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, 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 Boston, Massachusetts (Address of principal executive offices)	02109-1806 (Zip Code)

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
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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, 1995, THE COMPANY HAD 37,945,616 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 June 30, 1995 and 1994

(Dollars in thousands, except per share amounts)

UNAUDITED

	1995	1994
Revenues:		
Net sales and other operating revenues	$494,817	$428,805
Interest and dividend income	2,182	1,248
Total revenues	496,999	430,053
Costs and expenses:		
Cost of sales	336,139	312,277
Selling and administrative expenses	63,441	56,727
Research and technical service	15,180	11,620
Interest expense	8,567	10,806
Other charges, net	7,945	6,604
Total costs and expenses	431,272	398,034
Income before income taxes	65,727	32,019
Provision for income taxes	(24,358)	(12,167)
Equity in net income of affilated companies	5,656	2,151
Net income	47,025	22,003
Dividends on preferred stock, net of tax benefit of $477 and $482	(886)	(895)
Income applicable to primary common shares	$ 46,139	$ 21,108
Weighted average common shares outstanding (000):		
Primary	38,990	38,186
Fully diluted (Note A)	42,188	41,296
Income per common share:		
Primary	$ 1.18	$ 0.55
Fully diluted (Note A)	$ 1.10	$ 0.52
Dividends per common share	$ 0.14	$ 0.13

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

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
Nine Months Ended June 30, 1995 and 1994

(Dollars in thousands, except per share amounts)

UNAUDITED

	1995	1994
Revenues:		
Net sales and other operating revenues	$1,404,117	$1,262,140
Interest and dividend income	6,623	3,282
Total revenues	1,410,740	1,265,422
Costs and expenses:		
Cost of sales	962,388	928,349
Selling and administrative expenses	181,469	162,711
Research and technical service	41,684	35,527
Interest expense	27,475	31,370
Other charges, net	15,938	14,435
Total costs and expenses	1,228,954	1,172,392
Income before income taxes	181,786	93,030
Provision for income taxes	(67,129)	(35,351)
Equity in net income of affilated companies	12,655	2,630
Net income	127,312	60,309
Dividends on preferred stock, net of tax benefit of $1,435 and $1,449	(2,665)	(2,691)
Income applicable to primary common shares	$ 124,647	$ 57,618
Weighted average common shares outstanding (000):		
Primary	38,839	38,192
Fully diluted (Note A)	42,155	41,300
Income per common share:		
Primary	$ 3.21	$ 1.51
Fully diluted (Note A)	$ 2.98	$ 1.41
Dividends per common share	$ 0.42	$ 0.39

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

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
June 30, 1995 and September 30, 1994

(Dollars in thousands)

ASSETS

	June 30 1995 (Unaudited)	September 30 1994
Current Assets:		
Cash and cash equivalents	$ 34,453	$ 80,917
Accounts and notes receivable (net of reserve for doubtful accounts of $9,231 and $7,697)	339,597	272,787
Inventories		
Raw Materials	72,353	52,564
Work in process	40,180	33,139
Finished goods	120,260	94,363
Other	42,356	36,816
Total inventories	275,149	216,882
Prepaid expenses	8,367	13,293
Deferred income taxes	23,615	22,509
Total current assets	681,181	606,388
Investments:		
Equity	92,825	86,164
Other	112,316	115,768
Total investments	205,141	201,932
Property, plant and equipment	1,502,538	1,381,576
Accumulated depreciation and amortization	(770,637)	(687,068)
Net property, plant and equipment	731,901	694,508
Other assets:		
Intangible assets, net of amortization	68,729	74,089
Deferred income taxes	7,052	6,722
Other assets	33,923	33,117
Total other assets	109,704	113,928
Total assets	$1,727,927	$1,616,756

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

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
June 30, 1995 and September 30, 1994

(Dollars in thousands)

