SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2000

Commission file number 1-3295

MINERALS TECHNOLOGIES INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

25-1190717
(I.R.S. Employer
Identification Number)

The Chrysler Building
405 Lexington Avenue
New York, New York
(address of principal executive office)

10174-1901
(Zip Code)

(212) 878-1800

(Registrant's telephone number including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $.10 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes **X** No __

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. **X**

The aggregate market value of the voting stock held by non-affiliates of the Registrant, based upon the closing price at which the stock was sold as of February 1, 2001 was approximately $407.0 million. Shares of common stock held by each officer and director and by each person who owns 5% or more of the outstanding common stock have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of March 2, 2001, the Registrant had outstanding 19,717,595 shares of common stock, all of one class.

DOCUMENTS INCORPORATED BY REFERENCE

Proxy Statement dated March 30, 2001	Part III

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PART I

Item 1. Business

Minerals Technologies Inc. (the "Company") 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. The Company has two operating segments: Specialty Minerals and Refractories. The Specialty Minerals segment produces and sells precipitated calcium carbonate ("PCC") and lime, and mines, processes and sells the natural mineral products limestone and talc. This segment's products are used principally in the paper, building materials, paints and coatings, glass, ceramic, polymers, food and pharmaceutical industries. The Refractories segment produces and markets monolithic and shaped refractory materials and services used primarily by the steel, cement and glass industries. The Company emphasizes research and development. The level of the Company's research and development spending as well as its history of developing and introducing technologically advanced new products have enabled the Company to anticipate and satisfy changing customer requirements and create market opportunities through new product development and product application innovations.

Specialty Minerals Segment

PCC Products and Markets

PCC Products

Paper can be produced under either acid or alkaline conditions. Historically in North America, paper was produced primarily using acid technologies. In the mid-1980's, North American producers of uncoated wood-free paper encountered significant increases in the cost of wood fiber and other materials, such as titanium dioxide, which are necessary in greater quantities in the acid process. In response, these paper producers sought to convert their paper production to lower-cost alkaline technologies that permit mineral fillers such as PCC to be substituted for more expensive wood fiber and pigments used to increase brightness, resulting in significant cost savings. As a result of these conditions, the Company believed that a significant opportunity existed to provide paper producers with a high performance filler product that could facilitate the transition to the alkaline papermaking process. The Company constructed the first commercial satellite PCC plant at the Wisconsin Rapids paper mill of Consolidated Papers, Inc. (now Stora Enso Oy) in 1986. A satellite plant is located within the paper mill itself, thereby eliminating transportation costs. The Company believes the competitive advantages offered by the improved economics and superior optical characteristics of the paper produced using the PCC products manufactured by the Company's satellite PCC plants resulted in the rapid growth in the number of the Company's satellite PCC plants since 1986. In addition, the Company has constructed satellites to produce PCC for paper coating, and more recently, satellites for the use of PCC in groundwood (wood-containing) paper like newsprint, magazine and catalogue papers. For information with respect to the locations of the Company's satellite PCC plants at December 31, 2000, see Item 2, "Properties" below.

The Company owns, staffs, operates and maintains all of its satellite PCC plants, including the related technology. The Company and its paper mill customers enter into long-term agreements, generally ten years in length, pursuant to which the Company supplies substantially all of the customer's precipitated calcium carbonate filler requirements. The Company is generally permitted to sell to third parties PCC produced at a satellite plant in excess of the host paper mill's requirements. The Company's satellite PCC plants and customers are listed in Item 2, "Properties."

The Company currently manufactures several customized PCC product forms using proprietary processes at its satellite PCC plants, each designed to provide optimum brightness, opacity, bulking, paper strength or improved printing properties. The Company's research and development and technical service staffs focus on expanding sales at its existing satellite PCC plants as well as developing new technologies. These include acid-tolerant PCC, which allowed PCC to be introduced to the large wood-containing segment of the printing and writing papers market, and PCC crystal morphologies for coating paper. The Company expects that research and development in coating technology will open up a large market for PCC that will build slowly as paper companies begin to include PCC in their proprietary coating formulations.

The Company's full range of slurry and dry PCC products are also sold on a merchant basis. In the paper industry, the Company's merchant PCC is used as a coating pigment and as a filler in the production of coated and uncoated wood-free printing and writing papers. The Company sells surface-treated and untreated grades of PCC to the polymers industry for use in rigid polyvinyl chloride products (pipe and profiles), thermoset polyesters (automotive body parts), sealants (automotive and construction applications), adhesives, printing inks and coatings. The Company's PCC is used by the food and pharmaceutical industries as a source of bio-available calcium in tablets and foodstuffs, as a buffering agent in tablets, and as a mild abrasive in toothpaste. The Company also sells PCC to the paints and coatings industry.

The Company's PCC product line net sales were $399.2 million, $391.9 million, and $355.5 million for the years ended December 31, 2000, 1999 and 1998, respectively. Sales to International Paper Company represented approximately 13% and 10% of consolidated net sales in 2000 and 1999, respectively, and less than 10% in 1998. See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Key Markets

The principal market for the Company's satellite PCC products is the paper industry. The Company also produces PCC on a merchant basis for sale to companies in the polymers, food and pharmaceutical and paints and coatings industries.

Sales of PCC to the paper industry have accounted for a steadily increasing percentage of the Company's total sales in the past five years. The Company's sales of PCC have been and are expected to continue to be made primarily to the printing and writing papers segment of the paper industry. The Company's products are currently used primarily by paper mills producing uncoated wood-free paper.

Worldwide Wood-Free Printing and Writing Papers. In the mid-1980's, North American producers of uncoated wood-free paper encountered significant increases in the costs of wood fiber and other materials. In response, these paper producers sought to convert their paper production to lower-cost alkaline-based technologies. Ground chalk has historically been used by European alkaline-based paper producers as a low-cost substitute for wood fiber. In North America, however, there is no naturally occurring chalk.

PCC must compete with other fillers, such as ground limestone and clay. PCC costs more to produce than ground limestone or clay since the production process is inherently more complex. Limestone is mined, crushed and ground; clay is mined, ground and perhaps calcined. PCC is manufactured by a chemical process that dissolves lime (which itself is produced by calcining a mined product, limestone), combines it with carbon dioxide and separates the final product. Drying and transportation can add significantly to the product cost. If shipped wet, additional freight costs are incurred. In many cases this added cost makes PCC from merchant plants uncompetitive with other fillers.

In response to these conditions and as a result of a concentrated research and development effort, the Company developed the satellite PCC plant concept. The Company's satellite PCC plants have facilitated the conversion of a substantial percentage of the North American uncoated wood-free printing and writing paper producers to alkaline papermaking. The Company estimates that during 2000, more than 90% of North American wood-free paper was produced employing alkaline technology.

Presently, the Company owns and operates 34 commercial satellite PCC plants located at paper mills that produce wood-free printing and writing papers in North America. Based upon its experience, the Company anticipates that the aggregate volume of PCC used by these paper mills will increase. The Company also estimates that a few additional North American paper mills producing wood-free paper are large enough to support a satellite PCC plant.

The Company is also placing increased emphasis on the use of PCC to coat paper. PCC increases gloss and printability of the sheet while decreasing paper's cost per ton. The coating paper market is large and the Company believes it will continue to grow at a higher average growth rate than the uncoated paper market, and therefore provides a substantial market opportunity for the Company. PCC coating products are produced at approximately eleven of the Company's satellite PCC plants.

The Company estimates the amount of uncoated wood-free printing and writing papers produced outside of North America that can be served by its satellite PCC operations is approximately the same size (measured in tons of paper produced) as the North American uncoated wood-free paper market currently served by the Company. The Company believes that the superior brightness, opacity and bulking characteristics offered by its PCC products allow it to compete with suppliers of ground limestone and other filler products outside of North America. Presently, the Company owns and operates 19 commercial satellite PCC plants located at paper mills that produce wood-free printing and writing papers outside of North America.

Worldwide Wood-Containing Printing and Writing Papers. The groundwood paper market represents nearly half of worldwide paper production. Paper mills producing wood-containing paper still generally employ acid papermaking technology. The conversion to alkaline technology by these mills has been hampered by the tendency of wood-containing papers to darken in an alkaline environment. In an attempt to introduce PCC to the wood-containing segments of the paper industry, the Company has developed and patented a process for the manufacture of an acid-tolerant form of PCC (AT™ PCC) that will facilitate production of high-brightness, high-quality groundwood paper in an acid environment. Furthermore, as groundwood or wood-containing paper mills use larger quantities of recycled fiber, there is a trend towards the use of neutral paper making technology in this segment for which the Company presently supplies traditional PCC morphologies. The Company now supplies PCC to approximately 24 paper machines at 14 groundwood paper mills around the world.

Processed Mineral Products and Markets

The Company mines and processes the natural mineral products limestone and talc, and manufactures lime, a mineral-based product.

Lime is used as a raw material for the manufacture of PCC at the Company's Adams, Massachusetts facility, and sold commercially to various chemical industries.

In April 1998, the Company divested its Midwest limestone business in Port Inland, Michigan. Net sales from this facility in 1998 prior to the divestiture were $1.8 million. This was the Company's only business unit competing for sales of limestone aggregate, a commodity business. References to ongoing operations exclude the results from this facility.

The Company mines, beneficiates and processes talc at its Barretts site, located near Dillon, Montana, and is sold worldwide in finely ground form for paints and coatings, ceramics and polymers applications. Because of the exceptional chemical purity of the Barretts ore, a majority of the automotive catalytic converter ceramic substrates manufactured in the United States, Japan and Western Europe utilize the Company's Barretts talc.

The Company's net sales of processed mineral products from ongoing operations were $87.1 million, $87.5 million, and $87.0 million for the years ended December 31, 2000, 1999 and 1998, respectively. See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The Company's natural mineral products are supported by the Company's limestone reserves located in the western and eastern parts of the United States, and talc reserves located in Montana. The Company estimates these reserves, at current usage levels, to be in excess of 30 years at both its limestone production facilities and at its talc production facility.

Refractories Segment

Refractory Products and Markets

Refractory Products

The Company offers a broad range of monolithic refractory products as well as pre-cast refractory shapes. Product sales are usually combined with Company-supplied proprietary applications equipment and on-site technical service support. The Company's proprietary applications equipment is used to apply refractory materials to the walls of steel-making furnaces and other high temperature vessels to maintain and extend their lives. Robotic-type shooters, including the Company's proprietary SEQUAD® sprayer, allow for remote-controlled applications in steel-making furnaces, as well as in steel ladles and blast furnaces. Since the steel-making industry is characterized by intense price competition, which results in a continuing emphasis by steel mills on increased productivity, the SEQUAD® sprayer and the related technologically-advanced blast furnace maintenance materials developed in the Company's research laboratories have been well accepted by the Company's customers. These products allow steel makers to improve their performance through, among other things, the application of monolithic refractories to furnace linings while the furnace is at operating temperature, thereby eliminating the need for furnace cool-down periods and steel-production interruption. This also results in a lower overall refractory cost to steel makers per ton of steel produced. The Company's experienced technical service staff and advanced applications equipment provide greater assurance that the desired productivity objectives of customers are achieved. In addition, laser measurement of refractory wear is conducted by the Company's technicians in certain plants to improve maintenance performance. The Company believes that these services, together with its refractory product offerings, provide the Company with a strategic marketing advantage.

In the past five years, more than 75% of the Company's refractory product sales have come from new products. In addition to new products, delivery systems and services, the Company has focused on controlling costs and expenses.

Some of the new refractory products the Company has introduced in the past few years include the MAG-O-STAR® spray coating, MINSCAN application systems and SHOTCRETE castable material. MAG-O-STAR® spray coating is an advanced technique for applying refractory material to the slag line, or at the top of red-hot steel ladles. MINSCAN is a fully automated application system for applying refractory materials to electric arc furnaces. SHOTCRETE is a dense castable material used in a variety of steel-making vessels to improve productivity. The Company has also developed a new product called OPTISHOT™ refractory products, which can completely replace brick in iron and steel ladles.

In April 2000, the Company acquired Ferrotron Elektronic GmbH, a manufacturer of advanced laser scanner devices, sensors and other instrumentation specially designed for the steel industry.

The Company's refractory products are sold in the following three product groups:

Steel Furnace Refractories. The Company sells gunnable monolithic refractory products to users of basic oxygen furnaces and electric furnaces for application on furnace walls to prolong the life of furnace linings.

Specialty Products for Iron and Steel. The Company sells monolithic refractory materials and pre-cast refractory shapes for iron and steel ladles, vacuum degassers, continuous casting tundishes, blast furnaces and reheating furnaces. The Company is one of the few monolithic refractory companies offering a full line of materials to satisfy all continuous casting refractory applications. This full line consists of gunnable materials, as well as refractory shapes and permanent linings.

The Company uses proprietary processes to produce a number of other technologically enhanced products for the steel industry. These include calcium metal, metallurgical wire and a number of metal treatment specialties. The Company manufactures calcium metal at its Canaan, Connecticut facility and purchases calcium in international markets. Calcium metal is used in the manufacture of batteries and magnets. The Company sells metallurgical wires and fluxes for use in the production of steel. The Company's metallurgical wires are injected into molten steel to reduce imperfections. The steel produced is used for high-pressure pipeline and other premium-grade steel applications. The Company's fluxes are mineral products used to help purify steel.

Non-Steel Refractory Products. This product line encompasses refractory shapes and linings and pyrolytic graphite products that are sold to the glass, cement, aluminum, petrochemical and other non-steel industries.

The Company's refractory net sales were $184.6 million, $183.1 million, and $187.3 million for the years ended December 31, 2000, 1999 and 1998, respectively. See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Key Markets

The principal market for the Company's refractory products is the steel industry. Raw steel production on a worldwide basis has shown only modest growth in the past ten years. However, management believes that certain trends in the steel-making industry will continue to provide growth opportunities for the Company. These trends include the development of improved manufacturing processes such as continuous casting, the need of steel producers for increased productivity and higher grade refractories, as well as a modest shift toward electric steel making.

The use of the continuous casting method, measured in tons of steel cast on a worldwide basis, has more than doubled in the past ten years. The need for high quality refractory products for this process has generated new market opportunities for the Company's refractory products. Product offerings for continuous casting include advanced maintenance coatings and original linings for tundishes and robotic applications equipment. The Company believes that the trend toward electric steel-making mini-mills and away from integrated steel mills has facilitated the acceptance of new refractory products and technologies. Mini-mills require a broad line of refractory products and certain metallurgical products that are also produced by the Company.

Marketing and Sales

The Company principally relies on its worldwide direct sales force to market its products. The direct sales force is augmented by technical service teams that are familiar with the industries to which the Company markets its products, and by several regional distributors. The Company's sales force works closely with the Company's technical service staff to solve technical and other issues faced by the Company's customers. The Company's technical service staff assists paper producers in their conversion to alkaline papermaking and provides post-conversion assistance to customers. In addition, the Company's technical service personnel advise with respect to the use of monolithic refractory materials and, in many cases, apply the refractory materials to the customers' furnaces and other vessels pursuant to service agreements. Continued use of skilled technical service teams is an important component of the Company's business strategy.

The Company works closely with its customers to ensure that the customers' requirements are satisfied and often trains and supports customer personnel in the use of the Company's products. The Company conducts domestic marketing and sales from its headquarters in New York and from regional sales offices in the eastern and western United States. The Company's international marketing effort is directed from Brussels, Belgium; Tokyo, Japan; Sao Paulo, Brazil; and Singapore. The Company believes its refractory manufacturing facilities are strategically located to satisfy the stringent delivery requirements of the steel industry. The Company also believes that its worldwide network of sales personnel and manufacturing sites facilitates the international expansion of its satellite PCC operations.

Raw Materials

The Company uses lime in the production of PCC, and is a significant purchaser of lime worldwide. Generally, lime is purchased under long-term supply contracts from unaffiliated suppliers located in close geographic proximity to the Company's satellite PCC plants. If there were to be an interruption in the supply of lime from any particular lime supplier to the Company, the Company believes that alternative sources of lime would be available at effectively the same cost to the Company.

The principal raw materials used in the Company's monolithic refractory products are refractory-grade magnesia and various forms of aluminosilicates. The Company also purchases calcium metal, calcium silicide, graphite, calcium carbide and various alloys for use in the production of metallurgical wires and uses lime and aluminum in the production of calcium metal. The Company purchases a significant portion of its magnesite requirements from sources in the People's Republic of China. The Company believes that it could obtain adequate supplies from alternate sources in the event of supply interruptions of its refractory raw material requirements.

Competition

The Company is continually engaged in efforts to develop new products and technologies and refine existing products and technologies in order to remain competitive and, in certain circumstances, to position itself as a market leader.

With respect to its PCC products, the Company competes for sales to the paper industry based in large part upon technological know-how, patents and processes that allow the Company to deliver PCC that the Company believes imparts superior brightness, opacity and other properties to paper on an economical basis. The Company is the leading manufacturer and supplier of PCC to the North American paper industry. It competes with certain companies both in North America and abroad that sell PCC or offer alternative products for use in paper filling and coating applications. Competition with respect to the Company's PCC sales is based upon availability of materials, price, optical characteristics such as brightness, opacity and paper strength, and the availability of technical support.

With respect to the Company's refractory products, competitive conditions vary by geographic region. Competition is based upon the performance characteristics of the product (including strength, quality and consistency and ease of application), price, and the availability of technical support. The Company competes with different companies in different geographic areas and in separate aspects of its product line.

The Company competes in sales of its limestone and talc based primarily upon product quality, price, and geographic location.

Research and Development

Many of the Company's product lines are technology-based. The Company's business strategy for continued growth in sales and profitability depends to a large extent on the continued success of its research and development activities. Among the significant achievements of the Company's research and development effort have been the satellite PCC plant concept, acid-tolerant PCC, PCC crystal morphologies for coating paper, the SEQUAD® sprayer, MAG-O-STAR® spray coating, MINSCAN application systems and SHOTCRETE castable material.

The Company maintains its primary research facilities in Bethlehem and Easton, Pennsylvania, where more than 170 employees are engaged in research and development. It also has smaller research and development facilities in Finland, Ireland and Japan. Expertise in inorganic chemistry, crystallography and structural analysis, fine particle technology and other aspects of materials science applies to and supports all of the Company's product lines.

For the years ended December 31, 2000, 1999 and 1998, the Company expended approximately $26.3 million, $24.8 million, and $21.0 million, respectively, on research and development. The Company believes, based upon its review of publicly available information regarding the reported research and development spending of certain of its competitors, that its investment in research and development as a percentage of net sales exceeds comparable industry norms. The Company's research and development spending for 2000 approximated 3.9% of net sales.

Patents and Trademarks

The Company owns or has the right to use approximately 303 patents and approximately 731 trademarks related to its business. The Company believes that its rights under its existing patents, patent applications and trademarks are of value to its operations, but no one patent, application or trademark is material to the conduct of the Company's business as a whole.

Insurance

The Company maintains liability and property insurance and insurance for business interruption in the event of damage to its production facilities and certain other insurance covering risks associated with its business. The Company believes such insurance is adequate for the operation of its business. From time to time various types of insurance for companies in the specialty minerals business have been very expensive or, in some cases, unavailable. There is no assurance that in the future the Company will be able to maintain the coverage initially obtained or that the premiums therefor will not increase substantially.

Employees

At December 31, 2000, the Company employed approximately 2,200 persons, of whom approximately 700 were employed by the Company outside of the United States.

Environmental, Health and Safety Matters

The Company's operations are subject to federal, state, local and foreign laws and regulations relating to the environment and health and safety. Certain of the Company's operations involve and have involved the use and release of substances that are classified as toxic or hazardous substances within the meaning of these laws and regulations. Environmental operating permits are, or may be, required for certain of the Company's operations and such permits are subject to modification, renewal and revocation. The Company regularly monitors and reviews its operations, procedures and policies for compliance with these laws and regulations. The Company believes its operations are in substantial compliance with these laws and regulations and that there are no violations that would have a material effect on the Company. Despite these compliance efforts, some risk of environmental and other damage is inherent in the Company's operations, as it is with other companies engaged in similar businesses, and there can be no assurance that material damage will not occur in the future. The cost of compliance with these laws and regulations is not expected to have a material adverse effect on the Company. However, future events, such as changes in or modifications of interpretations of existing laws and regulations or enforcement policies or further investigation or evaluation of the potential health hazards of certain products may give rise to additional compliance and other costs that could have a material adverse effect on the Company. The Company has a right of indemnification for certain potential environmental, health and safety liabilities under agreements entered into between the Company and Pfizer Inc ("Pfizer") or Quigley Company, Inc. ("Quigley"), a wholly-owned subsidiary of Pfizer, in connection with the reorganization. See "Certain Relationships and Related Transactions" in Item 13.

Cautionary Factors That May Affect Future Results

The disclosure and analysis set forth in this report contains certain forward-looking statements, particularly statements relating to future actions, performance or results of current and anticipated products, sales efforts, expenditures, and financial results. From time to time, the Company also provides forward-looking statements in other publicly-released materials, both written and oral. Forward-looking statements provide current expectations and forecasts of future events such as new products, revenues and financial performance, and are not limited to describing historical or current facts. They can be identified by the use of words such as "expects," "plans," "anticipates," "will" and other words and phrases of similar meaning.

Forward-looking statements are necessarily based on assumptions, estimates and limited information available at the time they are made. A broad variety of risks and uncertainties, both known and unknown, as well as the inaccuracy of assumptions and estimates, can affect the realization of the expectations or forecasts in these statements. Consequently, no forward-looking statement can be guaranteed. Actual future results may vary materially.

The Company undertakes no obligation to update any forward-looking statements. Investors should refer to the Company's subsequent filings under the Securities Exchange Act of 1934 for further disclosures.

As permitted by the Private Securities Litigation Reform Act of 1995, the Company is providing the following cautionary statements, which identify factors that could cause the Company's actual results to differ materially from historical and expected results. It is not possible to foresee or identify all such factors. You should not consider this list an exhaustive statement of all potential risks, uncertainties and inaccurate assumptions.

- ***Historical Growth Rate***

  Continuance of the historical growth rate of the Company depends upon a number of uncertain events, including the outcome of the Company's strategies of increasing its penetration into geographical markets such as Asia and Europe; increasing its penetration into product markets such as the market for paper coating pigments and the market for groundwood paper pigments; increasing sales to existing PCC customers by increasing the amount of PCC used per ton of paper produced; and developing, introducing and selling new products. Difficulties, delays or failures of any of these strategies could cause the future growth rate of the Company to differ materially from its historical growth rate.

- ***Contract Renewals***

  The Company's sales of PCC are predominantly pursuant to long-term agreements, generally ten years in length, with paper mills at which the Company operates satellite PCC plants. The terms of many of these agreements have been extended, often in connection with an expansion of the satellite PCC plant. Failure of a number of the Company's customers to renew existing agreements on terms as favorable to the Company as those currently in effect could cause the future growth rate of the Company to differ materially from its historical growth rate, and could have a substantial adverse effect on the Company's results of operations.

- ***Consolidation in Paper Industry***

  Several acquisitions in the paper industry have taken place in the last two years. Such acquisitions could result in partial or total closure of some paper mills at which MTI operates PCC satellites. Such closures would reduce MTI's sales of PCC, except to the extent that they resulted in shifting paper production and associated purchases of PCC to another location served by MTI. There can be no assurance, however, that this will occur. In addition, such acquisitions concentrate purchasing power in the hands of a smaller number of papermakers, enabling them to increase competitive pressure on their suppliers, such as MTI. Such increased pressure could have an adverse effect on MTI's results of operations in the future.

- ***Litigation; Environmental Exposures***

  The Company's operations are subject to international, federal, state and local environmental, tax and other laws and regulations, and potentially to claims for various legal, environmental and tax matters. The Company is currently a party to various litigation matters. While the Company carries liability insurance which it believes to be appropriate to its businesses, and has provided reserves for such matters which it believes to be adequate, an unanticipated liability arising out of such a litigation matter or a tax or environmental proceeding could have a material adverse effect on the Company's financial condition or results of operations.

