

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	\$ 0.48	\$ 3.03
Less: Net loss per share from discontinued operations	(0.01)	(0.01)	(0.01)	0.05	0.02
Net income per share from continuing operations	\$ 1.24	\$ 0.55	\$ 0.79	\$ 0.43	\$ 3.01
Less: Certain items after tax	0.37	(0.28)	(0.09)	(0.42)	(0.42)
Adjusted earnings per share	\$ 0.87	\$ 0.83	\$ 0.88	\$ 0.85	\$ 3.43

^(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	\$ 108	\$ 447
Plus: Total Depreciation & Amortization	51	49	50	50	200
Plus: Adjustments to Depreciation ^(C)	(1)	1	-	-	-
Less: Unallocated Corporate Costs	(13)	(16)	(14)	(11)	(54)
EBITDA	\$ 151	\$ 150	\$ 145	\$ 147	\$ 593

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Reinforcement Materials EBIT ^(B)	\$ 73	\$ 65	\$ 62	\$ 59	\$ 259
Plus: Depreciation & Amortization ^(B)	21	22	22	23	87
Reinforcement Materials EBITDA ^(B)	\$ 94	\$ 87	\$ 84	\$ 82	\$ 347
Reinforcement Materials Sales ^(B)	\$ 533	\$ 512	\$ 538	\$ 525	\$ 2,108
Reinforcement Materials EBITDA Margin ^(B)	18%	17%	16%	16%	16%

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Performance Chemicals EBIT ^(B)	\$ 37	\$ 46	\$ 44	\$ 41	\$ 168
Plus: Depreciation & Amortization ^(B)	14	14	14	13	55
Performance Chemicals EBITDA ^(B)	\$ 51	\$ 60	\$ 58	\$ 54	\$ 223
Performance Chemicals Sales ^(B)	\$ 237	\$ 264	\$ 262	\$ 259	\$ 1,022
Performance Chemicals EBITDA Margin ^(B)	22%	23%	22%	21%	22%

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Purification Solutions EBIT	\$ (9)	\$ (4)	\$ (7)	\$ 1	\$ (19)
Plus: Depreciation & Amortization	14	13	14	13	54
Purification Solutions EBITDA	\$ 5	\$ 9	\$ 7	\$ 14	\$ 35
Purification Solutions Sales	\$ 72	\$ 80	\$ 78	\$ 85	\$ 315
Purification Solutions EBITDA Margin	7%	11%	9%	16%	11%

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Specialty Fluids EBIT ^(B)	\$ 13	\$ 9	\$ 10	\$ 7	\$ 39
Plus: Depreciation & Amortization ^(B)	1	1	-	1	3
Specialty Fluids EBITDA ^(B)	\$ 14	\$ 10	\$ 10	\$ 8	\$ 42
Specialty Fluids Sales ^(B)	\$ 28	\$ 25	\$ 24	\$ 21	\$ 98
Specialty Fluids EBITDA Margin ^(B)	50%	40%	42%	38%	43%

^(B) The amounts above have been recast for all periods to reflect the movement of the Elastomer Composites product line from the Advanced Technologies segment to the Reinforcement Materials segment and the Inkjet Colorants and Aerogel product lines from the Advanced Technologies segment to the Performance Chemicals segment. Specialty Fluids, which was previously included in the Advanced Technologies segment, will now be a stand-alone reporting segment.

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Segment EBIT	\$ 114	\$ 116	\$ 109	\$ 108	\$ 447
Less: Unallocated Corporate Costs	(13)	(16)	(14)	(11)	(54)
Adjusted segment EBIT	\$ 101	\$ 100	\$ 95	\$ 97	\$ 393
Adjusted segment earnings after tax	73	73	69	71	286
Depreciation & Amortization	51	49	50	50	200
Adjustments to Depreciation ^(C)	(1)	1	-	-	-
Proceeds from Sale of Business	-	-	215	20	235
Change in Net Working Capital	(168)	(3)	6	45	(120)
CapEX	(42)	(28)	(45)	(56)	(171)
Free Cash Flow	\$ (87)	\$ 92	\$ 295	\$ 130	\$ 430

^(C) 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 ^(D)				
Twelve month rolling adjusted net income excluding certain items	\$ 262	\$ 293	\$ 276	\$ 285
Five quarter average of adjusted invested capital	\$ 3,409	\$ 3,396	\$ 3,387	\$ 3,329
Adjusted ROIC	8%	9%	8%	9%

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