

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	\$ -	\$ -	\$ -	\$ 1.23
Less: Net income per share from discontinued operations	-	-	-	-	-
Net income per share from continuing operations	\$ 1.23	\$ -	\$ -	\$ -	\$ 1.23
Less: Certain items after tax	0.37	-	-	-	0.37
Adjusted earnings per share	\$ 0.86	\$ -	\$ -	\$ -	\$ 0.86

^(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	\$ 113	\$ -	\$ -	\$ -	\$ 113
Plus: Total Depreciation & Amortization	\$ 51	-	-	-	\$ 51
Plus: Adjustments to Depreciation ^(B)	\$ (1)	-	-	-	\$ (1)
Less: Unallocated Corporate Costs	\$ (13)	\$ -	\$ -	\$ -	\$ (13)
EBITDA	\$ 150	\$ -	\$ -	\$ -	\$ 150
Reinforcement Materials					
Reinforcement Materials EBIT	\$ 64	\$ -	\$ -	\$ -	\$ 64
Plus: Depreciation & Amortization	21	-	-	-	21
Reinforcement Materials EBITDA	\$ 85	\$ -	\$ -	\$ -	\$ 85
Reinforcement Materials Sales	\$ 517	\$ -	\$ -	\$ -	\$ 517
Reinforcement Materials EBITDA Margin	16%				16%
Performance Materials					
Performance Materials EBIT	\$ 34	\$ -	\$ -	\$ -	\$ 34
Plus: Depreciation & Amortization	\$ 12	\$ -	\$ -	\$ -	\$ 12
Performance Materials EBITDA	\$ 46	\$ -	\$ -	\$ -	\$ 46
Performance Materials Sales	\$ 217	\$ -	\$ -	\$ -	\$ 217
Performance Materials EBITDA Margin	21%				21%
Advanced Technologies					
Advanced Technologies EBIT	\$ 24	\$ -	\$ -	\$ -	\$ 24
Plus: Depreciation & Amortization	\$ 3	\$ -	\$ -	\$ -	\$ 3
Advanced Technologies EBITDA	\$ 27	\$ -	\$ -	\$ -	\$ 27
Advanced Technologies Sales	\$ 65	\$ -	\$ -	\$ -	\$ 65
Advanced Technologies EBITDA Margin	42%				42%
Purification Solutions					
Purification Solutions EBIT	\$ (9)	\$ -	\$ -	\$ -	\$ (9)
Plus: Depreciation & Amortization	\$ 14	\$ -	\$ -	\$ -	\$ 14
Purification Solutions EBITDA	\$ 5	\$ -	\$ -	\$ -	\$ 5
Purification Solutions Sales	\$ 77	\$ -	\$ -	\$ -	\$ 77
Purification Solutions EBITDA Margin	6%				6%

	Fiscal 2014				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2014
Calculation of Free Cash Flow					
Segment EBIT	\$ 113	\$ -	\$ -	\$ -	\$ 113
Less: Unallocated Corporate Costs	(13)	-	-	-	(13)
Adjusted segment EBIT	\$ 100	\$ -	\$ -	\$ -	\$ 100
Adjusted segment earnings after tax	72	-	-	-	72
Depreciation & Amortization	51	-	-	-	51
Adjustments to Depreciation ^(B)	(1)	-	-	-	(1)
Change in Net Working Capital	(164)	-	-	-	(164)
CapEX	(42)	-	-	-	(42)
Free Cash Flow	\$ (84)	\$ -	\$ -	\$ -	\$ (84)

^(B) 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 ^(C)				
Twelve month rolling adjusted net income excluding certain items	\$ 262			
Four quarter average of adjusted invested capital	\$ 3,409			
Adjusted ROIC	8%			

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