

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	\$ 0.51	\$ 3.06
Less: Net loss per share from discontinued operations	(0.01)	(0.01)	(0.01)	0.08	0.05
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 ^(B)	\$ (1)	1	-	-	-
Less: Unallocated Corporate Costs	\$ (13)	\$ (16)	\$ (14)	\$ (11)	\$ (54)
EBITDA	\$ 151	\$ 150	\$ 145	\$ 147	\$ 593
Reinforcement Materials					
Reinforcement Materials EBIT	\$ 64	\$ 61	\$ 61	\$ 56	\$ 242
Plus: Depreciation & Amortization	21	22	22	22	87
Reinforcement Materials EBITDA	\$ 85	\$ 83	\$ 83	\$ 78	\$ 329
Reinforcement Materials Sales	\$ 517	\$ 504	\$ 534	\$ 521	\$ 2,076
Reinforcement Materials EBITDA Margin	16%	16%	16%	15%	16%
Performance Materials					
Performance Materials EBIT	\$ 34	\$ 47	\$ 41	\$ 36	\$ 158
Plus: Depreciation & Amortization	\$ 12	\$ 13	\$ 12	\$ 12	\$ 49
Performance Materials EBITDA	\$ 46	\$ 60	\$ 53	\$ 48	\$ 207
Performance Materials Sales	\$ 217	\$ 249	\$ 243	\$ 238	\$ 947
Performance Materials EBITDA Margin	21%	24%	22%	20%	22%
Advanced Technologies					
Advanced Technologies EBIT	\$ 25	\$ 12	\$ 14	\$ 15	\$ 66
Plus: Depreciation & Amortization	\$ 3	\$ 2	\$ 2	\$ 3	\$ 10
Advanced Technologies EBITDA	\$ 28	\$ 14	\$ 16	\$ 18	\$ 76
Advanced Technologies Sales	\$ 64	\$ 48	\$ 47	\$ 46	\$ 205
Advanced Technologies EBITDA Margin	44%	29%	34%	39%	37%
Purification Solutions					
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
Calculation of Free Cash Flow					
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 ^(B)	(1)	1	-	-	-
Proceeds from Sale of Business	-	-	215	20	235
Change in Net Working Capital	(168)	(3)	6	44	(121)
CapEX	(42)	(28)	(45)	(56)	(171)
Free Cash Flow	\$ (87)	\$ 92	\$ 295	\$ 129	\$ 429

^(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	\$ 293	\$ 276	\$ 285
Four quarter average of adjusted invested capital	\$ 3,409	\$ 3,396	\$ 3,387	\$ 3,329
Adjusted ROIC	8%	9%	8%	9%

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