LIABILITIES & STOCKHOLDERS' EQUITY

	June 30 1995 (Unaudited)	September 30 1994
Current liabilities:		
Notes payable to banks	$ 120,617	$ 26,480
Current portion of long-term debt	17,098	159,724
Accounts payable and accrued liabilities	281,184	281,342
U. S. and foreign income taxes payable	17,613	3,626
Deferred income taxes	4,137	3,943
Total current liabilities	440,649	475,115
Long-term debt	313,903	307,828
Deferred income taxes	130,392	124,286
Other liabilities	146,646	147,038
Commitments and contingencies (Note B)		
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 $72,576 and $73,577)	75,336	75,336
Less cost of shares of preferred treasury stock	(4,616)	(4,003)
Common stock:		
Authorized: 80,000,000 shares of $1 par value		
Issued: 67,774,968 shares	67,775	67,775
Additional paid-in capital	15,602	3,783
Retained earnings	1,025,598	916,942
Less cost of common treasury stock (including unearned amounts of $11,823 and $7,884)	(488,390)	(475,055)
Deferred employee benefits	(66,292)	(67,403)
Unrealized gain on marketable securities	27,265	28,787
Foreign currency transalation adjustment	44,059	16,327
Total stockholders' equity	696,337	562,489
Total liabilities and stockholders' equity	$1,727,927	$1,616,756

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

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Nine Months Ended June 30, 1995 and 1994

(Dollars in thousands)

UNAUDITED

	1995	1994
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$127,312	$60,309
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	71,686	63,949
Deferred tax provision	4,736	9,352
Equity in net income of affiliated companies, net of dividends received	(4,245)	1,312
Other, net	4,779	3,099
Changes in assets and liabilities:		
Increase in accounts receivable	(58,343)	(20,886)
Increase in inventory	(53,297)	(17,765)
Decrease in accounts payable and accruals	(5,299)	(34,181)
Increase in prepayments and intangible assets	5,332	2,366
Other, net	14,490	1,208
Cash provided by operating activities	107,151	68,763
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(86,348)	(46,984)
Investments	(20)	(284)
Sales of property, plant and equipment	136	545
Cash used by investing activities	(86,232)	(46,723)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	17,385	0
Repayments of long-term debt	(156,114)	(38,619)
Net increase in short-term debt	94,133	31,622
Net (purchases)/sales of treasury stock	(6,301)	2,365
Cash dividends paid to stockholders	(18,656)	(17,344)
Cash used by financing activities	(69,553)	(21,976)
Effects of exchange rate changes on cash	2,170	1,025
(Decrease)/increase in cash and cash equivalents	(46,464)	1,089
Cash and cash equivalents at beginning of period	80,917	40,267
Cash and cash equivalents at end of period	$ 34,453	$41,356

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

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 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. 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, 1994.

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, 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.

On August 17, 1994, a two-for-one stock split in the form of a stock dividend was effected. Common share and per share amounts in fiscal 1994 have been restated to reflect the split.

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 1994 have been reclassified to conform to the fiscal 1995 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.

During the third quarter of fiscal 1995, the Company entered into long-term supply agreements of more than six years with certain North American tire customers. The contracts are designed to provide such customers with a secure carbon black supply and reduce the volatility in carbon black margins and the Company's earnings.

In July of 1995, the Company agreed to participate as a 10% owner in a proposed liquefied natural gas plant in Trinidad, and to purchase 60 percent of the gas produced by the plant. Once the plant is operational, it is estimated that it will produce 3.3 trillion cubic feet of gas over a period of 20 years. All costs related to this project to date have been charged to expense as incurred. Gas from the project is not expected to be available until fiscal year 1999, at the earliest.

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (Continued)
June 30, 1995
UNAUDITED

C. STOCKHOLDERS' EQUITY

The following table summarizes the changes in stockholders' equity for the nine months ended June 30, 1995.

