

POSITIONED FOR ADVANTAGED GROWTH

AUGUST 9, 2018



SAFE HARBOR STATEMENT

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 statements about the Company's strategy for growth, product and application development, market position, expected financial performance and results, and total shareholder return, how we expect to achieve our growth targets, our expected use of cash, and when we expect our capacity expansions to be completed 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; the timing of implementation and the enforcement 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.

Non-GAAP Financial Measures and Explanations of Terms Used

This presentation includes references to the following non-GAAP financial measures: adjusted EPS (earnings per share), adjusted EBITDA (earnings before interest, taxes, depreciation and amortization), adjusted EBIT (earnings before interest, taxes), adjusted EBITDA and EBIT margins, adjusted ROIC (return on invested capital), adjusted RONA (return on net assets), DFCF (discretionary free cash flow) and operating tax rate. The definitions of these non-GAAP financial measures, reconciliations to the most comparable GAAP financial measures, and explanations of other terms used are provided in the Appendix to this presentation.

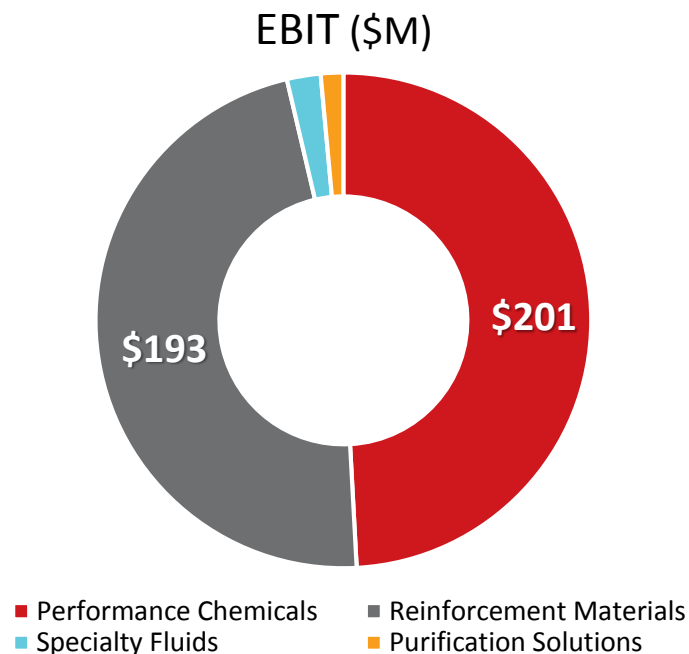
CABOT AT A GLANCE¹

| FOUNDED | MARKET CAP ² | HEADQUARTERS | EMPLOYEES | PLANT LOCATIONS | DIVIDEND HISTORY |
|---------|-------------------------|--------------|-----------|-----------------|------------------|
| 1882 | ~\$3.8B | BOSTON, MA | ~4,500 | 45 | 50 YEARS |

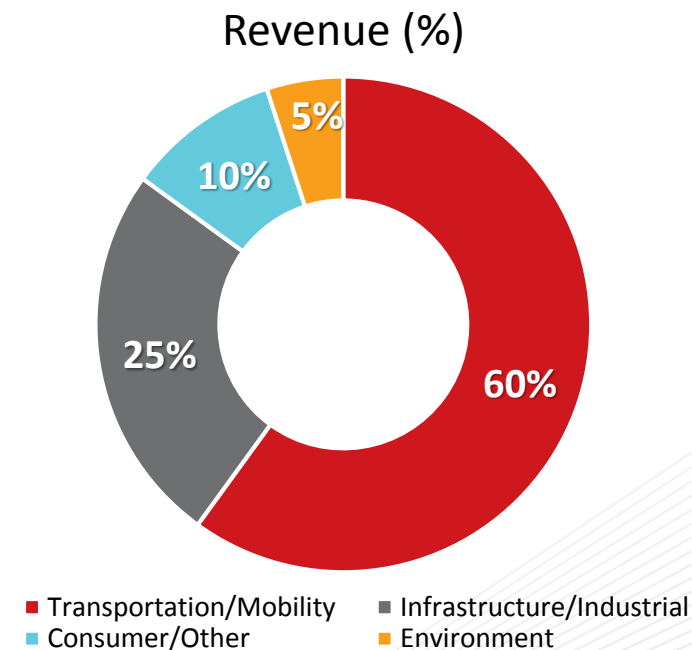
FY'17 FINANCIAL HIGHLIGHTS

| | | |
|---------------------------------------|-------------------------------------|---|
| \$2.7B Revenue | \$241M Net Income | 19% Adj. EBITDA Margin ³ |
| #1 or #2 Business Positions | ~80% Revenue Outside U.S. | 13% Adj. ROIC ³ |

