



Earnings Teleconference

Fourth Quarter / Fiscal 2013



Forward Looking Statements, Use of Non-GAAP Financial Measures & Definitions of Terms Used

This presentation contains forward-looking statements based on management's current expectations, estimates and projections. All statements that address expectations or projections about the future, including our actions that will drive earnings growth, demand for our products, our expected capital expenditures in fiscal 2014, the amount of proceeds we expect to receive in the second quarter of fiscal 2014 from the sale of our former Supermetals Business, our expected operating tax rate for fiscal 2014, our expectations pertaining to the completion of our acquisition of the equity interest in Nhumo that we do not currently own and the benefits we expect to receive from the acquisition and our future financial performance, are forward-looking statements. Some of the forward-looking statements may be identified by words like "expects," "anticipates," "plans," "intends," "projects," "indicates," and similar expressions. Forward-looking statements are based on our current expectations, assumptions, estimates and projections about Cabot's businesses and strategies, market trends and conditions, economic conditions and other factors. These statements are not guarantees of future performance and are subject to risks, uncertainties, potentially inaccurate assumptions, and other factors, some of which are beyond our control and difficult to predict. If known or unknown risks materialize, or should underlying assumptions prove inaccurate, our actual results could differ materially from past results and from those expressed in the forward-looking statement. Important factors that could cause our results to differ materially from those expressed in the forward-looking statements include, but are not limited to lower than expected demand for our products; the loss of one or more of our important customers; our inability to complete capacity expansions or other development projects, including at our mine in Manitoba, as planned; the timing of implementation of environmental regulations; our failure to develop new products or to keep pace with technological developments; patent rights of others; the timely commercialization of products under development (which may be disrupted or delayed by technical difficulties, market acceptance, competitors' new products, as well as difficulties in moving from the experimental stage to the production stage); changes in raw material costs; demand for our customers' products; competitors' reactions to market conditions; delays in the successful integration of structural changes, including acquisitions or joint ventures; the laws, regulations, policies and economic conditions, including inflation, interest and foreign currency exchange rates, of countries where we do business; and severe weather events that cause business interruptions, including plant and power outages or disruptions in supplier or customer operations. These factors are discussed more fully in the reports we file with the Securities and Exchange Commission, particularly our latest annual report on Form 10-K.

This presentation includes references to adjusted earnings per share (EPS), total segment EBIT, adjusted EBITDA, free cash flow, and operating tax rate, which are non-GAAP measures. A reconciliation of adjusted EPS to EPS from continuing operations, the most directly comparable GAAP financial measure, a reconciliation of total segment EBIT to Income (loss) from continuing operations before taxes, the most directly comparable GAAP financial measure, and a reconciliation of operating tax rate to effective tax rate, the most directly comparable GAAP financial measure, are provided in the tables included in our fourth quarter earnings release and filed on our current report on Form 8-K dated October 29, 2013. The definition of adjusted EBITDA is included in our fourth quarter earnings release and filed on our current report on Form 8-K dated October 29, 2013 and a reconciliation of adjusted EBITDA from segment EBIT for the fourth quarter of fiscal 2013 is provided in the investor section of our website at <http://investor.cabot-corp.com>, under the Non-GAAP Reconciliations section. The definition of free cash flow is included in this presentation and is provided in the investor section of our website at <http://investor.cabot-corp.com>, under the Non-GAAP Reconciliations section.

The term "operating tax rate" represents the tax rate on our recurring operating results. This rate excludes discrete tax items, which are unusual or infrequent items that are excluded from the estimated annual effective tax rate and other tax items, including the impact of the timing of losses in certain jurisdictions, cumulative rate adjustment and the impact of certain items on both operating income and tax provision. The term "product mix" refers to the various types and grades, or mix, of products sold in a particular Business or Segment during the period, and the positive or negative impact of that mix on the revenue or profitability of the Business or Segment.

