

# MTI OVERVIEW



INNOVATION ■ LEADERSHIP ■ EXCELLENCE

# SAFE HARBOR STATEMENT

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*This presentation may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 which describe or are based on current expectations. Actual results may differ materially from these expectations. In addition, any statements that are not historical fact (including statements containing the words “believes,” “plans,” “anticipates,” “expects,” “estimates,” and similar expressions) should also be considered to be forward-looking statements. 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 risk factors and other cautionary statements in our 2017 Annual Report on Form 10-K and in our other reports filed with the Securities and Exchange Commission.*

*Also, this presentation will include certain financial measures that were not prepared in accordance with generally accepted accounting principles. Reconciliations of those non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in our Current Report on Form 8-K dated August 2, 2018, and in our other reports filed with the Securities and Exchange Commission, available on our website at [www.mineralstech.com](http://www.mineralstech.com) in the "Investor Information -- SEC Filings" section.*

# MTI AT A GLANCE



COUNTRIES	PRODUCTION LOCATIONS	R&D CENTERS	EMPLOYEES
35	159	12	3,750

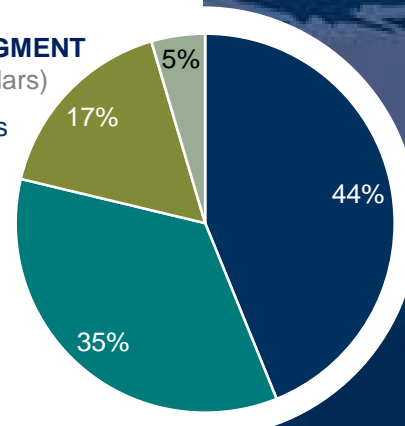
2017 TOTAL NET SALES  
**\$1.7 BILLION**

**MINERALS TECHNOLOGIES INC.** is a resource- and technology-based company that develops, produces and markets worldwide a broad range of specialty mineral, mineral-based and synthetic mineral products and related systems and services.

MTX  
LISTED Since October 23, 1992  
NYSE

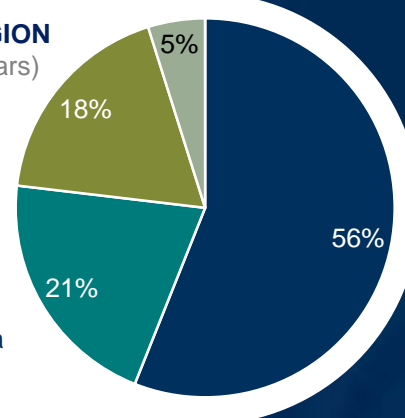
**2017 NET SALES BY SEGMENT**  
(percentage/millions of dollars)

- Performance Materials  
\$734.8
- Specialty Minerals  
\$584.8
- Refractories  
\$279.4
- Energy Services  
\$76.7



**2017 NET SALES BY REGION**  
(percentage/millions of dollars)

- United States  
\$939.3
- Europe/Africa  
\$349.0
- Asia  
\$305.8
- Canada/Latin America  
\$81.6



# MTI BUSINESS SEGMENTS



	Minerals Businesses		Service Businesses	
	Performance Materials (Bentonite)	Specialty Minerals (Carbonates)	Refractories	Energy Services
2017 Net Sales	\$735M 44% of MTI	\$585M 35% of MTI	\$279M 17% of MTI	\$77M 5% of MTI
2017 Operating Income	\$119.7M 16.3% of Sales	\$101.2M 17.3% of Sales	\$39.8M 14.2% of Sales	\$6.8M 8.9% of Sales
Product Lines	Metalcasting Household & Personal Care Basic Minerals Environmental Products Building Materials	Precipitated Calcium Carbonate (Paper and Specialty)  Ground Calcium Carbonate  Talc	Refractory Products Metallurgical Wire Laser Measurement Equipment Steel Mill Service	Off-Shore Water Filtration Off-Shore Well Testing
Market Positions	#1 Worldwide in Bentonite #1 in U.S. in Metalcasting Binders #1 in U.S. in Bulk Clumping Cat Litter and #1 in Europe in Premium Cat Litter #1 in Quality Assurance Waterproof Concrete Structures	#1 Worldwide in Precipitated Calcium Carbonate  #1 in North America in Specialty PCC	#1 in N. American Monolithic Refractories #1 N. America and Europe in Solid Core Calcium Wire #1 Globally in Refractory Laser Measurement Systems	#1 in Gulf of Mexico Flow-back Filtration, Produced Water Deepwater Projects, and High Pressure/High-Temp Well Testing  Leading Global Off-Shore Produced Water and Well Testing Services Company

# MTI VALUE PROPOSITION



## Leveraging Unique Reserve Position

### Carbonate Mines



*Global, High Quality Mines  
Highly Competitive Ore Brightness  
25+ Years of Reserves*

### Bentonite Mines



*World Bentonite Leader  
Unmatched Natural Sodium Bentonite  
25+ Years of Reserves*

