

**CABOT CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**

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

	Fiscal 2014 <sup>(A)</sup>				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
<b>Reconciliation of Adjusted EPS to GAAP EPS</b>					
Net income per share attributable to Cabot Corporation	\$ 1.23	\$ 0.54	\$ -	\$ -	\$ 1.77
Less: Net loss per share from discontinued operations	(0.01)	(0.01)	-	-	(0.02)
Net income per share from continuing operations	\$ 1.24	\$ 0.55	\$ -	\$ -	\$ 1.79
Less: Certain items after tax	0.37	(0.28)	-	-	0.09
<b>Adjusted earnings per share</b>	<b>\$ 0.87</b>	<b>\$ 0.83</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1.70</b>

<sup>(A)</sup> Per share amounts are calculated after tax.

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
<b>Reconciliation of Segment EBIT to Segment EBITDA Margin</b>					
Total Segment EBIT	\$ 114	\$ 116	\$ -	\$ -	\$ 230
Plus: Total Depreciation & Amortization	\$ 51	\$ 49	-	-	\$ 100
Plus: Adjustments to Depreciation <sup>(B)</sup>	\$ (1)	\$ 1	-	-	\$ -
Less: Unallocated Corporate Costs	\$ (13)	\$ (16)	\$ -	\$ -	\$ (29)
<b>EBITDA</b>	<b>\$ 151</b>	<b>\$ 150</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 301</b>
<b>Reinforcement Materials</b>					
Reinforcement Materials EBIT	\$ 64	\$ 61	\$ -	\$ -	\$ 125
Plus: Depreciation & Amortization	\$ 21	\$ 22	-	-	\$ 43
<b>Reinforcement Materials EBITDA</b>	<b>\$ 85</b>	<b>\$ 83</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168</b>
Reinforcement Materials Sales	\$ 517	\$ 504	\$ -	\$ -	\$ 1,021
<b>Reinforcement Materials EBITDA Margin</b>	<b>16%</b>	<b>16%</b>			<b>16%</b>
<b>Performance Materials</b>					
Performance Materials EBIT	\$ 34	\$ 47	\$ -	\$ -	\$ 81
Plus: Depreciation & Amortization	\$ 12	\$ 13	\$ -	\$ -	\$ 25
<b>Performance Materials EBITDA</b>	<b>\$ 46</b>	<b>\$ 60</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 106</b>
Performance Materials Sales	\$ 217	\$ 249	\$ -	\$ -	\$ 466
<b>Performance Materials EBITDA Margin</b>	<b>21%</b>	<b>24%</b>			<b>23%</b>
<b>Advanced Technologies</b>					
Advanced Technologies EBIT	\$ 25	\$ 12	\$ -	\$ -	\$ 37
Plus: Depreciation & Amortization	\$ 3	\$ 2	\$ -	\$ -	\$ 5
<b>Advanced Technologies EBITDA</b>	<b>\$ 28</b>	<b>\$ 14</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 42</b>
Advanced Technologies Sales	\$ 64	\$ 48	\$ -	\$ -	\$ 112
<b>Advanced Technologies EBITDA Margin</b>	<b>44%</b>	<b>29%</b>			<b>38%</b>
<b>Purification Solutions</b>					
Purification Solutions EBIT	\$ (9)	\$ (4)	\$ -	\$ -	\$ (13)
Plus: Depreciation & Amortization	\$ 14	\$ 13	\$ -	\$ -	\$ 27
<b>Purification Solutions EBITDA</b>	<b>\$ 5</b>	<b>\$ 9</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14</b>
Purification Solutions Sales	\$ 72	\$ 80	\$ -	\$ -	\$ 152
<b>Purification Solutions EBITDA Margin</b>	<b>7%</b>	<b>11%</b>			<b>9%</b>

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
<b>Calculation of Free Cash Flow</b>					
Segment EBIT	\$ 114	\$ 116	\$ -	\$ -	\$ 230
Less: Unallocated Corporate Costs	(13)	(16)	-	-	(29)
Adjusted segment EBIT	\$ 101	\$ 100	\$ -	\$ -	\$ 201
Adjusted segment earnings after tax	73	73	-	-	146
Depreciation & Amortization	51	49	-	-	100
Adjustments to Depreciation <sup>(B)</sup>	(1)	1	-	-	-
Change in Net Working Capital	(164)	(22)	-	-	(186)
CapEX	(42)	(28)	-	-	(70)
<b>Free Cash Flow</b>	<b>\$ (83)</b>	<b>\$ 73</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (10)</b>

<sup>(B)</sup> 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
<b>Adjusted ROIC <sup>(C)</sup></b>				
Twelve month rolling adjusted net income excluding certain items	\$ 262	\$ 293		
Four quarter average of adjusted invested capital	\$ 3,409	\$ 3,396		
<b>Adjusted ROIC</b>	<b>8%</b>	<b>9%</b>		

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