	--	883
Preferred stock conversion compensation shortfall	--	(516)
	-----	-----
Earnings applicable to common shares	\$42,468 =====	\$42,835 =====
Earnings per common share	\$ 1.13 =====	\$ 1.05 =====

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

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

	Three Months ended December 31, 1995	Years ended September 30				
		1995	1994	1993	1992	1991
Earnings:						
Pre-tax income from continuing operations	\$63,588	\$256,342	\$118,325	\$ 67,900	\$116,599	\$62,362
Distributed income of affiliated companies	3,465	11,699	5,638	5,988	5,766	4,688
Add fixed charges:						
Interest on indebtedness	9,421	35,639	41,668	44,043	41,714	38,661
Portion of rents representative of the interest factor	1,139	5,515	5,879	4,838	4,933	5,715
	-----	-----	-----	-----	-----	-----
Income as adjusted	\$77,613	\$309,195	\$171,510	\$122,769	\$169,012	\$111,426
Fixed charges:						
Interest on indebtedness	\$ 9,421	\$ 35,639	\$ 41,668	\$ 44,043	\$ 41,714	\$ 38,661
Capitalized interest	--	--	--	--	3,963	8,745
Portion of rents representative of the interest factor	1,139	5,515	5,879	4,838	4,933	5,715
	-----	-----	-----	-----	-----	-----
Total fixed charges	\$10,560	\$ 41,154	\$ 47,547	\$ 48,881	\$ 50,610	\$ 53,121
Ratio of earnings to fixed charges	7.35	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 THREE MONTHS ENDED DECEMBER 31, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
US DOLLARS

3-MOS		
	SEP-30-1996	
	OCT-01-1995	
	DEC-31-1995	
	1	55,996
	0	
	307,591	
	5,325	
	295,037	
	701,200	1,537,627
	766,715	
	1,727,858	
480,653		335,118
		67,775
0		
	75,336	
1,727,858		1,114,256
		443,031
445,492		305,133
	305,133	
	19,550	
	0	
	9,421	
	64,757	
	23,960	
43,351		
	0	
	0	
		0
	43,351	
	1.13	
	1.05	