## Adding Value Through Operational Excellence & Innovation

### World Class Operations



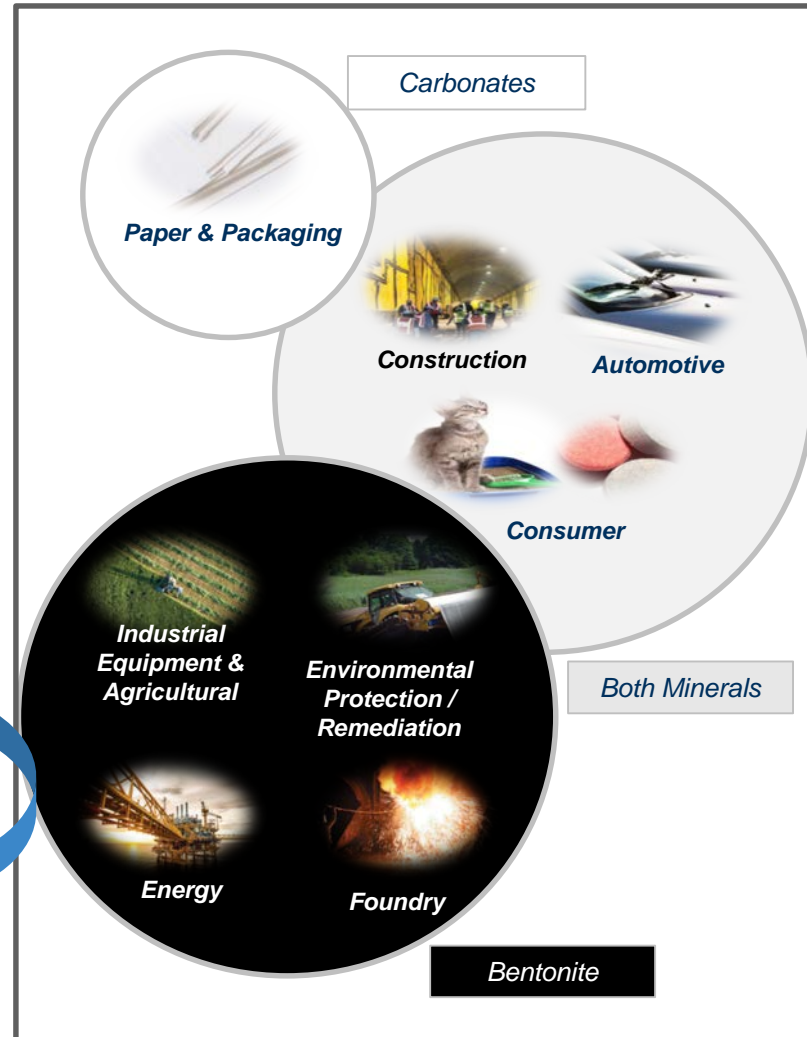
### Environmental Responsibility

*PCC Consumed 1.3M Tons CO<sub>2</sub> China Eco-Partnership*

### Customer Focused Research & Development



## Serving