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

MARCH 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 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

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

AS OF MARCH 31, 1995, THE COMPANY HAD 38,138,589 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 March 31, 1995 and 1994

(Dollars in thousands, except per share amounts)

UNAUDITED

	1995	1994
Revenues:		
Net sales and other operating revenues	$481,340	$434,860
Interest and dividend income	1,906	1,056
Total revenues	483,246	435,916
Costs and expenses:		
Cost of sales	329,421	319,321
Selling and administrative expenses	62,460	53,655
Research and technical service	13,664	12,186
Interest expense	8,872	10,305
Other (income) expense, net	3,826	5,472
Total costs and expenses	418,243	400,939
Income before income taxes	65,003	34,977
Provision for income taxes	(23,939)	(12,771)
Equity in net income of affilated companies	5,316	142
Net income	46,380	22,348
Dividends on preferred stock, net of tax benefit of $478 and $483, respectively	(889)	(897)
Income applicable to primary common shares	$ 45,491	$ 21,451
Weighted average common shares outstanding (000):		
Primary	38,865	38,178
Fully diluted (Note A)	42,013	41,304
Income per common share:		
Primary	$ 1.17	$ 0.56
Fully diluted (Note A)	$ 1.09	$ 0.53
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
Six Months Ended March 31, 1995 and 1994

(Dollars in thousands, except per share amounts)

UNAUDITED

	1995	1994
Revenues:		
Net sales and other operating revenues	$909,299	$833,335
Interest and dividend income	4,441	2,034
Total revenues	913,740	835,369
Costs and expenses:		
Cost of sales	626,250	616,072
Selling and administrative expenses	118,028	105,984
Research and technical service	26,503	23,907
Interest expense	18,908	20,564
Other (income) expense, net	7,991	7,831
Total costs and expenses	797,680	774,358
Income before income taxes	116,060	61,011
Provision for income taxes	(42,771)	(23,184)
Equity in net income of affilated companies	6,998	479
Net income	80,287	38,306
Dividends on preferred stock, net of tax benefit of $958 and $967, respectively	(1,778)	(1,796)
Income applicable to primary common shares	$ 78,509	$ 36,510
Weighted average common shares outstanding (000):		
Primary	38,740	38,168
Fully diluted (Note A)	41,955	41,282
Income per common share:		
Primary	$ 2.03	$ 0.96
Fully diluted (Note A)	$ 1.89	$ 0.90
Dividends per common share	$ 0.28	$ 0.26

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

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
March 31, 1995 and September 30, 1994

(Dollars in thousands)

ASSETS

	March 31 1995 (Unaudited)	September 30 1994
Current assets:		
Cash and cash equivalents	$ 34,069	$ 80,917
Accounts and notes receivable (net of reserve for doubtful accounts of $8,459 and $7,697)	327,451	272,787
Inventories:		
Raw materials	66,729	52,564
Work in process	37,902	33,139
Finished goods	117,593	94,363
Other	37,527	36,816
Total inventories	259,751	216,882
Prepaid expenses	11,832	13,293
Deferred income taxes	22,512	22,509
Total current assets	655,615	606,388
Investments:		
Equity	88,902	86,164
Other	105,537	115,768
Total investments	194,439	201,932
Property, plant and equipment:		
At cost	1,474,988	1,381,576
Accumulated depreciation and amortization	(749,177)	(687,068)
Net property, plant and equipment	725,811	694,508
Other assets:		
Intangible assets, net of amortization	70,792	74,089
Deferred income taxes	6,723	6,722
Other assets	35,604	33,117
Total other assets	113,119	113,928
Total assets	$1,688,984	$1,616,756

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

CABOT CORPORATION
CONSOLIDATED BALANCE SHEETS
March 31, 1995 and September 30, 1994

(Dollars in thousands)

