

**CABOT MICROELECTRONICS CORPORATION
ANNUAL MEETING OF STOCKHOLDERS**

**TUESDAY, MARCH 8, 2016
8:00 A.M.**

THE CHAIRMAN OF THE MEETING – William P. Noglows
THE SECRETARY – Carol Bernstein

NOGLOWS:

Good morning, I am Bill Noglows, Chairman of the Board of Cabot Microelectronics Corporation, and along with David Li, President and Chief Executive Officer and Director, I am pleased to welcome you to our Annual Meeting of Stockholders.

The script of our Annual Meeting will be available following the meeting through our website at cabotcmp.com. I would like to remind all of you that our conversation today may include statements that constitute forward looking statements. Such statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from these forward looking statements, and we assume no obligation to update them.

Carol Bernstein, the General Counsel and Secretary of our Company, will act as Secretary of the Meeting.

First, I would like to emphasize our appreciation for our Board of Directors, and the advice and guidance provided to our company.

I would like to acknowledge the members of our Board of Directors who are with us today in person: Bob Birgeneau, Rick Hill, Barb Klein, Susan Whitney, Geoff Wild, Steve Wilkinson, and Bailing Xia.

All of us at Cabot Microelectronics want to extend our deep appreciation to Larry Fuller and Ted Mooney, who have been valued Directors for more than a decade, and are retiring from our Board; Larry and Ted's advice and guidance to our Company have been unsurpassed –

we will miss them greatly and wish them well. Unfortunately, due to travel requirements, they are not able to be with us today.

The first order of business for our annual meeting is to organize the meeting and determine the presence of a quorum. Will all stockholders present and wishing to vote in person by ballot, and all persons holding proxies not previously filed, please report to the Secretary and deliver their ballots and proxies to her.

On or about January 22, 2016, our Board of Directors sent notice of this meeting to all stockholders of record as of the close of business on January 15, 2016.

The list of stockholders entitled to vote at this meeting has been open to the examination of stockholders at the Company's executive offices for more than ten days prior to this meeting as required by Delaware law.

Liz Valente of Cabot Microelectronics has been appointed Judge to tabulate the stockholders' votes.

Various affidavits regarding the mailing of the proxy material and the maintenance of the stockholder lists and the Oath and Certificate of the Judge will be filed with the minutes of this meeting.

I now ask the Secretary to report the number of shares represented at this meeting.

BERNSTEIN:

Out of 24,272,899 shares of Common Stock entitled to vote at this meeting, there are present in person or represented by proxy at least 23,164,845 shares, or approximately 95.4% of such shares.

NOGLOWS:

A quorum is present and we may proceed with the business of the meeting:

The next order of business is the election of directors. Our Board is currently comprised of eleven directors, but with the retirement of Mr. Fuller

and Mr. Mooney today, we will have nine Board members. The Board is divided into three classes: Class I, whose terms will expire at this meeting, Class II, whose terms will expire at the 2017 annual meeting, and Class III, whose terms will expire at the 2018 annual meeting. At this meeting, we will elect two Class I directors to hold office until the 2019 Annual Meeting of Stockholders. The Secretary will now report on the nominees for Class I directors.

BERNSTEIN:

I will ask the two nominees to identify themselves respectively by saying “aye” when I read their names: The Board of Directors has nominated Richard S. Hill, and Susan M. Whitney, each of whom currently serves on our Board, as directors of the Company to serve until the 2019 Annual Meeting of Stockholders or until their successors have been duly elected and qualified. In the Proxy Statement we provided you with information regarding the business experience of each of these individuals.

Does anyone second these nominations?

WILLIAM JOHNSON:

I second the nominations.

NOGLOWS:

The third order of business is the non-binding advisory vote on our company’s named executive officer compensation, as described in the Compensation, Discussion and Analysis section and related compensation tables of our Proxy Statement. We provided you with information regarding this matter in the Proxy Statement. Our Board of Directors recommends a vote in favor of this proposal. Does anyone second this proposal, which I move.

JOHNSON:

I second the motion.

NOGLOWS:

The fourth order of business is the ratification of the selection of PricewaterhouseCoopers LLP as the company's independent auditors for fiscal year 2016. We provided you with information regarding our independent auditors and the services they provide in the Proxy Statement. I will now entertain a motion regarding this proposal.

BERNSTEIN:

I so move.

JOHNSON:

I second the motion.