Customer Needs in High-Value Markets



# MTI GROWTH STRATEGY



## ORGANIC GROWTH OF EXISTING BUSINESSES

THROUGH



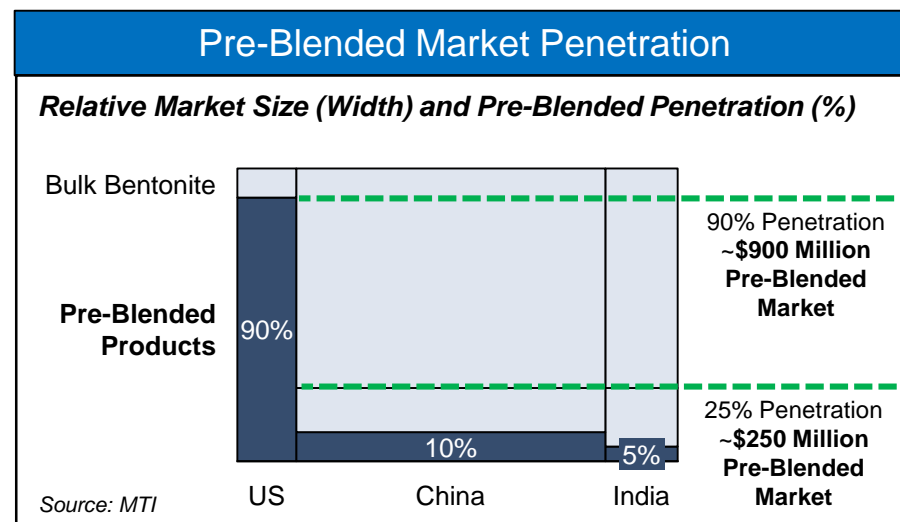
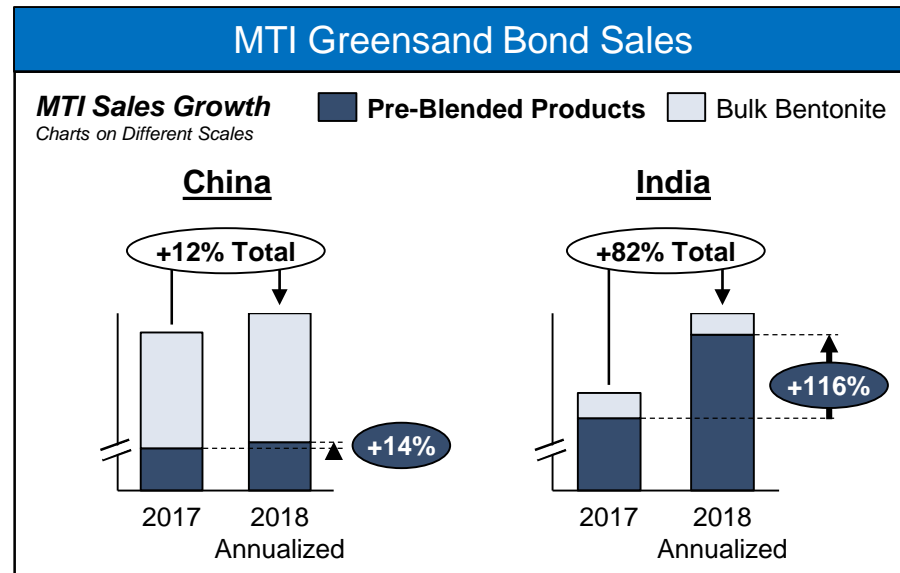
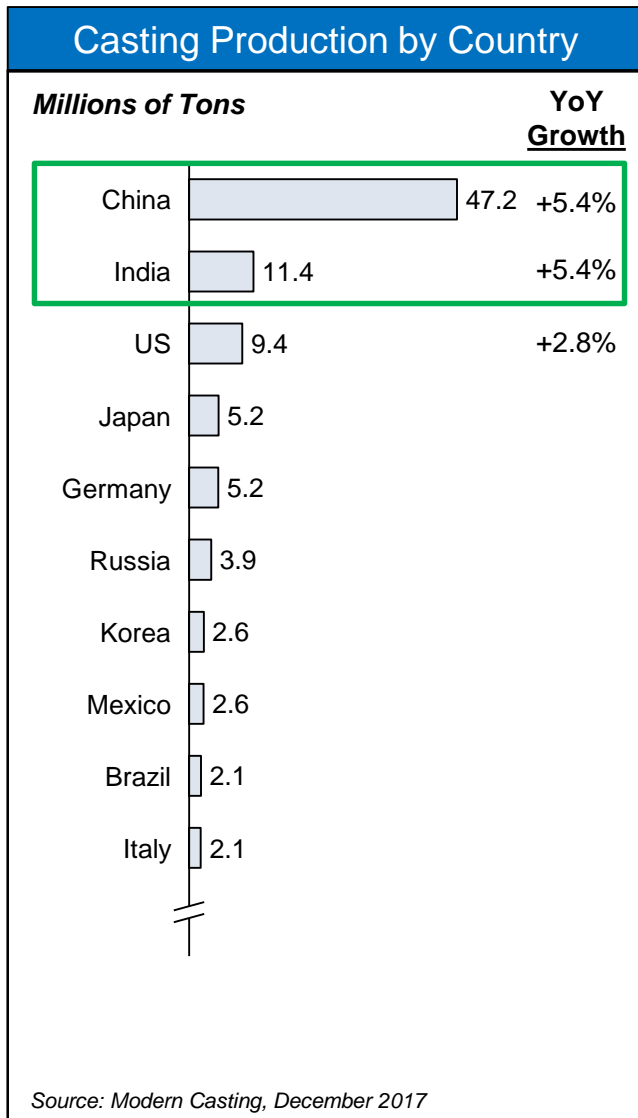
Value added technology driven minerals companies