(Dollars in thousands)

	Preferred Stock		Preferred Treasury Stock		Common Stock		Additional Paid-In Capital	Retained Earnings
	Shares Issued	Value	Shares	Cost	Shares Issued	Value		
Balance at September 30, 1994	75,336	$75,336	4,504	$(4,003)	67,774,968	$67,775	$ 3,783	$ 916,942
Net income								127,312
Common stock dividends paid								(15,991)
Issuance of treasury stock under employee compensation plans							8,784	
Purchase of treasury stock - common								
Purchase of treasury stock - preferred			438	(613)				
Sale of treasury stock to Cabot Retirement Incentive Savings Plan							3,035	
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax								(2,665)
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 June 30, 1995	75,336	$75,336	4,942	$(4,616)	67,774,968	$67,775	$15,602	$1,025,598

	Common Treasury Stock		Unearned Compensation	Deferred Employee Benefits	Unrealized Gain/(Loss) Marketable Securities	Foreign Currency Translation Adjustments	Total Stockholders' Equity
	Shares	Cost					
Balance at September 30, 1994	29,783,722	$(467,171)	$ (7,884)	$(67,403)	$28,787	$16,327	$562,489
Net income							127,312
Common stock dividends paid							(15,991)
Issuance of treasury stock under employee compensation plans	(71,034)	846	(8,111)				1,519
Purchase of treasury stock - common	375,500	(14,339)					(14,339)
Purchase of treasury stock - preferred							(613)
Sale of treasury stock to Cabot Retirement Incentive Savings Plan	(258,836)	4,097					7,132
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax							(2,665)
Principal payment by Employee Stock Ownership Plan under guaranteed loan				1,111			1,111
Amortization of unearned compensation			4,172				4,172
Unrealized gain/(loss), net of deferred tax					(1,522)		(1,522)
Foreign currency translation adjustments						27,732	27,732
Balance at June 30, 1995	29,829,352	$(476,567)	$(11,823)	$(66,292)	$27,265	$44,059	$696,337

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 13.

Three Months Ended June 30, 1995 versus
Three Months Ended June 30, 1994

Net income for the third quarter of fiscal year 1995 was $47.0 million ($1.18 per primary common share), compared with $22.0 million ($0.55 per primary common share) in the same quarter a year ago. Net sales and other operating revenues rose 15% to $494.8 million from $428.8 million in the year ago quarter. Total operating profit increased 64% to a record $81.1 million from $49.5 million last year. Last year's results include a $6.2 million write-off of the Company's Japanese carbon black affiliate, and a $4.0 million favorable reserve adjustment associated with the closing of its carbon black plant in Germany. The significant improvement in the results reflects improved margins and modest sales volume growth in the specialty chemicals businesses, partially offset by a small operating loss in the Company's Energy Group. The Company benefited from favorable currency translations due to the relative weakness of the U.S. dollar, particularly compared to European currencies.

In the Specialty Chemicals and Materials Group, net sales grew 26% to $413.9 million from $328.9 million and operating profit grew by 68% to $81.8 million from $48.6 million. Margins improved significantly from the year ago quarter owing to price increases by several of the Group's businesses during recent months and improved capacity utilization in many businesses and regions. These increases more than offset higher raw material costs. Volumes were up modestly in most businesses and in each of the four geographic regions in which Cabot operates. The most significant improvement during the quarter was realized in the Company's European specialty chemicals businesses. Equity in net income of affiliates increased to $5.7 million from $2.1 million last year mainly due to the contributions from the new carbon black plant in the Czech Republic and continued improvement in the Mexican affiliate's results.

As previously announced, on July 11, 1995, the Company restructured the ownership of its safety business into a new corporation owned by the Company, Vestar Equity Partners and Cabot Safety management. This transaction yielded approximately $128 million in after-tax proceeds to the Company. Cabot has a 42.5% ownership position in the new corporation and, beginning in the fourth quarter of fiscal 1995, will account for this investment using the equity method. The Company also purchased certain assets of Rippey Corporation related to the sale and distribution of high-purity polishing compounds for the semiconductor industry in an effort to further develop and expand the Company's activities in this industry.

