

CABOT CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

All dollar amounts shown below are in millions, except per share information

	Fiscal 2014 ^(A)				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Reconciliation of Adjusted EPS to GAAP EPS					
Net income per share attributable to Cabot Corporation	\$ 1.23	\$ 0.54	\$ 0.78	\$ -	\$ 2.55
Less: Net loss per share from discontinued operations	(0.01)	(0.01)	(0.01)	-	(0.03)
Net income per share from continuing operations	\$ 1.24	\$ 0.55	\$ 0.79	\$ -	\$ 2.58
Less: Certain items after tax	0.37	(0.28)	(0.09)	-	(0.00)
Adjusted earnings per share	\$ 0.87	\$ 0.83	\$ 0.88	\$ -	\$ 2.58

^(A) Per share amounts are calculated after tax.

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Reconciliation of Segment EBIT to Segment EBITDA Margin					
Total Segment EBIT	\$ 114	\$ 116	\$ 109	\$ -	\$ 339
Plus: Total Depreciation & Amortization	\$ 51	\$ 49	\$ 50	\$ -	\$ 150
Plus: Adjustments to Depreciation ^(B)	\$ (1)	\$ 1	\$ -	\$ -	\$ -
Less: Unallocated Corporate Costs	\$ (13)	\$ (16)	\$ (14)	\$ -	\$ (43)
EBITDA	\$ 151	\$ 150	\$ 145	\$ -	\$ 446

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Reinforcement Materials EBIT	\$ 64	\$ 61	\$ 61	\$ -	\$ 186
Plus: Depreciation & Amortization	\$ 21	\$ 22	\$ 22	\$ -	\$ 65
Reinforcement Materials EBITDA	\$ 85	\$ 83	\$ 83	\$ -	\$ 251
Reinforcement Materials Sales	\$ 517	\$ 504	\$ 534	\$ -	\$ 1,555
Reinforcement Materials EBITDA Margin	16%	16%	16%		16%

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Performance Materials EBIT	\$ 34	\$ 47	\$ 41	\$ -	\$ 122
Plus: Depreciation & Amortization	\$ 12	\$ 13	\$ 12	\$ -	\$ 37
Performance Materials EBITDA	\$ 46	\$ 60	\$ 53	\$ -	\$ 159
Performance Materials Sales	\$ 217	\$ 249	\$ 243	\$ -	\$ 709
Performance Materials EBITDA Margin	21%	24%	22%		22%

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Advanced Technologies EBIT	\$ 25	\$ 12	\$ 14	\$ -	\$ 51
Plus: Depreciation & Amortization	\$ 3	\$ 2	\$ 2	\$ -	\$ 7
Advanced Technologies EBITDA	\$ 28	\$ 14	\$ 16	\$ -	\$ 58
Advanced Technologies Sales	\$ 64	\$ 48	\$ 47	\$ -	\$ 159
Advanced Technologies EBITDA Margin	44%	29%	34%		36%

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Purification Solutions EBIT	\$ (9)	\$ (4)	\$ (7)	\$ -	\$ (20)
Plus: Depreciation & Amortization	\$ 14	\$ 13	\$ 14	\$ -	\$ 41
Purification Solutions EBITDA	\$ 5	\$ 9	\$ 7	\$ -	\$ 21
Purification Solutions Sales	\$ 72	\$ 80	\$ 78	\$ -	\$ 230
Purification Solutions EBITDA Margin	7%	11%	9%		9%

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Calculation of Free Cash Flow					
Segment EBIT	\$ 114	\$ 116	\$ 109	\$ -	\$ 339
Less: Unallocated Corporate Costs	(13)	(16)	(14)	-	(43)
Adjusted segment EBIT	\$ 101	\$ 100	\$ 95	\$ -	\$ 296
Adjusted segment earnings after tax	73	73	69	-	215
Depreciation & Amortization	51	49	50	-	150
Adjustments to Depreciation ^(B)	(1)	1	-	-	-
Proceeds from Sale of Business	-	-	215	-	215
Change in Net Working Capital	(165)	(3)	6	-	(162)
CapEX	(42)	(28)	(45)	-	(115)
Free Cash Flow	\$ (84)	\$ 92	\$ 295	\$ -	\$ 303

^(B) Adjustments to depreciation includes the addition of the depreciation expense of a contractual joint venture in Purification Solutions less accelerated depreciation expense not allocated to a business.

	Fiscal 2014			
	Dec. Q	Mar. Q	Jun. Q	Sept. Q
Adjusted ROIC ^(C)				
Twelve month rolling adjusted net income excluding certain items	\$ 262	\$ 293	\$ 276	
Four quarter average of adjusted invested capital	\$ 3,409	\$ 3,396	\$ 3,387	
Adjusted ROIC	8%	9%	8%	

^(C) The definition of Adjusted ROIC is provided in Item 6. of our most recent Annual Report on Form 10K.