- ***New Products***

  The Company is engaged in a continuous effort to develop new products and processes in all of its product lines. Difficulties, delays or failures in the development, testing, production, marketing or sale of such new products could cause actual results of operations to differ materially from expected results.

- ***Competition; Protection of Intellectual Property***

  Particularly in its PCC and Refractory product lines, the Company's ability to compete is based in part upon proprietary knowledge, both patented and unpatented. The Company's ability to achieve anticipated results depends in part on its ability to defend its intellectual property against inappropriate disclosure as well as against infringement. In addition, development by the Company's competitors of new products or technologies that are more effective or less expensive than those the Company offers could have a material adverse effect on the Company's financial condition or results of operations.

- ***Risks of Doing Business Abroad***

  As the Company expands its operations overseas, it faces the increased risks of doing business abroad, including inflation, fluctuations in interest rates and currency exchange rates, changes in applicable laws and regulatory requirements, export and import restrictions, tariffs, nationalization, expropriation, limits on repatriation of funds, unstable governments and legal systems, and other factors. Adverse developments in any of these areas could cause actual results to differ materially from historical and expected results.

- ***Availability of Raw Materials***

  The Company's ability to achieve anticipated results depends in part on having an adequate supply of raw materials for its manufacturing operations, particularly lime and carbon dioxide for PCC operations and magnesia for refractory operations, and on having adequate access to the ore reserves at its mining operations. Unanticipated changes in the costs or availability of such raw materials, or in the Company's ability to have access to its ore reserves, could adversely affect the Company's results of operations.

- ***Cyclical Nature of Customers' Businesses***

  The bulk of the Company's sales are to customers in two industries, paper manufacturing and steel manufacturing, which have historically been cyclical. The Company's exposure to variations in its customers' businesses has been reduced in recent years by the growth in the number of plants it operates; by the diversification of its portfolio of products and services; and by its geographic expansion. Also, the Company has structured some of its long-term satellite PCC contracts to provide a degree of protection against declines in the quantity of product purchased, since the price per ton of PCC rises as the number of tons purchased declines. In addition, many of the Company's product lines lower its customers' costs of production or increase their productivity, which should encourage them to use its products. However, a sustained economic downturn in one or more of the industries or geographic regions that the Company serves, or in the worldwide economy, could cause actual results of operations to differ materially from historical and expected results.

- ***Adoption of a Common European Currency***

  On January 1, 1999, eleven European countries adopted the euro as their common currency. Adoption of a single currency and a common monetary policy by the countries adopting the euro can be expected to have effects on competition in Europe and on the overall economy of the region, which could adversely affect the Company's financial position or results of operations.

Item 2. Properties

Set forth below is the location of, and the main customer served by, each of the Company's satellite PCC plants at December 31, 2000. Generally, the land on which each satellite PCC plant is located is leased at a nominal amount by the Company from the host paper mill pursuant to a lease, the term of which runs concurrently with the term of the PCC production and sale agreement between the Company and the host paper mill.

Location	Principal Customer
Alabama, Courtland	International Paper Company
Alabama, Jackson	Boise Cascade Corporation
Alabama, Selma	International Paper Company
Arkansas, Ashdown	Georgia-Pacific Corporation
Brazil, Jacarei	Votorantim Celulose e Papel
Brazil, Luiz Antonio	Votorantim Celulose e Papel
Brazil, Mucuri	Bahia Sul Celulose S.A.
Brazil, Suzano	Cia Suzano de Papel e Celulose
California, Anderson	Shasta Paper Company
Canada, Cornwall, Ontario	Domtar Inc.
Canada, Dryden, Ontario	Weyerhaeuser Canada Inc.
Canada, St. Jerome, Quebec	Rolland Paper Inc.
Canada, Windsor, Quebec	Domtar Inc.
China, Dagang[1]	Asia Pulp and Paper Company Ltd.
Finland, Aanekoski[1]	Metsa-Serla Group
Finland, Anjalankoski[1]	Myllykoski Paper Oy
Finland, Lappeenranta [1, 2]	OAO Svetogorsk (a subsidiary of International Paper Company)
Finland, Tervakoski[1]	Stora Enso Oy
Florida, Pensacola	International Paper Company
France, Docelles	UPM - Kymmene Corporation
France, Saillat Sur Vienne	Aussedat Rey (a subsidiary of International Paper Company)
Germany, Schongau	Haindl Papier GmbH

Indonesia, Perawang[1]	PT Indah Kiat Pulp and Paper Corporation
Israel, Hadera	American Israeli Paper Mills, Ltd.
Japan, Shiraoi[1]	Daishowa Paper Manufacturing Company Ltd.
Kentucky, Wickliffe	Westvaco Corporation
Louisiana, Port Hudson	Georgia-Pacific Corporation
Maine, Jay	International Paper Company
Maine, Madison	Madison Paper Industries
Mexico, Chihuahua	Corporativo Copamex, S.A. de C.V.
Michigan, Plainwell [3]	Plainwell Inc.
Michigan, Quinnesec	International Paper Company
Minnesota, Cloquet	Potlatch Corporation
Minnesota, International Falls	Boise Cascade Corporation
New York, Oswego	International Paper Company
New York, Ticonderoga	International Paper Company
North Carolina, Plymouth	Weyerhaeuser Company
Ohio, Chillicothe	The Mead Corporation
Ohio, West Carrollton	Appleton Papers Inc.
Pennsylvania, Erie	International Paper Company
Pennsylvania, Lock Haven [3]	International Paper Company
Poland, Kwidzyn	International Paper Company
Portugal, Figueira da Foz [1]	Soporcel - Sociedade Portuguesa de Papel, S.A.
Slovakia, Ruzomberok	Severoslovenske Celulozky a Papierne a.s.
South Carolina, Eastover	International Paper Company
South Africa, Merebank [1]	Mondi Paper Company Ltd.

Tennessee, Kingsport	Willamette Industries Inc.
Texas, Pasadena	Pasadena Paper Company LP
Thailand, Tha Toom[1]	Advance Agro Public Co. Ltd.
Virginia, Franklin	International Paper Company
Washington, Camas	James River Corporation
Washington, Longview	Weyerhaeuser Company
Washington, Wallula	Boise Cascade Corporation
Wisconsin, Kimberly	Inter Lake Papers, Inc. (a subsidiary of Consolidated Papers Inc.)
Wisconsin, Park Falls	Fraser Papers Inc.
Wisconsin, Wisconsin Rapids	Stora Enso Oy

1 These plants are owned through joint ventures.
2 This PCC plant is not located on-site at the paper mill.
3 These PCC plants are expected to cease operation in 2001.

The Company also owned at December 31, 2000 seven plants engaged in the mining, processing and/or production of lime, limestone, precipitated calcium carbonate, and talc and directly or indirectly owns or leases approximately 16 refractory manufacturing facilities worldwide. The Company's corporate headquarters, sales offices, research laboratories, plants and other facilities are owned by the Company except as otherwise noted. Set forth below is certain information relating to the Company's plants and office and research facilities.

Location	Facility	Product Line
United States		
Arizona, Pima County	Plant; Quarry[4]	Limestone
California, Los Angeles	Sales Office[1]	PCC, Lime, Limestone, Talc
California, Lucerne Valley	Plant; Quarry	Limestone
Connecticut, Canaan	Plant; Quarry	Limestone, Metallurgical Wire/Calcium
Massachusetts, Adams	Plant; Quarry	Limestone, Lime, PCC
Mississippi, Brookhaven	Plant	PCC
Montana, Dillon	Plant; Quarry	Talc
New Jersey, Old Bridge	Plant	Monolithic Refractories/Shapes
New York, New York	Headquarters[1]; Sales Offices[1]	All Company Products
Ohio, Bryan	Plant	Monolithic Refractories
Ohio, Dover	Plant	Refractories
Pennsylvania, Bethlehem	Research Laboratories; Sales Offices	PCC, Lime, Limestone, Talc, Pyrolytic Graphite
Pennsylvania, Easton	Research Laboratories; Plant	PCC, Lime, Limestone, Talc, Pyrolytic Graphite, Refractories, Metallurgical Wire
Pennsylvania, Slippery Rock	Plant	Refractory Shapes
International		
Australia, Carlingford	Sales Office[1]	Monolithic Refractories
Belgium, Brussels	Sales Office[1]	Monolithic Refractories/PCC
Brazil, Belo Horizonte	Sales Office[1]	Monolithic Refractories
Brazil, Sao Paulo	Sales Office[1]	PCC
Brazil, Volta Redonda	Sales Office[1]	Monolithic Refractories
Canada, Lachine	Plant	Refractory Shapes
China, Huzhou	Plant[2]	Monolithic Refractories
Germany, Duisburg	Sales Office	Monolithic Refractories
Germany, Moers	Plant	Laser Scanning Instrumentation/Probes
Ireland, Cork	Plant; Sales Office[1]	Monolithic Refractories/Metallurgical Wire
Italy, Brescia	Sales Office; Plant	Monolithic Refractories/Shapes
Japan, Gamagori	Plant	Monolithic Refractories/Shapes, Calcium
Mexico, Gomez Palacio	Plant[1]	Monolithic Refractories

Singapore	Sales Office[1]	PCC
Spain, Santander	Sales Office[1]	Monolithic Refractories
South Africa, Pietermaritzburg	Plant	Monolithic Refractories

Location	Facility	Product Line
South Korea, Seoul	Sales Office[1]	Monolithic Refractories
South Korea, Yangsan	Plant[3]	Monolithic Refractories
United Kingdom, Lifford	Plant	PCC, Lime
United Kingdom, Rotherham	Plant	Monolithic Refractories/Shapes

1 Leased by the Company. The facilities in Cork, Ireland are operated pursuant to a 99-year lease, the term of which commenced in 1963. The Company's headquarters and sales offices in New York, New York are held under a lease which expires in 2010.
[2] This plant is leased through a joint venture.
[3] This plant is owned through a joint venture.
[4] This plant is leased to another company.

The Company believes that its facilities, which are of varying ages and are of different construction types, have been satisfactorily maintained, are in good condition, are suitable for the Company's operations and generally provide sufficient capacity to meet the Company's production requirements. Based on past loss experience, the Company believes it is adequately insured in respect to these assets, and for liabilities which are likely to arise from its operations.

Item 3. Legal Proceedings

On or about October 5, 1999, the Company was notified by the U.S. Department of Justice of an enforcement referral from the U.S. Environmental Protection Agency regarding alleged violations by the Company's subsidiary, Barretts Minerals Inc. ("BMI"), of a state-issued permit regulating pit dewatering and storm water discharge at BMI's talc mine in Barretts, Montana. The threatened federal enforcement action would duplicate in part a state enforcement action that was resolved in May 1999 through settlement and payment of a civil penalty of $14,000. BMI has entered into prefiling negotiations with the Department of Justice, and as of March 2, 2001, no complaint had been filed. We anticipate that any settlement of this matter would include a monetary penalty as well as other relief, such as a supplemental environment project at the Barretts site. There can be no assurance that the amount of monetary penalty or the cost of other relief sought by the Department of Justice in any such complaint, if filed, would not be substantially in excess of the amount for which the previous state enforcement action was settled.

On or about July 14, 2000, MTI, Specialty Minerals Inc. and Minteq International Inc. received from the Connecticut Department of Environmental Protection ("DEP") a proposed administrative consent order relating to the Canaan, Connecticut site at which both Minteq and Specialty Minerals have operations. The proposed order would settle claims relating to an accidental discharge of machine oil alleged to have contained polychlorinated biphenyls at or above regulated levels. The Company's employees immediately took steps to contain and clean up the discharge and notified the Connecticut DEP and the U.S. Environmental Protection Agency ("EPA") as required by law. The proposed order also alleges certain violations of other environmental requirements, including violations of the Canaan site's existing permit for discharge of stormwater, and of regulations governing the management of underground storage tanks. The proposed order would require payment of a civil penalty of $420,605, remediation of certain conditions at the site, and other injunctive relief. MTI and the other respondents dispute many of the factual allegations forming the basis of the proposed order, and plan to contest them vigorously. There can be no assurance, however, that the Company will be successful in doing so, and the amount of any civil penalty to be paid, and the cost of any remediation or other injunctive relief, remains uncertain.

On February 27, 2001, the U.S. Environmental Protection Agency filed a civil administrative complaint against Minteq International Inc. seeking $192,000 in monetary sanctions for alleged regulatory violations relating to the use, handling and disposal of PCB's at Minteq's Canaan, Connecticut facility. Minteq is preparing a response to the complaint, and plans to contest vigorously many of the factual allegations and legal conclusions asserted by the EPA.

The Company and its subsidiaries are not party to any other pending legal proceedings, other than routine litigation incidental to their businesses.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders during the fourth quarter of 2000.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The Company's common stock is traded on the NYSE under the symbol "MTX."

Information on market prices and dividends is set forth below:

2000 Quarters	**First**	**Second**	**Third**	**Fourth**
Market Price Range Per Share of Common Stock				
High	$ 46 7/16	$ 47 3/4	$ 54 1/16	$ 46 1/4
Low	36 5/8	40 3/8	41 3/8	28 15/16
Close	41 15/16	41 11/16	43 15/16	34 3/16
Dividends paid per common share	$ 0.025	$ 0.025	$ 0.025	$ 0.025

1999 Quarters	**First**	**Second**	**Third**	**Fourth**
Market Price Range Per Share of Common Stock				
High	$ 49 1/16	$ 56 1/2	$ 56 13/16	$ 50 9/16
Low	38 1/2	46	43 13/16	37
Close	47 3/8	56 1/16	43 13/16	40 1/16
Dividends paid per common share	$ 0.025	$ 0.025	$ 0.025	$ 0.025

On March 2, 2001, the last reported sale price on the NYSE was $36.99 per share. As of March 2, 2001, there were approximately 239 holders of record of the common stock.

On January 25, 2001, the Company's Board of Directors declared a regular quarterly dividend on its common stock of $0.025 per share. Subject to satisfactory financial results and declaration by the Board, the Company currently intends to pay quarterly cash dividends of at least $0.025 per share on its common stock. Although the Company believes its historical earnings indicate that this dividend policy is appropriate, it will be reviewed by the Board from time to time in light of the Company's financial condition, results of operations, current and anticipated capital requirements, contractual restrictions and other factors deemed relevant by the Board. No dividend will be payable unless declared by the Board and unless funds are legally available for payment thereof.

On February 26, 1998, the Company's Board of Directors authorized a $150 million stock repurchase program. The stock is being purchased on the open market from time to time. As of January 28, 2001, the Company had repurchased approximately 3.1 million shares under this program, at an average price of approximately $44 per share.

The Company expects to complete its current share repurchase program in the second quarter of 2001. The Board has authorized the Company's Management Committee to repurchase up to $25 million in additional shares per year over the next three-year period, at its discretion.

Item 6. Selected Financial Data

Thousands, Except Per Share Data	**2000**	**1999**	**1998**	**1997**	**1996**
Income Statement Data:					
Net sales	$670,917	$662,475	$631,622	$625,547	$580,179
Cost of goods sold	477,512	466,702	442,562	451,849	424,922
Marketing and administrative expenses	71,404	72,208	75,068	71,525	68,020
Research and development expenses	26,331	24,788	21,038	20,391	19,740
Bad debt expenses	5,964	1,234	507	1,554	79
Write-down of impaired assets	4,900	--	--	--	--
Income from operations	84,806	97,543	92,447	80,228	67,418
Net income	54,208	62,116	57,224	50,312	43,097
Earnings Per Share					
Basic earnings per share	$ 2.65	$ 2.90	$ 2.57	$ 2.23	$ 1.91
	=====	=====	=====	=====	=====
Diluted earnings per share	$ 2.58	$ 2.80	$ 2.50	$ 2.18	$ 1.86
	=====	=====	=====	=====	=====
Weighted average number of common shares outstanding					
Basic	20,479	21,394	22,281	22,558	22,621

Diluted	21,004	22,150	22,926	23,113	23,132
Dividends declared per common share	$ 0.10	$ 0.10	$ 0.10	$ 0.10	$ 0.10

Balance Sheet Data:					
Working capital	$ 81,830	$102,405	$112,892	$132,364	$115,540
Total assets	799,832	769,131	760,912	741,407	713,861
Long-term debt	89,857	75,238	88,167	101,571	104,900
Total debt	138,727	88,677	101,678	115,560	130,239
Total shareholders' equity	483,639	485,036	489,163	466,997	448,250

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Income and Expense Items as a Percentage of Net Sales			
Year Ended December 31,	**2000**	**1999**	**1998**
Net sales	100.0%	100.0%	100.0%
Cost of goods sold	71.2	70.5	70.1
Marketing and administrative expenses	10.7	10.9	11.9
Research and development expenses	3.9	3.7	3.3
Bad debt expenses	0.9	0.2	0.1
Write-down of impaired assets	0.7	--	--
Income from operations	12.6	14.7	14.6
Net income	8.1%	9.4%	9.1%
	===	===	===

Overview of 2000 and Outlook

In 2000, the Company had a difficult year. The first two quarters of the year were very strong with growth in diluted earnings per share of 15% and 16%, respectively. As a result of weakness in the second half in the paper, steel and construction industries, and approximately $10.5 million in charges, which are described below, diluted earnings per share declined 8% for the year as compared with the prior year. The Company expects continued weakness in the first half of 2001.

During the second half of 2000, economic trends in the industries the Company serves, particularly in the United States, deteriorated significantly.

- Three paper mills at which the Company has satellite precipitated calcium carbonate (PCC) plants announced their intention to shut down, two owned by International Paper Company and one by Plainwell Inc., which filed a Chapter 11 bankruptcy petition. Other paper makers reduced inventories as a result of weaker paper demand.
- The domestic steel industry experienced an extreme downturn: domestic steel production, which increased approximately 13% in the first half of 2000, decreased approximately 12% in the fourth quarter. Several steel manufacturers, including two major customers of the Company, filed for bankruptcy protection.
- The construction and automotive industries were also affected adversely by the weaker economy and higher energy costs.

As a consequence of these adverse events the Company recorded a $4.9 million write-down of impaired assets related to the three satellite PCC plants at paper mills that have ceased or will cease operations. The Company also recognized $5.6 million in additional bad debt expenses, primarily related to the bankruptcies of major customers in the steel, paper and construction industries.

The Company adhered to its strategy of expanding its PCC product line within the Specialty Minerals segment. The Company commenced operations at two new satellite PCC plants, one in Japan and the other in Brazil and began operations at a major three-unit expansion of a satellite PCC plant in Portugal. Together, these plants have production capacity equivalent to approximately seven satellite units. (A satellite unit is equivalent to annual production capacity of between 25,000 and 35,000 tons of PCC.) The Company also added another eight units of volume in 2000 through various expansions at existing satellite facilities. In January 2001, the Company announced a new contract with Great Northern Paper Company in Millinocket, Maine to construct a two-unit satellite plant using the Company's patented AT™ PCC technology. This plant is expected to be in operation in the third quarter of 2001. The AT™ PCC technology continues to show growth and the groundwood sector of the worldwide paper industry continues to show widespread interest in this product. The Company presently serves 14 groundwood paper mills on 24 paper machines around the world. As a result, sales of PCC as a percentage of the Company's total net sales, which were 37% in 1992, had risen to approximately 60% by 2000.

The Company expects additional expansions at existing satellite PCC plants to occur in 2001 and also expects to sign contracts for new satellite PCC plants.

In 2001, the Company plans to continue its focus on the following growth strategies for the PCC product line:

- Continued efforts to increase market penetration in North America, Europe, Latin America, and the Pacific Rim.
- Continued expansions of the capacity of existing satellite PCC plants in response to increased demand, which is resulting from increased PCC filler levels in paper, the installation of new paper machines or higher paper machine productivity.
- Continued research and development and marketing efforts for new and existing products.

However, there can be no assurance that the Company will achieve success in implementing any one or more of these strategies.

The Company's sales of PCC are predominantly pursuant to long-term agreements, generally ten years in length, with paper mills at which the Company operates satellite PCC plants. The terms of many of these agreements have been extended, often in connection with an expansion of the satellite PCC plant. Failure of a number of the Company's customers to renew existing agreements on terms as favorable to the Company as those currently in effect could cause the future growth rate of the Company to differ materially from its historical growth rate.

On February 23, 2001, the Company signed an agreement to purchase the refractories business of Martin Marietta Magnesia Specialties Inc. for $34 million. This transaction is expected to close within the second quarter of 2001. Net sales of this business for the year ended December 31, 2000 were approximately $57 million.

The Company will continue to emphasize specialty products in its Refractories segment and to develop and commercialize products, processes and equipment resulting from its research and development efforts.

As the Company continues to expand its operations overseas, it faces the inherent risks of doing business abroad, including exchange rate fluctuations, nationalization, expropriation, limitations on repatriation of funds and other factors. In addition, the Company's performance depends to some extent on that of the industries it serves, particularly the paper manufacturing, steel manufacturing, and construction industries.

Results of Operations

Net Sales Dollars in Millions	2000	Growth	1999	Growth	1998
Net sales	$670.9	1.3%	$662.5	4.9%	$631.6

Worldwide net sales in 2000 increased 1.3% from the previous year to $670.9 million. The stronger U.S. dollar had an unfavorable effect of approximately 2 percentage points of sales growth. Sales in the Specialty Minerals segment, which includes the PCC and Processed Minerals product lines, grew 1.4% to $486.3 million compared with $479.4 million for the same period in 1999. Sales in the Refractories segment grew approximately 1% over the previous year to $184.6 million. In 1999, worldwide net sales increased 4.9% over the prior year to $662.5 million. Specialty Minerals segment sales increased 7.9% and Refractories segment sales decreased 2.2% in 1999.

Worldwide net sales of PCC in 2000 increased 1.9% to $399.2 million from $391.9 million in the prior year. Foreign exchange had an unfavorable impact on PCC sales of approximately $7.9 million or 2 percentage points of growth. The increase in PCC sales was primarily attributable to the commencement of operation at two new satellite PCC plants, the ramp-up of two satellite plants that began operations in 1999, and to volume increases and expansions at several long-standing PCC plants. This growth was partially offset by a 10% decline in sales of Specialty PCC, which is used for non-paper applications, and by weakness in the paper industry in the second half of 2000. PCC sales in 1999 increased 10.2% to $391.9 million from $355.5 million in 1998. This growth was primarily attributable to the start-up of operations at two of the Company's largest satellite plants in 1999. In addition, a full year of operations at several satellite PCC plants that began operations in 1998 and volume increases from the Company's long-standing satellite PCC plants also contributed to the sales growth.

Net sales of Processed Minerals products in 2000 decreased slightly to $87.1 million from $87.5 million in 1999. This decline was attributable primarily to a slowdown in the construction-related industries. Net sales of Processed Minerals from ongoing operations in 1999 increased slightly. In April 1998, the Company divested its Midwest limestone business in Port Inland, Michigan. References to ongoing operations exclude the results from this facility.

Net sales in the Refractories segment in 2000 increased approximately 1% to $184.6 million from $183.1 million in the prior year. Foreign exchange had an unfavorable impact on Refractories sales of approximately $4.1 million or 2 percentage points of growth. Unfavorable economic conditions in the worldwide steel industry in the second half of 2000 reduced the 9% sales growth experienced by this product line in the first six months of 2000. In 1999, net sales in the Refractories segment decreased 2.2% from the prior year.

Net sales in the United States decreased less than 1%. This decrease was attributable to the aforementioned weakness in the steel, paper and construction industries. Foreign sales in 2000 increased 4.7% as a result of the continued international expansion of the Company's PCC product line. In 1999, domestic net sales from ongoing operations were 4.2% higher than in the prior year as a result of increased sales in the Specialty Minerals segment. Foreign sales were approximately 7.1% greater than in the prior year, primarily due to growth in the PCC product line.