BERNSTEIN:

The election of directors, the non-binding advisory vote on executive compensation, and the ratification of the selection of PricewaterhouseCoopers as the company's independent auditors will be put to vote by ballot. The affirmative vote of a plurality of the shares represented in person or by proxy at this meeting will be necessary for the election of each director. The affirmative vote of a majority of the shares represented in person or by proxy at this meeting will be necessary to approve the non-binding advisory vote on named executive officer compensation and ratify the selection of the company's independent auditors.

NOGLOWS:

While the voting is being completed and the results are tabulated by the Judge, David will provide you with a review of our business.

LI:

Thanks, Bill. Good morning, everyone, and thanks for joining us.

My comments this morning will be brief, since we covered our results and accomplishments in fiscal year 2015 at length in our year-end conference call in October and in our 2015 annual report.

In fiscal 2015, we delivered strong financial performance within a challenging semiconductor industry environment. We achieved a record level of profit, representing eleven percent growth compared to the prior year; we expanded our gross margin percentage to 51.3 percent of revenue, the highest level since 2002; and, we achieved record revenue in our tungsten CMP slurry product line, which was ten percent higher than last year. We believe that our performance demonstrates the continued strength of our business, and our ability to successfully execute our strategies over a range of industry environments.

I would like to focus on three highlights of the fiscal year.

During the year, we maintained our focus on providing world-class CMP solutions to our customers globally. We worked closely with our strategic customers to support their transitions to FinFET for advanced logic IC devices and 3D memory. These applications are early in their ramp and require additional CMP steps, in particular tungsten where we have very strong and broad technology. For fiscal 2015, approximately thirteen percent of our tungsten revenue was driven by the early production of these advanced technologies. We expect that over time other semiconductor manufacturers will also adopt these technologies, which we are confident will continue to drive profitable growth for our company. Our commitment to R&D and global reach position us well to deliver advanced CMP solutions to help enable our customers' emerging applications, and future technologies like the ten and seven nanometer nodes.

In fiscal 2015 we continued to implement the broad transformation of our dielectrics slurry product portfolio to improve profitability and drive top line growth. We advanced the commercialization of our family of innovative, higher-performing solutions, which target around \$100 million dollars of new business opportunities. Our customers are seeing better performance through significantly improved defectivity, and at a much lower cost. As a result, during the fiscal year we secured several new business opportunities, and we look forward to supporting our customers as they ramp. In addition, customers are evaluating and qualifying these solutions for other applications, and we remain encouraged by the positive customer

feedback on performance across a range of technology nodes and on both 200 and 300mm platforms. We expect this dielectrics transformation will be another driver of profitable growth for our company over the next several years.

We ended the fiscal year with our announcement to acquire NexPlanar Corporation, a U.S. based company specializing in CMP pads for advanced technology applications. For a number of years, we have placed a high priority on growing our revenue in the CMP pads area, which is a large and very closely adjacent opportunity to CMP slurries, where we are the leader. This acquisition represents a significant step forward in the execution of our strategy to strengthen and grow our CMP consumables business, and in particular our CMP pads product area. We are focused on leveraging our extensive global infrastructure, including our direct sales channel, supply chain capabilities and quality systems, to further the adoption of NexPlanar's advanced CMP solutions. Combining NexPlanar's innovative thermoset polyurethane technology with our thermoplastic polyurethane technologies, we expect to deliver a broader range of CMP solutions to better meet the needs of our customers around the world, including providing performance-differentiated slurry and pad consumable sets. We believe that this acquisition will accelerate growth in CMP pads and contribute to continued meaningful profitable growth for our company.

Now turning to fiscal 2016, in January we announced a solid start to the year, within a continued soft semiconductor industry and challenging macro-economic environment. During our first fiscal quarter, we achieved revenue of \$100.4 million dollars, a gross profit margin of 50.0 percent of revenue, and diluted earnings per share of 46 cents, all of which include the impact of the NexPlanar acquisition, which was completed on October 22, 2015. Excluding NexPlanar acquisition-related costs and amortization expense, our non-GAAP gross profit margin was 51.6 percent of revenue, which is 70 basis points higher than in the same quarter last year, and non-GAAP earnings per share were 56 cents. On this basis, we have now expanded our gross margin year-over-year for five consecutive quarters. During the quarter, we made progress on integrating NexPlanar into our CMP consumables business. Our Team has been working with our strategic customers, and customer reactions to the acquisition have been extremely positive. We have created a new, global, Pads team, combining elements from NexPlanar and our organization, and are beginning to see the benefits of leveraging our global infrastructure, research and technical

resources, supply chain capabilities and quality systems. As we indicated during our call in January, we currently believe we can achieve revenue from our pads product area of around \$70 million to \$90 million dollars in fiscal 2018, and after the first year of integration, we expect synergies of approximately \$10 million dollars per year.

