

Cabot Corporation to Increase Prices in EMEA for Rubber Carbon Black Products

April 1, 2016

BOSTON – April 1, 2016 - Effective for all shipments made on or after May 1, 2016, or as customer contracts allow, <u>Cabot Corporation</u> is increasing prices on all carbon black products in its Reinforcement Materials segment sold in the Europe, Middle East and Africa (EMEA) region.

Cabot continues to face significant cost pressures and sourcing challenges for oil-derived feedstocks that are specifically selected for the production of carbon black in the EMEA region. While every effort is made to optimize the procurement of such feedstocks, the changing energy market conditions that began in 2015 have intensified and remain unabated. This has caused Cabot's raw material costs to increase as compared to relative fuel oil indices that are largely used to determine carbon black prices, resulting in an unfavorable differential to the Company.

Price adjustments will be implemented between 60 to 90 €/MT, in addition to any applicable feedstock index-related adjustments, for carbon black products in Cabot's Reinforcement Materials segment.

"We continue to take actions to minimize the impact of feedstock costs, but it is necessary to appropriately adjust prices to help offset these market conditions," said Aled Rees, vice president and regional business director, EMEA region, Reinforcement Materials segment. "We are seeing significant growth in the transportation segment and related applications in the automotive and industrial rubber markets that is driving increased demand for Cabot's high quality rubber blacks produced in the EMEA region. Our main focus will always be to provide our customers with the quality carbon black products and services that they have come to expect, and we will continue to do our best to control costs and provide superior product value."

ABOUT CABOT CORPORATION

Cabot Corporation (NYSE: CBT) is a global specialty chemicals and performance materials company, headquartered in Boston, Massachusetts. The company is a leading provider of <u>rubber</u> and <u>specialty carbons</u>, <u>activated carbon</u>, <u>inkjet colorants</u>, <u>cesium formate drilling fluids</u>, <u>fumed silica</u>, and <u>aerogel</u>. For more information on Cabot, please visit the company's website at: http://www.cabotcorp.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in the press release regarding Cabot's business that are not historical facts are forward looking statements that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K.