

CABOT CORPORATION RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

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

	Fiscal 2012 ^(A)				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q ^(B)	FY 2012 ^(B)
Reconciliation of Adjusted EPS to GAAP EPS					
Net income per share attributable to Cabot Corporation	\$ 0.71	\$ 3.70	\$ 1.02	\$ 0.56	\$ 5.99
Less: Net income per share from discontinued operations	0.16	2.92	0.06	0.02	3.16
Net income per share from continuing operations	\$ 0.55	\$ 0.78	\$ 0.96	\$ 0.54	\$ 2.83
Less: Certain items after tax	(0.08)	(0.18)	(0.04)	(0.19)	(0.49)
Adjusted earnings per share	\$ 0.63	\$ 0.96	\$ 1.00	\$ 0.73	\$ 3.32

^(A) Per share amounts are calculated after tax.

^(B) EPS for the fourth quarter and full fiscal year 2012 include the impact of final adjustments as reflected in our most recent Annual Report on Form 10K.

	Fiscal 2012				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2012
Reconciliation of Segment EBIT to Segment EBITDA Margin					
Total Segment EBIT	\$ 81	\$ 123	\$ 109	\$ 96	\$ 409
Plus: Total Depreciation & Amortization	\$ 36	\$ 38	\$ 37	\$ 45	\$ 156
Less: Accelerated Depreciation	\$ -	\$ (3)	\$ (2)	\$ (1)	\$ (6)
Less: Unallocated Corporate Costs	\$ (14)	\$ (18)	\$ (12)	\$ (12)	\$ (56)
EBITDA	\$ 103	\$ 140	\$ 132	\$ 128	\$ 503
Reinforcement Materials					
Reinforcement Materials EBIT	\$ 55	\$ 72	\$ 59	\$ 41	\$ 227
Plus: Depreciation & Amortization	\$ 20	\$ 20	\$ 21	\$ 21	\$ 82
Reinforcement Materials EBITDA	\$ 75	\$ 92	\$ 80	\$ 62	\$ 309
Reinforcement Materials Sales	\$ 489	\$ 534	\$ 517	\$ 479	\$ 2,019
Reinforcement Materials EBITDA Margin	15%	17%	15%	13%	15%
Performance Materials					
Performance Materials EBIT	\$ 21	\$ 35	\$ 38	\$ 34	\$ 128
Plus: Depreciation & Amortization	\$ 12	\$ 12	\$ 11	\$ 12	\$ 47
Performance Materials EBITDA	\$ 33	\$ 47	\$ 49	\$ 46	\$ 175
Performance Materials Sales	\$ 205	\$ 235	\$ 247	\$ 227	\$ 914
Performance Materials EBITDA Margin	16%	20%	20%	20%	19%
Advanced Technologies					
Advanced Technologies EBIT	\$ 5	\$ 16	\$ 12	\$ 16	\$ 49
Plus: Depreciation & Amortization	\$ 4	\$ 3	\$ 3	\$ 3	\$ 13
Advanced Technologies EBITDA	\$ 9	\$ 19	\$ 15	\$ 19	\$ 62
Advanced Technologies Sales	\$ 39	\$ 57	\$ 57	\$ 57	\$ 210
Advanced Technologies EBITDA Margin	23%	33%	26%	33%	30%
Purification Solutions					
Purification Solutions EBIT	N/A	N/A	N/A	\$ 5	\$ 5
Plus: Depreciation & Amortization	N/A	N/A	N/A	\$ 8	\$ 8
Purification Solutions EBITDA	N/A	N/A	N/A	\$ 13	\$ 13
Purification Solutions Sales	N/A	N/A	N/A	\$ 61	\$ 61
Purification Solutions EBITDA Margin	N/A	N/A	N/A	21%	21%

	Fiscal 2012				
	Dec. Q	Mar. Q	Jun. Q	Sept. Q	FY 2012
Calculation of Free Cash Flow					
Segment EBIT	\$ 81	\$ 123	\$ 109	\$ 96	\$ 409
Less: Unallocated Corporate Costs	(14)	(18)	(12)	(12)	(56)
Adjusted segment EBIT	\$ 67	\$ 105	\$ 97	\$ 84	\$ 353
Adjusted segment earnings after tax	50	78	73	66	267
Plus: Depreciation & Amortization	36	38	37	45	156
Less: Accelerated Depreciation	-	(3)	(2)	(1)	(6)
Plus: Proceeds from Sale of Business	-	175	28	1	204
Less: Change in Net Working Capital	(64)	(31)	5	67	(23)
Less: CapEX	(61)	(56)	(59)	(105)	(281)
Free Cash Flow	\$ (39)	\$ 201	\$ 82	\$ 73	\$ 317

	Fiscal 2012			
	Dec. Q	Mar. Q	Jun. Q	Sept. Q
Adjusted ROIC ^(C)				
Twelve month rolling adjusted net income excluding certain items	\$ 265	\$ 271	\$ 269	\$ 267
Five quarter rolling average of adjusted invested capital	\$ 1,949	\$ 2,000	\$ 2,027	\$ 2,249
Adjusted ROIC	14%	14%	13%	12%

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