



Shanghai Cabot Chemical Company, Ltd. To Expand Carbon Black Facility

September 12, 2002

(Boston, MA, USA and Shanghai, China) - September 12, 2002 -- Shanghai Cabot Chemical Company Limited today announced plans to expand its carbon black production facility in Shanghai, China. The expansion of the facility will increase carbon black production output by more than 50,000 MT per year through use of advanced technology developed by Cabot Corporation (NYSE:CBT). The cost of the facility expansion is approximately \$25 million. The production line is expected to be fully operational by early 2004.

Formed in 1988, Shanghai Cabot Chemical Company Limited is a Joint Venture between Cabot Corporation and Shanghai Coking Chemical Company. Cabot is the majority shareholder of the Joint Venture; Shanghai Coking Chemical Company owns 30 percent. The Joint Venture began carbon black production in China in 1992.

Carbon black is one of the most important reinforcing materials used in the tire and rubber industries. Currently, China ranks third in its consumption of carbon black, behind the USA and Japan.

Xinsheng Zhang, General Manager of the Joint Venture announced the expansion plan at the Company's 10th anniversary celebration that was attended by Shanghai government officials, customers, and local community residents. "We greatly appreciate the support we have received to date from the government on this project. We will continue to work with officials to secure the necessary approvals," said Xinsheng Zhang.

"This new production unit will bring advanced carbon black manufacturing technology to our plant in Shanghai and enhance our ability to continue supplying the highest quality products for our customers in China," said William Noglows, Executive Vice President and General Manager of Cabot's carbon black business. "We continue to see many of our domestic and global customers investing and growing in China. This expansion is targeted at supporting our customers as they grow, while continuing to bring world class technology and the highest quality products to our venture in China."

Hu Gongming, Chairman of Shanghai Coking Chemical Company said, "We are happy to expand operations at our Shanghai plant as it demonstrates the successful partnership between Cabot and Shanghai Coking Company. Over the past ten years, the Joint Venture operation has become more integrated and efficient. The success of this Joint Venture has generated complete and mutual trust and confidence."

Nicholas Ballas, General Manager of the Asia Pacific Region at Cabot said, "We have achieved great success with our carbon black business over the last ten years and during this time have become an industry leader in China. This new investment reflects the confidence of Cabot Corporation and Shanghai Coking Chemical Company in our ability to continue to build on our success."

About Cabot Corporation

Founded in 1882, Cabot Corporation is a global specialty chemicals and materials company headquartered in Boston, Massachusetts, USA. Cabot's major products are carbon black, fumed silica, inkjet colorants, and capacitor materials. Cabot operates more than 45 manufacturing plants and offices located in 23 countries around the world. The website address is www.cabot-corp.com.

About Shanghai Coking Chemical Company

Shanghai Coking Chemical Company was founded in 1958, and is one of the largest companies in China in coke and methanol manufacturing.