### MTI Business System / Operational Excellence

Continuously improving our processes and systems

Continuously improving our leadership / employee capabilities

# METALCASTING PENETRATION IN CHINA AND INDIA

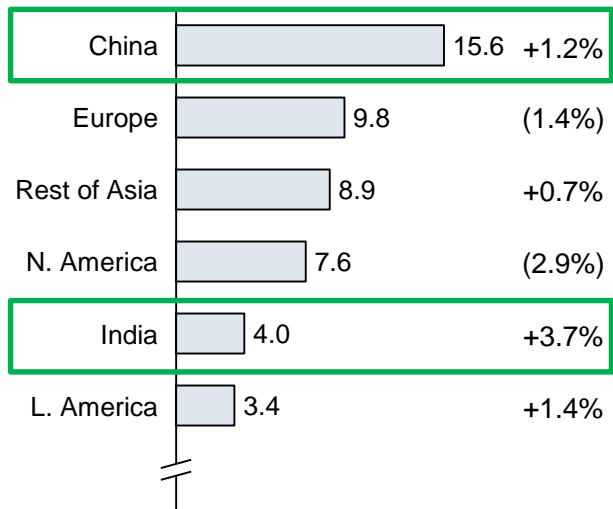


# PAPER PCC PENETRATION IN CHINA AND INDIA



## Uncoated Woodfree Paper Demand

Millions of Tons, 2017 YoY Growth\*

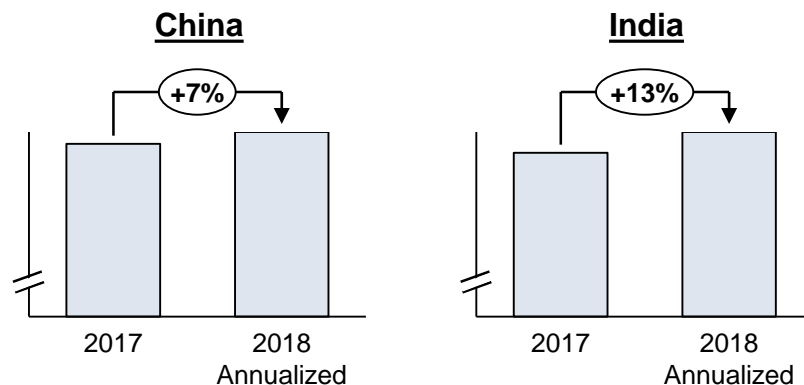


\*2018 Forecast  
Source: RISI 03-2018

## MTI Paper PCC Sales

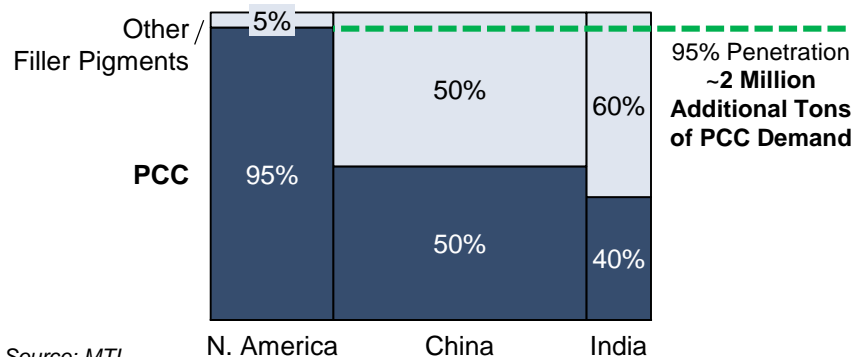
### MTI Paper PCC Sales Growth

Charts on Different Scales



## PCC Uncoated Woodfree Market Penetration

### Relative Market Size (Width) and PCC Penetration (%)



Source: MTI





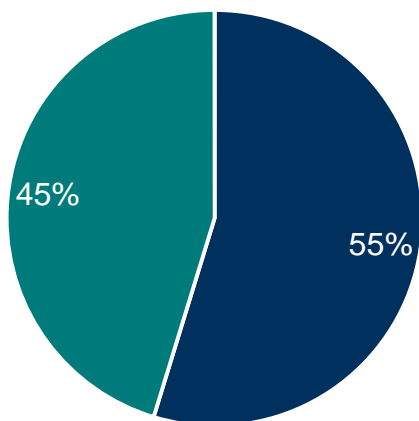
# ORGANIC GROWTH HIGHLIGHTS



## Revenue by Region

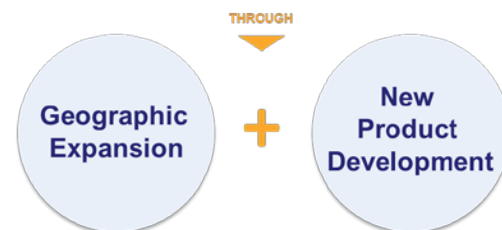
Trailing 12 Months Ended July 1, 2018

% of Total	Growth (Excluding FX)	Growth (Including FX)
 US 55%	+6%	+6%
 International 45%	+6%	+11%
<b>Total MTI</b>	<b>+6%</b>	<b>+8%</b>



## Growth Drivers

### ORGANIC GROWTH OF EXISTING BUSINESSES



- New PCC Satellites and Expansions Globally
- Specialty PCC Expansions in US / UK
- Continued Metalcasting and PCC Penetration in Asia
- Fabric Care – New Additive Rolling Out Globally
- Continued Growth in Lightweight Cat Litter
- New Bleaching Earth Facility in Turkey – Ramping Up Second Half 2018
- New Waste Water and Environmental Remediation Technologies
- Commercialized ~80 New Products over the Past 5 Years with Potential to Deliver ~\$300M Revenue

# ACQUISITION: SIVOMATIC



## MTI Acquisition Criteria & Sivomatic

Criteria	Sivomatic
• Minerals-based Companies with Technological Differentiation	✓
• Provide Additional Growth Venues (Geographies, Attractive Markets)	✓
• Extend Existing Business Positions (Global Reach, Technology)	✓



