Cabot Announces Joint Venture With China National Bluestar Group To Build A Second Fumed Silica Manufacturing Facility in China

May 16, 2008

BOSTON and BEIJING, May 16 /PRNewswire-FirstCall/ -- Cabot Corporation (NYSE: CBT) announced today that its subsidiary, Cabot (China) Ltd., has signed a joint venture agreement with the China National Bluestar Group to build a facility for the manufacture of fumed silica in China. The agreement was signed in Beijing on May 16, 2008 and represents an expansion of the relationship between the two companies, which began with the construction of China's first state of the art fumed silica manufacturing facility in Jiangxi province in 2004.

To expand the relationship, Cabot Bluestar Chemical (Tianjin) Co., Ltd, the new joint venture company, will invest approximately US $40 million to build Cabot's next world class fumed silica facility, with a manufacturing capacity of approximately 7000 metric tons per year. The plant will be located in Tianjin, China and will be commissioned in early 2010.

Patrick Prevost, Cabot's President and CEO said, "China is an increasingly important part of Cabot's global business. Our business and manufacturing experience in China over the past 20 years has been extremely positive. The Bluestar Group has been a highly valued partner in our Jiangxi silica plant. Our new joint project in Tianjin will allow us to broaden this partnership. The expansion will build on the success of our other manufacturing facilities in Tianjin's rapidly developing Binhai New Area. Once commissioned, our new Tianjin silica plant will be a long-term, reliable source of high quality materials for Bluestar and other customers in and outside China."

Ren Jianxin, founder of China National Bluestar Group and President of its parent company ChemChina, said, "We are pleased with the expansion and deepening of our relationship with Cabot. This new facility, which will be built in close cooperation between Cabot and Bluestar, will be state-of-the- art for fumed silica production and will be a great help to the growth of the Chinese silicone industry."

About Cabot Corporation

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, capacitor materials, and cesium formate drilling fluids. The Company's website is: http://www.cabot-corp.com.

About China National Bluestar (Group) Corporation

A leading chemical corporation in the areas of new chemical materials and specialty chemicals, Bluestar owns 45 production facilities and 17 scientific research institutes around the world, including a controlling interest in three publicly listed companies, with businesses spanning 150 countries and territories. Bluestar has pursued a strategy of mutual development with its business partners, meeting customer requirements for safer and more environmentally friendly products and services through constant technological innovation. The Company's website is: http://www.china-bluestar.com.

SOURCE Cabot Corporation

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