Operating Costs and Expenses Dollars in Millions	2000	Growth	1999	Growth	1998
Cost of goods sold	$477.5	2.3%	$466.7	5.4%	$442.6
Marketing and administrative	$ 71.4	(1.1%)	$ 72.2	(3.9%)	$ 75.1
Research and development	$ 26.3	6.0%	$ 24.8	18.1%	$ 21.0
Bad debt expenses	$ 6.0	*	$ 1.2	*	$ 0.5
Write-down of impaired assets	$ 4.9	*	$ --	*	$ --

* Percentage not meaningful

Cost of goods sold was 71.2% of sales compared with 70.5% in the prior year. This increase was primarily attributable to the softening of market conditions in the steel, paper and construction industries in the second half of 2000. In addition, the Company was adversely impacted by higher energy costs, the unfavorable impact of foreign exchange, and costs associated with the delayed ramp-up of the Company's new merchant manufacturing plant in Mississippi. Cost of goods sold in 1999 was 0.4 percentage points higher than in the prior year.

Marketing and administrative costs decreased 1.1% to $71.4 million and were 10.7% of net sales. In 1999, marketing and administrative costs decreased 3.9% to $72.2 million and were 10.9% of net sales.

Research and development expenses during 2000 increased 6.0% to $26.3 million and represented 3.9% of net sales. A planned increase to develop SYNSIL™ products, a family of synthetic silicate products for the glass industry, was the primary reason for the expense growth in 2000 and 1999.

The Company recognized additional bad debt expenses of $5.6 million in the fourth quarter of 2000. This charge was primarily related to bankruptcy filings by several of the Company's major customers serving the steel, paper and construction industries.

During the fourth quarter of 2000, the Company recorded a write-down of impaired assets of $4.9 million for three satellite precipitated calcium carbonate plants at paper mills that have ceased or will cease operations.

Income from Operations					
Dollars in Millions	**2000**	**Growth**	**1999**	**Growth**	**1998**
Income from operations	$84.8	(13.0%)	$97.5	5.5%	$92.4

Income from operations in 2000 decreased 13.0% to $84.8 million from $97.5 million in 1999. This decrease was due primarily to weakness in the three major industries the Company serves and to the aforementioned additional bad debt expenses and write-down of impaired assets. In 1999, income from operations rose 5.5% to $97.5 million from $92.4 million in 1998. This increase was due primarily to slightly improved profitability in the PCC product line within the Specialty Minerals segment, and to improved profitability in the Refractories segment.

Non-Operating Deductions					
Dollars in Millions	**2000**	**Growth**	**1999**	**Growth**	**1998**
Non-operating deductions, net	$(5.0)	--	$(5.0)	(18.0%)	$(6.1)

Non-operating deductions were approximately the same as in the prior year. Gross interest expense was 18% higher than the prior year but was partially offset by interest capitalized on major construction projects. Non-operating deductions in 1999 decreased from the prior year due primarily to lower foreign exchange losses. Gross interest costs decreased 13.5% from 1998 to $6.1 million. However, interest income was also lower than in the prior year.

Provision for Taxes on Income					
Dollars in Millions	**2000**	**Growth**	**1999**	**Growth**	**1998**
Provision for taxes on income	$23.7	(18.0%)	$28.9	5.5%	$27.4

The effective tax rate decreased to 29.8% in 2000 compared with 31.3% in 1999. This decrease was due to higher depletion deductions as a percentage of income before taxes and the mix of profit by country. The effective tax rate was 31.7% in 1998.

Minority Interests					
Dollars in Millions	**2000**	**Growth**	**1999**	**Growth**	**1998**
Minority interests	$1.8	20.0%	$1.5	(16.7%)	$1.8

The consolidated joint ventures continue to operate profitably. The decrease in the provision for minority interests in 1999 was primarily due to foreign exchange losses.

Net Income					
Dollars in Millions	**2000**	**Growth**	**1999**	**Growth**	**1998**
Net income	$54.2	(12.7%)	$62.1	8.6%	$57.2

Net income decreased 12.7% in 2000 to $54.2 million. In 1999, net income increased 8.6% to $62.1 million. Earnings per common share, on a diluted basis, decreased 8% to $2.58 in 2000 as compared with $2.80 in the prior year.

Liquidity and Capital Resources

The Company's financial position remained strong during 2000. Cash flows in 2000 were provided from operations and short-term and long-term financing. The cash was applied principally to fund approximately $103.3 million of capital expenditures, acquire a German producer of advanced laser scanning devices for the

Refractories segment, repurchase $43.0 million of common shares for treasury, and repay short-term and long-term debt. Cash provided from operating activities amounted to $91.1 million

in 2000, $130.2 million in 1999 and $117.0 million in 1998. The reduction in cash provided from operating activities in 2000 was primarily attributable to a decrease in working capital.

On May 17, 2000, the Company's majority-owned subsidiary, Specialty Minerals FMT. K.K., entered into a Yen-denominated Guaranteed Credit Agreement with the Bank of New York due March 31, 2007. The proceeds were used to finance the construction of a PCC satellite facility in Japan. Principal payments begin on June 30, 2002. Interest is payable quarterly at a rate of 2.05% per annum.

On June 9, 2000 the Company entered into a twenty-year, taxable, Variable/Fixed Rate Industrial Development Revenue Bond agreement to finance a portion of the construction of a merchant manufacturing facility in Mississippi for the production of Specialty PCC. The Company selected the variable rate option for this borrowing and the average interest rate was approximately 7.18% for the period ended December 31, 2000.

The Economic Development Authority Refunding Revenue Bonds due 2010 were issued on February 23, 1999 to refinance the bonds issued in connection with the construction of a PCC plant in Eastover, South Carolina. The bonds bear interest at either a variable rate or fixed rate at the option of the Company. Interest is payable semi-annually under the fixed rate option and monthly under the variable rate option. The Company has selected the variable rate option on these borrowings and the average interest rate for the year ended December 31, 2000 was approximately 4.33%.

The Variable/Fixed Rate Industrial Development Revenue Bonds due November 1, 2014 are tax-exempt 15-year instruments and were issued on November 30, 1999 to refinance the bonds issued in connection with the construction of a PCC plant in Jackson, Alabama. The bonds bear interest at either a variable rate or fixed rate at the option of the Company. Interest is payable semi-annually under the fixed rate option and monthly under the variable rate option. The Company has selected the variable rate option on these borrowings and the average interest rate for the year ended December 31, 2000 was approximately 4.33%.

On February 26, 1998, the Company's Board of Directors ("Board") authorized a $150 million stock repurchase program. The stock is being purchased on the open market from time to time. As of January 28, 2001, the Company had repurchased approximately 3.1 million shares under this program, at an average price of approximately $44 per share.

The Company expects to complete its current share repurchase program in the second quarter of 2001. The Board has authorized the Company's Management Committee to repurchase up to $25 million in additional shares per year over the next three-year period, at its discretion.

The Company has approximately $85 million in uncommitted short-term bank credit lines, of which $48.1 million was in use at December 31, 2000. The Company anticipates that capital expenditures for 2001 should approximate $100 million, principally related to the construction of satellite PCC plants, and other opportunities that meet the strategic growth objectives of the Company. The Company expects to meet its long-term financing requirements from internally generated funds, the aforementioned uncommitted bank credit lines and, where appropriate, project financing of certain satellite plants.

Prospective Information and Factors That May Affect Future Results

The Securities and Exchange Commission encourages companies to disclose forward-looking information so that investors can better understand companies' future prospects and make informed investment decisions. This report may contain forward-looking statements that set out anticipated results based on management's plans and assumptions. Words such as "expects," "plans," "anticipates," "will," and words and terms of similar substance, used in connection with any discussion of future operating or financial performance identify these forward-looking statements.

The Company cannot guarantee that the outcomes suggested in any forward-looking statement will be realized, although it believes it has been prudent in its plans and assumptions. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements and should refer to the discussion of certain risks, uncertainties and assumptions under the heading "Cautionary Factors That May Affect Future Results" in Item 1.

Several acquisitions in the paper industry have taken place in the last two years. Such acquisitions could result in partial or total closure of some paper mills at which the Company operates PCC satellites. Such closures would reduce the Company's sales of PCC, except to the extent that they resulted in paper production and associated purchases of PCC shifting to another location served by the Company. There can be no assurance, however, that this will occur. In addition, such acquisitions concentrate purchasing power in the hands of a smaller number of papermakers, enabling them to increase competitive pressure on their suppliers, such as the Company. Such increased pressure could have an adverse effect on the Company's results of operations in the future.

The Company's largest customer, International Paper Company, has decided to reduce U.S. production capacity by closing two paper mills in which the Company has satellite PCC plants. These paper mills are located in Mobile, Alabama, and Lock Haven, Pennsylvania. In addition, Plainwell Inc. filed for bankruptcy protection and closed its paper mill in Plainwell, Michigan. The Company operates a small satellite PCC plant at that location. As a result of these plant closings, the Company recorded a $4.9 million write-down of impaired assets.

Excluding the plants to be closed, there are three satellite locations, serving two customers, at which our contracts have recently expired or are due to expire by the end of 2001. The Company continues to supply PCC at all of these locations and expects to negotiate long-term contract extensions at all of them. There is no assurance, however, that these negotiations will be successful.

Inflation

Historically, inflation has not had a material adverse effect on the Company. The contracts pursuant to which the Company constructs and operates its satellite PCC plants generally adjust pricing to reflect increases in costs resulting from inflation.

Cyclical Nature of Customers' Businesses

The bulk of the Company's sales are to customers in the paper manufacturing, steel manufacturing industries and construction industries, which have historically been cyclical. These industries encountered difficulties in 2000. The pricing structure of some of our long-term PCC contracts makes our PCC business less sensitive to declines in the quantity of product purchased. For this reason, and because of the geographical diversification of our business, the Company's operating results to date have not been materially affected by the difficult economic environment. However, we cannot predict the economic outlook in the countries in which we do business, nor in the key industries we serve. There can be no assurance that a recession, in some markets or worldwide, would not have a significant negative effect on the Company's financial position or results of operations.

Recently Issued Accounting Standards

In June 1998, the Financial Accounting Standards Board issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." The statement establishes accounting and reporting standards for derivative instruments and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. The statement, as amended, is effective for all fiscal quarters of fiscal years beginning after June 15, 2000. The Company will adopt SFAS 133 by January 1, 2001. Adoption of SFAS 133 will not have a material effect on the consolidated financial statements.

The Emerging Issues Task Force ("EITF") reached a consensus on EITF Issue 00-10, "Accounting for Shipping and Handling Fees and Costs." This pronouncement was effective in the fourth quarter of 2000 and all prior periods were reclassified to comply with the classification guidelines of this issue. EITF Issue 00-10 stipulates that all amounts billed to a customer in a sale transaction related to shipping and handling represent revenues earned for the goods provided and should be classified as revenue. In addition, costs incurred for shipping and handling should preferably be classified as costs of goods sold. The Company has historically recorded the net costs of shipping and handling in marketing and administrative expenses since the majority of such costs are a direct pass-through of costs to the customer. Adjustments were reflected in the statement of income and related footnotes in order to comply with this pronouncement.

Adoption of a Common European Currency

On January 1, 1999, eleven European countries adopted the euro as their common currency. From that date until January 1, 2002, debtors and creditors may choose to pay or be paid in euros or in the former national currencies. On and after January 1, 2002, the affected national currencies will cease to be legal tender.

The Company's information technology systems are now able to convert among the former national currencies and the euro and to process transactions and balances in euros. The financial institutions with which the Company does business are capable of receiving deposits and making payments both in euros and in the national currencies. The Company does not expect that adapting its information technology systems to the euro will have a material effect on its financial condition or results of operations. The Company is also reviewing contracts with customers and vendors calling for payments in currencies that are to be replaced by the euro, and intends to complete in a timely way any required changes to those contracts.

Adoption of the euro is likely to have competitive effects in Europe, as prices that had been stated in different national currencies become directly comparable to one another. In addition, the adoption of a common monetary policy by the countries adopting the euro can be expected to have an effect on the economy of the region. These competitive and economic effects had no material effect on the Company's financial condition or results of operation during 2000, and the Company does not expect any such effect to occur. There can be no assurance, however, that the transition to the euro will not have a material effect on the Company's business in Europe in the future.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

The Company is exposed to various market risks, including the potential loss arising from adverse changes in foreign currency exchange rates. The Company does not enter into derivatives or other financial instruments for trading or speculative purposes. When appropriate, the Company enters into derivative financial instruments, such as forward exchange contracts, to mitigate the impact of foreign exchange rate movements on the Company's operating results. The counterparties are major financial institutions. Such forward exchange contracts would not subject the Company to additional risk from exchange rate movements because gains and losses on these contracts would offset losses and gains on the assets, liabilities and transactions being hedged. At December 31, 2000, the Company had open forward exchange contracts to purchase $0.8 million of foreign currencies. These contracts mature on March 31, 2001. The fair value of these instruments was not significant at December 31, 2000.

Item 8. Financial Statements and Supplementary Data

The financial information required by Item 8 is contained in Item 14 of Part IV of this report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

PART III

Item 10. Directors and Executive Officers of the Registrant

Set forth below are the names and ages, as of December 31, 2000, of all Executive Officers of the Registrant indicating all positions and offices with the Registrant held by each such person, and each such person's principal occupations or employment during the past five years.

Name	Age	Position
Paul R. Saueracker	58	Chief Executive Officer of the Company
Anton Dulski	59	Chief Operating Officer of the Company
Neil M. Bardach	52	Vice President, Finance and Chief Financial Officer; Treasurer

Howard R. Crabtree	56	Vice President, Organization & Human Resources
Michael A. Cipolla	43	Controller and Chief Accounting Officer
S. Garrett Gray	62	Vice President, General Counsel and Secretary
William A. Kromberg	55	Vice President, Taxes

Paul R. Saueracker was elected Chief Executive Officer on December 31, 2000; prior to that he was a President of the Company since August 2000, Senior Vice President from 1999 to 2000, and Vice President of the Company from 1994 to 1999. He has served as President of Specialty Minerals Inc. since 1994. Mr. Saueracker is a former President of the Pulverized Minerals Division of the National Stone Association and a member of the Technical Association of the Pulp and Paper Industry and the Paper Industry Management Association. He is also a member of the board of trustees of the Institute of Paper Science and Technology located in Atlanta, Georgia.

Anton Dulski was elected Chief Operating Officer of the Company in October 2000; prior to that he was appointed a Senior Vice President of the Company in 1999; and was a Vice President of the Company since 1996. He has also served as President of Minteq International Inc. since 1996. From 1993 to 1995 he was Senior Vice President of Minteq with responsibility for European operations.

Neil M. Bardach has served as Vice President-Finance and Chief Financial Officer of the Company since 1998. From 1994 to 1998, he was Chief Financial Officer of The Genlyte Group Incorporated, a publicly traded manufacturer of lighting fixtures.

Howard R. Crabtree was appointed Vice President-Organization & Human Resources of the Company in 1997, having served as Vice President-Human Resources since 1992.

Michael A. Cipolla has served as Controller and Chief Accounting Officer of the Company since 1998. From 1992 to 1998 he served as Assistant Corporate Controller.

S. Garrett Gray has served as Vice President and Secretary of the Company since 1989. In 1992, Mr. Gray was appointed General Counsel of the Company.

William A. Kromberg has served as Vice President-Taxes of the Company since 1993.

The information concerning the Company's Board of Directors required by this Item is incorporated herein by reference to the Company's Proxy Statement.

The information regarding compliance with Section 16(a) of the Securities Exchange Act of 1934 required by this Item is incorporated herein by reference to the Company's Proxy Statement.

Item 11. Executive Compensation

The information appearing in the Company's Proxy Statement under the caption "Compensation of Executive Officers," excluding the information under the captions "Performance Graph" and "Report of the Compensation and Nominating Committee on Executive Compensation," is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information appearing under the caption "Security Ownership of Certain Beneficial Owners and Management as of February 1, 2001" set forth in the Company's Proxy Statement is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions

The information appearing under the caption "Certain Relationships and Related Transactions" set forth in the Company's Proxy Statement is incorporated herein by reference.

Under the terms of certain agreements entered into in connection with the Company's initial public offering in 1992, Pfizer Inc ("Pfizer") and its wholly-owned subsidiary Quigley Company, Inc. ("Quigley") agreed to indemnify the Company against certain liabilities being retained by Pfizer and its subsidiaries including, but not limited to, pending lawsuits and claims, and any lawsuits or claims brought at any time in the future alleging damages or injury from the use, handling of or exposure to any product sold by Pfizer's specialty minerals business prior to the closing of the initial public offering.

Pfizer and Quigley also agreed to indemnify the Company against any liability arising from on-site remedial waste site claims and for other claims that may be made in the future with respect to waste disposed of prior to the closing of the initial public offering. Further, Pfizer and Quigley agreed to indemnify the Company for 50% of the liabilities in excess of $1 million up to $10 million that may arise or accrue within ten years after the closing of the initial public offering with respect to remediation of on-site conditions existing at the time of the closing of the initial public offering. The Company will be responsible for the first $1 million of such liabilities, 50% of all such liabilities in excess of $1 million up to $10 million, and all such liabilities in excess of $10 million.

PART IV

Item 14. Exhibits, Financial Statement Schedule and Reports on Form 8-K

(a) The following documents are filed as part of this Report:

1. Financial Statements. The following Consolidated Financial Statements of Minerals Technologies Inc. and Independent Auditors' Report are set forth on pages F-2 to F-21.

Consolidated Balance Sheet as of December 31, 2000 and 1999
Consolidated Statement of Income for the years ended December 31, 2000, 1999 and 1998
Consolidated Statement of Cash Flows for the years ended December 31, 2000, 1999 and 1998
Consolidated Statement of Shareholders' Equity for the years ended December 31, 2000,

1999 and 1998
Notes to the Consolidated Financial Statements
Independent Auditors' Report

2. Financial Statement Schedule. The following financial statement schedule is filed as part of this Report:

	Page
Schedule II -Valuation and Qualifying Accounts	S-1

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore, have been omitted.

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3. Exhibits. The following exhibits are filed as part of or incorporated by reference into this Report.

3.1	- Restated Certificate of Incorporation of the Company (1)
3.2	- Restated By-Laws of the Company (12)
3.3	- Certificate of Designations authorizing issuance and establishing designations, preferences and rights of Series A Junior Preferred Stock of the Company (1)
4	- Rights Agreement, executed effective as of September 13, 1999 (the "Rights Agreement"), between Minerals Technologies Inc. and Chase Mellon Shareholders Services L.L.C., as Rights Agents, including as Exhibit B the forms of Rights Certificate and of Election to Exercise (10)
4.1	- Specimen Certificate of Common Stock (1)
10.1	- Asset Purchase Agreement, dated as of September 28, 1992, by and between Specialty Refractories Inc. and Quigley Company Inc. (3)
10.1(a)	- Agreement dated October 22, 1992 between Specialty Refractories Inc. and Quigley Company Inc., amending Exhibit 10.1 (4)
10.1(b)	- Letter Agreement dated October 29, 1992 between Specialty Refractories Inc. and Quigley Company Inc., amending Exhibit 10.1 (4)
10.2	- Reorganization Agreement, dated as of September 28, 1992, by and between the Company and Pfizer Inc (3)
10.2(a)	- Letter Agreement dated October 29, 1992 between the Company and Pfizer Inc, amending Exhibit 10.2 (4)
10.3	- Asset Contribution Agreement, dated as of September 28, 1992, by and between Pfizer Inc and Specialty Minerals Inc. (3)
10.4	- Asset Contribution Agreement, dated as of September 28, 1992, by and between Pfizer Inc and Barretts Minerals Inc. (3)
10.4(a)	- Agreement dated October 22, 1992 between Pfizer Inc, Barretts Minerals Inc. and Specialty Minerals Inc., amending Exhibits 10.3 and 10.4 (4)
10.5	- Form of Employment Agreement, together with schedule relating to executed Employment Agreements
10.5(a)	- Form of Employment Agreement, together with schedule relating to executed Employment Agreements
10.6	- Form of Severance Agreement, together with schedule relating to executed Severance Agreements
10.6(a)	- Form of Severance Agreement, together with schedule relating to executed Severance Agreements
10.7	- Company Employee Protection Plan, as amended August 27, 1999 (5)
10.8	- Company Nonfunded Deferred Compensation and Unit Award Plan for Non-Employee Directors, as amended February 26, 1998 (6)
10.9	- Company Stock and Incentive Plan, as amended and restated as of January 28, 1999 (6)
10.10	- Company Retirement Annuity Plan, as amended and restated effective February 26, 1998 (6)
10.11	- Company Nonfunded Supplemental Retirement Plan, as amended January 28, 1999 (6)
10.12	- Company Savings and Investment Plan, as amended and restated effective April 22, 1999 (6)
10.13	- Company Nonfunded Deferred Compensation and Supplemental Savings Plan, as amended January 28, 1999 (6)
10.15	- Grantor Trust Agreement, dated as of December 29, 1994, between the Company and The Bank of New York, as Trustee (7)
10.16	- Note Purchase Agreement, dated as of June 28, 1993, between the Company and Metropolitan Life Insurance Company with respect to the Company's issuance of $65,000,000 in aggregate principal amount of its 6.04% Guarantied Senior Notes Due June 11, 2000; together with a schedule regarding other contracts substantially identical in all material respects to the foregoing (8)
10.17	- Note Purchase Agreement, dated as of July 24, 1996, between the Company and Metropolitan Life Insurance Company with respect to the Company's issuance of $50,000,000 in aggregate principal amount of its 7.49% Guaranteed Senior Notes due July 24, 2006 (9)
10.18	- Indenture, dated July 22, 1963, between the Cork Harbour Commissioners and Roofchrome Limited (3)
10.19	- Agreement of Lease, dated as of May 24, 1993, between the Company and Cooke Properties Inc (8)
21.1	- Subsidiaries of the Company
23.1	- Report and Consent of Independent Auditors

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1. Incorporated by reference to exhibit so designated filed with the Company's Annual Report on Form 10-K for the year ended December 31, 1997.
2. [RESERVED]
3. Incorporated by reference to the exhibit so designated filed with the Company's Registration Statement on Form S-1 (Registration No. 33-51292), originally filed on August 25, 1992.
4. Incorporated by reference to the exhibit so designated filed with the Company's Registration Statement on Form S-1 (Registration No. 33-59510), originally filed on March 15, 1993.
5. Incorporated by reference to the exhibit so designated filed with the Company's Quarterly Report on Form 10-Q for the quarter ended September 26, 1999.
6. Incorporated by reference to the exhibit so designated filed with the Company's Quarterly Report on Form 10-Q for the quarter ended March 28, 1999.
7. Incorporated by reference to the exhibit so designated filed with the Company's Annual Report on Form 10-K for the year ended December 31, 1994.
8. Incorporated by reference to the exhibit so designated filed with the Company's Quarterly Report on Form 10-Q for the quarter ended July 4, 1993.
9. Incorporated by reference to the exhibit so designated filed with the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1996.
10. Incorporated by reference to the exhibit so designated filed with the Company's current report on Form 8-K, filed September 3, 1999.
11. [RESERVED]

12. Incorporated by reference to the exhibit so designated filed with the Company's Quarterly Report on Form 10-Q for the quarter ended September 24, 2000.

(b) Reports on Form 8-K

There were no reports on Form 8-K filed by the Company during the fourth quarter of 2000.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Minerals Technologies Inc.