## Transaction Summary

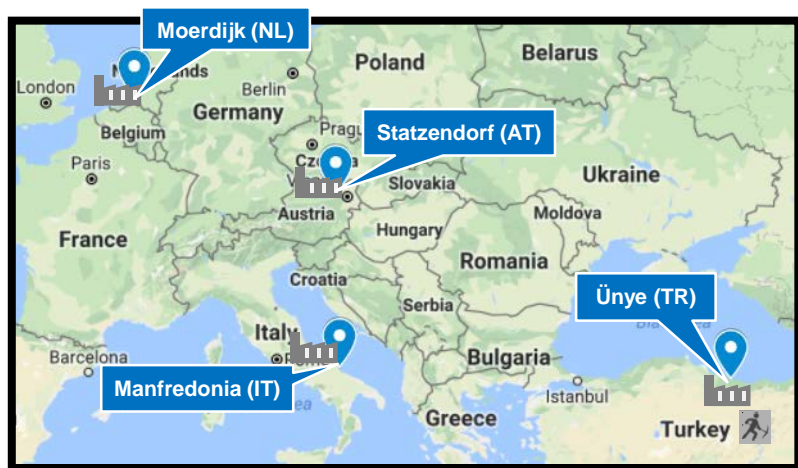
- Purchase Price: €110M
- Accretive to Earnings Year 1
- FY17 Revenue: €73M
- Strong Track Record of Revenue Growth (8% CAGR Last 5 Years)

# SIVOMATIC PET CARE BUSINESS



## Overview

- Vertically Integrated Manufacturer of Premium Cat Litter in Europe with ~115 Employees
- Compatible Operations Footprint; Production Facilities in the Netherlands, Austria, and Turkey
- Leading Position in Premium Litter Products
- Mining Reserves: Bentonite Sourced Primarily from Wholly-owned Mines in Turkey



## Established Brands & Partnerships

### Strong Presence in Major European Retailers



## Strategic Fit with MTI

- Extends Existing Pet Care Business into Europe
- Doubles MTI Pet Care Business
- Expands MTI's High Quality Ore Reserves in Turkey
- Fits Well Within Our Existing Operating Footprint in Europe
  - MTI: 26 Facilities / Offices, Including 4 Plants and 1 Office in Turkey

# FIRST HALF PERSPECTIVES



## First Half Review

### Growth

- Strong Demand Across All Product Lines
- Metalcasting & PCC Penetration in China and India
- New Product and Demand Driven Facility Expansions
- Acquisition of Sivomatic Accretive in Second Half 2018

### Cost Inflation

- Raw Materials and Energy Cost Increases; Freight Costs up 9% YoY Due to Unit Cost and Availability; Overall \$19M YTD
- Pricing Actions; Timing Lag with Some Contractual Pass-Through

### Trade Developments

- Minimal Direct Imports / Exports With China; Monitoring the Situation



## Looking Ahead

### Continuing Growth Trend

- Executing on Growth Projects and Strong Customer Demand

### Managing Cost Inflation

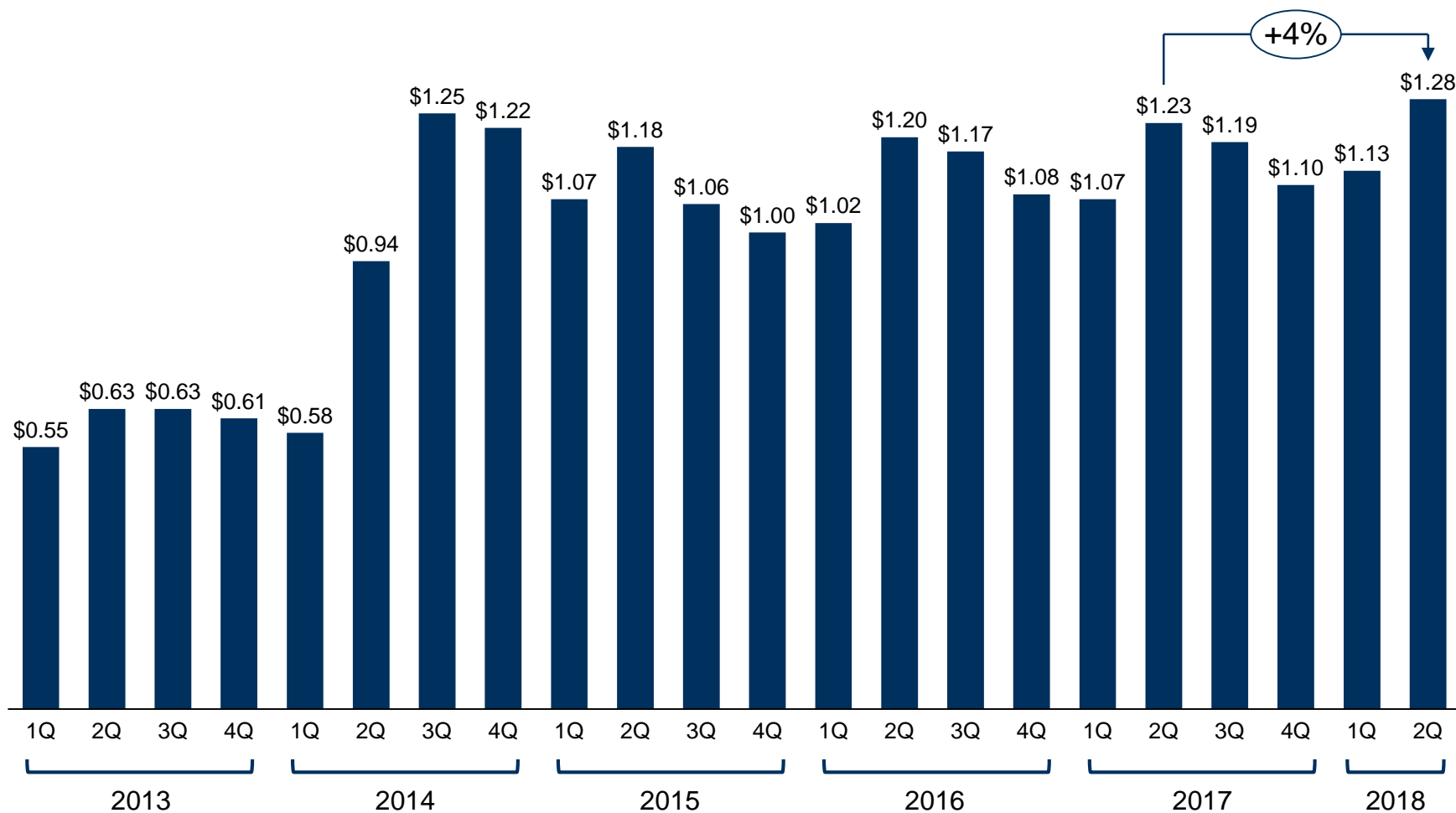
- Continued Pricing Actions
- Driving Productivity at the Mines and All Facilities