LIABILITIES & STOCKHOLDERS' EQUITY

	March 31 1995 (Unaudited)	September 30 1994
Current liabilities:		
Notes payable to banks	$ 148,425	$ 26,480
Current portion of long-term debt	14,747	159,724
Accounts payable and accrued liabilities	271,245	281,342
U. S. and foreign income taxes payable	20,519	3,626
Deferred income taxes	3,944	3,943
Total current liabilities	458,880	475,115
Long-term debt	301,380	307,828
Deferred income taxes	124,305	124,286
Other liabilities	149,183	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 $72,757 and $73,577, respectively)	75,336	75,336
Less cost of shares of preferred treasury stock	(4,329)	(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	6,764	3,783
Retained earnings	984,792	916,942
Less cost of common treasury stock (including unearned amounts of $4,853 and $7,884, respectively)	(471,537)	(475,055)
Deferred employee benefits	(66,670)	(67,403)
Unrealized gain on marketable securities	22,995	28,787
Foreign currency transalation adjustment	40,110	16,327
Total stockholders' equity	655,236	562,489
Total liabilities and stockholders' equity	$1,688,984	$1,616,756

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

CABOT CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Six Months Ended March 31, 1995 and 1994

(Dollars in thousands)

UNAUDITED

	1995	1994
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 80,287	$ 38,306
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	47,067	42,141
Deferred tax provision	2,180	7,369
Equity in net income of affiliated companies, net of dividends received	(2,413)	2,689
Other, net	2,986	1,789
Changes in assets and liabilities:		
Increase in accounts receivable	(46,368)	(20,504)
Increase in inventory	(39,128)	(21,473)
Decrease in accounts payable and accruals	(14,207)	(16,218)
Increase in prepayments and intangible assets	(210)	(1,951)
Other, net	19,243	(8,805)
Cash provided by operating activities	49,437	23,343
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(56,906)	(28,759)
Investments	(20)	(284)
Sales of property, plant and equipment	176	77
Cash used by investing activities	(56,750)	(28,966)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments of long-term debt	(153,656)	(38,446)
Net increase in short-term debt	121,957	48,168
Sales of treasury stock, net	3,373	2,078
Cash dividends paid to stockholders	(12,437)	(11,556)
Cash (used) provided by financing activities	(40,763)	244
Effect of exchange rate changes on cash	1,228	140
Decrease in cash and cash equivalents	(46,848)	(5,239)
Cash and cash equivalents at beginning of period	80,917	40,267
Cash and cash equivalents at end of period	$ 34,069	$ 35,028

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

CABOT CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 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. 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 March 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.

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. 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.

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

C. STOCKHOLDERS' EQUITY

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

(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, 1994	75,336	$75,336	4,504	$(4,003)	67,774,968	$67,775	$3,783	$916,942
Net income								80,287
Common stock dividends paid								(10,659)
Issuance of treasury stock under employee compensation plans							233	
Purchase of treasury stock - common								
Purchase of treasury stock - preferred			263	(326)				
Sale of treasury stock to Cabot Retirement Incentive Savings Plan							2,748	
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax								(1,778)
Principal payment by Employee Stock Ownership Plan under guaranteed loan								
Amortization of unearned compensation								
Unrealized gain/(loss), net of deferred tax								
Foreign currency translation adjustment								
Balance at March 31, 1995	75,336	$75,336	4,767	$(4,329)	67,774,968	$67,775	$6,764	$984,792

	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, 1994	29,783,722	$(467,171)	$(7,884)	$(67,403)	$28,787	$16,327	$562,489
Net income							80,287
Common stock dividends paid							(10,659)
Issuance of treasury stock under employee compensation plans	(53,005)	558	231				1,022
Purchase of treasury stock - common	147,200	(3,894)					(3,894)
Purchase of treasury stock - preferred							(326)
Sale of treasury stock to Cabot Retirement Incentive Savings Plan	(241,538)	3,823					6,571
Preferred stock dividends paid to Employee Stock Ownership Plan, net of tax							(1,778)
Principal payment by Employee Stock Ownership Plan under guaranteed loan				733			733
Amortization of unearned compensation			2,800				2,800
Unrealized gain/(loss), net of deferred tax					(5,792)		(5,792)
Foreign currency translation adjustment						23,783	23,783
Balance at March 31, 1995	29,636,379	$(466,684)	$(4,853)	$(66,670)	$22,995	$40,110	$655,236

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 12.

