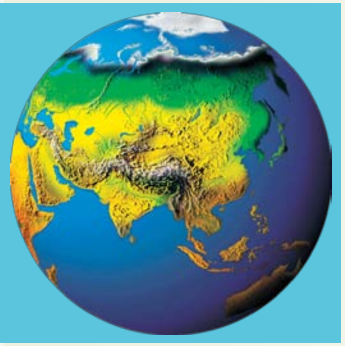  

Earnings Teleconference

First Quarter / Fiscal Year 2012 February 2, 2012

Forward Looking Statements and Use of Non-GAAP Financial Measures

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 ability to meet our long-term financial targets, strategy for growth, demand for our products, the cash proceeds due to us from the divestiture of our Supermetals Business, the effect we expect the divestiture of our Supermetals Business to have on our earnings and the annualized savings we expect from the closure of our masterbatch plant in Hong Kong 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 changes in raw material costs; costs associated with the research and development of new products, including regulatory approval and market acceptance; competitive pressures; delays in the successful integration of structural changes, including restructuring plans, and joint ventures; delays in the completion or start-up of our capacity expansion projects; the laws, regulations, policies and economic conditions, including inflation, interest and foreign currency exchange rates, of countries in which the company does 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 reference to adjusted earnings per share (EPS), which is a non-GAAP measure. A reconciliation of adjusted EPS to EPS from continuing operations, the most directly comparable GAAP financial measure, is provided in the tables included in our first quarter earnings release and filed on our Form 8-K dated February 1, 2012. The term "quarterly 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. When we discuss the profitability impact of changes in inventory levels, we refer to the recording of fixed manufacturing costs on either our balance sheet or through our consolidated statement of operations. When inventories increase, we record fixed costs on our balances sheet, causing lower fixed costs to be recorded in the consolidated statement of operations and benefiting the recorded profitability of the business. When inventories decrease, the opposite occurs, and additional fixed costs flow through the consolidated statement of operations, unfavorably affecting recorded business profitability.

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Q1 2012 Highlights

- **Segment EBIT growth**
- **Continue to improve margins through value pricing, product mix and efficiency**
- **Short term volume softness in certain end markets and customer inventory destocking**
- **Hong Kong masterbatch closure**
- **Balance sheet remains robust with completion of Supermetals divestiture and cash available for growth investments**

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Q1 2012 Operating Results

In millions unless otherwise noted	Q1 2012	Q1 Year on Year	Q1 Sequential
Segment EBIT*	$81	9%	3%
Adjusted EPS (excluding discrete tax)*	$0.63	15%	15%

- **Q1 Year on Year Segment EBIT improved $7 million**
  - Rubber Blacks growth from value based pricing and improved efficiency
  - Lower volumes in Rubber Blacks and Fumed Metal Oxides businesses
  - Higher fixed costs from start up of new capacity in Performance Segment
- **Q1 Sequential Segment EBIT increased $2 million**
  - Better feedstock purchasing and lower manufacturing costs
  - Lower volumes in Rubber Blacks and Performance Segments
  - Specialty Fluids $7 million decrease from exceptionally strong Q4

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*Segment EBIT and Adjusted EPS exclude Supermetals Business, which is included in discontinued operations

Rubber Blacks Business

First Quarter Performance

In millions	1Q'12	1Q'11	4Q'11
Net sales	$489	$438	$528
Segment EBIT	$55	$37	$38

Key Highlights

- Q1 2012 EBIT increase of $17M (+45%) vs. Q4 2011
- Focus on value-based pricing and efficiency driving improved unit margins
- Lower maintenance spending and increasing inventories benefit fixed costs

Segment Outlook

- Q1 volume softness expected to improve beginning in Q2
- Contract negotiations for calendar year 2012 yielding favorable results

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Performance Segment

First Quarter Performance

In millions	1Q'12	1Q'11	4Q'11
Net sales	$205	$190	$228
Segment EBIT	$21	$31	$27

Key Highlights

- Q1 2012 EBIT decrease of $6M (-22%) vs. Q4 2011
- Volume declines principally from customer inventory destocking
- Costs increase due to startup of new manufacturing assets
- Phase 1 Jiangxi FMO expansion and Tianjin MB commissioned in Q1

Segment Outlook

- Volume rebound in January as underlying demand levels return combined with customer inventory replenishment
- Announced closure of Hong Kong masterbatch will result in $5 million of annualized savings

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Specialty Fluids Segment

First Quarter Performance

In millions	1Q'12	1Q'11	4Q'11
Net sales	$14	$17	$27
Segment EBIT	$5	$6	$12

Key Highlights

- Q1 2012 EBIT decreases compared to exceptionally strong Q4 2011
- Fewer completed jobs during Q1 leads to lower revenue and EBIT

Segment Outlook

- Solid pipeline of projects
- Increasing geographic profile of business including recent job in Malaysia

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New Business Segment

First Quarter Performance

In millions	1Q'12	1Q'11	4Q'11
Net sales	$25	$24	$28
Segment EBIT	$ -	$ -	$2

Key Highlights

- Q1 2012 EBIT flat with prior year and $2M lower than Q4 2011
- Strong volumes in Inkjet Colorants offset by lower sales in Aerogel and Superior MicroPowders
- Higher costs to support growth initiatives

Segment Outlook

- Inkjet expansion expected to start up Q2 FY12
- Focused on key growth opportunities:
  - Insulative coatings
  - Commercial inkjet
  - Battery materials
  - Security materials

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Supermetals Divestiture

- **Minimum $450 million**
- **Initial cash payment $175 million received**
- **Additional consideration totals minimum $275 million to be paid within 2 years**
    - Remaining $215 million purchase price
    - Minimum $11 million with upside linked to future business performance
    - ~$50 million for sale of excess inventory
- **Pre-tax gain $330 million**
- **Cash tax efficient transaction**

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Q1 2012 Corporate Financials

Cash

- Quarter end cash balance of $188 million
- Capital expenditures of $61 million
- Net working capital increase of $64 million
- Share repurchases of $30 million

Taxes

- First quarter net tax provision for continuing operations of $16 million
- $2 million net discrete tax charge
- Quarterly operating tax rate of 25%, excluding discrete and certain items

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Summary

- **Q1 confirms earnings strength of Cabot businesses**
- **Demand recovering in January**
- **Growth projects on track**
- **Masterbatch restructuring complete**
- **Portfolio shift will increase earnings stability**
- **Confident in ability to achieve long-term financial targets**

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