BUSINESS SEGMENTS



END MARKET SECTORS







1. Data as of year ended September 30, 2017

2. Market cap as of May 15, 2018

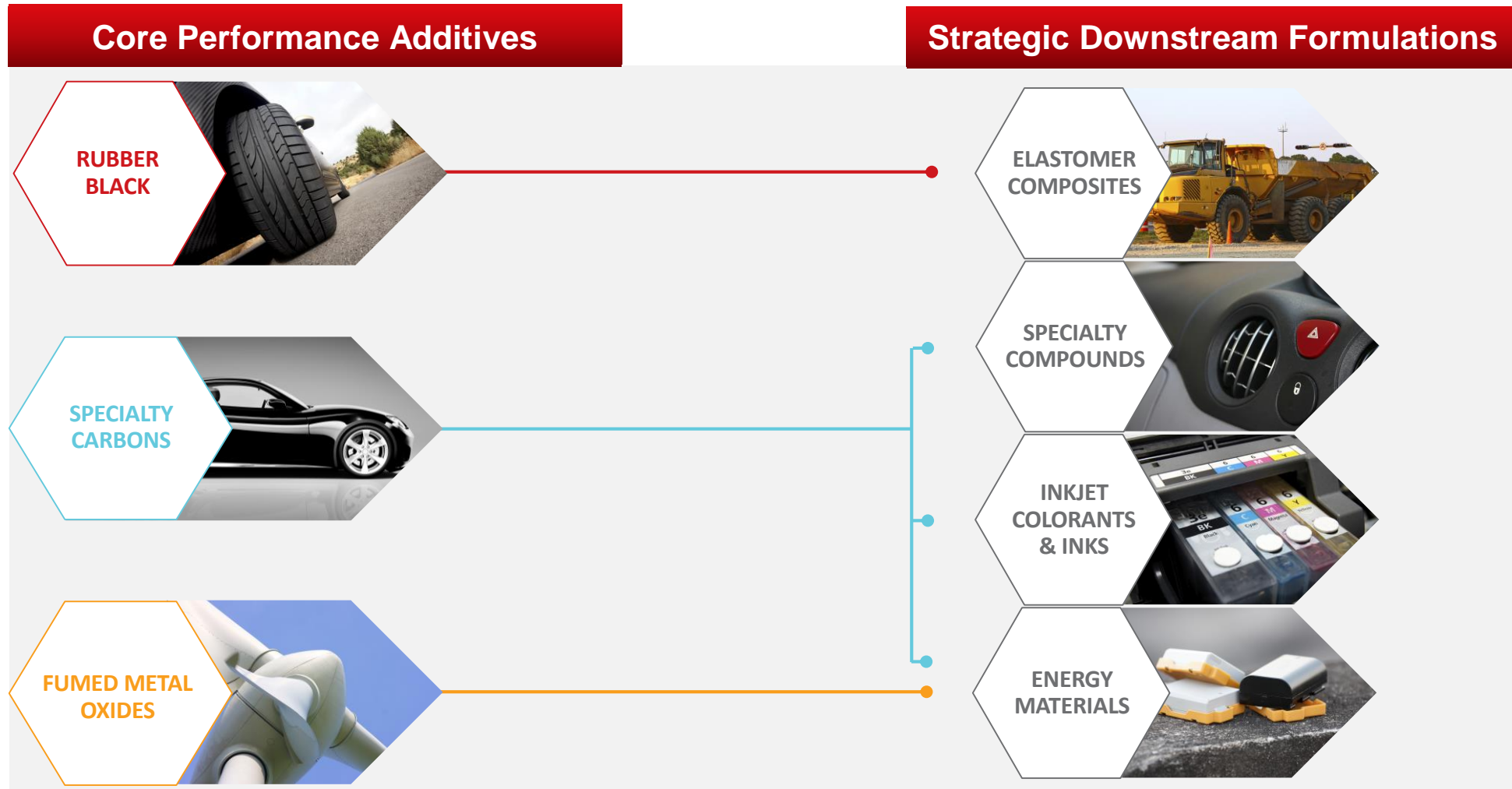
3. Non-GAAP measure – See Appendix

SEGMENT OVERVIEW

96% of FY'17 EBIT

| REINFORCEMENT MATERIALS | PERFORMANCE CHEMICALS | PURIFICATION SOLUTIONS | SPECIALTY FLUIDS |
|--|--|--|---|
| Rubber Black; Elastomer Composites | Specialty Carbons and Formulations; Metal Oxides | Activated Carbon | Cesium Formate Brines; Fine Cesium Chemicals |
| EBIT: \$193M | \$201M | \$6M | \$9M |
| EBITDA MARGIN ¹ : 19% | 27% | 16% | 27% |
| <ul style="list-style-type: none"> ◆ #1 Rubber black ◆ Unmatched global footprint with 20 manufacturing facilities worldwide | <ul style="list-style-type: none"> ◆ #1 Black masterbatch ◆ #2 Specialty carbons ◆ #2 Fumed metal oxides ◆ Attractive, diverse set of applications | <ul style="list-style-type: none"> ◆ Global footprint: 9 manufacturing facilities ◆ Widest range of applications | <ul style="list-style-type: none"> ◆ #1 Cesium formate drilling and completion fluids ◆ High-margin, niche products |
|  |  |  |  |

BROAD PORTFOLIO OF SOLUTIONS THAT ENABLE APPLICATION INNOVATION



OUR VISION

**We will be the most innovative, respected and responsible leader in our markets –
delivering performance that makes a difference.**