The Energy Group reported a sales decline of 19% to $80.9 million from $99.9 million, and an operating loss of $0.7 million, compared to a modest profit of $0.9 million in last year's third quarter. The Company's liquefied natural gas ("LNG") business continues to be negatively affected by reduced supplies of LNG caused by the refurbishment of the liquefaction facilities of the Company's Algerian supplier and depressed selling prices of gas. During the quarter, the Company announced a plan to sell its TUCO subsidiary to Southwestern Public Service Company for approximately $75 million. The transaction is subject to regulatory approvals and is expected to be completed around September 30, 1995.

CABOT CORPORATION

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

Nine Months Ended June 30, 1995 versus
Nine Months Ended June 30, 1994

For the nine months ended June 30, 1995, net income was $127.3 million ($3.21 per primary common share) compared to $60.3 million ($1.51 per primary common share) in the same period a year ago. Net sales increased 11% to $1,404.1 million from $1,262.2 million last year.

In the Specialty Chemicals and Materials Group, revenues increased 26% during the first nine months to $1,148.2 million from $912.9 million last year and operating profit rose 76% to $219.3 million from $124.8 million. The improvement is due, in part, to an overall 12% growth in sales volumes representing gains in each of the businesses and double digit gains in Europe and South America. The most significant volume increases were a 15% increase in carbon black volumes and a 9% increase in fumed silica. Margins for the Group also improved due to better pricing and higher capacity utilization, more than offsetting increased raw material costs. The Company does not expect to achieve significant volume improvements from current levels in the near-term as capacity is tight in many businesses and regions. The Company has announced plans to add capacity to its North American tire black business as a result of entering into long-term supply contracts with certain tire customers. The contracts are designed to provide such customers with a secure carbon black supply and reduce the volatility in carbon black margins and the Company's earnings. Subsequent to quarter-end, the Company also announced plans to add capacity to its South American carbon black operations and to build a new North American fumed silica plant. The Company continues to explore the possibility of adding new capacity in strategic locations or regions where volumes and margins can be sustained throughout the economic cycle, and it continues to add incremental capacity through debottlenecking projects.

In the Company's Energy Group, sales for the first nine months of fiscal 1995 declined 27% to $255.9 million from $349.3 million. Operating profit declined 34% to $12.2 million from $18.6 million. The decline can be attributed to the Company's LNG business, which has been negatively impacted by reduced supplies, offset in part by the unseasonably warm winter in the Northeastern United States, which significantly reduced the demand and price of gas. The Company expects the reduced supply to negatively impact the Energy Group's performance for the remainder of the year and beyond. The extent of the impact will depend on the number and timing of LNG shipments received, weather patterns and other factors. The Company also cannot predict at this time, what, if any, impact the political instability in Algeria may have on the deliveries of LNG to the Company from its supplier. The Company continues to explore other short-term and long-term gas supply opportunities. The Company has recently agreed to participate as a 10% owner in a proposed LNG plant in Trinidad, and to purchase 60% of the gas produced by that plant. Gas from this project is not expected to be available until fiscal year 1999, at the earliest.

Equity in net income of affiliated companies was $12.7 million compared to $2.6 million last year. The increase is due to contributions from the new carbon black plant in the Czech Republic, improved earnings in the Company's Mexican affiliate, and the absence of losses from the Company's Japanese carbon black affiliate which was written off in the third quarter of fiscal 1994.

Interest expense declined 12% to $27.5 million from $31.4 million last year. The reduction is due to lower total debt than a year ago and the results of refinancing long-term debt with short-term floating-rate debt currently at lower interest rates.

The Company's effective tax rate was 37% in 1995 compared to 38% last year, but is expected to increase to approximately 39% for the full 1995 fiscal year as a result of the taxable gain from the Cabot Safety transaction.

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 $107.2 million of cash compared to $68.8 million last year. The increase primarily reflects the significantly higher net income than the year ago period, partially offset by an increase in accounts receivable related to the increase in sales, most notably in Europe, and increases in inventories in the Company's coal handling and distribution, performance materials and plastics businesses.