By: /s/ Paul R. Saueracker
Paul R. Saueracker
Chief Executive Officer

March 20, 2001

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/Paul R. Saueracker Paul R. Saueracker	Chief Executive Officer (principal executive officer) and Director	March 20, 2001
/s/Neil M. Bardach Neil M. Bardach	Vice President-Finance and Chief Financial Officer; Treasurer (principal financial officer)	March 20, 2001
/s/Michael A. Cipolla Michael A. Cipolla	Controller and Chief Accounting Officer (principal accounting officer)	March 20, 2001

/s/Jean-Paul Valles Jean-Paul Valles	Chairman of the Board of Directors	March 20, 2001
/s/John B. Curcio John B. Curcio	Director	March 20, 2001

/s/Steven J. Golub Steven J. Golub	Director	March 20, 2001
/s/Kristina M. Johnson Kristina M. Johnson	Director	March 20, 2001
/s/Paul M. Meister Paul M. Meister	Director	March 20, 2001
/s/Michael F. Pasquale Michael F. Pasquale	Director	March 20, 2001
/s/William C. Steere, Jr. William C. Steere, Jr.	Director	March 20, 2001

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEET
(thousands of dollars)

	December 31, 2000	1999
Assets		
Current assets:		
Cash and cash equivalents	$ 6,692	$ 20,378
Accounts receivable, less allowance for doubtful accounts: 2000 - $2,898; 1999 - $3,100	116,192	118,327
Inventories	71,883	67,427
Other current assets	20,590	13,815
Total current assets	215,357	219,947
Property, plant and equipment, less accumulated depreciation and depletion	548,209	521,996
Other assets and deferred charges	36,266	27,188
Total assets	$ 799,832	$ 769,131
	=======	=======
Liabilities and Shareholders' Equity		
Current liabilities:		
Short-term debt	$ 48,105	$ --
Current maturities of long-term debt	765	13,439
Accounts payable	36,153	46,703
Income taxes payable	18,124	22,839
Accrued compensation and related items	10,259	12,467
Other current liabilities	20,121	22,094
Total current liabilities	133,527	117,542
Long-term debt	89,857	75,238
Accrued postretirement benefits	19,024	19,244
Deferred taxes on income	50,438	50,015
Other noncurrent liabilities	23,347	22,056
Total liabilities	316,193	284,095
Commitments and contingent liabilities		
Shareholders' equity:		
Preferred stock, without par value; 1,000,000 shares authorized; none issued	--	--
Common stock at par, $0.10 par value; 100,000,000 shares authorized; issued 25,853,271 shares in 2000 and 25,705,035 shares in 1999	2,585	2,571
Additional paid-in capital	155,001	150,315
Retained earnings	579,181	527,022

Accumulated other comprehensive loss	(44,073)	(28,865)
	692,694	651,043
Less common stock held in treasury, at cost; 5,886,417 shares in 2000 and 4,819,317 shares in 1999	209,055	166,007
Total shareholders' equity	483,639	485,036
Total liabilities and shareholders' equity	$ 799,832	$ 769,131
	=======	=======

See Notes to Consolidated Financial Statements, which are an integral part of these statements.

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

	Year Ended December 31,		
	2000	1999	1998
Net sales	$670,917	$662,475	$631,622
Operating costs and expenses:			
Cost of goods sold	477,512	466,702	442,562
Marketing and administrative expenses `	71,404	72,208	75,068
Research and development expenses	26,331	24,788	21,038
Bad debt expenses	5,964	1,234	507
Write-down of impaired assets	4,900	--	--
Income from operations	84,806	97,543	92,447
Interest income	1,146	1,193	2,146
Interest expense	(5,311)	(5,141)	(5,918)
Other deductions	(869)	(1,060)	(2,333)
Non-operating deductions, net	(5,034)	(5,008)	(6,105)
Income before provision for taxes on income and minority interests	79,772	92,535	86,342
Provision for taxes on income	23,735	28,920	27,360
Minority interests	1,829	1,499	1,758
Net income	$ 54,208	$ 62,116	$ 57,224
	======	======	======
Basic earnings per share	$ 2.65	$ 2.90	$ 2.57
	======	======	======
Diluted earnings per share	$ 2.58	$ 2.80	$ 2.50
	======	======	======

See Notes to Consolidated Financial Statements, which are an integral part of these statements.

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(thousands of dollars)

	Year Ended December 31,		
Operating Activities	2000	1999	1998
Net income	$ 54,208	$ 62,116	$ 57,224
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, depletion and amortization	60,795	58,675	53,084
Write-down of impaired assets	4,900	--	--
Loss on disposal of property, plant and equipment	257	1,041	1,650
Deferred income taxes	1,202	5,862	1,212
Bad debt expenses	5,964	1,234	507
Other	1,594	1,459	2,304
Changes in operating assets and liabilities,			

net of effects of acquisitions and disposition: Accounts receivable	(7,118)	(10,432)	(691)
Inventories	(5,123)	(4,675)	(1,744)
Other current assets	(5,732)	2,215	(699)
Accounts payable	(9,455)	9,644	(3,442)
Income taxes payable	(5,275)	4,835	6,699
Other	(5,104)	(1,774)	850
Net cash provided by operating activities	91,113	130,200	116,954
Investing Activities			
Purchases of property, plant and equipment	(103,286)	(73,752)	(82,450)
Proceeds from disposal of property, plant and equipment	1,396	986	556
Acquisition of business	(12,580)	--	(34,130)
Proceeds from disposition of business	--	--	32,357
Other investing activities	418	(604)	(1,954)
Net cash used in investing activities	(114,052)	(73,370)	(85,621)
Financing Activities			
Proceeds from issuance of short-term and long-term debt	165,672	39,694	743
Repayment of short-term and long-term debt	(114,346)	(52,398)	(14,380)
Purchase of common shares for treasury	(43,048)	(50,884)	(42,550)
Cash dividends paid	(2,049)	(2,138)	(2,231)
Proceeds from issuance of stock under option plan	4,044	6,245	4,091
Equity and debt proceeds from minority interests	--	1,900	2,405
Other financing activities	--	(213)	--
Net cash provided by (used in) financing activities	10,273	(57,794)	(51,922)
Effect of exchange rate changes on cash and cash equivalents	(1,020)	645	(239)
Net decrease in cash and cash equivalents	(13,686)	(319)	(20,828)
Cash and cash equivalents at beginning of year	20,378	20,697	41,525
Cash and cash equivalents at end of year	$ 6,692	$ 20,378	$ 20,697
	=======	=======	=======

See Notes to Consolidated Financial Statements, which are an integral part of these statements.

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
(in thousands)

	Common Stock					Treasury Stock		
	Shares	Par Value	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Shares	Cost	Total
Balance as of January 1, 1998	25,370	$2,537	$139,113	$412,264	$(14,344)	(2,830)	$(72,573)	$466,997
Comprehensive income:								
Net income	--	--	--	57,224	--	--	--	57,224
Currency translation adjustment	--	--	--	--	4,759	--	--	4,759
Unrealized holding losses, net of tax	--	--	--	--	(27)	--	--	(27)
Total comprehensive income	--	--	--	57,224	4,732	--	--	61,956
Dividends declared	--	--	--	(2,231)	--	--	--	(2,231)
Employee benefit transactions	164	16	4,075	--	--	--	--	4,091
Income tax benefit arising from employee stock option plans	--	--	900	--	--	--	--	900
Purchase of common stock	--	--	--	--	--	(891)	(42,550)	(42,550)
Balance as of December 31, 1998	25,534	2,553	144,088	467,257	(9,612)	(3,721)	(115,123)	489,163
Comprehensive income:								

Net income	--	--	--	62,116	--	--	--	62,116
Currency translation adjustment	--	--	--	--	(19,167)	--	--	(19,167)
Reclassification adjustment of unrealized holding gains, net of tax	--	--	--	--	(86)	--	--	(86)
Total comprehensive income	--	--	--	62,116	(19,253)	--	--	42,863
Dividends declared	--	--	--	(2,138)	--	--	--	(2,138)
Redemption of stock rights	--	--	--	(213)	--	--	--	(213)
Employee benefit transactions	171	18	5,232	--	--	--	--	5,250
Income tax benefit arising from employee stock option plans	--	--	995	--	--	--	--	995
Purchase of common stock	--	--	--	--	--	(1,098)	(50,884)	(50,884)
Balance as of December 31, 1999	**25,705**	**2,571**	**150,315**	**527,022**	**(28,865)**	**(4,819)**	**(166,007)**	**485,036**
Comprehensive income:								
Net income	--	--	--	54,208	--	--	--	54,208
Currency translation adjustment	--	--	--	--	(15,208)	--	--	(15,208)
Total comprehensive income	--	--	--	54,208	(15,208)	--	--	39,000
Dividends declared	--	--	--	(2,049)	--	--	--	(2,049)
Employee benefit transactions	148	14	4,030	--	--	--	--	4,044
Income tax benefit arising from employee stock option plans	--	--	656	--	--	--	--	656
Purchase of common stock	--	--	--	--	--	(1,067)	(43,048)	(43,048)
Balance as of December 31, 2000	**25,853**	**$2,585**	**$155,001**	**$579,181**	**$ (44,073)**	**(5,886)**	**$(209,055)**	**$483,639**

See Notes to Consolidated Financial Statements, which are an integral part of these statements.

MINERALS TECHNOLOGIES AND SUBSIDIARY COMPANIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements include the accounts of Minerals Technologies Inc. (the "Company") and its wholly and majority-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The Company employs accounting policies that are in accordance with generally accepted accounting principles in the United States of America and require management to make estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates.

Business

The Company is a resource- and technology-based company that develops, produces and markets on a worldwide basis a broad range of specialty mineral, mineral-based and synthetic mineral products. The Company's products are used in manufacturing processes of the paper and steel industries, as well as by the building materials, polymers, ceramics, paints and coatings, glass and other manufacturing industries.

Change in Accounting Principle

The Emerging Issues Task Force ("EITF") reached a consensus on EITF Issue 00-10, "Accounting for Shipping and Handling Fees and Costs." This pronouncement was effective in the fourth quarter of 2000 and all prior periods were reclassified to comply with the classification guidelines of this Issue. EITF Issue 00-10 stipulates that all amounts billed to a customer in a sale transaction related to shipping and handling represent revenues earned for the goods provided and should be reclassified as revenue. In addition, costs incurred for shipping and handling should preferably be classified as costs of goods sold. The Company has historically recorded the net costs of shipping and handling in marketing and administrative expenses since the majority of such costs are a direct pass-through of costs to the customer. The following represents shipping and handling fees reclassified to net sales and cost of goods sold by product line for the years ended December 31, 2000, 1999 and 1998, respectively, and reclassifications from marketing and administrative expenses to cost of goods sold. These adjustments are reflected in the statement of income and related footnotes in order to comply with the new pronouncement.

Thousands of Dollars	Year Ended December 31,		
	2000	1999	1998
Shipping and Handling included in Net Sales:			
PCC	$ 9,063	$ 8,445	$ 6,075
Processed Minerals	10,204	9,262	9,293
Specialty Minerals Segment	19,267	17,707	15,368
Refractories Segment	7,047	7,249	7,061
Consolidated	26,314	24,956	22,429
Shipping and Handling included in Cost of Sales:			
Specialty Minerals Segment	20,992	20,279	18,233
Refractories Segment	7,790	7,783	7,771
Consolidated	28,782	28,062	26,004
Reclassifications from marketing and administrative expenses	(2,468)	(3,106)	(3,575)
Impact on operating income	$ --	$ --	$ --

Cash Equivalents
The Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents. Cash equivalents amounted to $0.8 million and $9.0 million at December 31, 2000 and 1999, respectively.

Inventories
Inventories are valued at the lower of cost or market. Cost is determined by the first-in, first-out (FIFO) method.

Property, Plant and Equipment
Property, plant and equipment are recorded at cost. Significant improvements are capitalized. In general, the straight-line method of depreciation is used for financial reporting purposes and accelerated methods are used for U.S. and certain foreign tax reporting purposes. The annual rates of depreciation are 4%-8% for buildings, 8%-12% for machinery and equipment and 8%-12% for furniture and fixtures.

Depletion of the mineral and quarry properties is provided for on a unit-of-extraction basis as the related materials are mined for financial reporting purposes and on a percentage depletion basis for tax purposes.

Mining costs associated with waste gravel and rock removal in excess of the expected average life of mine stripping ratio are deferred. These costs are charged to production on a unit-of-production basis when the ratio of waste to ore mined is less than the average life of mine stripping ratio.

Accounting for the Impairment of Long-Lived Assets
The Company accounts for impairment of long-lived assets in accordance with Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of." SFAS No. 121 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the book value of the asset may not be recoverable. The Company evaluates at each balance sheet date whether events and circumstances have occurred that indicate possible impairment. In accordance with SFAS No. 121, the Company uses an estimate of the future undiscounted net cash flows of the related asset or asset grouping over the remaining life in measuring whether the assets are recoverable. During the fourth quarter of 2000, the Company recorded a write-down of impaired assets of $4.9 million, based upon discounted future cash flows, for three satellite precipitated calcium carbonate plants at paper mills that have ceased or will cease operations.

Goodwill
Goodwill represents the excess of purchase price and related costs over the value assigned to the net tangible assets of businesses acquired. Goodwill is amortized on a straight-line basis over 20-25 years. Periodically, the Company reviews the recoverability of goodwill. The determination of possible impairment is based primarily on the ability to recover the balance of the goodwill from expected future operating cash flows on an undiscounted basis. In management's opinion, no impairment existed at December 31, 2000.

Revenue Recognition
Revenue from sales of product is recognized at the time the goods are shipped and title passes to the customer.

Foreign Currency
The assets and liabilities of most of the Company's international subsidiaries are translated into U.S. dollars using current exchange rates at the respective balance sheet date. The resulting translation adjustments are recorded in accumulated other comprehensive loss in shareholders' equity. Income statement items are generally translated at average exchange rates prevailing during the period. Other foreign currency gains and losses are included in net income.

International subsidiaries operating in highly inflationary economies translate nonmonetary assets at historical rates, while net monetary assets are translated at current rates, with the resulting translation adjustments included in net income.

Income Taxes
Income taxes are provided for based on the asset and liability method of accounting pursuant to Statement of Financial Accounting Standards No. 109, "Accounting

for Income Taxes" ("SFAS 109"). Under SFAS 109, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. Under SFAS 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The accompanying financial statements generally do not include a provision for U.S. income taxes on international subsidiaries' unremitted earnings which, for the most part, are expected to be reinvested overseas.

Stock-Based Compensation
The Company has elected to recognize compensation cost based on the intrinsic value of the equity instrument awarded as promulgated in Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." The Company has disclosed below under "Capital Stock -- Stock and Incentive Plan" the pro forma effect of the fair value method on net income and earnings per share.

Postretirement Benefits
The Company accrues the cost of postretirement benefits during an employee's active working career as required by Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" ("SFAS 106").

Earnings Per Share
Basic earnings per share have been computed based upon the weighted average number of common shares outstanding during the period.

Diluted earnings per share have been computed based upon the weighted average number of common shares outstanding during the period assuming the issuance of common shares for all dilutive potential common shares outstanding.

Reclassifications
Certain reclassifications have been made in prior years' financial statements to conform to classifications used in the current year.

Income Taxes

Income before provision for taxes, by domestic and foreign source is as follows:

Thousands of Dollars	2000	1999	1998
Domestic	$ 51,098	$ 65,101	$ 59,428
Foreign	28,674	27,434	26,914
Total income before provision for income taxes	$ 79,772	$ 92,535	$ 86,342
	======	======	======

The provision for taxes on income consists of the following:

Thousands of Dollars	2000	1999	1998
Domestic			
Taxes currently payable			
Federal	$ 11,741	$ 12,552	$ 15,714
State and local	2,380	2,735	3,084
Deferred income taxes	406	4,069	(524)
Domestic tax provision	14,527	19,356	18,274
Foreign			
Taxes currently payable	8,412	7,771	7,350
Deferred income taxes	796	1,793	1,736
Foreign tax provision	9,208	9,564	9,086
Total tax provision	$ 23,735	$ 28,920	$ 27,360
	======	======	======

The provision for taxes on income shown in the previous table is classified based on the location of the taxing authority, regardless of the location in which the taxable income is generated.

The major elements contributing to the difference between the U.S. federal statutory tax rate and the consolidated effective tax rate are as follows:

Percentages	2000	1999	1998
U.S. statutory tax rate	35.0%	35.0%	35.0%
Depletion	(5.0)	(4.1)	(3.5)
Difference between tax provided on foreign earnings and the U.S. statutory rate	(1.0)	(0.7)	(0.4)
State and local taxes	1.9	2.6	2.0
Tax credits	(1.3)	(1.9)	(2.2)
Other	0.2	0.4	0.8
Consolidated effective tax rate	29.8%	31.3%	31.7%
	===	===	===

The Company believes that its accrued liabilities are sufficient to cover its U.S. and foreign tax contingencies. The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below:

Thousands of Dollars	2000	1999
Deferred tax assets:		
Pension and postretirement benefits cost reported for financial statement purposes in excess of amounts deductible for tax purposes	$ 4,123	$ 5,219
State and local taxes	2,869	2,935
Accrued expenses	2,489	2,747
Other	3,657	3,778
Total deferred tax assets	13,138	14,679
Deferred tax liabilities:		
Plant and equipment, principally due to differences in depreciation	61,114	60,838
Other	2,462	3,856
Total deferred tax liabilities	63,576	64,694
Net deferred tax liabilities	$50,438	$50,015
	=====	=====

A valuation allowance for deferred tax assets has not been recorded since management believes it is more likely than not that the existing net deductible temporary differences will reverse during periods in which the Company generates net taxable income.

Net cash paid for income taxes was $24.9 million, $14.7 million, and $18.3 million for the years ended December 31, 2000, 1999 and 1998, respectively.

Foreign Operations

The Company has not provided for U.S. federal and foreign withholding taxes on $82.9 million of foreign subsidiaries' undistributed earnings as of December 31, 2000 because such earnings, for the most part, are intended to be reinvested overseas. To the extent the parent company has received foreign earnings as dividends, the foreign taxes paid on those earnings have generated tax credits, which have substantially offset related U.S. income taxes. On repatriation, certain foreign countries impose withholding taxes. The amount of withholding tax that would be payable on remittance of the entire amount of undistributed earnings would approximate $2.0 million.

Net foreign currency exchange losses, included in other deductions in the Consolidated Statement of Income, were $425,000, $427,000, and $932,000 for the years ended December 31, 2000, 1999 and 1998, respectively.

Inventories

The following is a summary of inventories by major category:

Thousands of Dollars	2000	1999
Raw materials	$24,717	$25,049
Work in process	7,541	5,171
Finished goods	20,700	19,913

Packaging and supplies	18,925	17,294
Total inventories	$71,883	$67,427
	=====	=====

Property, Plant and Equipment

The major categories of property, plant and equipment and accumulated depreciation and depletion are presented below:

Thousands of Dollars	2000	1999
Land	$ 20,664	$ 21,998
Quarries/mining properties	22,455	20,211
Buildings	135,146	121,435
Machinery and equipment	710,794	681,060
Construction in progress	54,330	43,726
Furniture and fixtures and other	71,354	66,613
	1,014,743	955,043
Less: Accumulated depreciation and depletion	466,534	433,047
	$ 548,209	$521,996
	=======	======

Acquisitions and Divestiture

In April 2000 the Company acquired, for approximately $12.6 million, Ferrotron Elektronik GmbH, a manufacturer of advanced laser scanning devices, sensors and other instrumentation specially designed for the steel industry. The transaction was accounted for as a purchase. The purchase price exceeded the fair value of the net assets acquired by approximately $5 million, which is being amortized on a straight-line basis over 20 years.

On April 30, 1998 the Company acquired, for approximately $34 million in cash, a precipitated calcium carbonate (PCC) manufacturing facility in the United Kingdom from Rhodia Limited. This acquisition allowed the Company to establish a base for its specialty PCC business in Europe. The transaction was accounted for as a purchase. The purchase price exceeded the fair value of the net assets acquired by approximately $8 million, which is being amortized on a straight-line basis over 25 years.

On April 28, 1998 the Company sold its limestone operation in Port Inland, Michigan, to Oglebay Norton Company for cash and receivables approximating $34 million. The sales price approximated the net book value of the assets.

Financial Instruments and Concentrations of Credit Risk

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

Cash and cash equivalents, accounts receivable and payable, and accrued liabilities:

The carrying amounts approximate fair value because of the short maturity of these instruments.

Available-for-sale securities:

Available-for-sale securities are presented in accordance with SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities."

The fair values are based on quoted market prices and are as follows:

Thousands of Dollars	2000		1999		1998	
	Market Value	Gross Unrealized Holding Gains	Market Value	Gross Unrealized Holding Gains	Market Value	Gross Unrealized Holding Gains
Common Stock	$ --	$ --	$ --	$ --	$389	$174

The Company recognized gains from sale of securities aggregating $174,000 in 1999. The unrealized holding gains, net of taxes, were $86,000 at December 31, 1998 and are included in accumulated other comprehensive loss in the statement of shareholders' equity.

Short-term debt and other liabilities:
The carrying amounts of short-term debt and other liabilities approximate fair value because of the short maturity of these instruments.

Long-term debt:
The fair value of the long-term debt of the Company is estimated based on the quoted market prices for that debt or similar debt and approximates the carrying amount.

Forward exchange contracts:
The fair value of forward exchange contracts (used for hedging purposes) is estimated by obtaining quotes from brokers.

If appropriate, the Company would enter into forward exchange contracts to mitigate the impact of foreign exchange rate movements on the Company's operating results. It does not engage in speculation. Such foreign exchange contracts would not subject the Company to additional risk from exchange rate movements because gains and losses on these contracts would offset losses and gains on the assets, liabilities and transactions being hedged. At December 31, 2000, the Company had open forward exchange contracts to purchase $0.8 million of foreign currencies. These contracts mature on March 31, 2001. The fair value of these instruments was not significant at December 31, 2000.

Credit risk:

Substantially all of the Company's accounts receivable are due from companies in the paper, construction and steel industries. Credit risk results from the possibility that a loss may occur from the failure of another party to perform according to the terms of the contract. The Company regularly monitors its credit risk exposures and takes steps to mitigate the likelihood of these exposures resulting in actual loss. The Company's extension of credit is based on an evaluation of the customer's financial condition and collateral is generally not required.

The Company recognized an additional bad debt expense of $5.6 million in the fourth quarter of 2000. This charge was primarily related to bankruptcy filings by several of the Company's major customers serving the steel, paper and construction industries. Total bad debt expense for the years ended December 31, 2000, 1999 and 1998 was $6.0 million, $1.2 million and $0.5 million, respectively.

Long-Term Debt and Commitments

The following is a summary of long-term debt:

Thousands of Dollars	2000	1999
6.04% Guarantied Senior Notes Due June 11, 2000	$ --	$ 13,000
7.49% Guaranteed Senior Notes Due July 24, 2006	50,000	50,000
Yen-denominated Guaranteed Credit Agreement Due March 31, 2007	10,057	--
Variable/Fixed Rate Industrial Development Revenue Bonds Due 2009	4,000	4,000
Economic Development Authority Refunding Revenue Bond Series 1999 Due 2010	4,600	4,600
Variable/Fixed Rate Industrial Development Revenue Bonds Due August 1, 2012	8,000	8,000
Variable/Fixed Rate Industrial Development Revenue Bond Series 1999 Due November 1, 2014	8,200	8,200
Variable/Fixed Rate Industrial Development Revenue Bonds Due March 31, 2020	5,000	--
Other borrowings	765	877
	90,622	88,677
Less: Current maturities	765	13,439
Long-term debt	$ 89,857	$ 75,238
	======	======

On June 28, 1993, through a private placement, the Company issued $65 million of 6.04% Guarantied Senior Notes (the "Notes") due June 11, 2000. The proceeds from the sale of the Notes were used to finance the purchase of 2.5 million shares of treasury stock, and for other corporate purposes. Interest on the Notes is payable semi-annually. On June 11, 2000 the Company remitted its final principal payment.

On July 24, 1996, through a private placement, the Company issued $50 million of 7.49% Guaranteed Senior Notes due July 24, 2006. The proceeds from the sale of the notes were used to refinance a portion of the short-term commercial bank debt outstanding. These notes rank pari passu with the Company's other unsecured senior obligations. No required principal payments are due until July 24, 2006. Interest on the notes is payable semi-annually.