ADVANCING THE CORE TO EXTEND OUR LEADERSHIP



**Investing for Growth in
Core Businesses**

**Driving Application
Innovation with
Customers**

**Generating Strong Cash
Flows Through Efficiency
and Optimization**

CAPITAL ALLOCATION STRATEGY

REINVEST

In Our Core

Strengthen existing businesses through disciplined capex management, investing in high-confidence, high-return projects

RETURN

Cash to Shareholders

Return ~50% of discretionary free cash flow¹ to shareholders through dividends and share repurchases

MAINTAIN

Strong, Flexible Balance Sheet

Retain investment grade credit rating and healthy balance sheet

ACQUIRE

Value-creative Assets

Target bolt-on M&A to strengthen existing businesses





Disciplined Capital Allocation Strategy Focused on Reinvestment and Returning Cash to Shareholders

1. Non-GAAP metric – See Appendix

LEVERAGING OUR SUSTAINABLE COMPETITIVE ADVANTAGES

| | |
|--|---|
| Global Leadership | <ul style="list-style-type: none">♦ Geographic footprint is a differentiator♦ Global perspective with local expertise; management teams understand unique market needs♦ Unparalleled flexibility through global manufacturing network and resources |
| Technical Expertise | <ul style="list-style-type: none">♦ Long history of innovation and strong brands positioned well in favorable end market applications♦ Specialized particle and formulation expertise enables ability to meet complex customer application requirements |
| Deep Customer and Partner Relationships | <ul style="list-style-type: none">♦ Long-term partnerships with key industry leaders♦ Global and local industry insights with support structures in place to drive customer success |
| Operational Excellence | <ul style="list-style-type: none">♦ Leverage innovation and best practices across network to drive scale benefits♦ Drive efficiency through asset reliability, yield and resource conservation |

LEVERAGING STRONG FOUNDATION TO CAPITALIZE ON FAVORABLE MACRO TRENDS

| |  MOBILITY |  MIDDLE CLASS GROWTH |  GLOBAL DEVELOPMENT |  SUSTAINABILITY |
|-------------------------|---|--|---|---|
| Reinforcement Materials | Growth in global miles driven | Higher demand for new cars | Truck and off-the-road (OTR) tire growth in emerging markets | Tire development to drive fuel efficiency |
| Performance Chemicals | Light weighting of vehicles Automotive electrification | Increased demand for consumer goods Digitization | Construction and infrastructure development | Alternative energy sources Resource conservation |

Well Positioned with Our Products and Solutions to Address Favorable Macro Trends

SUCCESSFUL EXECUTION OF OUR ADVANCING THE CORE STRATEGY SINCE 2016 INVESTOR DAY

GOALS AND FINANCIAL FRAMEWORK

- ✓ Capture global GDP growth
- ✓ Invest for growth in our core businesses
- ✓ 7-10% adjusted EPS¹ CAGR over time
- ✓ Deliver strong cash flow generation
- ✓ Return 50% of discretionary free cash flow¹
- ✓ Sustained and attractive TSR

SUCCESSFUL EXECUTION IN 2017



Delivering on Our Commitments to Shareholders

1. Non-GAAP measure – See Appendix; does not reflect the retrospective impact of “last-in, first-out” inventory recast effective October 1, 2017

CAPITAL EXPENDITURES

Reinvesting in our core, advantaged business positions

- ◆ Anticipate ~\$125M - \$150M per year of sustaining and compliance capital spending
- ◆ Investments made to fund growth in our core businesses
- ◆ Ensure we maintain our world class assets for reliable supply to our customers
- ◆ Focused on high-return projects where we have an advantaged position
- ◆ Total capex spend expected to be \$250M - \$300M per year for the next three years

KEY GROWTH PROJECTS

Expansion of FMO Capacity

**16,000 metric tons of capacity;
secure long-term source of feedstock**

Capex 2018-2020: ~\$150M

Two new carbon black units in Indonesia
160,000 metric tons of additional capacity

Capex 2018-2021: ~\$120M

Debottlenecks at existing facilities

>150,000 metric tons of capacity

Capex 2017-2021: ~\$50M

High-return Investments in Our Core Businesses Fuel Growth

ADVANCING THE CORE STRATEGY

| | Strategic Goals | 2016 – 2018 Actual/Forecast | | 2019 – 2021 Outlook |
|---------------------------------------|--|--|---|---|
| Volume Growth | Grow with GDP | Volume CAGR = 3% | ✓ | Volume CAGR = 4-5% |
| Profitability | 7-10% Adj. EPS ¹ CAGR over time | Adj. EPS ¹ CAGR = 18% | ✓ | Adj. EPS ¹ CAGR >10% |
| Capital Allocation | \$200-\$250M DFCF ¹ /Yr (return ~50% to shareholders) | \$250M DFCF ¹ /year (avg) (50%+ return) | ✓ | \$300-400M DFCF ¹ /year (50% return) |
| Total Shareholder Return (TSR) | Attractive TSR | 19% TSR since 2016 Investor Day | ✓ | Attractive TSR performance |

Robust Business Outlook Drives Strong Financial Performance

1. Non-GAAP measure – See Appendix

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