

## CABOT CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

All dollar amounts shown below are in millions, except per share information

	Fiscal 2016 <sup>(A)</sup>				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2016
<b>Reconciliation of Adjusted EPS to GAAP EPS</b>					
Net (loss) income per share attributable to Cabot Corporation	\$ (0.11)	\$ -	\$ -	\$ -	\$ (0.11)
Less: Net loss per share from discontinued operations	-	-	-	-	-
Net (loss) income per share from continuing operations	\$ (0.11)	\$ -	\$ -	\$ -	\$ (0.11)
Less: Certain items after tax	(0.62)	-	-	-	(0.62)
<b>Adjusted earnings per share</b>	<b>\$ 0.51</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.51</b>

<sup>(A)</sup> Per share amounts are calculated after tax and, where applicable, noncontrolling interest, net of tax.

	Fiscal 2016				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2016
<b>Reconciliation of Segment EBIT to Segment EBITDA Margin</b>					
Total Segment EBIT	\$ 71	\$ -	\$ -	\$ -	\$ 71
Plus: Total Depreciation & Amortization	41	-	-	-	41
Plus: Adjustments to Depreciation <sup>(B)</sup>	1	-	-	-	1
Less: Unallocated Corporate Costs	(13)	-	-	-	(13)
<b>EBITDA</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100</b>

	Fiscal 2016				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2016
Reinforcement Materials EBIT	\$ 26	\$ -	\$ -	\$ -	\$ 26
Plus: Depreciation & Amortization	20	-	-	-	20
<b>Reinforcement Materials EBITDA</b>	<b>\$ 46</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 46</b>
Reinforcement Materials Sales	\$ 288	\$ -	\$ -	\$ -	\$ 288
<b>Reinforcement Materials EBITDA Margin</b>	<b>16%</b>				<b>16%</b>

	Fiscal 2016				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2016
Performance Chemicals EBIT	\$ 50	\$ -	\$ -	\$ -	\$ 50
Plus: Depreciation & Amortization	12	-	-	-	12
<b>Performance Chemicals EBITDA</b>	<b>\$ 62</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 62</b>
Performance Chemicals Sales	\$ 207	\$ -	\$ -	\$ -	\$ 207
<b>Performance Chemicals EBITDA Margin</b>	<b>30%</b>				<b>30%</b>

	Fiscal 2016				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2016
Purification Solutions EBIT	\$ (5)	\$ -	\$ -	\$ -	\$ (5)
Plus: Depreciation & Amortization	9	-	-	-	9
<b>Purification Solutions EBITDA</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4</b>
Purification Solutions Sales	\$ 66	\$ -	\$ -	\$ -	\$ 66
<b>Purification Solutions EBITDA Margin</b>	<b>6%</b>				<b>6%</b>

	Fiscal 2016				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2016
Specialty Fluids EBIT	\$ -	\$ -	\$ -	\$ -	\$ -
Plus: Depreciation & Amortization	1	-	-	-	1
<b>Specialty Fluids EBITDA</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>
Specialty Fluids Sales	\$ 7	\$ -	\$ -	\$ -	\$ 7
<b>Specialty Fluids EBITDA Margin</b>	<b>14%</b>				<b>14%</b>

	Fiscal 2016				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2016
<b>Calculation of Free Cash Flow</b>					
Segment EBIT	\$ 71	\$ -	\$ -	\$ -	\$ 71
Less: Unallocated Corporate Costs	(13)	-	-	-	(13)
Adjusted segment EBIT	\$ 58	\$ -	\$ -	\$ -	\$ 58
Adjusted segment earnings after tax	43	-	-	-	43
Depreciation & Amortization	41	-	-	-	41
Adjustments to Depreciation <sup>(B)</sup>	1	-	-	-	1
Change in Net Working Capital	54	-	-	-	54
CapEX	(24)	-	-	-	(24)
<b>Free Cash Flow</b>	<b>\$ 115</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 115</b>

<sup>(B)</sup> 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 2016			
	Dec. Q	Mar. Q	Jun. Q	Sept. Q
<b>Adjusted ROIC <sup>(C)</sup></b>				
Twelve month rolling adjusted net income excluding certain items	\$ 204	\$ -	\$ -	\$ -
Five quarter average of adjusted invested capital	\$ 2,565	\$ -	\$ -	\$ -
<b>Adjusted ROIC</b>	<b>8%</b>			

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