Minerals Technologies Inc. Reports First Quarter Net Income Growth of 16 Percent; Diluted Earnings Per Share Rose 14 Percent to $0.66

April 18, 2002

NEW YORK, Apr 18, 2002 (BUSINESS WIRE) -- Minerals Technologies Inc. (NYSE: MTX) today reported first quarter diluted earnings per common share of $0.66, a 14-percent increase from the $0.58 reported in the first quarter of 2001.

Worldwide sales were $179.0 million compared with $164.0 million in the first quarter of 2001, a 9-percent increase. Foreign exchange had a negative impact on sales of approximately $3.4 million, or 2 percentage points of growth. For the quarter, operating income was $21.4 million compared with $19.5 million for the same period last year, a 10-percent increase. The company's net income for the quarter was $13.5 million, a 16-percent increase from $11.7 million reported in the first quarter of 2001.

"We took important steps in 2001 that led directly to the improvement in our first quarter financial results," said Paul R. Saueracker, chairman, president and chief executive officer. "First, we made two opportune acquisitions in our refractories business. Second, we restructured our operations to reduce costs, improve efficiency and tightly control expenses throughout the business. We have not seen, however, any meaningful or sustained improvement in economic conditions in the industrial sectors we serve -- paper, steel, construction and automotive. Times are uncertain for the manufacturing sector. We believe that we have taken the necessary actions that allow this company to maintain focus, to remain competitive and to be poised for future growth."

Sales in the Specialty Minerals segment, which includes the precipitated calcium carbonate (PCC) and Processed Minerals product lines, increased 3 percent to $124.3 million from $120.7 million in the first quarter of 2001. Income from operations increased 9 percent to $15.2 million from $13.9 million in the same period last year.

Worldwide sales of PCC grew 3 percent to $102.9 million from $99.7 in the first quarter of 2001. The strong U.S. dollar had a negative effect of approximately $1.9 million on PCC sales, or 2 percentage points of growth. Sales of PCC used for filling and coating paper had a 5-percent growth in tonnage, largely due to the ramp-up of the 10 new units of precipitated calcium carbonate capacity that were added in 2001. One unit is roughly 30,000 tons of annual PCC capacity. Five of these additional units came from new satellite plants the company constructed at Great Northern Paper Company in Millinocket, Maine, and at a paper mill owned by M-Real Corporation at Alizay, France. The remaining five units came from expansions at existing satellite PCC plants.

In February, the company purchased a PCC manufacturing facility in Hermalle-sous-Huy, Belgium, from the J.M. Huber Corporation of Edison, N.J. The facility has the initial capacity to produce approximately 60,000 tons of PCC per year. The acquisition of this merchant PCC plant in Belgium allows the company to accelerate its European coating PCC program to take advantage of the market opportunity there.

In total, sales of Specialty PCC, used in non-paper applications, were essentially level with sales during the same period last year as a result of continued weak industry conditions and a competitive environment in the calcium supplement market. On the positive side, the company's Specialty PCC merchant plant in Brookhaven, Mississippi, which experienced a delayed start-up and longer-than-expected customer qualification programs, has begun to ramp up production. "We expect Brookhaven to make a positive contribution to the company as the year progresses," said Mr. Saueracker.

Worldwide sales of Processed Minerals products increased 2 percent in the first quarter to $21.4 million from $21.0 million in the same period in the prior year. Processed Minerals products, which include ground calcium carbonate and talc, are used in the building materials, steel, polymers, ceramics, paints and coatings, glass and other manufacturing industries.

Sales in the Refractories segment, used primarily in the steel industry, increased 26 percent to $54.7 million from $43.3 million during the first quarter of 2001. Income from operations increased 11 percent to $6.2 million from $5.6 million in the first quarter of 2001.