Let me now provide a few comments on our capital deployment strategy. Over the years, our strong profitability and cash generation capabilities have enabled us to invest around \$320 million dollars in organic investments, to increase our capabilities and expand our global footprint. In addition, we have allocated approximately \$230 million dollars to acquisitions, repurchased nearly \$350 million dollars of our stock, and also distributed nearly \$350 million dollars to our shareholders through a leveraged recapitalization with a special cash dividend. In further support of this balanced capital deployment strategy, on January 7, we announced that our Board of Directors has authorized the initiation of a regular quarterly cash dividend program. In addition, our Board increased the authorization of our existing share repurchase program to \$150 million dollars. We believe that our initiation of a quarterly dividend, coupled with our expanded share repurchase program, demonstrates our confidence in our future cash generation capabilities, and represents a continuation of our historical commitment to distributing capital to our shareholders. Our priorities for capital deployment are funding organic growth opportunities, dividends, share repurchases, and acquisition opportunities in closely related areas.

You may recall that when we reported our first fiscal quarter results on January 28, our expectation then was for continued soft demand for our CMP consumables products during our second fiscal quarter, based on reports by some of our strategic customers and industry analysts. At this time, we continue to experience soft demand conditions.

Now let me provide just a few comments on industry consolidation. The industry has definitely experienced consolidation, from a customer standpoint, through equipment, and more recently in the materials area. We have participated in the consolidation with our recent acquisition of NexPlanar and in 2009 when we acquired Epoch, a slurry provider. As we have indicated in the past, we feel confident with our position, but also believe that there are certain advantages to scale. With the continuing trend of consolidation, we are always monitoring opportunities to

strengthen our business, through a variety of means, that could provide additional value to our shareholders.

Let me conclude my business update today by stating that our focused business model, along with our global resources, capabilities and infrastructure, differentiate our company as a leader among suppliers to the semiconductor industry, and position us well for future success. Looking ahead, we will continue to focus on close partnerships with our technology leading customers to deliver innovative solutions to drive continued profitable growth for our company. On behalf of all of our employees around the world, I would like to thank our shareholders for your continued support over the years.

And with that, I will turn the meeting back to Bill.

NOGLOWS:

Thank you, David. I now will open the meeting up to questions from the audience. Are there any questions?

At this time I would like to continue with the business of the meeting.

BERNSTEIN:

I have received the Report of the Judge and am pleased to announce the vote:

In the election of directors: Each nominee received at least 22,279,546 votes, or approximately 99.9% of shares voted. Richard S. Hill and Susan M. Whitney therefore have been elected as directors of the Company to serve until the 2019 Annual Meeting of Stockholders or until their successors have been duly elected and qualified.

With respect to the non-binding advisory vote on the Company's named executive officer compensation, at least 20,570,818 votes or approximately 92.2% of shares cast on this matter, have been voted in favor of approving the Company's named executive officer compensation; therefore, the Company's named executive officer compensation is approved by non-binding advisory vote.

Finally, at least 22,424,077 shares, or approximately 96.8% of shares cast on this matter, have been voted in favor of ratifying the selection of the company's independent auditors for fiscal year 2016; therefore, the selection of PricewaterhouseCoopers LLP is ratified.

The Report of the Judge will be attached to the minutes of the meeting and the ballots cast will be filed with the records of the meeting.

NOGLOWS:

Is there any other business to come before the meeting?

I would now like to introduce Colleen Harrison, a partner with PricewaterhouseCoopers, the Company's independent auditors, who is here with us and would be pleased to respond to appropriate questions. Are there any questions?

Thank you, Colleen.

At this time, we have transacted all business to be conducted at this meeting. Is there a motion that the meeting be adjourned?

JOHNSON:

I move that the meeting be adjourned.

BERNSTEIN:

I second the motion.

NOGLOWS:

All those in favor, say aye.

Opposed?

The meeting is now adjourned. Thank you for coming and supporting Cabot Microelectronics.