Capital spending for the first nine months of the fiscal year was $86.4 million. The Company expects a higher rate of capital spending in the fourth quarter, and in fiscal year 1996. Capital spending in fiscal year 1996 will include a portion of the costs associated with the announced capacity expansions in the Company's Specialty Chemicals and Materials Group and the continued capital expenditures associated with the performance materials business. These costs are expected to be incurred over three years and are estimated to be $200 million in North American carbon black (including Clean Air Act compliance costs), $30 million in South American carbon black and $50 million for a new North American fumed silica plant. The Company expects to finance these expansions using cash from operations and some of the proceeds from the Cabot Safety transaction and from the sale of its energy subsidiary, TUCO, if completed.

In addition, over the next several years, as the remediation for various environmental sites is carried out, the Company expects to spend a significant portion of its $40 million reserve for costs associated with such remediation. Additions are made to the reserve based on the Company's continuing analysis of costs likely to be incurred at each site. These sites are primarily associated with divested businesses.

Cabot decreased its borrowings by $44.6 million during the first nine months of the year. At June 30, 1995, there were no amounts borrowed under a $250 million line of credit available to the Company. The Company's ratio of total debt (including short term debt net of cash) to capital decreased to 37% from 42% at fiscal year-end. The Company expects to further reduce its total debt in the fourth quarter of the fiscal year with proceeds from the Cabot Safety transaction.

Management expects cash from operations, transactions 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.

During the quarter, the Company purchased approximately 228,000 shares of its common stock in open market and private transactions in order to replace a portion of the shares issued by the Company under its employee incentive compensation program. The Company intends to purchase additional shares from time to time based upon market conditions.

On July 14, 1995, the Directors of Cabot approved a 29% increase in the Company's quarterly common stock dividend to $0.18 per share. The dividend is payable on September 8, 1995, to stockholders of record on August 25, 1995.

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	
	06/30/95	06/30/94	06/30/95	06/30/94
Industry Segment Data				
Sales:				
Specialty Chemicals and Materials	$413.9	$328.9	$1,148.2	$ 912.9
Energy	80.9	99.9	255.9	349.3
Net sales	$494.8	$428.8	$1,404.1	$1,262.2
Operating profit (loss):				
Specialty Chemicals and Materials	$ 81.8	$ 48.6	$ 219.3	$ 124.8
Energy	(0.7)	0.9	12.2	18.6
Total operating profit	81.1	49.5	231.5	143.4
Interest expense	(8.6)	(10.8)	(27.5)	(31.4)
General corporate expense	(6.8)	(6.6)	(22.3)	(19.0)
Income before income taxes	65.7	32.1	181.7	93.0
Provision for income taxes	(24.4)	(12.2)	(67.1)	(35.3)
Equity in net income of affiliated companies	5.7	2.1	12.7	2.6
Net income	47.0	22.0	127.3	60.3
Dividends on preferred stock	(0.9)	(0.9)	(2.7)	(2.7)
Income applicable to primary common shares	$ 46.1	$ 21.1	$ 124.6	$ 57.6
Income per common share:				
Primary	$ 1.18	$ 0.55	$ 3.21	$ 1.51
Fully diluted	$ 1.10	$ 0.52	$ 2.98	$ 1.41

Part II. Other Information

Item 1. Legal Proceedings

As previously reported, Cabot had been named as a defendant in fewer than 100 breast implant lawsuits. As a result of voluntary dismissals (some without prejudice to the right of the plaintiff to refile a complaint) and summary judgments granted to Cabot, Cabot believes that it is currently a defendant in only one such lawsuit. Cabot has not made any settlement payments in connection with any breast implant suits. Cabot believes that it has adequate defenses in the one such lawsuit in which it is known to be a defendant. However, the scientific, legal and societal issues raised by these cases are complex and the outcome is uncertain. Cabot, therefore, cannot predict with any assurance the course this lawsuit will take, the number of cases to which Cabot will be added as a defendant, the amount of damages, if any, that may be assessed against Cabot or the defense costs that will be incurred by Cabot.