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

Net income for the second quarter of fiscal year 1995 was $46.4 million ($1.17 per primary common share), compared to $22.3 million ($0.56 per primary common share) in the same quarter a year ago. Net sales and other operating revenues increased 11% to $481.3 million from last year's $434.9 million. Operating profit increased 60% to a record $83.7 million from $52.4 million last year, reflecting the significant improvement in sales volumes and margins for the Specialty Chemicals and Materials Group, slightly dampened by a decline in the operating profit of the Energy Group. The Company also benefited from favorable currency translations due to the relative weakness of the dollar, especially versus European currencies.

In the Specialty Chemicals and Materials Group, sales grew 26% to $384.5 million from $305.7 million and operating profit grew by $36.8 million to $77.1 million from $40.3 million. Volumes were up 14% for the Group overall with improvement in most businesses. The most significant volume gains were seen in the carbon black and fumed silica businesses. Double-digit volume growth was achieved in each of the four geographic regions in which those businesses operate. The Group also benefited from stronger margins than the year ago quarter mainly due to the high capacity utilization resulting from the sold out conditions in many of the specialty chemical businesses, partly offset by higher raw material costs. Equity in net income of affiliates increased to $5.3 million from $0.1 million last year mainly due to the contributions from the new carbon black plant in the Czech Republic, the absence of losses from the Company's Japanese affiliate, which was written off in 1994, and improvement in the Mexican affiliate's results.

In the Energy Group, sales declined 25% to $96.8 million from $129.2 million, and operating profit fell 45% to $6.6 million from $12.1 million. 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, although an unseasonably warm winter in the Northeastern United States has reduced the demand and price of gas. The LNG business reduced the impact of the supply curtailments with available domestic gas supply at competitive prices.

Six Months Ended March 31, 1995 versus
Six Months Ended March 31, 1994

For the six months ended March 31, 1995, net income was $80.3 million ($2.03 per primary common share) compared to $38.3 million ($0.96 per primary common share) in the same period a year ago. Net sales rose 9% to $909.3 million from $833.3 million last year.

In the Specialty Chemicals and Materials Group, sales rose 26% to $734.2 million from $583.9 million, and operating profit increased 81% to $137.6 million from $76.2 million. The improvement reflects revenue growth in each of the Specialty Chemicals businesses and in each of the geographic regions in which those businesses operate. Volumes were up in each of the Specialty Chemicals and Materials businesses. The most significant volume growth was achieved in carbon black and fumed silica with increases of 18% and 13%, respectively. Regionally, Europe showed the most significant volume growth with an increase of over 18%. Margins for the Group also improved due to better pricing and higher capacity utilization, more than offsetting increased raw material costs. The Group does not expect to continue to achieve such volume improvements from current levels, as capacity is tight in many businesses and regions. The Company has begun debottlenecking projects to increase capacity modestly in several businesses. In addition, the Company is exploring the possibility of adding new capacity in regions where volumes and margins can be sustained throughout the economic cycle.

In the Energy Group, sales declined 30% to $175.1 million from $249.4 million, and operating profit fell 28% to $12.9 million from $17.8 million during the same period a year ago. As was true with the results in the second fiscal quarter, the declines are due to the performance of the Company's LNG business, where supplies of LNG have been reduced by the refurbishment of the liquefaction facilities of the Company's Algerian supplier. During the first six months of the fiscal year, the LNG business imported two cargoes versus thirteen cargoes the prior year. LNG supply curtailments are expected to continue through the 1995-1996 winter. 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 gas supply opportunities. The Company has recently reached an agreement in principle for the purchase of LNG from a proposed LNG plant in Trinidad, and intends to negotiate toward a definitive agreement. Gas from this project is not expected to be available until late 1998.