Fiscal 2013 Highlights

Performance

5% year over year EBITDA improvement

- ◆ Record Advanced Technologies results
- ◆ Performance Materials growth
- ◆ Addition of Purification Solutions
- ◆ Net working capital reduction

Capacity Expansions

Completion of strategic expansions

- ◆ China Reinforcement Materials
- ◆ Wales Fumed Metal Oxides
- ◆ Announced acquisition of NHUMO

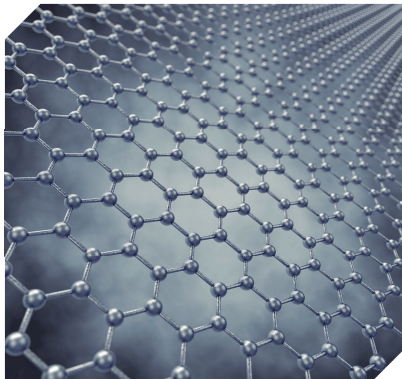


Fiscal 2013 Highlights

New Products

Commercialization of new products

- ◆ Fumed silicas for toners, silicone elastomers and adhesives
- ◆ Specialty carbons for coatings and plastics applications
- ◆ Carbon and graphene-based additives for batteries



Business Initiatives

Execution of business initiatives

- ◆ Integration of Norit
- ◆ Restructuring actions
 - ◆ Advanced Technologies
 - ◆ Reinforcement Materials
- ◆ Elastomer Composites royalties and technology fee progress

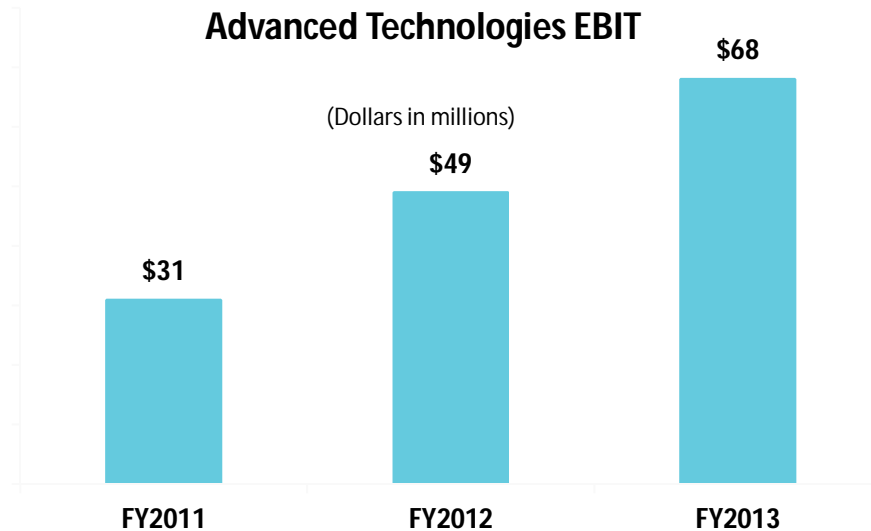


Advanced Technologies

**39% YEAR OVER YEAR
EBIT GROWTH**

- ◆ Record Specialty Fluids EBIT of \$46m
 - ◆ Robust margins and returns
 - ◆ Growth outside of the North Sea
 - ◆ Strong pipeline of projects
- ◆ Elastomer Composites royalties & technology fees
- ◆ Inkjet Colorants growth in commercial and office applications
- ◆ Aerogel winner of top ICIS 2013 Innovation award
- ◆ Segment restructuring actions contributed \$10 million in FY2013

Advanced Technologies EBIT



Q4 2013 Highlights

- ◆ Adjusted EPS increased 7% year-over-year as demand improved in many of our end markets
- ◆ Costs associated with inventory reductions (\$11 million)
- ◆ Strong cash flow generation
 - ◆ Reduced net working capital by \$139 million
 - ◆ Reduced debt by \$154 million
- ◆ Completion of strategic expansion in China strengthens the company's position in emerging markets

2013 Cabot Operating Results

	FY 2013	FY 2012	Q4 2013	Q4 2012
Total Segment EBIT (in millions)	\$384	\$409	\$98	\$96
Adjusted EPS	\$2.91	\$3.32	\$0.78	\$0.73
Adjusted EBITDA (in millions)	\$529	\$503	\$135	\$128

Q4 Year over Year Total Segment EBIT increased \$2 million

- ◆ Volumes increased as demand in many of our key end markets improved
- ◆ Unfavorable impact from reducing inventory levels
- ◆ Lower Purification Solutions EBIT

Fiscal Year Total Segment EBIT declined \$25 million

- ◆ Volumes declined from challenging macroeconomic environment
- ◆ Unit margins declined from competitive pricing pressures and less favorable mix
- ◆ Unfavorable impact from reducing inventory levels and unit outages