In Cabot's Quarterly Report to the SEC on Form 10-Q for the quarter ended March 31, 1995, a legal proceeding was reported in which Cabot had been named as a defendant, along with several others, in a class action filed in the United States District Court for the Southern District of Ohio on behalf of a group of owners of properties in the vicinity of a former metals processing facility in Cambridge, Ohio. Cabot has been dismissed from the lawsuit without prejudice to the right of the plaintiffs to refile a complaint. No settlement payments were made by Cabot.

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	Statements 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 July 11, 1995, was filed with the Securities and Exchange Commission which described the restructuring of ownership of the Company's safety business with Vestar Equity Partners and Cabot Safety management. Pro forma financial statements reflecting the restructuring are included.

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, 1995 /s/ John G.L. Cabot

John G.L. Cabot
Vice Chairman and Chief Financial Officer

Date: August 14, 1995 /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, 1995
(In thousands, except per share amounts)

	Primary	Fully Diluted
Shares of common stock outstanding at April 1, 1995, less treasury stock	38,139	38,139
Plus net weighted shares of treasury stock purchased	(34)	(34)
Plus common stock equivalents:		
Effect of convertible preferred stock conversion	-	3,079
Effect of equity incentive awards	885	1,004
Weighted average shares outstanding	38,990	42,188
Income applicable to common shares	$ 46,139	$ 46,139
Dividends on preferred stock	-	886
Preferred stock conversion compensation shortfall	-	(599)
Earnings applicable to common shares	$ 46,139	$ 46,426
Earnings per common share	$ 1.18	$ 1.10

EXHIBIT 11

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

STATEMENT REGARDING COMPUTATION OF PER SHARE EARNINGS
For the nine month period ended June 30, 1995
(In thousands, except per share amounts)

	Primary	Fully Diluted
Shares of common stock outstanding at October 1, 1994, less treasury stock	37,991	37,991
Plus net weighted shares of treasury stock issued	81	81
Plus common stock equivalents:		
Effect of convertible preferred stock conversion	-	3,079
Effect of equity incentive awards	767	1,004
Weighted average shares outstanding	38,839	42,155
Income applicable to common shares	$ 124,647	$ 124,647
Dividends on preferred stock	-	2,665
Preferred stock conversion compensation shortfall	-	(1,796)
Earnings applicable to common shares	$ 124,647	$ 125,516
Earnings per common share	$ 3.21	$ 2.98

EXHIBIT 12

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

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

	Nine Months Ended June 30	Years ended September 30				
	1995	1994	1993	1992	1991	1990
Earnings:						
Pre-tax income from continuing operations	$181,786	$118,325	$ 67,900	$116,599	$ 62,362	$ 63,983
Distributed income of affiliated companies	9,731	5,638	5,988	5,766	4,688	3,607
Add fixed charges:						
Interest on indebtedness	27,475	41,668	44,043	41,714	38,661	41,145
Portion of rents representative of the interest factor	4,011	5,879	4,838	4,933	5,715	5,226
Income as adjusted	$223,003	$171,510	$122,769	$169,012	$111,426	$113,961
Fixed charges:						
Interest on indebtedness	$ 27,475	$ 41,668	$ 44,043	$ 41,714	$ 38,661	$ 41,145
Capitalized interest	_	_	_	3,963	8,745	_
Portion of rents representative of the interest factor	4,011	5,879	4,838	4,933	5,715	5,226
Total fixed charges	$ 31,486	$ 47,547	$ 48,881	$ 50,610	$ 53,121	$ 46,371
Ratio of earnings to fixed charges	7.08	3.61	2.51	3.34	2.10	2.46

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS (UNAUDITED) OF CABOT CORPORATION FOR THE NINE MONTHS ENDED JUNE 30, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
US DOLLARS

9-MOS
SEP-30-1995
OCT-01-1994
JUN-30-1995
1
34,453
0
348,828
9,231
275,149
681,181
1,502,538
770,637
1,727,927
440,649
313,903
67,775
0
75,336
1,041,200
1,727,927
1,404,117
1,410,740
962,388
962,388
57,622
0
27,475
181,786
67,129
127,312
0
0
0
127,312
3.21
2.98