On May 17, 2000, the Company's majority-owned subsidiary, Specialty Minerals FMT. K.K., entered into a Yen-denominated Guaranteed Credit Agreement with the Bank of New York due March 31, 2007. The proceeds were used to finance the construction of a PCC satellite facility in Japan. Principal payments begin on June 30, 2002. Interest is payable quarterly at a rate of 2.05% per annum.

The Variable/Fixed Rate Industrial Development Revenue Bonds due 2009 are tax-exempt 15-year instruments issued to finance the expansion of a PCC plant in Selma, Alabama. The bonds are dated November 1, 1994, and provide for an optional put by the holder (during the Variable Rate Period) and a mandatory call by the issuer. The bonds bear interest at either a variable rate or fixed rate, at the option of the Company. Interest is payable semi-annually under the fixed rate option and monthly under the variable rate option. The Company has selected the variable rate option on these borrowings and the average interest rates were approximately 4.33% and 3.44% for the years ended December 31, 2000 and 1999, respectively.

The Economic Development Authority Refunding Revenue Bonds due 2010 were issued on February 23, 1999 to refinance the bonds issued in connection with the construction of a PCC plant in Eastover, South Carolina. The bonds bear interest at either a variable rate or fixed rate, at the option of the Company. Interest is payable semi-annually under the fixed rate option and monthly under the variable rate option. The Company has selected the variable rate option on these borrowings and the average interest rates were approximately 4.33% and 3.52% for the years ended December 31, 2000 and the period ended December 31, 1999, respectively.

The Variable/Fixed Rate Industrial Development Revenue Bonds due August 1, 2012 are tax-exempt 15-year instruments that were issued on August 1, 1997 to finance the construction of a PCC plant in Courtland, Alabama. The bonds bear interest at either a variable rate or fixed rate, at the option of the Company. Interest is payable semi-annually under the fixed rate option and monthly under the variable rate option. The Company has selected the variable rate option on these borrowings and the average interest rates were approximately 4.33% and 3.42% for the years ended December 31, 2000 and 1999, respectively.

The Variable/Fixed Rate Industrial Development Revenue Bonds due November 1, 2014 are tax-exempt 15-year instruments and were issued on November 30, 1999 to refinance the bonds issued in connection with the construction of a PCC plant in Jackson, Alabama. The bonds bear interest at either a variable rate or fixed rate at the option of the Company. Interest is payable semi-annually under the fixed rate option and monthly under the variable rate option. The Company has selected the variable rate option on these borrowings and the average interest rates were approximately 4.33% and 4.62% for the year ended December 31, 2000 and the period ended December 31, 1999, respectively.

On June 9, 2000 the Company entered into a twenty-year, taxable, Variable/Fixed Rate Industrial Development Revenue Bond agreement to finance a portion of the construction of a merchant manufacturing facility for the production of specialty PCC in Mississippi. The Company has selected the variable rate option for this borrowing and the average interest rate was approximately 7.18% for the period ended December 31, 2000.

The aggregate maturities of long-term debt are as follows: 2001 - $0.8 million; 2002 - $0.8 million; 2003 - $1.4 million; 2004 - - $2.3 million; 2005 - $2.5 million; thereafter - $82.8 million.

The Company had available approximately $85 million in uncommitted, short-term bank credit lines, of which $48.1 million was in use at December 31, 2000. The interest rate for these borrowings was approximately 7% for the year ended December 31, 2000. There were no borrowings on these credit lines at December 31, 1999.

During 2000, 1999 and 1998, respectively, the Company incurred interest costs of $7,232,000, $6,098,000, and $7,047,000 including $1,921,000, $957,000, and $1,129,000, respectively, which were capitalized. Interest paid approximated the incurred interest costs.

Benefit Plans

Pension Plans and Other Postretirement Benefit Plans

The Company and its subsidiaries have pension plans covering substantially all eligible employees on a contributory or non-contributory basis.

The funded status of the Company's pension plans and other postretirement benefit plans at December 31, 2000 and 1999 is as follows:

	Pension Benefits		Other Benefits	
Millions of Dollars	2000	1999	2000	1999
Change in benefit obligation				
Benefit obligation at beginning of year	$ 86.8	$ 92.7	$ 16.6	$ 16.8
Service cost	5.1	5.2	0.9	1.0
Interest cost	6.9	6.0	1.3	1.1
Actuarial (gain) loss	6.6	(8.0)	0.9	(1.7)
Benefits paid	(5.9)	(8.6)	(0.7)	(0.6)
Acquisitions	7.1	--	--	--
Other	(1.7)	(0.5)	--	--
Benefit obligation at end of year	$104.9	$ 86.8	$ 19.0	$ 16.6
Change in plan assets				
Fair value of plan assets at beginning of year	$ 97.5	$ 92.0	$ --	$ --
Actual return on plan assets	1.4	10.1	--	--
Employer contributions	10.2	5.2	0.7	0.6
Plan participants' contributions	0.2	0.2	--	--
Benefits paid	(5.9)	(8.6)	(0.7)	(0.6)
Acquisitions	8.7	--	--	--
Other	(1.6)	(1.4)	--	--
Fair value of plan assets at end of year	$110.5	$ 97.5	$ --	$ --
Funded status	$ 5.6	$ 10.7	$(19.0)	$(16.6)
Unrecognized transition amount	0.9	1.6	--	--
Unrecognized net actuarial (gain) loss	(0.5)	(13.6)	2.1	1.2
Unrecognized prior service cost	5.5	5.9	(2.1)	(3.8)
Prepaid (accrued) benefit cost	$ 11.5	$ 4.6	$(19.0)	$(19.2)

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Millions of Dollars	Pension Benefits 2000	Pension Benefits 1999	Other Benefits 2000	Other Benefits 1999
Amounts recognized in the consolidated balance sheet consist of:				
Prepaid benefit cost	$ 14.9	$ 11.2	$ --	$ --
Accrued benefit liabilities	(6.6)	(10.0)	(19.0)	(19.2)
Intangible asset	1.7	1.8	--	--
Accumulated other comprehensive loss	1.5	1.6	--	--
Net amount recognized	$ 11.5	$ 4.6	$(19.0)	$(19.2)

The weighted average assumptions used in the accounting for the pension benefit plans and other benefit plans as of December 31 are as follows:

	2000	1999	1998
Discount rate	7.50%	7.75%	6.75%
Expected return on plan assets	9.50%	9.00%	9.00%
Rate of compensation increase	4.00%	4.50%	4.00%

For measurement purposes, health care cost trend rates of approximately 8.50% for pre-age-65 and post-age-65 benefits were used in 2000. These trend rates were assumed to decrease gradually to 5.3% for 2005 and remain at that level thereafter.

The components of net periodic benefit costs are as follows:

Millions of Dollars	Pension Benefits 2000	Pension Benefits 1999	Pension Benefits 1998	Other Benefits 2000	Other Benefits 1999	Other Benefits 1998
Service cost	$ 5.1	$ 5.2	$ 4.8	$ 0.9	$ 1.0	$ 0.9
Interest cost	6.9	6.0	5.7	1.3	1.1	1.0
Expected return on plan assets	(9.3)	(7.9)	(7.3)	--	--	--
Amortization of transition amount	0.7	0.7	0.7	--	--	--
Amortization of prior service cost	0.4	0.5	0.4	(1.7)	(1.7)	(1.7)
Recognized net actuarial gain	(0.5)	--	(0.6)	--	--	--
Net periodic benefit cost	$ 3.3	$ 4.5	$ 3.7	$ 0.5	$ 0.4	$ 0.2

Benefits under defined benefit plans are generally based on years of service and an employee's career earnings. Employees become fully vested after five years.

The Company's funding policy for U.S. plans generally is to contribute annually into trust funds at a rate that is intended to remain at a level percentage of compensation for covered employees. The funding policy for the international plans conforms to local governmental and tax requirements. The plans' assets are invested primarily in stocks and bonds.

The Company provides postretirement health care and life insurance benefits for substantially all of its U.S. retired employees. Employees are generally eligible for benefits upon retirement and completion of a specified number of years of creditable service. The Company does not pre-fund these benefits and has the right to modify or terminate the plan in the future.

A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1-Percentage-Point Increase	1-Percentage-Point Decrease
Effect on total service and interest cost components	$ 3,000	$ (3,000)
Effect on postretirement benefit obligation	$ 40,000	$(40,000)

Savings and Investment Plans

The Company maintains a voluntary Savings and Investment Plan for most non-union employees in the U.S. Within prescribed limits, the Company bases its contribution to the Plan on employee contributions. The Company's contributions amounted to $3.0 million, $3.0 million and $3.1 million for the years ended December 31, 2000, 1999 and 1998, respectively.

Leases

Rent expense amounted to approximately $5.1 million, $4.6 million, and $3.4 million for the years ended December 31, 2000, 1999 and 1998, respectively. Total future minimum rental commitments under all noncancelable leases for the years 2001 through 2005 and thereafter are approximately $2.7 million, $2.5 million, $2.4 million, $2.2 million, $2.2 million and $10.8 million, respectively.

Total future minimum payments to be received under direct financing leases for the years 2001 through 2005 and thereafter are approximately $0.2 million, $0.2 million, $0.2 million, 0.2 million, $0.2 million and $2.7 million, respectively.

Litigation

Under the terms of certain agreements entered into in connection with the reorganization prior to the initial public offering of the Company's common stock in October 1992, Pfizer Inc ("Pfizer") and its wholly owned subsidiary, Quigley Company, Inc. ("Quigley") agreed to indemnify the Company against certain liabilities being retained by Pfizer and its subsidiaries including, but not limited to, pending lawsuits and claims and any lawsuits or claims brought at any time in the future alleging damages or injury from the use, handling of or exposure to any product sold by Pfizer's specialty minerals business prior to the closing of the initial public offering.

Pfizer and Quigley also agreed to indemnify the Company against any liability arising from on-site remedial waste site claims and for other claims that may be made in the future with respect to wastes disposed of prior to the closing of the initial public offering. Further, Pfizer and Quigley agreed to indemnify the Company for 50% of the liabilities in excess of $1 million up to $10 million that may arise or accrue within ten years after the closing of the initial public offering with respect to remediation of on-site conditions existing at the time of the closing of the initial public offering. The Company will be responsible for the first $1 million of such liabilities, 50% of such liabilities in excess of $1 million up to $10 million, and all such liabilities in excess of $10 million.

The transfer by Quigley of certain real property in New Jersey to the Company pursuant to the reorganization, including the former Quigley facility in Old Bridge, New Jersey, triggered certain obligations under the New Jersey Environmental Cleanup Responsibility Act ("ECRA"). Quigley retained liability for compliance with ECRA including the assessment and, if necessary, remediation of the Old Bridge property. Quigley's obligations under ECRA are embodied in an Administrative Consent Order with the New Jersey Department of Environmental Protection and Energy ("NJDEPE") that requires Quigley to perform any necessary remediation and to provide financial assurance of its ability to cover the costs of remediation as estimated by NJDEPE with no obligation to the Company.

The Company and its subsidiaries are not party to any other pending legal proceedings, other than ordinary routine litigation that is incidental to their businesses.

Capital Stock

The Company's authorized capital stock consists of 100 million shares of common stock, par value $0.10 per share, of which 19,966,854 shares and 20,885,718 shares were outstanding at December 31, 2000 and 1999, respectively, and 1,000,000 shares of preferred stock, none of which were issued and outstanding.

Cash Dividends

Cash dividends of $2.0 million or $0.10 per common share were paid during 2000. In January 2001, a cash dividend of approximately $0.5 million or $0.025 per share, was declared, payable in the first quarter of 2001.

Preferred Stock Purchase Rights

On August 27, 1999, the Company's Board of Directors redeemed the Company's current rights plan effective September 13, 1999 and simultaneously replaced it with a new rights plan. The redemption price for the old rights of $0.01 per right was paid to the stockholders of record as of September 13, 1999.

Under the Company's new Preferred Stock Purchase Rights Plan, each share of the Company's common stock carries with it one preferred stock purchase right. Subject to the terms and conditions set forth in the plan, the rights will become exercisable if a person or group acquires beneficial ownership of 15% or more of the Company's common stock or announces a tender or exchange offer that would result in the acquisition of 30% or more thereof. If the rights become exercisable, separate certificates evidencing the rights will be distributed, and each right will entitle the holder to purchase from the Company a new series of preferred stock, designated as Series A Junior Preferred Stock, at a predefined price. The rights also entitle the holder to purchase

shares in a change-of-control situation. The preferred stock, in addition to a preferred dividend and liquidation right, will entitle the holder to vote on a pro rata basis with the Company's common stock.

The rights are redeemable by the Company at a fixed price until 10 days or longer, as determined by the Board, after certain defined events or at any time prior to the expiration of the rights on October 26, 2002 if such events do not occur.

Stock and Incentive Plan

The Company has adopted a Stock and Incentive Plan (the "Plan"), which provides for grants of incentive and non-qualified stock options, stock appreciation rights, stock awards or performance unit awards. The Plan is administered by the Compensation and Nominating Committee of the Board of Directors. Stock options granted under the Plan have a term not in excess of ten years. The exercise price for stock options will not be less than the fair market value of the common stock on the date of the grant, and each award of stock options will vest ratably over a specified period, generally three years.

In 1998, the Shareholders approved an amendment to the Plan to increase the number of shares of common stock available under the Plan by an additional 1.5 million.

The following table summarizes stock option activity for the Plan:

	Shares Available For Grant	Under Option Shares	Under Option Weighted Average Exercise Price Per Share ($)
Balance January 1, 1998	1,125,364	1,628,017	26.41
Authorized	1,500,000	--	--
Granted	(22,500)	22,500	45.86
Exercised	--	(162,835)	25.17
Canceled	27,451	(27,451)	30.48
Balance December 31, 1998	2,630,315	1,460,231	26.77
Granted	(1,322,151)	1,322,151	39.57
Exercised	--	(170,195)	25.72
Canceled	31,388	(31,388)	38.90
Balance December 31, 1999	1,339,552	2,580,799	33.25
Granted	(107,000)	107,000	50.34
Exercised	--	(148,148)	28.20
Canceled	20,437	(20,437)	39.26
Balance December 31, 2000	1,252,989	2,519,214	34.23
	=======	=======	====

SFAS No. 123, "Accounting for Stock-Based Compensation," requires the disclosure of pro forma net income and net income per share as if the Company adopted the fair-value method of accounting for stock-based awards. The fair value of stock-based awards to employees was calculated using the Black-Scholes option-pricing model, modified for dividends, with the following weighted average assumptions:

	2000	1999	1998
Expected life (years)	7	7	5
Interest rate	5.03%	6.65%	5.03%
Volatility	31.13%	28.20%	28.10%
Expected dividend yield	0.20%	0.25%	0.22%

As required by SFAS No. 123, the Company has determined that the weighted average estimated fair values of options granted in 2000, 1999 and 1998 were $21.85, $17.69 and $15.47 per share, respectively. Pro forma net income and earnings per share reflecting compensation cost for the fair value of stock options awarded in 2000, 1999 and 1998 were as follows:

Millions of Dollars, Except Per Share Amounts		2000	1999	1998
Net income	As reported	$ 54.2	$ 62.1	$57.2
	Pro forma	$ 49.4	$ 57.6	$55.5
Basic earnings per share	As reported	$ 2.65	$ 2.90	$2.57
	Pro forma	$ 2.41	$ 2.69	$2.49
Diluted earnings per share	As reported	$ 2.58	$ 2.80	$2.50
	Pro forma	$ 2.35	$ 2.60	$2.42

The following table summarizes information concerning Plan options outstanding at December 31, 2000:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Number Outstanding at 12/31/00	Weighted Average Remaining Contractual Term (Years)	Weighted Average Exercise Price	Number Exercisable at 12/31/00	Weighted Average Exercise Price
$22.625 - 29.375	579,273	2.1	$22.87	579,273	$22.87
$30.625 - 52.375	1,939,941	7.0	$37.61	1,006,214	$34.66

Earnings Per Share (EPS)
Thousands of Dollars, Except Per Share Amounts

Basic EPS	**2000**	**1999**	**1998**
Net income	$54,208	$62,116	$57,224
Weighted average shares outstanding	20,479	21,394	22,281
Basic earnings per share	$ 2.65	$ 2.90	$ 2.57

Diluted EPS	**2000**	**1999**	**1998**
Net income	$54,208	$62,116	$57,224
Weighted average shares outstanding	20,479	21,394	22,281
Dilutive effect of stock options	525	756	645
Weighted average shares outstanding, adjusted	21,004	22,150	22,926
Diluted earnings per share	$ 2.58	$ 2.80	$ 2.50

Comprehensive Income

The following table reflects the accumulated balances of other comprehensive income (loss) (in millions):

	Currency Translation Adjustment	**Minimum Pension Liability**	**Unrealized Holding Gains**	**Accumulated Other Comprehensive Income (Loss)**
Balance at January 1, 1998	$(13.5)	$(1.0)	$ 0.1	$(14.4)
Current year change	4.8	--	--	4.8
Balance at December 31, 1998	(8.7)	(1.0)	0.1	(9.6)
Current year change	(19.2)	--	(0.1)	(19.3)
Balance at December 31, 1999	(27.9)	(1.0)	--	(28.9)
Current year change	(15.2)	--	--	(15.2)
Balance at December 31, 2000	$(43.1)	$(1.0)	--	$(44.1)

The tax benefit associated with items included in other comprehensive income (loss) was approximately $0.5 million for each of the years ended December 31, 2000, 1999 and 1998, respectively.

Segment and Related Information

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's operating segments are strategic business units that offer different products and serve different markets. They are managed separately and require different technology and marketing strategies.

The Company has two operating segments: Specialty Minerals and Refractories. The Specialty Minerals segment produces and sells precipitated calcium carbonate and lime, and mines, processes and sells the natural mineral products limestone and talc. This segment's products are used principally in the paper, building materials, paints and coatings, glass, ceramic, polymers, food, and pharmaceutical industries. The Refractories segment produces and markets monolithic and shaped refractory materials and services used primarily by the steel, cement and glass industries.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The Company evaluates performance based on the operating income of the respective business units. Depreciation expense related to corporate assets is allocated to the business segments and is included in their income from operations. However, such corporate depreciable assets are not included in the segment assets. Specialty Minerals' segment sales to International Paper Company and affiliates represented approximately 13% and 10% of consolidated net sales in 2000 and 1999, respectively, and less than 10% of consolidated net sales in 1998. Intersegment sales and transfers are not significant.

Segment information for the years ended December 31, 2000, 1999 and 1998 was as follows (in millions):

	2000		
	Specialty Minerals	**Refractories**	**Total**

Net sales	$486.3	$184.6	$670.9
Income from operations	61.4	23.4	84.8
Depreciation, depletion and amortization	51.8	9.0	60.8
Write-down of impaired assets	4.9	--	4.9
Segment assets	612.4	169.5	781.9
Capital expenditures	95.6	7.7	103.3

	1999		
	Specialty Minerals	**Refractories**	**Total**
Net sales	$479.4	$183.1	$662.5
Income from operations	70.9	26.6	97.5
Depreciation, depletion and amortization	49.1	9.6	58.7
Segment assets	563.8	169.7	733.5
Capital expenditures	61.6	7.7	69.3
	1998		
	Specialty Minerals	**Refractories**	**Total**
Net sales	$444.3	$187.3	$631.6
Income from operations	66.2	26.9	93.1
Depreciation, depletion and amortization	45.3	7.8	53.1
Segment assets	562.7	167.5	730.2
Capital expenditures	63.1	9.4	72.5

A reconciliation of the totals reported for the operating segments to the applicable line items in the consolidated financial statements is as follows (in millions):

Income before provision for taxes on income and minority interests	**2000**	**1999**	**1998**
Income from operations for reportable segments	$ 84.8	$ 97.5	$ 93.1
Unallocated corporate expenses	--	--	(0.7)
Consolidated income from operations	84.8	97.5	92.4
Interest income	1.1	1.2	2.1
Interest expense	(5.3)	(5.1)	(5.9)
Other deductions	(0.8)	(1.1)	(2.3)
Income before provision for taxes on income and minority interests	$ 79.8	$ 92.5	$ 86.3
	====	====	====

Total assets	**2000**	**1999**	**1998**
Total segment assets	$781.9	$733.5	$730.2
Corporate assets	17.9	35.6	30.7
Consolidated total assets	$799.8	$769.1	$760.9
	====	====	====

Capital expenditures	**2000**	**1999**	**1998**
Total segment capital expenditures	$103.3	$ 69.3	$ 72.5
Corporate capital expenditures	--	4.5	10.0
Consolidated total capital expenditures	$103.3	$ 73.8	$ 82.5
	====	====	====

Financial information relating to the Company's operations by geographic area was as follows (in millions):

Net sales	**2000**	**1999**	**1998**
United States	$442.7	$444.5	$428.2
Canada/Latin America	62.0	57.6	60.1
Europe/Africa	116.8	117.3	106.8
Asia	49.4	43.1	36.5
Total International	228.2	218.0	203.4
Consolidated total net sales	$670.9	$662.5	$631.6
	====	====	====

MINERALS TECHNOLOGIES AND SUBSIDIARY COMPANIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Net sales and long-lived assets are attributed to countries and geographic areas based on the location of the legal entity. No individual foreign country represents more than 10% of consolidated net sales or consolidated long-lived assets.

Long-lived assets	**2000**	**1999**	**1998**
United States	$387.4	$364.0	$349.9
Canada/Latin America	31.2	27.7	34.7
Europe/Africa	112.3	106.7	116.5
Asia	37.5	31.9	31.6
Total International	181.0	166.3	182.8
Consolidated total long-lived assets	$568.4	$530.3	$532.7
	====	====	====

Quarterly Financial Data (unaudited)

Thousands of Dollars, Except Per Share Amounts 2000 Quarters	**First**	**Second**	**Third**	**Fourth**
Net Sales by Product Line				
PCC	$ 95,033	$ 99,917	$ 99,057	$105,245
Processed Minerals	20,643	23,460	21,855	21,115
Specialty Minerals Segment	115,676	123,377	120,912	126,360
Refractories Segment	45,253	48,839	46,384	44,116
Consolidated net sales	160,929	172,216	167,296	170,476
Gross profit	46,899	52,644	48,144	45,718
Net income	15,025	17,153	15,134	6,896
Earnings per share:				
Basic	0.72	0.83	0.74	0.34
Diluted	0.71	0.81	0.72	0.34
Market Price Range Per Share of Common Stock:				
High	46 7/16	47 3/4	54 1/16	46 1/4
Low	36 5/8	40 3/8	41 3/8	28 15/16
Close	41 15/16	41 11/16	43 15/16	34 3/16
Dividends paid per common share	$ 0.025	$ 0.025	$ 0.025	$ 0.025

In the fourth quarter of 2000, the Company recorded a $4.9 million write-down of impaired assets related to three satellite PCC plants at paper mills that have ceased or will cease operations. The Company also recognized $5.6 million in additional bad debt expenses, primarily related to bankruptcies of major customers in the steel, paper and construction industries.

Thousands of Dollars, Except Per Share Amounts 1999 Quarters	**First**	**Second**	**Third**	**Fourth**
Net Sales by Product Line				
PCC	$ 91,238	$ 98,061	$ 97,957	$104,646
Processed Minerals	20,378	22,911	21,643	22,549
Specialty Minerals Segment	111,616	120,972	119,600	127,195
Refractories Segment	42,491	44,266	46,298	50,037
Consolidated net sales	154,107	165,238	165,898	177,232
Gross profit	44,680	49,063	48,826	53,204
Net income	13,731	15,722	15,908	16,755
Earnings per share:				
Basic	0.63	0.73	0.75	0.80
Diluted	0.62	0.70	0.71	0.78
Market Price Range Per Share of Common Stock:				
High	49 1/16	56 1/2	56 13/16	50 9/16
Low	38 1/2	46	43 13/16	37
Close	47 3/8	56 1/16	43 13/16	40 1/16
Dividends paid per common share	$ 0.025	$ 0.025	$ 0.025	$ 0.025

Independent Auditors' Report

The Board of Directors and Shareholders

Minerals Technologies Inc.:

We have audited the accompanying consolidated balance sheet of Minerals Technologies Inc. and subsidiary companies as of December 31, 2000 and 1999 and the related consolidated statements of income, shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 2000. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Minerals Technologies Inc. and subsidiary companies as of December 31, 2000 and 1999 and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2000 in conformity with accounting principles generally accepted in the United States of America.