Interest expense declined 8% to $18.9 million from $20.6 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 reduced to 37% from 38% last year, primarily due to research and development tax credits and dividends received deductions. The Company expects to maintain this new rate for the near term.

The Company continues to actively consider various transaction opportunities which would result in Cabot Safety Corporation, a wholly-owned subsidiary, being deconsolidated. The Company expects to maintain a significant ownership position in the safety business after completion of such a transaction.

II. CASH FLOWS AND LIQUIDITY

During the first six months of the year, the Company's operations provided $49.4 million of cash compared to $23.3 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 European sales, and a planned increase in inventories in the Company's coal handling and distribution, performance materials and plastics businesses. In addition, operating cash flow compares favorably to 1994 due to the timing of income tax payments.

Capital spending for the first six months of the fiscal year was $56.9 million. The Company expects capital spending for the remainder of fiscal 1995 to continue at a rate at least equal to that in the first half of the year. Over the next several years, the Company expects to have at least $60 million of capital expenditures associated with Clean Air Act compliance. 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 $43 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 $31.7 million during the first six months of the year. At March 31, 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 39% from 42% at fiscal 1994 year-end.

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		Six Months Ended	
	3/31/95	3/31/94	3/31/95	3/31/94
Industry Segment Data				
Sales:				
Specialty Chemicals and Materials	$384.5	$305.7	$734.2	$583.9
Energy	96.8	129.2	175.1	249.4
Net sales	$481.3	$434.9	$909.3	$833.3
Operating profit:				
Specialty Chemicals and Materials	$ 77.1	$ 40.3	$137.6	$ 76.2
Energy	6.6	12.1	12.9	17.8
Total operating profit	83.7	52.4	150.5	94.0
Interest expense	(8.9)	(10.3)	(18.9)	(20.6)
General corporate expense	(9.8)	(7.1)	(15.5)	(12.4)
Income before income taxes	65.0	35.0	116.1	61.0
Provision for income taxes	(23.9)	(12.8)	(42.8)	(23.2)
Equity in net income of affiliated companies	5.3	0.1	7.0	0.5
Net income	46.4	22.3	80.3	38.3
Dividends on preferred stock	(0.9)	(0.9)	(1.8)	(1.8)
Income applicable to primary common shares	$ 45.5	$ 21.4	$ 78.5	$ 36.5
Income per common share:				
Primary	$ 1.17	$ 0.56	$ 2.03	$ 0.96
Fully diluted	$ 1.09	$ 0.53	$ 1.89	$ 0.90

Part II. Other Information

Item 1. Legal Proceedings

On March 6, 1995, Cabot Corporation was 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, located in Cambridge, Ohio (the "Cambridge facility"). A predecessor company to Cabot is alleged in the complaint to have sent certain radioactive materials to the Cambridge facility for processing during the 1960s. The plaintiffs allege that radioactive waste materials, resulting from that processing, were used many years later as fill for various construction projects at the plaintiffs' properties and that this fill is causing both personal injury and property damage. Relief sought includes damages against the defendants, jointly and severally, in excess of $500,000,000, other injunctive relief, and approximately $48,000,000 in punitive damages against Cabot. Cabot has moved to dismiss the complaint in its entirety.

Item 4. Submission of Matters to a Vote of Security Holders

The Annual Meeting of Stockholders of Cabot Corporation was held on February 10, 1995. An election of Directors was held at which Lydia W. Thomas was nominated and elected to the class of Directors whose terms expire in 1997 and Kennett F. Burnes, John G.L. Cabot, Robert P. Henderson, John F. O'Brien and Charles P. Siess, Jr. were nominated and elected to the class of Directors whose terms expire in 1998. The following votes were cast for or were withheld with respect to each of the nominees:

Director	In Favor Of	Withheld
Lydia W. Thomas	38,069,498	241,851
Kennett F. Burnes	38,030,585	280,764
John G.L. Cabot	38,099,306	212,043
Robert P. Henderson	38,164,573	146,776
John F. O'Brien	38,165,651	145,698
Charles P. Siess, Jr.	38,066,658	244,691

Other Directors whose terms of office as Directors continued after the meeting are:

Director	Term of Office Expires
Samuel W. Bodman	1996
Jane C. Bradley	1996
Robert A. Charpie	1997
John D. Curtin, Jr.	1996
Arnold S. Hiatt	1997
Gerrit Jeelof	1996
John H. McArthur	1996
David V. Ragone	1997
Morris Tanenbaum	1997

Effective February 10, 1995, Damaris Ames resigned as a Director.

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

No report on Form 8-K was filed by the Company during the three months ended March 31, 1995.

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: May 15, 1995

/s/ John G.L. Cabot

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

Date: May 15, 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 March 31, 1995
(In thousands, except per share amounts)

	Primary	Fully Diluted
Shares of common stock outstanding at January 1, 1995, less treasury stock	38,077	38,077
Plus net weighted shares of treasury stock issued	36	36
Plus common stock equivalents:		
Effect of convertible preferred stock conversion	-	3,086
Effect of equity incentive awards	752	814
Weighted average shares outstanding	38,865	42,013
Income applicable to common shares	$45,491	$45,491
Dividends on preferred stock	-	889
Preferred stock conversion compensation shortfall	-	(598)
Earnings applicable to common shares	$45,491	$45,782
Earnings per common share	$ 1.17	$ 1.09

EXHIBIT 11

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

STATEMENT REGARDING COMPUTATION OF PER SHARE EARNINGS
For the six month period ended March 31, 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	64	64
Plus common stock equivalents:		
Effect of convertible preferred stock conversion	-	3,086
Effect of equity incentive awards	685	814
Weighted average shares outstanding	38,740	41,955
Income applicable to common shares	$78,509	$78,509
Dividends on preferred stock	-	1,778
Preferred stock conversion compensation shortfall	-	(1,198)
Earnings applicable to common shares	$78,509	$79,089
Earnings per common share	$ 2.03	$ 1.89

EXHIBIT 12

CABOT CORPORATION AND CONSOLIDATED SUBSIDIARIES

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

	Six Months Ended March 31	Years ended September 30				
	1995	1994	1993	1992	1991	1990
Earnings:						
Pre-tax income from continuing operations	$116,060	$118,325	$ 67,900	$116,599	$ 62,362	$ 63,983
Distributed income of affiliated companies	5,906	5,638	5,988	5,766	4,688	3,607
Add fixed charges:						
Interest on indebtedness	18,908	41,668	44,043	41,714	38,661	41,145
Portion of rents representative of the interest factor	2,674	5,879	4,838	4,933	5,715	5,226
Income as adjusted	$143,548	$171,510	$122,769	$169,012	$111,426	$113,961
Fixed charges:						
Interest on indebtedness	$ 18,098	$ 41,668	$ 44,043	$ 41,714	$ 38,661	$ 41,145
Capitalized interest	_	_	_	3,963	8,745	_
Portion of rents representative of the interest factor	2,674	5,879	4,838	4,933	5,715	5,226
Total fixed charges	$20,772	$ 47,547	$ 48,881	$ 50,610	$ 53,121	$ 46,371
Ratio of earnings to fixed charges	6.91	3.61	2.51	3.34	2.10	2.46

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS (UNAUDITED) OF CABOT CORPORATION FOR THE SIX MONTHS ENDED MARCH 31, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000
U.S. DOLLARS

6-MOS
SEP-30-1995
OCT-01-1994
MAR-31-1995
1
34,069
0
335,910
8,459
259,751
655,615
1,474,988
749,177
1,688,984
458,880
301,380
67,775
0
75,336
991,556
1,688,984
909,299
913,740
626,250
626,250
34,494
0
18,908
116,060
42,771
80,287
0
0
0
80,287
2.03
1.89