"Minerals Technologies made two strategic acquisitions that were the primary reason for the growth in the refractories segment," said Mr. Saueracker. "Last May, the company acquired the refractories business of Martin Marietta Magnesia Specialties Inc., and in September, we purchased Rijnstaal B.V., a Netherlands-based producer of cored metal wires used mainly in the steel and foundry industries. We are applying our technological expertise to transform the products and application systems that we acquired from commodity-type products and systems into higher margin specialty products and systems."

Mr. Saueracker concluded: "Because of the actions we have taken, Minerals Technologies improved year-over-year performance for the first quarter despite weak industry conditions. The business fundamentals of the company remain strong and we will continue to seize opportunities for growth. We remain hopeful that economic conditions in the manufacturing sector will improve during the year."

This press release contains some forward-looking statements; in particular statements of anticipated changes in the business environment in which the company operates and in the company's future operating rates. Actual results may differ materially from these expectations. The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. Forward-looking statements in this document should be evaluated together with the many uncertainties that affect our businesses, particularly those mentioned in the cautionary statements of our 2001 Form 10-K and in our other reports filed with the Securities and Exchange Commission.

For further information about Minerals Technologies Inc., call 1-888-MTX-NEWS (689-6397); or, look on the Internet at http://www.mineralstech.com

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF INCOME
(thousands of dollars, except per share data)
(unaudited)

	First Quarter		%
	2002	2001	Growth
Net sales	$ 179,000	$ 163,975	9
Operating costs and expenses:			
Cost of goods sold	133,424	120,476	11
Marketing and administrative expenses	18,436	18,126	2
Research and development expenses	5,704	5,887	(3)
Income from operations	21,436	19,486	10
Non-operating deductions - net	1,938	1,891	2
Income before provision for taxes on income and minority interests	19,498	17,595	11
Provision for taxes on income	5,635	5,457	3
Minority interests	320	480	(33)
Net income	$ 13,543	$ 11,658	16
Weighted average number of common shares outstanding:			
Basic	19,984	19,786	
Diluted	20,564	20,063	
Basic earnings per share	$ 0.68	$ 0.59	15
Diluted earnings per share	$ 0.66	$ 0.58	14
Cash dividends declared per common share	$ 0.025	$ 0.025	

1) For the periods ended March 31, 2002 and April 1, 2001.
2) Sales increased approximately 11% in the United States in the first quarter of 2002. International sales increased approximately 6% in the first quarter of 2002.
3) The Company recorded a writedown of impaired assets of $750,000 in the Specialty Minerals segment in the first quarter of 2002. Such charge is included in cost of goods sold.
4) In accordance with the provisions of SFAS 142, "Goodwill and Other Intangible Assets," there was no amortization expense related to goodwill in the first quarter of 2002. Amortization expense related to goodwill in the first quarter of 2001 was $114,000.
5) The results of operations for the interim period ended March 31, 2002 are not necessarily indicative of the results that ultimately might be achieved for the current year.

MINERALS TECHNOLOGIES INC AND SUBSIDIARY COMPANIES
CONDENSED CONSOLIDATED BALANCE SHEET
ASSETS
(In Thousands of Dollars)

	March 31, 2002(a)	December 31, 2001(b)
Current assets:		
Cash & cash equivalents	20,781	13,046
Accounts receivable, net	140,363	125,289
Inventories	78,445	77,633
Other current assets	30,356	30,822
Total current assets	269,945	246,790
Property, plant and equipment	1,051,505	1,045,627

Less accumulated depreciation	520,310	509,288
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Net property, plant & equipment	531,195	536,339
Goodwill	43,377	43,506
Other assets and deferred charges	20,718	21,175
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Total assets	865,235	847,810
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LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	61,409	71,934
Accounts payable	38,110	37,705
Other current liabilities	47,793	50,890
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Total current liabilities	147,312	160,529
Long-term debt	87,061	88,097
Other non-current liabilities	89,709	91,365
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Total liabilities	324,082	339,991
Total shareholders' equity	541,153	507,819
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Total liabilities and shareholders' equity	865,235	847,810
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(a) Unaudited.
(b) Condensed from audited financial statements.

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