### Margin Improvement

## MTI Business System / Operational Excellence

*Productivity up 5% • Kaizens up 5% • Suggestions up 6%*


# QUARTERLY EPS TREND

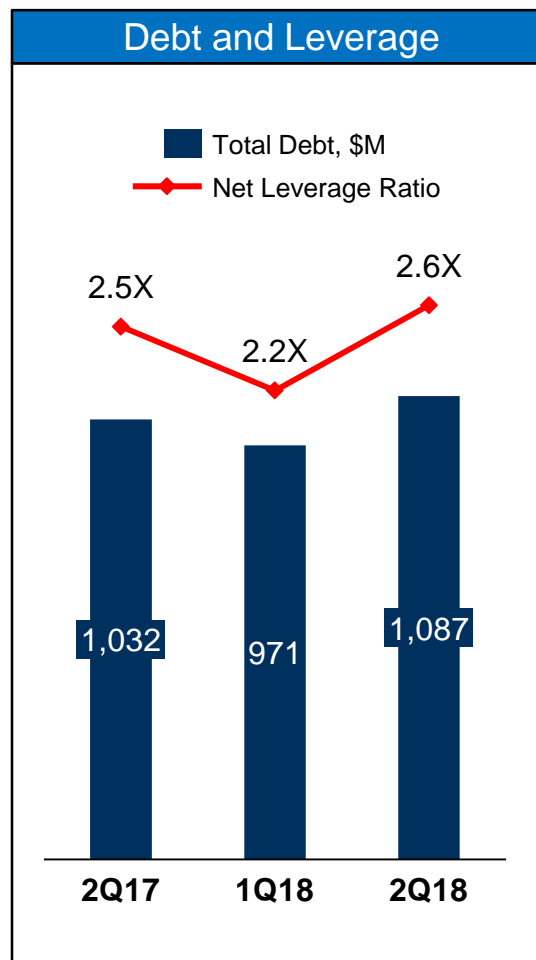


The above chart reflects the Company's EPS, excluding special items, such as acquisition-related costs, restructuring, gains/(losses) on asset sales and impairment costs and related tax effects, for all periods presented. This is a non-GAAP measure that the Company believes provides meaningful supplemental information regarding its performance.

# LIQUIDITY AND DEBT HIGHLIGHTS



Cash Generation and Use	
	<u>YTD'18</u>
Cash From Ops*	\$80M
CapEx	\$42M
<b>Free Cash Flow</b>	<b>\$38M</b>
*Includes Discretionary Pension Contribution of \$9M	
	
<b>Share Repurchases</b>	
	<u>YTD'18</u>
# of Shares	185,650
Value	\$13.3M
\$ / Share	\$71.88



Liquidity	
	<u>7/1/2018</u>
Cash, Cash Equivalents, and ST Investments	\$206M
Available Revolver	\$187M
<b>Total Liquidity</b>	<b>\$393M</b>

# DRIVING SHAREHOLDER VALUE



## Structured Business System

Strong Values and Culture

Accountability

Organizational Alignment

Innovation

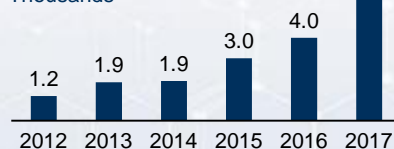
Speed of Execution



## Engaged Employees

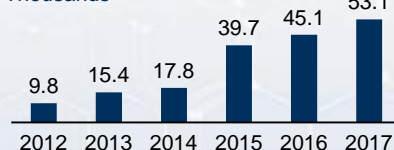
### Kaizen Events

Thousands



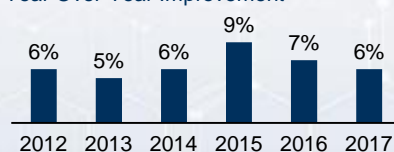
### Employee Suggestions

Thousands



### Productivity

Year Over Year Improvement



## Solid Financial Position 2017 Year End

15.7%  
Operating Margin

20.6%  
EBITDA Margin

9.2%  
ROC

\$415  
Million of Liquidity

2.2X  
Net Leverage

## Operational Excellence (“OE”) Foundation

The above charts reflect the Company’s operating margin, EBITDA, and ROC, excluding special items, such as acquisition-related costs, restructuring, gains/(losses) on asset sales and impairment costs and related tax effects, for all periods presented. These are non-GAAP measures that the Company believes provide meaningful supplemental information regarding its performance.