KPMG LLP

New York, New York
January 18, 2001

Management's Responsibility for Financial Statements and System of Internal Control

The consolidated financial statements and all related financial information herein are the responsibility of the Company's management. The financial statements, which include amounts based on judgments, have been prepared in accordance with accounting principles generally accepted in the United States of America. Other financial information in the annual report is consistent with that in the financial statements.

The Company maintains a system of internal control over financial reporting, which it believes provides reasonable assurance that transactions are executed in accordance with management's authorization and are properly recorded, that assets are safeguarded, and that accountability for assets is maintained. Even an effective internal control system, no matter how well designed, has inherent limitations and, therefore, can provide only reasonable assurance with respect to financial statement preparation. The system of internal control is characterized by a control-oriented environment within the Company, which includes written policies and procedures, careful selection and training of personnel, and audits by a professional staff of internal auditors.

The Company's independent accountants have audited and reported on the Company's consolidated financial statements. Their audits were performed in accordance with auditing standards generally accepted in the United States of America.

The Audit Committee of the Board of Directors is composed solely of outside directors. The Audit Committee meets periodically with our independent auditors, internal auditors and management to review accounting, auditing, internal control and financial reporting matters. Recommendations made by the independent auditors and the Company's internal auditors are considered and appropriate action is taken with respect to these recommendations. Both our independent auditors and internal auditors have free access to the Audit Committee.

Paul R. Saueracker
Chief Executive Officer

Neil M. Bardach
Vice President, Finance and Chief Financial Officer

Michael A. Cipolla
Controller and Chief Accounting Officer

January 18, 2001

MINERALS TECHNOLOGIES INC. & SUBSIDIARY COMPANIES
SCHEDULE II-VALUATION AND QUALIFYING ACCOUNTS
(thousands of dollars)

Description	**Balance at Beginning of Period**	**Additions Charged to Costs, Provisions and Expenses**	**Deductions (a)(b)**	**Balance at End of Period**
Year ended December 31, 2000				
Valuation and qualifying accounts deducted from assets to which they apply:				
Allowance for doubtful accounts	$3,100	$5,964	$6,166	$2,898
	====	====	====	====
Year ended December 31, 1999				
Valuation and qualifying accounts deducted from assets to which they apply:				
Allowance for doubtful accounts	$3,720	$1,234	$1,854	$3,100
	====	====	====	====
Year ended December 31, 1998				
Valuation and qualifying accounts deducted from assets to which they apply:				
Allowance for doubtful accounts				

$3,266	$ 507	$ 53	$3,720
====	====	====	====

(a) Includes impact of translation of foreign currencies.
(b) Uncollectible accounts charged against allowance for doubtful accounts, net of recoveries.

EXHIBIT 10.5

Employment Agreements have been executed by the Company and the indicated employees, each substantially identical in all material respects to the following form of employment agreement except as noted below. Each Employment Agreement was executed by Mr. Saueracker for the Company, except the agreement with Mr. Saueracker, which was executed by Mr. John Curcio for the Company.

EMPLOYEE AND POSITION	BASE SALARY		DATE OF AGREEMENT	TERMINATION DATE OF AGREEMENT [IF NOT EXTENDED PURSUANT TO SECTION 1(a)]
Allen Cheng Vice President	$	210,000	March 1, 2001	July 31, 2002
Michael A. Cipolla Controller and Chief Accounting Officer	$	160,000	March 1, 2001	February 28, 2002
Howard R. Crabtree Vice President, Organization and Human Resources	$	250,000	March 1, 2001	July 31, 2002
Anton Dulski Chief Operating Officer	$	385,000	March 1, 2001	February 28, 2003
S. Garrett Gray Vice President, General Counsel and Secretary	$	250,000	March 1, 2001	July 31, 2002
William Kromberg Vice President - Taxes	$	200,000	March 1, 2001	February 28, 2002
Kenneth Massimine Vice President	$	200,000	March 1, 2001	July 31, 2002
Paul R. Saueracker President and Chief Executive Officer	$	500,000	March 1, 2001	February 28, 2003
John A. Sorel Vice President	$	235,000	March 1, 2001	July 31, 2002

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement"), made as of the ____ day of ___________, 200___, by and between Minerals Technologies Inc., 405 Lexington Avenue, New York, New York 10174-1901, a Delaware Corporation (hereinafter referred to as "Employer"), and _________________ (hereinafter referred to as "Executive").

WHEREAS, in furtherance of Employer's commitment to the continued success of its businesses, and in recognition of the valuable contributions to be made by Executive, Employer has agreed to employ Executive for a period commencing on the _____ day of _________ 2001, ("Commencement Date") and terminating on the expiration of the "Term" as hereinafter defined, subject to certain terms and conditions as hereinafter set forth, and Executive has indicated his willingness to accept such employment;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, the parties agree as follows:

1. (a) The employment of Executive by Employer will commence on the Commencement Date and, unless terminated on an earlier date in the manner hereinafter provided, shall terminate on the expiration of the Term. For purposes of this Agreement, "Term" shall mean a period beginning on the Commencement Date and ending on the ______ day of_________________, subject to any extensions thereof as provided herein. On the first day of each month occurring after the Commencement Date, the Term shall automatically be extended for an additional month, unless, prior to any such first day of a month, the Employer or Executive shall have given written notice to the other party not to extend the Term or Executive shall have reached his sixty-fifth birthday. Nothing in this Section shall limit the right of the Employer or Executive to terminate Executive's employment hereunder pursuant to the terms and conditions set forth in Section 7. The Employer and Executive agree that neither such notice not to extend the Term by the Employer nor failure of this Agreement to be extended because Executive has reached his sixty-fifth birthday shall be considered as a termination of Executive other than for Cause (as defined below) pursuant to Section 7(a) and shall not constitute Good Reason for Executive to terminate his employment hereunder pursuant to Section 7(c)(ii).

(b) During the Term, Executive will be employed by Employer as _____________ of Employer at an annual salary of not less than $_____________ ("Base Salary") and will participate in all benefit plans and other fringe benefits available to similarly situated executives in accordance with their respective terms. By December 31_______, and thereafter, Employer will review Executive's salary on an annual basis in accordance with Employer's policies, to determine appropriate increases, if any. In addition to salary, Executive will receive bonus payments as determined from time to time by Employer's Board of Directors or the Compensation and Nominating Committee thereof. Any such payment with respect to a calendar year will be made in the first quarter of the following year but shall be deemed earned and due and owing if Executive is employed on December 31st of the applicable calendar year, regardless of his status as of the payment date.

2. It is contemplated that, in connection with his employment hereunder, Executive may be required to incur reasonable and necessary travel, business entertainment and other business expenses. Employer agrees to reimburse Executive for all reasonable and necessary travel, business entertainment, and other business expenses incurred or expended by him incident to the performance of his duties hereunder, upon submission by Executive to Employer of vouchers or expense statements satisfactorily evidencing such expenses.

3. During the Term, Employer will provide retirement, employee benefits (pre- and post-retirement) and fringe benefit plans to Executive no less favorable than those made available to Employer's executive employees generally, to the extent that Executive qualifies under the eligibility provisions of such plans. Executive shall be entitled to a period of paid vacation each year as provided in Employer's established vacation policy, but in no event shall such period be shorter than that agreed to between Employer and Executive under any prior agreement.

4. Executive agrees that he shall use his best efforts to promote and protect the interest of Employer, its subsidiaries and related corporations, and to devote his full working time, attention and energy to performing the duties of his position.

5. In the event of the "Permanent Disability" (as defined below) of Executive during the Term, Employer shall have the right, upon written notice to Executive, to terminate his employment hereunder, effective upon the giving of such notice. Upon such termination, Employer and Executive shall be discharged and released from any further obligations under this Agreement, except that the obligations provided for in Section 9 hereof shall survive any such termination. Disability benefits, if any, due under applicable plans and programs of the Employer shall be determined under the provisions of such plans and programs. For purposes of this Section 5, "Permanent Disability" means any physical or mental disability or incapacity which permanently renders Executive incapable of performing the services required of him by Employer.

6. In the event of the death of Executive during the Term, the salary to which Executive is entitled hereunder shall continue to be paid through the end of the month in which death occurs, to the last beneficiary designated by Executive by written notice to Employer, or, failing such designation, to his estate. Executive's designated beneficiary or personal representative, as the case may be, shall accept the payments provided for in this Section 6 in full discharge and release of Employer of and from any further obligations under this Agreement. Any other benefits due under applicable plans and programs of Employer shall be determined under the provisions of such plans and programs.

7. (a) Employer or Executive may terminate Executive's employment with Employer under this Agreement at any time by providing the other party with ninety (90) days advance written notice, in which case Executive's employment shall terminate at the end of said ninety-day period. In the event during the Term Employer terminates the employment of Executive for reasons other than for Cause or the Permanent Disability or death of Executive or Executive resigns for Good Reason (as defined below), Employer will pay Executive his Base Salary through the end of the Term (but in no event shall Executive be paid his Base Salary for more than fifteen (15) months following his date of termination) plus any "Termination Bonuses", as defined herein, less any severance payments paid Executive pursuant to Employer policies. For purposes of this Agreement, "Termination Bonuses" shall mean amounts which would otherwise be payable to Executive during the Term pursuant to Section 1(b) were Executive an employee of Employer, provided that in no event will any such bonus be greater in amount than the average amount of any such bonuses received by Executive in the two years immediately preceding the termination of his employment with Employer, or the amount of such bonus received by Executive in the prior year if Executive has received only one such bonus payment. In addition to the foregoing payments, Executive shall be entitled to coverage under Employer's Group Benefit Plan for medical and dental expense coverage and prescription drugs until the end of the Term.

(b) Executive shall be required to mitigate the amount of any payment provided for pursuant to Section 7(a) by seeking other comparable employment within a reasonable commuting distance of his home, taking into account the provisions of Section 9 of this Agreement. Anything in this Agreement to the contrary notwithstanding, in the event that Executive provides services for pay to anyone other than Employer or any of its affiliates or subsidiaries from the date Executive's employment hereunder is terminated and during such period as Executive is receiving salary continuation payments pursuant to Section 7(a), the amounts to be paid to Executive during such period pursuant to this Agreement shall be reduced by the amounts of salary, bonus or other cash compensation earned by Executive during such period as a result of Executive's performing such services.

(c) For purposes of this Agreement:

(i) "Cause" shall be limited to the following:

(A) Executive shall have failed to perform any of his material obligations as set forth herein, provided that Employer has advised Executive of such failure and given Executive a reasonable period of time to cure such failure and Executive has failed to do so; or

(B) Executive shall commit acts constituting (i) a felony involving moral turpitude materially adversely reflecting on the Employer or (ii) fraud or theft against Employer.

(ii) "Good Reason" shall mean termination at the election of Executive based on any of the following:

(A) The assignment to Executive of any duties substantially inconsistent with his status as _____________ of Employer or a substantial adverse alteration in the nature or status of his responsibilities pursuant to this Agreement, except in connection with the termination of his employment for Cause, or normal retirement, death, or by Executive other than for Good Reason;

(B) A reduction of Executive's fringe or retirement benefits that is not applied by Employer to executives generally or a reduction by Employer in Executive's Base Salary;

(C) The merger or consolidation of Employer into or with any other entity, or the sale of all or substantially all of the assets of Employer to an unaffiliated entity unless the entity which survives such merger or to whom such assets are transferred shall assume and agree to perform the obligations of Employer hereunder pursuant to an instrument reasonably acceptable to Executive; or

(D) Separation of Executive's office location from the principal corporate office of Employer or relocation outside the contiguous United States.

8. Employer shall have the right to terminate this Agreement immediately with no further liability under its terms if Executive terminates his employment without Good Reason, or if Executive is discharged by Employer for Cause. In such event, Executive shall be entitled only to receive his earned Base Salary through the date of termination and to receive any bonus payment to which he may be entitled pursuant to Section 1(a). It is agreed that the provisions of Section 9 shall survive any such termination of this Agreement.

9. (a) Executive agrees that during the term of his employment hereunder and, subject to the last sentence of this Section 9(a), during the further period of two (2) years after the termination of such employment for whatever reason, Executive shall not, without the prior written approval of Employer, directly or indirectly through any other person, firm or corporation, (i) engage or participate in or become employed by or render advisory or other services to or for any person, firm or corporation, or in connection with any business enterprise, which is, directly or indirectly, in competition with any of the business operations or activities of Employer,

or (ii) solicit, raid, entice or induce any such person who on the date of termination of employment of Executive is, or within the last six (6) months of Executive's employment by Employer was, an employee of Employer, to become employed by any person, firm or corporation which is, directly or indirectly, in competition with any of the business operations or activities of Employer, and Executive shall not approach any such employee or former employee for such purpose or authorize or knowingly approve the taking of such actions by any other person; provided, however, that Executive shall not be bound by the restrictions contained in clause (i) of this Section 9(a) if Employer terminates his employment during Term other than for "Cause" (as defined in Section 7(c) hereof). The foregoing restrictions shall apply to the geographical areas where Employer does business and/or did business during the term of Executive's employment and all places where, at the date of termination of employment of Executive, Employer had plans or reasonable expectations to do business; provided that if any Court construes any portion of this provision or clause of this Agreement, or any portion thereof, to be illegal, void or unenforceable because of the duration of such provision or the area or matter covered thereby, such Court shall reduce the duration, area, or matter of such provision and, in its reduced form, such provision shall then be enforceable and shall be enforced. Notwithstanding the provisions of this Section 9, Employer shall be entitled to enforce the provisions of Section 9(a)(i) following the end of Executive's term of employment hereunder only during such time as the Employer continues to pay Executive an amount equal to the Base Salary that Executive was receiving at the time of such termination, unless Executive was terminated for Cause.

(b) Recognizing that the knowledge, information and relationship with customers, suppliers, and agents, and the knowledge of Employer's and its subsidiary companies' business methods, systems, plans and policies which Executive shall hereafter establish, receive or obtain as an employee of Employer or its subsidiary companies, are valuable and unique assets of the respective businesses of Employer and its subsidiary companies, Executive agrees that, during and after the term of his employment hereunder, he shall not (otherwise than pursuant to his duties hereunder) disclose, without the prior written approval of Employer, any such knowledge or information pertaining to Employer or any of its subsidiary companies, their business, personnel or policies, to any person, firm, corporation or other entity, for any reason or purpose whatsoever. The provisions of this Section 9(b) shall not apply to information which is or shall become generally known to the public or the trade (other than by reason of Executive's breach of his obligations hereunder), information which is or shall become available in trade or other publications, and information which Executive is required to disclose by law or an order of a court of competent jurisdiction. If Executive is required by law or a court order to disclose such information, he shall notify Employer of such requirement and provide Employer an opportunity (if Employer so elects) to contest such law or court order.

10. Executive agrees that Employer shall withhold from any and all payments required to be made to Executive pursuant to this Agreement, all federal, state, local and/or other taxes which Employer determines are required to be withheld in accordance with applicable statutes and/or regulations from time to time in effect.

11. This Agreement shall be construed under the laws of the State of New York.

12. This Agreement supersedes all prior negotiations and understandings of any kind with respect to the subject matter hereof and contains all of the terms and provision of agreement between the parties hereto with respect to the subject matter hereof. Any representation, promise or condition, whether written or oral, not specifically incorporated herein, shall be of no binding effect upon the parties.

13. (a) If any portion of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, that portion only shall be deemed deleted as though it had never been included herein but the remainder of this Agreement shall remain in full force and effect.

(b) Executive acknowledges and agrees that Employer's remedies at law for a breach or threatened breach of any of the provisions of Section 9 would be inadequate and, in recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, Employer, without posting any bond, shall be entitled to obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available.

(c) This Agreement shall not be assignable by Executive.

14. No modification, termination or waiver of any provision of this Agreement shall be valid unless it is in writing and signed by both parties hereto.

15. Employer represents that it has all requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement, and that this Agreement is enforceable against it in accordance with its terms.

MINERALS TECHNOLOGIES INC.

By: ________________________
Name: Paul R. Saueracker
Title: President and Chief Executive Officer

Agreed to by:

____
Executive

EXHIBIT 10.5(a)

An Employment Agreement has been executed by the Company and the indicated employee, substantially identical in all material respects to the following form of employment agreement except as noted below. The Employment Agreement was executed by Mr. Saueracker for the Company.

EMPLOYEE AND POSITION	BASE SALARY	DATE OF AGREEMENT	TERMINATION DATE OF AGREEMENT [IF NOT EXTENDED PURSUANT TO SECTION 1(a)]
Neil M. Bardach Vice President - Finance and Chief Executive Officer	$ 275,000	March 1, 2001	July 31, 2002

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement"), made as of the ____ day of __________, 200___, by and between Minerals Technologies Inc., 405 Lexington Avenue, New York, New York 10174-1901, a Delaware Corporation (hereinafter referred to as "Employer"), and _________________ (hereinafter referred to as "Executive").

WHEREAS, in furtherance of Employer's commitment to the continued success of its businesses, and in recognition of the valuable contributions to be made by Executive, Employer has agreed to employ Executive for a period commencing on the _____ day of _________ 2001, ("Commencement Date") and terminating on the expiration of the "Term" as hereinafter defined, subject to certain terms and conditions as hereinafter set forth, and Executive has indicated his willingness to accept such employment;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, the parties agree as follows:

1. (a) The employment of Executive by Employer will commence on the Commencement Date and, unless terminated on an earlier date in the manner hereinafter provided, shall terminate on the expiration of the Term. For purposes of this Agreement, "Term" shall mean a period beginning on the Commencement Date and ending on the 31st day of July 2002, subject to any extensions or earlier expiration thereof as provided herein. On the first day of each month occurring after the Commencement Date, the Term shall automatically be extended for an additional month, unless, prior to any such first day of a month, Employer or Executive shall have given written notice to the other party not to extend the Term or Executive shall have reached his sixty-fifth birthday. Nothing in this Section shall limit the right of Employer or Executive to terminate either Executive's employment hereunder or the Term pursuant to the terms and conditions set forth in Section 7. Employer and Executive agree that neither such notice not to extend the Term by Employer or Executive nor failure of this Agreement to be extended because Executive has reached his sixty-fifth birthday nor early expiration of the Term pursuant to Section 7(a) shall be considered as a termination of Executive other than for Cause (as defined below) pursuant to Section 7(a) and shall not constitute Good Reason for Executive to terminate his employment hereunder pursuant to Section 7(c)(ii).

(b) During the Term, Executive will be employed by Employer as ______________ of Employer at an annual salary of not less than $___________ ("Base Salary") and will participate in all benefit plans and other fringe benefits available to similarly situated executives in accordance with their respective terms. By December 31, 2001, and thereafter, Employer will review Executive's salary on an annual basis in accordance with Employer's policies, to determine appropriate increases, if any. In addition to salary, Executive will receive bonus payments as determined from time to time by Employer's Board of Directors or the Compensation and Nominating Committee thereof. Any such payment with respect to a calendar year will be made in the first quarter of the following year but shall be deemed earned and due and owing if Executive is employed on December 31st of the applicable calendar year, regardless of his status as of the payment date.

2. It is contemplated that, in connection with his employment hereunder, Executive may be required to incur reasonable and necessary travel, business entertainment and other business expenses. Employer agrees to reimburse Executive for all reasonable and necessary travel, business entertainment, and other business expenses incurred or expended by him incident to the performance of his duties hereunder, upon submission by Executive to Employer of vouchers or expense statements satisfactorily evidencing such expenses.

3. During the period that Executive is an employee of Employer, Employer will provide retirement, employee benefits (pre- and post-retirement) and fringe benefit plans to Executive no less favorable than those made available to Employer's executive employees generally, to the extent that Executive qualifies under the eligibility provisions of such plans. Executive shall be entitled to a period of paid vacation each year as provided in Employer's established vacation policy, but in no event shall such period be shorter than that agreed to between Employer and Executive under any prior agreement between Employer and Executive.

4. Executive agrees that he shall use his best efforts to promote and protect the interest of Employer, its subsidiaries and related corporations, and to devote his full working time, attention and energy to performing the duties of his position.

5. In the event of the "Permanent Disability" (as defined below) of Executive while employed hereunder, Employer shall have the right, upon written notice to Executive, to terminate his employment hereunder, effective upon the giving of such notice. Upon such termination, Employer and Executive shall be discharged and released from any further obligations under this Agreement, except that the obligations provided for in Section 9 hereof shall survive any such termination. Disability benefits, if any, due under applicable plans and programs of the Employer shall be determined under the provisions of such plans and programs. For purposes of this Section 5, "Permanent Disability" means any physical or mental disability or incapacity which permanently renders Executive incapable of performing the services required of him by Employer.

6. In the event of the death of Executive during the Term, the salary to which Executive is entitled hereunder shall continue to be paid through the end of the month in which death occurs, to the last beneficiary designated by Executive by written notice to Employer, or, failing such designation, to his estate. Executive's designated beneficiary or personal representative, as the case may be, shall accept the payments provided for in this Section 6 in full discharge and release of Employer of and from any further obligations under this Agreement. Any other benefits due under applicable plans and programs of Employer shall be determined under the provisions of such plans and programs.

7. (a) Employer or Executive may terminate Executive's employment with Employer under this Agreement at any time by providing the other party with ninety (90) days advance written notice, in which case Executive's employment and the Term hereof shall terminate at the end of said ninety-day period and neither party shall have any further liability to the other, except that (i) Employer shall pay Executive an amount equal to the amount he would have earned at his Base Salary

through the end of said ninety-day period, any bonus payment to which he may be entitled pursuant to Section 1(b), and any payment to which he may be entitled for accrued vacation; and (ii) the obligations provided for in Section 9 hereof shall survive any such termination. In the event that during the Term, but only after the six-month period beginning on the Commencement Date, Employer terminates the employment of Executive for reasons other than for Cause or the Permanent Disability or death of Executive or Executive resigns for Good Reason (as defined below), the Term shall not be deemed to have terminated and Employer will pay Executive on a biweekly basis an amount equal to the amount he would have earned at his Base Salary through the end of the Term (but in no event shall Executive be paid for more than fifteen (15) months following his date of termination) plus any "Termination Bonuses", as defined herein, less any severance payments paid Executive pursuant to Employer policies; in addition to the foregoing payments, Executive shall be entitled to coverage under Employer's Group Benefit Plan for medical and dental expense coverage and prescription drugs until the end of the Term. For purposes of this Agreement, "Termination Bonuses" shall mean amounts which would otherwise be payable to Executive during the Term pursuant to Section 1(b) were Executive an employee of Employer, provided that in no event will any such bonus be greater in amount than the average amount of any such bonuses received by Executive in the two years immediately preceding the termination of his employment with Employer, or the amount of such bonus received by Executive in the prior year if Executive has received only one such bonus payment.

(b) Executive shall be required to mitigate the amount of any salary continuation payments provided for pursuant to Section 7(a) by seeking other comparable employment within a reasonable commuting distance of his home, taking into account the provisions of Section 9 of this Agreement. Anything in this Agreement to the contrary notwithstanding, in the event that Executive provides services for pay to anyone other than Employer or any of its affiliates or subsidiaries from the date Executive's employment hereunder is terminated and during such period as Executive is receiving salary continuation payments pursuant to Section 7(a), the amounts to be paid to Executive as salary continuation payments during such period pursuant to this Agreement shall be reduced by the amounts of salary, bonus or other cash compensation earned by Executive during such period as a result of Executive's performing such services.