Reinforcement Materials Segment

Operating Performance

In millions	FY 2013	FY 2012	Q4 2013	Q4 2012
Net sales	\$1,902	\$2,019	\$482	\$479
Segment EBIT	\$188	\$227	\$47	\$41

Key Highlights

- ◆ Fourth quarter volumes improved 4% year over year
- ◆ Higher costs from inventory reduction
- ◆ Competitive pressures in Asia and Europe
- ◆ Construction completed for new China plant

Segment Outlook

- ◆ Reduction of inventory substantially complete
- ◆ Cautiously optimistic about demand recovery
- ◆ NHUMO acquisition pending regulatory approval

Performance Materials Segment

Operating Performance

In millions	FY 2013	FY 2012	Q4 2013	Q4 2012
Net sales	\$904	\$914	\$232	\$227
Segment EBIT	\$132	\$128	\$33	\$34

Key Highlights

- ◆ Fourth quarter volumes increased 8% in Fumed Metal Oxides volumes and 3% in Specialty Carbons and Compounds
- ◆ Higher costs associated with reduction in inventory levels
- ◆ Less favorable product mix

Segment Outlook

- ◆ Gradual recovery in Europe and continued growth in China
- ◆ Commercialization of new Fumed Metal Oxides capacity in China and Wales proceeding well
- ◆ Commercial ramp-up of new products for conductive, toners, adhesives and silicones

Advanced Technologies Segment

Operating Performance

In millions	FY 2013	FY 2012	Q4 2013	Q4 2012
Net sales	\$222	\$210	\$74	\$57
Segment EBIT	\$68	\$49	\$26	\$16

Key Highlights

- ◆ Robust Specialty Fluids results
- ◆ Elastomer Composites royalties and technology payments
- ◆ Restructuring cost savings contributing to results

Segment Outlook

- ◆ Strong Specialty Fluids pipeline
- ◆ Revenue growth expected to continue in 2014
- ◆ Benefits from restructuring actions

Purification Solutions Segment

Adjusted Stand-Alone Performance*

In millions	FY 2013	FY 2012	Q4 2013	Q4 2012
Net sales	\$348	\$357	\$90	\$91
Segment EBITDA**	\$50	\$90	\$7	\$19

Key Highlights

- ◆ EBITDA decline driven by gas and air purification market conditions
- ◆ Higher costs associated with reduction in inventory levels and unit outages
- ◆ Fourth quarter volumes improve 9% year over year, excluding gas & air volumes
- ◆ Results recast for corporate allocations

Segment Outlook

- ◆ Operating issues addressed through adoption of Cabot standards
- ◆ Benefit from rebuilding inventory levels
- ◆ MATS implementation on track
- ◆ Confident in long-term growth of the business



*All information provided is adjusted stand-alone, excluding purchase accounting adjustments & certain items for the three and twelve month periods presented

**2013 inclusive of cost allocations (\$10 million annual) not reflected in 2012 figures

Corporate Financials

4Q 2013

- ◆ Strong cash flow generation
- ◆ Liquidity remains strong at \$603 million
- ◆ Reduced net working capital by \$139 million
- ◆ Reduced debt by \$154 million
- ◆ Capital expenditures of \$69 million

FISCAL YEAR 2013 FREE CASH FLOW

Total Segment EBIT	\$	384
Unallocated Corporate Expenses	\$	(49)
Adjusted Total Segment EBIT	\$	335
Adjusted Segment Earnings After Tax	\$	248
Depreciation & Amortization	\$	194
Proceeds From Sale of Business	\$	40
Net Working Capital	\$	53
Capital Expenditures	\$	(264)
Free Cash Flow	\$	271

Corporate Financials

Fiscal Year 2014

- ◆ Forecast 2014 capital expenditures between \$200 to \$250 million
- ◆ Anticipate 2014 operating tax rate between 26% and 28%
- ◆ Expect \$215 million of Supermetals sales proceeds in Q2 2014

Outlook

Tire industry demand improving

- ◆ Europe recovery at a modest rate
- ◆ Continued growth in Asia
- ◆ North America tire production under pressure due to imports

Purification Solutions return to historical performance levels

Performance Materials

- ◆ Continued momentum in Fumed Metal Oxides
- ◆ Projected improvement in infrastructure-related applications in Specialty Carbons and Compounds

Advanced Technologies continued revenue growth