# FINANCIAL ADDENDUM





# SECOND QUARTER 2018 HIGHLIGHTS

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- Earnings per Share +4% to \$1.28
- Revenue +12% to \$464.7 Million
  - Metalcasting +17%
  - HPC & Specialty Products +48% (Includes Sivomatic)
  - Environmental Products +29%
  - Refractory Products +19%
  - Energy Services +10%
  - Ground Calcium Carbonate +8%
  - Paper PCC +2%
- Asia Sales +16%, Driven by China, India, and Thailand
- Signed 150,000 Ton PCC Contract in China
- Operating Income of \$64.7M, Significant Inflationary Costs
- 7% Productivity Improvement
- Completed Acquisition of Sivomatic – Integration on Track

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The above figures reflect the Company's operating income, operating margin, and EPS, excluding special items, such as acquisition-related costs, restructuring, gains/(losses) on asset sales and impairment costs and related tax effects, for all periods presented. These are non-GAAP measures that the Company believes provide meaningful supplemental information regarding its performance.

# SECOND QUARTER FINANCIAL HIGHLIGHTS

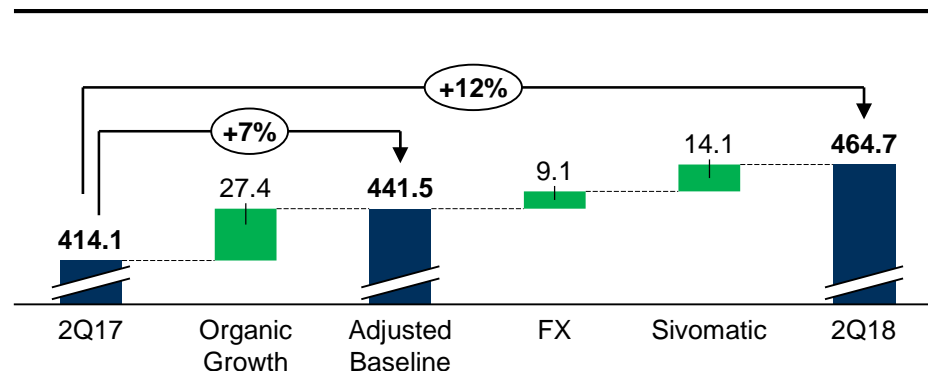


## KEY FINANCIALS

	2Q17	2Q18	Change
Sales (\$M)	414.1	464.7	+12%
Gross Margin (%)	28.9	25.0	(13%)
SGA (%)	12.0	11.1	(7%)
Operating Income (\$M)	70.0	64.7	(8%)
Operating Margin (%)	16.9	13.9	(18%)
Earnings per Share (\$)	1.23	1.28	+4%

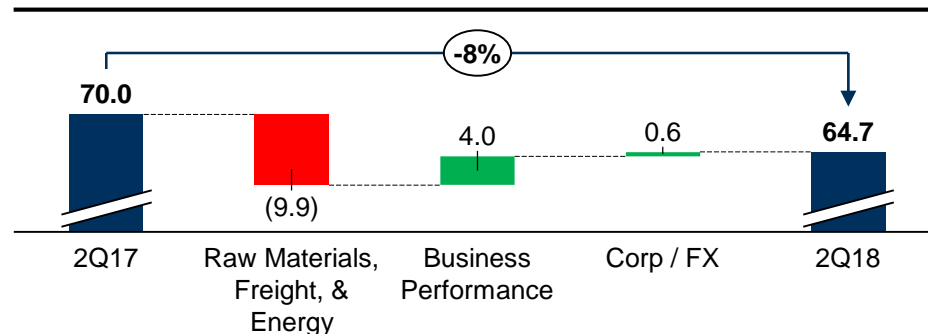
## SALES BRIDGE

\$ Millions



## OPERATING INCOME BRIDGE

\$ Millions



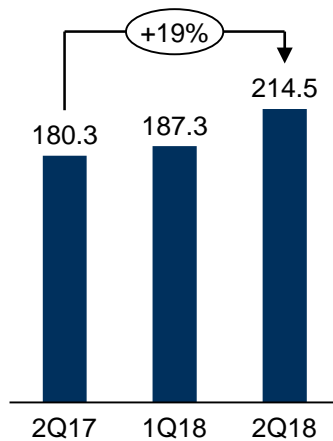
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# PERFORMANCE MATERIALS