(c) For purposes of this Agreement:

(i) "Cause" shall be limited to the following:

(A) Executive shall have failed to perform any of his material obligations as set forth herein, provided that Employer has advised Executive of such failure and given Executive a reasonable period of time to cure such failure and Executive has failed to do so; or

(B) Executive shall commit acts constituting (i) a felony involving moral turpitude materially adversely reflecting on the Employer or (ii) fraud or theft against Employer.

(ii) "Good Reason" shall mean termination at the election of Executive based on any of the following:

(A) The assignment to Executive of any duties substantially inconsistent with his status as _____________ of Employer or a substantial adverse alteration in the nature or status of his responsibilities pursuant to this Agreement, except in connection with the termination of his employment for Cause, or normal retirement, death, or by Executive other than for Good Reason;

(B) A reduction of Executive's fringe or retirement benefits that is not applied by Employer to executives generally or a reduction by Employer in Executive's Base Salary;

(C) The merger or consolidation of Employer into or with any other entity, or the sale of all or substantially all of the assets of Employer to an unaffiliated entity unless the entity which survives such merger or to whom such assets are transferred shall assume and agree to perform the obligations of Employer hereunder pursuant to an instrument reasonably acceptable to Executive; or

(D) Separation of Executive's office location from the principal corporate office of Employer or relocation outside the contiguous United States.

8. Employer shall have the right to terminate this Agreement immediately with no further liability under its terms if Executive terminates his employment without Good Reason, or if Executive is discharged by Employer for Cause. In such event, Executive shall be entitled only to receive his earned Base Salary through the date of termination and to receive any bonus payment to which he may be entitled pursuant to Section 1(b). It is agreed that the provisions of Section 9 shall survive any such termination of this Agreement.

9. (a) Executive agrees that during the term of his employment hereunder and, subject to the last sentence of this Section 9(a), during the further period of two (2) years after the termination of such employment for whatever reason, Executive shall not, without the prior written approval of Employer, directly or indirectly through any other person, firm or corporation, (i) engage or participate in or become employed by or render advisory or other services to or for any person, firm or corporation, or in connection with any business enterprise, which is, directly or indirectly, in competition with any of the business operations or activities of Employer, or (ii) solicit, raid, entice or induce any such person who on the date of termination of employment of Executive is, or within the last six (6) months of Executive's employment by Employer was, an employee of Employer, to become employed by any person, firm or corporation which is, directly or indirectly, in competition with any of the business operations or activities of Employer, and Executive shall not approach any such employee or former employee for such purpose or authorize or knowingly approve the taking of such actions by any other person; provided, however, that Executive shall not be bound by the restrictions contained in clause (i) of this Section 9(a) if Employer terminates his employment during Term other than for "Cause" (as defined in Section 7(c) hereof). The foregoing restrictions shall apply to the geographical areas where Employer does business and/or did business during the term of Executive's employment and all places where, at the date of termination of employment of Executive, Employer had plans or reasonable expectations to do business; provided that if any Court construes any portion of this provision or clause of this Agreement, or any portion thereof, to be illegal, void or unenforceable because of the duration of such provision or the area or matter covered thereby, such Court shall reduce the duration, area, or matter of such provision and, in its reduced form, such provision shall then be enforceable and shall be enforced. Notwithstanding the provisions of this Section 9, Employer shall be entitled to enforce the provisions of Section 9(a)(i) following the end of Executive's term of employment hereunder only during such time as the Employer continues to pay Executive an amount equal to the Base Salary that Executive was receiving at the time of such termination, unless Executive was terminated for Cause.

(b) Recognizing that the knowledge, information and relationship with customers, suppliers, and agents, and the knowledge of Employer's and its subsidiary companies' business methods, systems, plans and policies which Executive shall hereafter establish, receive or obtain as an employee of Employer or its subsidiary companies, are valuable and unique assets of the respective businesses of Employer and its subsidiary companies, Executive agrees that, during and after the term of his employment hereunder, he shall not (otherwise than pursuant to his duties hereunder) disclose, without the prior written approval of Employer, any such knowledge or information pertaining to Employer or any of its subsidiary companies, their business, personnel or policies, to any person, firm, corporation or other entity, for any reason or purpose whatsoever. The provisions of this Section 9(b) shall not apply to information which is or shall become generally known to the public or the trade (other than by reason of Executive's breach of his obligations hereunder), information which is or shall become available in trade or other publications, and information which Executive is required to disclose by law or an order of a court of competent jurisdiction. If Executive is required by law or a court order to disclose such information, he shall notify Employer of such requirement and provide Employer an opportunity (if Employer so elects) to contest such law or court order.

10. Executive agrees that Employer shall withhold from any and all payments required to be made to Executive pursuant to this Agreement, all federal, state, local and/or other taxes which Employer determines are required to be withheld in accordance with applicable statutes and/or regulations from time to time in effect.

11. This Agreement shall be construed under the laws of the State of New York.

12. This Agreement supersedes all prior negotiations and understandings of any kind with respect to the subject matter hereof and contains all of the terms and provision of agreement between the parties hereto with respect to the subject matter hereof. Any representation, promise or condition, whether written or oral, not specifically incorporated herein, shall be of no binding effect upon the parties.

13. (a) If any portion of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, that portion only shall be deemed deleted as though it had never been included herein but the remainder of this Agreement shall remain in full force and effect.

(b) Executive acknowledges and agrees that Employer's remedies at law for a breach or threatened breach of any of the provisions of Section 9 would be inadequate and, in recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, Employer, without posting any bond, shall be entitled to obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available.

(c) This Agreement shall not be assignable by Executive.

14. No modification, termination or waiver of any provision of this Agreement shall be valid unless it is in writing and signed by both parties hereto.

15. Employer represents that it has all requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement, and that this Agreement is enforceable against it in accordance with its terms.

MINERALS TECHNOLOGIES INC.

By: ________________________

Name: Paul R. Saueracker

Title: President and Chief Executive Officer

Agreed to by:

____

Executive

EXHIBIT 10.6

Severance Agreements have been executed by the Company and the indicated employees, each substantially identical in all material respects to the following Form of Severance Agreement except as noted below.

EMPLOYEE	POSITION	DATE OF AGREEMENT
Neil M. Bardach	Vice President - Finance Chief Financial Officer	August 1, 1998
Allen Cheng	Vice President	March 1, 2001
Howard R. Crabtree	Vice President, Organization and Human Resources	January 1, 1997
Anton Dulski	Chief Operating Officer	January 1, 1997
Kenneth Massimine	Vice President	March 1, 2001
Paul R. Saueracker	President and Chief Executive Officer	January 1, 1997
John A. Sorel	Vice President	March 1, 2001

____

[DATE]

Mr.________________

TITLE

Minerals Technologies Inc.

405 Lexington Avenue

New York, NY 10174-1901

Dear Mr.______________:

Minerals Technologies Inc. (the "Company") considers it essential to the best interests of its stockholders to foster the continuous employment of key management personnel. In this connection, should the Company receive a proposal from a third party, whether solicited by the Company or unsolicited, concerning a possible business combination with, or the acquisition of a substantial share of the equity or voting securities of, the Company, the Board of Directors of the Company (the "Board") has determined that it is imperative that it and the Company be able to rely upon your continued services without concern that you might be distracted by the personal uncertainties and risks that such a proposal might otherwise entail.

Accordingly, the Board has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of members of the Company's management, yourself included, to their assigned duties without distraction in the face of potentially disturbing circumstances that could arise out of a proposal for a change in control of the Company. The Board has also determined that it is in the best interests of the Company and its stockholders to ensure your continued availability to the Company and its subsidiaries in the event of a "potential change in control" (as defined in Section 2 hereof).

In order to induce you to remain in the employ of the Company and its subsidiaries and in consideration of your agreement set forth in Section 2(ii) hereof, the Company agrees that you shall receive the severance benefits set forth in this letter agreement ("Agreement") in the event your employment with the Company and its subsidiaries is terminated subsequent to a Change in Control (as defined in Section 2 hereof) under the circumstances described below.

1. <u>Term of Agreement</u>. This Agreement shall commence as of ______________, and shall continue in effect through _______________; provided, however, the term of this Agreement shall automatically be extended for one additional year commencing on January 1 , ______ and each January 1 thereafter, unless, not later than June 30 of the preceding year, the Company shall have given notice that it does not wish to extend this Agreement; provided, further, that, notwithstanding any such notice by the Company not to extend, if a Change in Control shall have occurred during the original or any extended term of this Agreement, this Agreement shall continue in effect for a period of forty-eight (48) months beyond the expiration of the term in effect immediately before such Change in Control.

2. <u>Change in Control</u>. (i) No benefits shall be payable hereunder unless there shall have been a Change in Control of the Company, as set forth below. For purposes of this Agreement, a "Change in Control" of the Company shall mean a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is then

subject to such reporting requirement; provided that, without limitation, such a Change in Control shall be deemed to have occurred if (A) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as determined for purpose of Regulation 13D-G under the Exchange Act as currently in effect), directly or indirectly, of securities of the Company representing 15% or more of the combined voting power of the Company's then outstanding securities; or (B) during any period of two consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board and any new director, whose election to the Board or nomination for election to the Board by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority of the Board; or (C) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the holders of the voting securities of the Company outstanding immediately prior thereto holding immediately thereafter securities representing more than 80% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; or (D) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets.

(ii) You agree that, subject to the terms and conditions of this Agreement, in the event of a potential change in control of the Company occurring after the date hereof, you will not voluntarily terminate your employment with the Company and its subsidiaries for a period of six (6) months from the occurrence of such potential change in control of the Company. If more than one potential change in control occurs during the term of this Agreement, the provisions of the preceding sentence shall be applicable to each potential change in control occurring prior to the occurrence of a Change in Control. For purposes of this Agreement, a "potential change in control of the Company" shall be deemed to have occurred if (A) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control; (B) any person (including the Company) publicly announces an intention to take or to consider taking actions which if consummated would constitute a Change in Control; (C) any person becomes the beneficial owner, directly or indirectly, of securities of the Company representing 9.5% or more of the combined voting power of the Company's then outstanding securities; or (D) the Board adopts a resolution to the effect that, for purposes of this Agreement, a potential change in control of the Company has occurred.

3. Termination Following Change in Control. If any of the events described in Section 2(i) hereof constituting a Change in Control shall have occurred, you shall be entitled to the benefits provided in Section 4(iv) hereof upon the subsequent termination of your employment with the Company and its subsidiaries during the term of this Agreement unless such termination is (A) a result of your death or Retirement, or (B) your termination for other than Good Reason, or (C) your being terminated by the Company or any of its subsidiaries for Disability or for Cause.

(i) Disability; Retirement. For purposes of this Agreement, "Disability" shall mean permanent and total disability as such term is defined under Section 22(e)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). Any question as to the existence of your Disability upon which you and the Company cannot agree shall be determined by a qualified independent physician selected by you (or, if you are unable to make such selection, such selection shall be made by any adult member of your immediate family or your legal representative), and approved by the Company, said approval not to be unreasonably withheld. The determination of such physician made in writing to the Company and to you shall be final and conclusive for all purposes of this Agreement. For purposes of this Agreement, "Retirement" shall mean your voluntary termination of employment with the Company in accordance with the Company's retirement policy (excluding early retirement) generally applicable to its salaried employees or in accordance with any retirement arrangement established with your consent with respect to you.

(ii) Cause. For purposes of this Agreement, "Cause" shall mean your willful breach of duty in the course of your employment, or your habitual neglect of your employment duties. For purposes of this Section 3(ii), no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your action or omission was in the best interest of the Company and its subsidiaries. Notwithstanding the foregoing, you shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to you a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters (3/4) of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice to you and an opportunity for you, together with your counsel, to be heard before the Board), finding that in the good faith opinion of the Board you were guilty of conduct set forth above in this Section 3(ii) and specifying the particulars thereof in detail.

(iii) Good Reason. You shall be entitled to terminate your employment for Good Reason. For the purpose of this Agreement, "Good Reason" shall mean the occurrence, without your express written consent, of any of the following circumstances unless, in the case of paragraphs 3(iii)(A), (E), (F), (G), or (H), such circumstances are fully corrected prior to the Date of Termination (as defined in Section 3(v)) specified in the Notice of Termination (as defined in Section 3(iv)) given in respect thereof:

(A) the assignment to you of any duties inconsistent with your status as **TITLE** of Minerals Technologies Inc., your removal from that position, or a substantial diminution in the nature or status of your responsibilities from those in effect immediately prior to the Change in Control;

(B) a reduction by the Company or any of its subsidiaries in your annual base salary or bonus as in effect on the date hereof or as the same may be increased from time to time;

(C) the relocation of the executive office in which you are located prior to the Change in Control to a location more than fifty miles therefrom or the Company or any of its subsidiaries requiring you to be based anywhere other than the executive office in which you are located prior to the Change in Control except for required travel on the business of the Company and its subsidiaries to an extent substantially consistent with your present business travel obligations;

(D) the failure by the Company to pay to you any portion of an installment of deferred compensation under any preferred compensation program of the Company within seven (7) days of the date such compensation is due;

(E) the failure by the Company or any of its subsidiaries to continue in effect any incentive compensation plan in which you participate prior to the Change in Control, unless an equitable alternative compensation arrangement (embodied in an ongoing substitute or alternative plan) has been provided for you, or the failure by the Company or any of its subsidiaries to continue your participation in any such incentive plan on the same basis, both in terms of the amount of benefits provided and the level of your participation relative to other participants, as existed at the time of the Change in Control;

(F) except as required by law, the failure by the Company or any of its subsidiaries to continue to provide you with benefits at least as favorable as those enjoyed by you under the employee benefit and welfare plans of the Company and its subsidiaries, including, without limitation, the pension, life insurance, medical, dental, health and accident, disability, deferred compensation retirement and savings plans, in which you were participating at the time of the Change in Control, the taking of any action by the Company or any of its subsidiaries which would directly or indirectly materially reduce any of such benefits or deprive you of any material fringe benefit enjoyed by you at the time of the Change in Control, or the failure by the Company or any of its subsidiaries to provide you with the number of paid vacation days to which you are entitled at the time of the Change in Control;

(G) the failure of the Company to obtain a satisfactory agreement from any successor to assume and agree to perform this Agreement, as contemplated in Section 5 hereof; or

(H) any purported termination of your employment which is not effected pursuant to a Notice of Termination satisfying the requirements of Section 3(iv) below (and, if applicable, the requirements of Section 3(ii) above); for purposes of this Agreement, no such purported termination shall be effective.

Your continued employment shall not constitute consent to, or a waiver of rights with respect to, any circumstance constituting Good Reason hereunder.

(iv) Notice of Termination. Any purported termination of your employment by the Company and its subsidiaries or by you shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 6 hereof. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.

(v) Date of Termination, Etc. "Date of Termination" shall mean (A) if your employment is terminated for Disability, thirty (30) days after Notice of Termination is given (provided that you shall not have returned to the full-time performance of your duties during such thirty (30) day period), and (B) if your employment is terminated pursuant to Section 3(ii) or (iii) above or for any other reason (other than Disability), the date specified in the Notice of Termination (which, in the case of a termination pursuant to Section 3(ii) above shall not be less than thirty (30) days, and in the case of a termination pursuant to Section 3(iii) above shall not be less than thirty (30) nor more than sixty (60) days, respectively, from the date such Notice of Termination is given); provided that, if within thirty (30) days after any Notice of Termination is given the party receiving such Notice of Termination notifies the other party that a dispute exists concerning the grounds for termination, the Date of Termination shall be the date on which the dispute is finally determined, either by mutual written agreement of the parties, by a binding arbitration award or by a final judgment, order or decree of a court of competent jurisdiction (which is not appealable or the time for appeal therefrom having expired and no appeal having been perfected); provided further that the Date of Termination shall be extended by a notice of dispute only if such notice is given in good faith and the party giving such notice pursues the resolution of such dispute with reasonable diligence. Notwithstanding the pendency of any such dispute, the Company and its subsidiaries will continue to pay you your full compensation in effect when the notice giving rise to the dispute was given (including, but not limited to, base salary and bonus) and continue you as a participant in all incentive compensation, benefit and insurance plans in which you were participating when the notice giving rise to the dispute was given, until the dispute is finally resolved in accordance with this Section 3(v). Amounts paid under this Section 3(v) are in addition to all other amounts due under this Agreement and shall not be offset against or reduce any other amounts due under this Agreement.

4. Compensation Upon Termination or During Disability. Following a Change in Control of the Company, as defined by Section 2(i), upon termination of your employment or during a period of Disability you shall be entitled to the following benefits, provided that such period of Disability or Date of Termination occurs during the term of this Agreement:

(i) During any period that you fail to perform your full-time duties with the Company and its subsidiaries as a result of your Disability, you shall continue to receive an amount equal to your base salary and bonus at the rate in effect at the commencement of any such period through the Date of Termination for Disability. Thereafter, your benefits shall be determined in accordance with the insurance programs of the Company and its subsidiaries then in effect.

(ii) If your employment shall be terminated by the Company or any of its subsidiaries for Cause or by you other than for Good Reason, the Company (or one of its subsidiaries, if applicable) shall pay you your full base salary and bonus through the Date of Termination at the rate in effect at the time Notice of Termination is given and shall pay any amounts to be paid to you pursuant to any other compensation plans, programs or employment agreements then in effect, and the Company shall have no further obligations to you under this Agreement.

(iii) If your employment shall be terminated by reason of your death or Retirement, your benefits shall be determined in accordance with the retirement and insurance programs of the Company and its subsidiaries then in effect.

(iv) If your employment by the Company and its subsidiaries shall be terminated by (a) the Company and its subsidiaries other than for Cause, your death, Retirement, or Disability or (b) by you for Good Reason, then you shall be entitled to the benefits provided below:

(A) The Company (or one of its subsidiaries, if applicable) shall pay you your full base salary and bonus through the Date of Termination at the rate in effect at the time the Notice of Termination is given, no later than the fifth day following the Date of Termination, plus all other amounts to which you are entitled under any compensation plan of the Company applicable to you, at the time such payments are due.

(B) The Company shall pay as severance pay to you a severance payment (the "Unadjusted Severance Payment") equal to 2.99 times your "Base Amount" as such term is defined under Section 280G(b)(3) of the Code. Your Base Amount shall be determined in accordance with Section 280G(b)(3) of the Code and with the proposed, temporary or final regulations promulgated under that Section in effect, if any. In the absence of such regulations, if you were not employed by the Company (or any corporation affiliated with the Company (an "Affiliate") within the meaning of Section 1504 of the Code or a predecessor of the Company) during the entire five calendar years (the "Base Period") preceding the calendar year in which a Change in Control of the Company occurred, your average annual compensation for the purposes of such determination shall be the average of your annual compensation for both complete and partial calendar years during the Base Period during which you were so employed, determined by annualizing any compensation (other than nonrecurring items) includible in your gross income for any partial calendar year. For purposes of the preceding sentence, compensation payable to you by the Company or any Affiliate or predecessor of the Company shall include every type and form of compensation includible in your gross income in respect of your employment by the Company or any Affiliate or predecessor of the Company, including compensation income recognized as a result of your exercise of stock options or sale of the stock so acquired, except to the extent otherwise provided in proposed, temporary or final regulations promulgated under Section 280G of the Code defining base amount.

(C) The Unadjusted Severance Payment shall not be reduced by the amount of any other payment or the value of any benefit received or to be received by you in connection with your termination of employment or contingent upon a Change in Control of the Company (whether payable pursuant to the terms of this Agreement or any other agreement, plan or arrangement with the Company or an Affiliate, predecessor or successor of the Company or any person whose actions result in a Change in Control of the Company or an Affiliate of such person) unless (1) in the opinion of tax counsel selected by the Company's Vice President-General Counsel and reasonably acceptable to you, such other payment or benefit constitutes a "parachute payment" within the meaning of Section 280G(b)(2) of the Code, and (2) in the opinion of such tax counsel, the Unadjusted Severance Payment plus all other payments or benefits which constitute "parachute payments" within the meaning of Section 280G(b)(2) of the Code would result in a portion of the Unadjusted Severance Payment being subject to the excise tax under Section 4999 of the Code. In such event, the amount of the Unadjusted Severance Payment shall be reduced by the minimum amount necessary such that no portion thereof will be subject to the excise tax under Section 4999 of the Code. The Unadjusted Severance Payment, as reduced, if at all, pursuant to the provisions of this paragraph shall be referred to as the Adjusted Severance Payment. In determining whether the Unadjusted Severance Payment shall be reduced under this paragraph, (i) there shall not be included in the computation any payment if you shall have effectively waived your receipt or enjoyment of such payment or benefit, and (ii) the value of any non-cash benefit or any deferred cash payment shall be determined by the Company's independent auditors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

(D) Except to the extent that the payment thereof would subject any payment hereunder to the excise tax under Section 4999 of the Code:

(1) The Company shall also pay to you all legal fees and expenses reasonably incurred by you in connection with this Agreement (including all such fees and expenses, if any, incurred in contesting or disputing the nature of any such termination for purposes of this Agreement or in seeking to obtain or enforce any right or benefit provided by this Agreement); and

(2) For a twenty-four (24) month period after termination of your employment, the Company shall arrange to provide you with life, disability, accident and health insurance benefits substantially similar to those which you are receiving or entitled to receive immediately prior to the Notice of Termination; provided, however, that this Agreement in no way diminishes any rights to those benefits to which you would be entitled if you were to retire as an employee of Minerals Technologies Inc. Benefits otherwise receivable by you pursuant to this Section 4(iv)(D)(2) shall be reduced to the extent comparable benefits are actually provided to you by a subsequent employer during the twenty-four (24) month period following your termination, and any such benefits actually provided to you shall be reported to the Company.

(E) If it is established pursuant to a final determination of a court or an Internal Revenue Service proceeding that, notwithstanding the good faith of you and the Company in applying the terms of this Section 4(iv), the aggregate "parachute payments" paid to or for your benefit are in an amount that would result in any portion of such "parachute payments" being subject to the excise tax under Section 4999 of the Code, then you shall have an obligation to pay the Company upon demand an amount equal to the sum of (1) the excess of the aggregate "parachute payments" paid to or for your benefit over the aggregate "parachute payments" that would have been paid to or for your benefit without any portion of such "parachute payments" being subject to the excise tax under Section 4999 of the Code; and (2) interest on the amount set forth in clause (1) of this sentence at the applicable Federal rate (as defined in Section 1274(d) of the Code) from the date of your receipt of such excess until the date of such payment; provided, however, that in the event and to the extent that an excise tax is nevertheless imposed on said amount your obligation to pay said amount to the Company is hereby waived.

(F) You shall not be required to mitigate the amount of any payment provided for in this Section 4 by seeking other employment or otherwise, nor shall the amount of any payment or benefit provided for in this Section 4 be reduced by any compensation earned by you as the result of employment by another employer or by retirement benefits received after the Date of Termination or otherwise, except as specifically provided in this Section 4.

(G) The Company shall pay you the Unadjusted Severance Payment in a lump sum no later than the fifth day following the Date of Termination; provided, however, that if the Company in good faith believes that the Unadjusted Severance Payment shall be reduced under the provisions of Section 4(iv)(C) hereof, the Company shall pay to you at such time a good faith estimate of the Adjusted Severance Payment (the "Estimated Adjusted Severance Payment," the computation of which shall be given to you in writing together with a written explanation of the basis for making such adjustment) which amount shall in no event be less than 50% of the Unadjusted Severance Payment. The Company shall, within 60 days of the Date of Termination, either pay to you the balance of the Unadjusted Severance Payment together with interest thereon at the applicable Federal rate (as defined in Section 1274(d) of the Code) or deliver to you a copy of the opinion of the tax counsel referred to in Section 4(iv)(C) hereof establishing the amount of the Adjusted Severance Payment. If the Adjusted Severance Payment exceeds the Estimated Adjusted Severance Payment, the difference shall be paid to you at such time together with interest thereon at the applicable Federal rate (as defined in Section 1274(d) of the Code).

5. Successors; Binding Agreement.

(i) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company is required to perform it. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle you to compensation from the Company in the same amount and on the same terms as you would be entitled hereunder if you had terminated your employment for Good Reason following a Change in Control, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

(ii) This Agreement shall inure to the benefit of and be enforceable by your personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If you should die while any amount would still be payable to you hereunder if you had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to your devisee, legatee or other designee or, if there is no such designee, to your estate.

6. Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth on the first page of this Agreement, provided that all notices to the Company shall be directed to the attention of the Office of the Vice President-General Counsel of the Company, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

7. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by you and such officer as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any conditions or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New York, including Section 198 (1-a) of the New York Labor Law. All references to sections of the Code shall be deemed also to refer to any successor provisions to such sections. Any payments provided for hereunder shall be paid net of any applicable withholding required under federal, state or local law. The obligations of the Company under Section 4 shall survive the expiration of the term of this Agreement.

8. Validity. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

9. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

10. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction; provided, however, that you shall be entitled to seek specific performance of your right to be paid until the Date of Termination during the pendency of any dispute or controversy arising under or in connection with this Agreement.

If this letter sets forth our agreement on the subject matter hereof, kindly sign and return to the Company the enclosed copy of this letter which will then constitute our agreement on this subject.

Sincerely,

By: ___________________________

Paul R. Saueracker

President and Chief Executive Officer

Agreed to as of the _____day of ________, 200_____.

EXHIBIT 10.6(a)

Severance Agreements have been executed by the Company and the indicated employees, each substantially identical in all material respects to the following Form of Severance Agreement except as noted below.

EMPLOYEE	POSITION	DATE OF AGREEMENT
Michael A. Cipolla	Controller and Chief Accounting Officer	March 1, 2001
William Kromberg	Vice President - Taxes	March 1, 2001
S. Garrett Gray	Vice President, General Counsel and Secretary	March 1, 2001

____
[DATE]

Mr.____________

[TITLE]

Minerals Technologies Inc.
405 Lexington Avenue
New York, NY 10174-1901

Dear Mr. _____________:

Minerals Technologies Inc. (the "Company") considers it essential to the best interests of its stockholders to foster the continuous employment of key management personnel. In this connection, should the Company receive a proposal from a third party, whether solicited by the Company or unsolicited, concerning a possible business combination with, or the acquisition of a substantial share of the equity or voting securities of, the Company, the Board of Directors of the Company (the "Board") has determined that it is imperative that it and the Company be able to rely upon your continued services without concern that you might be distracted by the personal uncertainties and risks that such a proposal might otherwise entail.

Accordingly, the Board has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of members of the Company's management, yourself included, to their assigned duties without distraction in the face of potentially disturbing circumstances that could arise out of a proposal for a change in control of the Company. The Board has also determined that it is in the best interests of the Company and its stockholders to ensure your continued availability to the Company and its subsidiaries in the event of a "potential change in control" (as defined in Section 2 hereof).

In order to induce you to remain in the employ of the Company and its subsidiaries and in consideration of your agreement set forth in Section 2(ii) hereof, the Company agrees that you shall receive the severance benefits set forth in this letter agreement ("Agreement") in the event your employment with the Company and its subsidiaries is terminated subsequent to a Change in Control (as defined in Section 2 hereof) under the circumstances described below.

1. Term of Agreement. This Agreement shall commence as of March 1, 2001, and shall continue in effect through December 31, 2001; provided, however, the term of this Agreement shall automatically be extended for one additional year commencing on January, 2002 and each January 1 thereafter, unless, not later than June 30 of the preceding year, the Company shall have given notice that it does not wish to extend this Agreement; provided, further, that, notwithstanding any such notice by the Company not to extend, if a Change in Control shall have occurred during the original or any extended term of this Agreement, this Agreement shall continue in effect for a period of forty-eight (48) months beyond the expiration of the term in effect immediately before such Change in Control.

2. Change in Control. (i) No benefits shall be payable hereunder unless there shall have been a Change in Control of the Company, as set forth below. For purposes of this Agreement, a "Change in Control" of the Company shall mean a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is then subject to such reporting requirement; provided that, without limitation, such a Change in Control shall be deemed to have occurred if (A) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as determined for purpose of Regulation 13D-G under the Exchange Act as currently in effect), directly or indirectly, of securities of the Company representing 15% or more of the combined voting power of the Company's then outstanding securities; or (B) during any period of two consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board and any new director, whose election to the Board or nomination for election to the Board by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority of the Board; or (C) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the holders of the voting

securities of the Company outstanding immediately prior thereto holding immediately thereafter securities representing more than 80% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; or (D) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets.

(ii) You agree that, subject to the terms and conditions of this Agreement, in the event of a potential change in control of the Company occurring after the date hereof, you will not voluntarily terminate your employment with the Company and its subsidiaries for a period of six (6) months from the occurrence of such potential change in control of the Company. If more than one potential change in control occurs during the term of this Agreement, the provisions of the preceding sentence shall be applicable to each potential change in control occurring prior to the occurrence of a Change in Control. For purposes of this Agreement, a "potential change in control of the Company" shall be deemed to have occurred if (A) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control; (B) any person (including the Company) publicly announces an intention to take or to consider taking actions which if consummated would constitute a Change in Control; (C) any person becomes the beneficial owner, directly or indirectly, of securities of the Company representing 9.5% or more of the combined voting power of the Company's then outstanding securities; or (D) the Board adopts a resolution to the effect that, for purposes of this Agreement, a potential change in control of the Company has occurred.

3. Termination Following Change in Control. If any of the events described in Section 2(i) hereof constituting a Change in Control shall have occurred, you shall be entitled to the benefits provided in Section 4(iv) hereof upon the subsequent termination of your employment with the Company and its subsidiaries during the term of this Agreement unless such termination is (A) a result of your death or Retirement, or (B) your termination for other than Good Reason, or (C) your being terminated by the Company or any of its subsidiaries for Disability or for Cause.

(i) Disability; Retirement. For purposes of this Agreement, "Disability" shall mean permanent and total disability as such term is defined under Section 22(e)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). Any question as to the existence of your Disability upon which you and the Company cannot agree shall be determined by a qualified independent physician selected by you (or, if you are unable to make such selection, such selection shall be made by any adult member of your immediate family or your legal representative), and approved by the Company, said approval not to be unreasonably withheld. The determination of such physician made in writing to the Company and to you shall be final and conclusive for all purposes of this Agreement. For purposes of this Agreement, "Retirement" shall mean your voluntary termination of employment with the Company in accordance with the Company's retirement policy (excluding early retirement) generally applicable to its salaried employees or in accordance with any retirement arrangement established with your consent with respect to you.

(ii) Cause. For purposes of this Agreement, "Cause" shall mean your willful breach of duty in the course of your employment, or your habitual neglect of your employment duties. For purposes of this Section 3(ii), no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your action or omission was in the best interest of the Company and its subsidiaries. Notwithstanding the foregoing, you shall not be deemed to have been terminated for Cause unless and until there shall have been delivered to you a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters (3/4) of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice to you and an opportunity for you, together with your counsel, to be heard before the Board), finding that in the good faith opinion of the Board you were guilty of conduct set forth above in this Section 3(ii) and specifying the particulars thereof in detail.

(iii) Good Reason. You shall be entitled to terminate your employment for Good Reason. For the purpose of this Agreement, "Good Reason" shall mean the occurrence, without your express written consent, of any of the following circumstances unless, in the case of paragraphs 3(iii)(A), (E), (F), (G), or (H), such circumstances are fully corrected prior to the Date of Termination (as defined in Section 3(v)) specified in the Notice of Termination (as defined in Section 3(iv)) given in respect thereof:

(A) the assignment to you of any duties inconsistent with your status as [TITLE] of Minerals Technologies Inc., your removal from that position, or a substantial diminution in the nature or status of your responsibilities from those in effect immediately prior to the Change in Control;

(B) a reduction by the Company or any of its subsidiaries in your annual base salary or bonus as in effect on the date hereof or as the same may be increased from time to time;

(C) the relocation of the executive office in which you are located prior to the Change in Control to a location more than fifty miles therefrom or the Company or any of its subsidiaries requiring you to be based anywhere other than the executive office in which you are located prior to the Change in Control except for required travel on the business of the Company and its subsidiaries to an extent substantially consistent with your present business travel obligations;

(D) the failure by the Company to pay to you any portion of an installment of deferred compensation under any preferred compensation program of the Company within seven (7) days of the date such compensation is due;

(E) the failure by the Company or any of its subsidiaries to continue in effect any incentive compensation plan in which you participate prior to the Change in Control, unless an equitable alternative compensation arrangement (embodied in an ongoing substitute or alternative plan) has been provided for you, or the failure by the Company or any of its subsidiaries to continue your participation in any such incentive plan on the same basis, both in terms of the amount of benefits provided and the level of your participation relative to other participants, as existed at the time of the Change in Control;

(F) except as required by law, the failure by the Company or any of its subsidiaries to continue to provide you with benefits at least as favorable as those enjoyed by you under the employee benefit and welfare plans of the Company and its subsidiaries, including, without limitation, the pension, life insurance, medical, dental, health and accident, disability, deferred compensation retirement and savings plans, in which you were participating at the time of the Change in Control, the taking of any action by the Company or any of its subsidiaries which would directly or indirectly materially reduce any of such benefits or deprive you of any material fringe benefit enjoyed by you at the time of the Change in Control, or the failure by the Company or any of its subsidiaries to provide you with the number of paid vacation days to which you are entitled at the time of the Change in Control;

(G) the failure of the Company to obtain a satisfactory agreement from any successor to assume and agree to perform this Agreement, as contemplated in Section 5 hereof; or

(H) any purported termination of your employment which is not effected pursuant to a Notice of Termination satisfying the requirements of Section 3(iv) below (and, if applicable, the requirements of Section 3(ii) above); for purposes of this Agreement, no such purported termination shall be effective.

Your continued employment shall not constitute consent to, or a waiver of rights with respect to, any circumstance constituting Good Reason hereunder.

(iv) Notice of Termination. Any purported termination of your employment by the Company and its subsidiaries or by you shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 6 hereof. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.

(v) Date of Termination, Etc. "Date of Termination" shall mean (A) if your employment is terminated for Disability, thirty (30) days after Notice of Termination is given (provided that you shall not have returned to the full-time performance of your duties during such thirty (30) day period), and (B) if your employment is terminated pursuant to Section 3(ii) or (iii) above or for any other reason (other than Disability), the date specified in the Notice of Termination (which, in the case of a termination pursuant to Section 3(ii) above shall not be less than thirty (30) days, and in the case of a termination pursuant to Section 3(iii) above shall not be less than thirty (30) nor more than sixty (60) days, respectively, from the date such Notice of Termination is given); provided that, if within thirty (30) days after any Notice of Termination is given the party receiving such Notice of Termination notifies the other party that a dispute exists concerning the grounds for termination, the Date of Termination shall be the date on which the dispute is finally determined, either by mutual written agreement of the parties, by a binding arbitration award or by a final judgment, order or decree of a court of competent jurisdiction (which is not appealable or the time for appeal therefrom having expired and no appeal having been perfected); provided further that the Date of Termination shall be extended by a notice of dispute only if such notice is given in good faith and the party giving such notice pursues the resolution of such dispute with reasonable diligence. Notwithstanding the pendency of any such dispute, the Company and its subsidiaries will continue to pay you your full compensation in effect when the notice giving rise to the dispute was given (including, but not limited to, base salary and bonus) and continue you as a participant in all incentive compensation, benefit and insurance plans in which you were participating when the notice giving rise to the dispute was given, until the dispute is finally resolved in accordance with this Section 3(v). Amounts paid under this Section 3(v) are in addition to all other amounts due under this Agreement and shall not be offset against or reduce any other amounts due under this Agreement.

4. Compensation Upon Termination or During Disability. Following a Change in Control of the Company, as defined by Section 2(i), upon termination of your employment or during a period of Disability you shall be entitled to the following benefits, provided that such period of Disability or Date of Termination occurs during the term of this Agreement:

(i) During any period that you fail to perform your full-time duties with the Company and its subsidiaries as a result of your Disability, you shall continue to receive an amount equal to your base salary and bonus at the rate in effect at the commencement of any such period through the Date of Termination for Disability. Thereafter, your benefits shall be determined in accordance with the insurance programs of the Company and its subsidiaries then in effect.

(ii) If your employment shall be terminated by the Company or any of its subsidiaries for Cause or by you other than for Good Reason, the Company (or one of its subsidiaries, if applicable) shall pay you your full base salary and bonus through the Date of Termination at the rate in effect at the time Notice of Termination is given and shall pay any amounts to be paid to you pursuant to any other compensation plans, programs or employment agreements then in effect, and the Company shall have no further obligations to you under this Agreement.

(iii) If your employment shall be terminated by reason of your death or Retirement, your benefits shall be determined in accordance with the retirement and insurance programs of the Company and its subsidiaries then in effect.

(iv) If your employment by the Company and its subsidiaries shall be terminated by (a) the Company and its subsidiaries other than for Cause, your death, Retirement, or Disability or (b) by you for Good Reason, then you shall be entitled to the benefits provided below:

(A) The Company (or one of its subsidiaries, if applicable) shall pay you your full base salary and bonus through the Date of Termination at the rate in effect at the time the Notice of Termination is given, no later than the fifth day following the Date of Termination, plus all other amounts to which you are entitled under any compensation plan of the Company applicable to you, at the time such payments are due.

(B) The Company shall pay as severance pay to you a severance payment (the "Unadjusted Severance Payment") equal to 1.5 times your "Base Amount" as such term is defined under Section 280G(b)(3) of the Code. Your Base Amount shall be determined in accordance with Section 280G(b)(3) of the Code and with the proposed, temporary or final regulations promulgated under that Section in effect, if any. In the absence of such regulations, if you were not employed by the Company (or any corporation affiliated with the Company (an "Affiliate") within the meaning of Section 1504 of the Code or a predecessor of the Company) during the entire five calendar years (the "Base Period") preceding the calendar year in which a Change in Control of the Company occurred, your average annual compensation for the purposes of such determination shall be the average of your annual compensation for both complete and partial calendar years during the Base Period during which you were so employed, determined by annualizing any compensation (other than nonrecurring items) includible in your gross income for any partial calendar year. For purposes of the preceding sentence, compensation payable to you by the Company or any Affiliate or predecessor of the Company shall include every type and form of compensation includible in your gross income in respect of your employment by the Company or any Affiliate or predecessor of the Company, including compensation income recognized as a result of your exercise of stock options or sale of the stock so acquired, except to the extent otherwise provided in proposed, temporary or final regulations promulgated under Section 280G of the Code defining base amount.

(C) The Unadjusted Severance Payment shall not be reduced by the amount of any other payment or the value of any benefit received or to be received by you in connection with your termination of employment or contingent upon a Change in Control of the Company (whether payable pursuant to the terms of this Agreement or any other agreement, plan or arrangement with the Company or an Affiliate, predecessor or successor of the Company or any person whose actions result in a Change in Control of the Company or an Affiliate of such person) unless (1) in the opinion of tax counsel selected by the Company's Vice President-General Counsel and reasonably acceptable to you, such other payment or benefit constitutes a "parachute payment" within the meaning of Section 280G(b)(2) of the Code, and (2) in the opinion of such tax counsel, the Unadjusted Severance Payment plus all other payments or benefits which constitute "parachute payments" within the meaning of Section 280G(b)(2) of the Code would result in a portion of the Unadjusted Severance Payment being subject to the excise tax under Section 4999 of the Code. In such event, the amount of the Unadjusted Severance Payment shall be reduced by the minimum amount necessary such that no portion thereof will be subject to the excise tax under Section 4999 of the Code. The Unadjusted Severance Payment, as reduced, if at all, pursuant to the provisions of this paragraph shall be referred to as the Adjusted Severance Payment. In determining whether the Unadjusted Severance Payment shall be reduced under this paragraph, (i) there shall not be included in the computation any payment if you shall have effectively waived your receipt or enjoyment of such payment or benefit, and (ii) the value of any non-cash benefit or any deferred cash payment shall be determined by the Company's independent auditors in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

(D) Except to the extent that the payment thereof would subject any payment hereunder to the excise tax under Section 4999 of the Code:

(1) The Company shall also pay to you all legal fees and expenses reasonably incurred by you in connection with this Agreement (including all such fees and expenses, if any, incurred in contesting or disputing the nature of any such termination for purposes of this Agreement or in seeking to obtain or enforce any right or benefit provided by this Agreement); and

(2) For a twenty-four (24) month period after termination of your employment, the Company shall arrange to provide you with life, disability, accident and health insurance benefits substantially similar to those which you are receiving or entitled to receive immediately prior to the Notice of Termination; provided, however, that this Agreement in no way diminishes any rights to those benefits to which you would be entitled if you were to retire as an employee of Minerals Technologies Inc. Benefits otherwise receivable by you pursuant to this Section 4(iv)(D)(2) shall be reduced to the extent comparable benefits are actually provided to you by a subsequent employer during the twenty-four (24) month period following your termination, and any such benefits actually provided to you shall be reported to the Company.

(E) If it is established pursuant to a final determination of a court or an Internal Revenue Service proceeding that, notwithstanding the good faith of you and the Company in applying the terms of this Section 4(iv), the aggregate "parachute payments" paid to or for your benefit are in an amount that would result in any portion of such "parachute payments" being subject to the excise tax under Section 4999 of the Code, then you shall have an obligation to pay the Company upon demand an amount equal to the sum of (1) the excess of the aggregate "parachute payments" paid to or for your benefit over the aggregate "parachute payments" that would have been paid to or for your benefit without any portion of such "parachute payments" being subject to the excise tax under Section 4999 of the Code; and (2) interest on the amount set forth in clause (1) of this sentence at the applicable Federal rate (as defined in Section 1274(d) of the Code) from the date of your receipt of such excess until the date of such payment; provided, however, that in the event and to the extent that an excise tax is nevertheless imposed on said amount your obligation to pay said amount to the Company is hereby waived.

(F) You shall not be required to mitigate the amount of any payment provided for in this Section 4 by seeking other employment or otherwise, nor shall the amount of any payment or benefit provided for in this Section 4 be reduced by any compensation earned by you as the result of employment by another employer or by retirement benefits received after the Date of Termination or otherwise, except as specifically provided in this Section 4.

(G) The Company shall pay you the Unadjusted Severance Payment in a lump sum no later than the fifth day following the Date of Termination; provided, however, that if the Company in good faith believes that the Unadjusted Severance Payment shall be reduced under the provisions of Section 4(iv)(C) hereof, the Company shall pay to you at such time a good faith estimate of the Adjusted Severance Payment (the "Estimated Adjusted Severance Payment," the computation of which shall be given to you in writing together with a written explanation of the basis for making such adjustment) which amount shall in no event be less than 50% of the Unadjusted Severance Payment. The Company shall, within 60 days of the Date of Termination, either pay to you the balance of the Unadjusted Severance Payment together with interest thereon at the applicable Federal rate (as defined in Section 1274(d) of the Code) or deliver to you a copy of the opinion of the tax counsel referred to in Section 4(iv)(C) hereof establishing the amount of the Adjusted Severance Payment. If the Adjusted Severance Payment exceeds the Estimated Adjusted Severance Payment, the difference shall be paid to you at such time together with interest thereon at the applicable Federal rate (as defined in Section 1274(d) of the Code).

5. Successors; Binding Agreement.

(i) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company is required to perform it. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle you to compensation from the Company in the same amount and on the same terms as you would be entitled hereunder if you had terminated your employment for Good Reason following a Change in Control, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

(ii) This Agreement shall inure to the benefit of and be enforceable by your personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If you should die while any amount would still be payable to you hereunder if you had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to your devisee, legatee or other designee or, if there is no such designee, to your estate.

6. Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth on the first page of this Agreement, provided that all notices to the Company shall be directed to the attention of the Office of the Vice President-General Counsel of the Company, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

7. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by you and such officer as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any conditions or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New York, including Section 198 (1-a) of the New York Labor Law. All references to sections of the Code shall be deemed also to refer to any successor provisions to such sections. Any payments provided for hereunder shall be paid net of any applicable withholding required under federal, state or local law. The obligations of the Company under Section 4 shall survive the expiration of the term of this Agreement.

8. Validity. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

9. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

10. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction; provided, however, that you shall be entitled to seek specific performance of your right to be paid until the Date of Termination during the pendency of any dispute or controversy arising under or in connection with this Agreement.

If this letter sets forth our agreement on the subject matter hereof, kindly sign and return to the Company the enclosed copy of this letter which will then constitute our agreement on this subject.

Sincerely,

By: ______________________

Paul R. Saueracker

President and Chief Executive Officer

Agreed to as of the___day of__________, 200____.

____

EXHIBIT 21.1

SUBSIDIARIES OF THE COMPANY

Name of the Company	Place of Incorporation
APP China Specialty Minerals Pte Ltd.	Singapore
Barretts Minerals Inc.	Delaware
ComSource Trading Ltd.	Delaware
Ferrotron Technologies GmbH	Germany
Gold Sheng Chemicals (Zhenjiang) Co., Ltd.	China
Hi-Tech Specialty Minerals Company, Limited	Thailand
Huzhou Minteq Refractory Co. Ltd.	China
Minerals Technologies Europe N.V.	Belgium
Minerals Technologies Holdings Ltd.	United Kingdom
Minerals Technologies Holdings, S. de R. L. de C.V.	Mexico
Minerals Technologies South Africa (Pty) Ltd.	South Africa
Mintech Canada Inc.	Canada
Mintech do Brasil Comercio Ltda.	Brazil
Mintech Japan K.K.	Japan
Minteq Australia Pty Ltd.	Australia
Minteq Europe Limited.	Ireland
Minteq International GmbH	Germany
Minteq International Inc.	Delaware
Minteq Italiana S.p.A.	Italy
Minteq Korea Inc.	Korea
Minteq Magnesite Limited	Ireland
Minteq UK Limited.	United Kingdom
MTI Holdings GmbH	Germany
MTX Finance Inc.	Delaware
MTX Finance Ireland	Ireland
PT Sinar Mas Specialty Minerals	Indonesia
Specialty Minerals do Brasil - Comercio e Industria Ltda.	Brazil
Specialty Minerals FMT K.K.	Japan
Specialty Minerals France S.A.R.L.	France
Specialty Minerals Inc.	Delaware
Specialty Minerals Inc. Poland Sp. z o.o.	Poland
Specialty Minerals International Inc.	Delaware
Specialty Minerals Israel Limited	Israel
Specialty Minerals Malaysia Sdn. Bhd.	Malaysia
Specialty Minerals (Mauritius) Private Limited	Mauritius
Specialty Minerals (Michigan) Inc.	Michigan
Specialty Minerals Mississippi Inc.	Delaware
Specialty Minerals Nordic Oy Ab	Finland
Specialty Minerals Philippines, Inc.	Philippines
Specialty Minerals (Portugal) Especialidades Minerais, S.A.	Portugal
Specialty Minerals, S.A. de C.V.	Mexico
Specialty Minerals Servicios, S. de R. L. de C.V.	Mexico
Specialty Minerals Slovakia, spol. sr.o.	Slovakia
Specialty Minerals South Africa (Pty.) Limited	South Africa
Specialty Minerals (Thailand) Limited	Thailand
Specialty Minerals UK Limited	United Kingdom
Specialty Pigments (India) Private Limited	India
Synsil Products Inc.	Delaware
Tecnologias Minerales de Mexico, S.A. de C.V.	Mexico

EXHIBIT 23.1

REPORT AND CONSENT OF INDEPENDENT AUDITORS

The Board of Directors and Shareholders
Minerals Technologies Inc.:

The audits referred to in our report dated January 18, 2001, included the related financial statement schedule for each of the years in the three-year period ended December 31, 2000, as listed in Item 14 of this Annual Report on Form 10-K. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We consent to the use of our reports included herein and incorporated by reference in the Registration Statements on Form S-8 (Nos. 33-59080, 33-65268, 33-96558 and 333-62739).

KPMG LLP

New York, New York
March 20, 2001