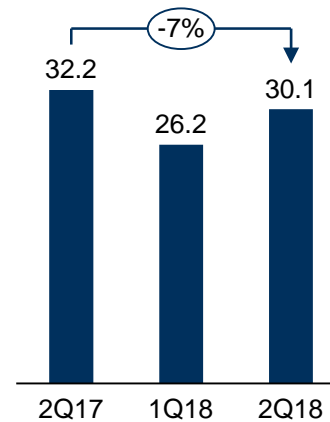


\$ Millions

## SALES



## OPERATING INCOME



## SECOND QUARTER HIGHLIGHTS

- Metalcasting Sales +17%, Driven by Growth Across All Regions
- Household, Personal Care & Specialty +48%
- Environmental Products +29%
- Operating Margin at 14.0%; Compression Due to Higher Raw Materials, Logistics, and Mining Costs

## THIRD QUARTER OUTLOOK

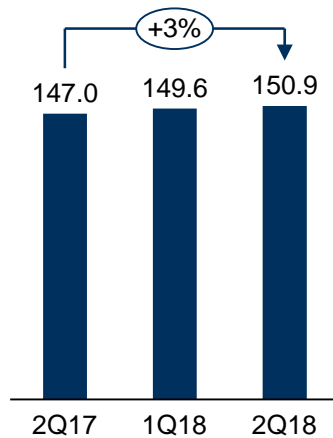
- Seasonally Strong Period for Building Materials and Environmental Products
- Full Quarter of Sivomatic Sales and Income
- Continue to Offset Cost Increases



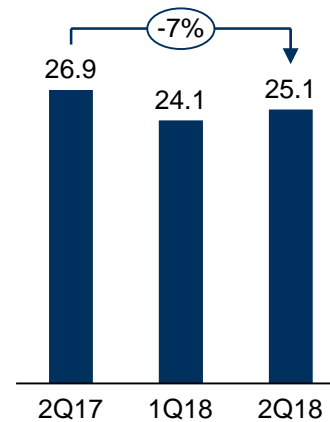
# SPECIALTY MINERALS

\$ Millions

## SALES



## OPERATING INCOME



## SECOND QUARTER HIGHLIGHTS

- PCC
  - Total Sales +2%
  - North American Paper Mill Closures Offset with Geographic Growth
- Processed Minerals
  - GCC Sales +8%
- Segment Operating Margin at 16.6%

## THIRD QUARTER OUTLOOK

- Paper PCC
  - Continued Growth in Europe and Asia
  - Contractual Price Adjustments
- Performance Minerals
  - Typical Seasonality

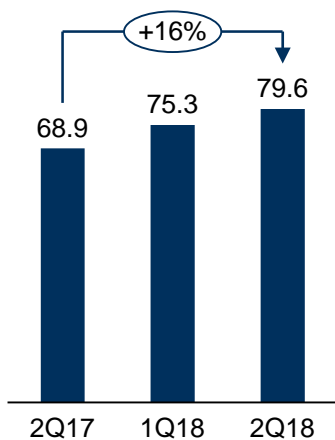




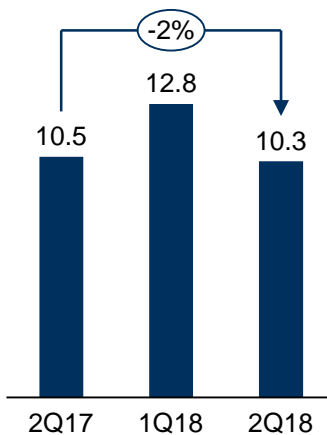
# REFRACTORIES

\$ Millions

## SALES



## OPERATING INCOME



## SECOND QUARTER HIGHLIGHTS

- Refractory Products Sales +19%
- Metallurgical Sales +1%
- Strong Refractories Demand in all Regions
- Operating Margin of 12.9%
- Lower YoY Equipment Sales Due to Timing

## THIRD QUARTER OUTLOOK

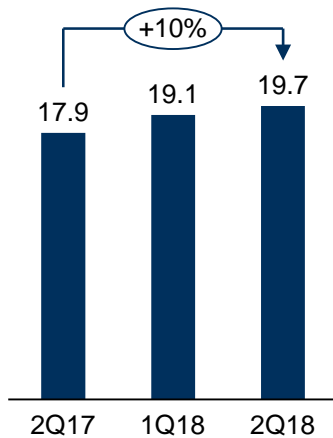
- Market Conditions Remain Strong
- Pricing Adjusted Beginning of Third Quarter
- Equipment Sales Increase in Second Half of 2018



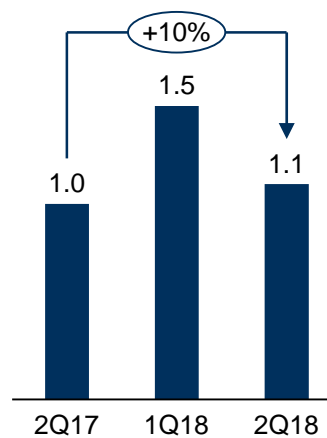
# ENERGY SERVICES

\$ Millions

## SALES



## OPERATING INCOME



## SECOND QUARTER HIGHLIGHTS

- Sales +10%, Driven by Higher Filtration Activity in the US and UK
- Competitive Pricing Pressure in Offshore Basins
- Operating Margin of 5.6%

## THIRD QUARTER OUTLOOK

- Higher Level of Offshore Service Activity
- Larger Projects Starting to Come On Line



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