
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant To Section 13 OR 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **January 31, 2019**

MINERALS TECHNOLOGIES INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-11430

(Commission File
Number)

25-1190717

(IRS Employer
Identification No.)

622 Third Avenue, New York, NY

(Address of principal executive offices)

10017-6707

(Zip Code)

(212) 878-1800

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02**Results of Operations and Financial Condition.**

On January 31, 2019 Minerals Technologies Inc. issued a press release regarding its financial performance for the fourth quarter of 2018. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated by reference herein.

The information in this Item 2.02 and Exhibit 99.1 shall not be deemed filed for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, or incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01**Financial Statements and Exhibits.**

- (d) Exhibits
99.1 [Press Release dated January 31, 2019](#)
-

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MINERALS TECHNOLOGIES INC.
(Registrant)

By: /s/ Thomas J. Meek
Name: Thomas J. Meek
Title: Senior Vice President, General Counsel, Human Resources,
Secretary and Chief Compliance Officer

Date: January 31, 2019



For Immediate Release
January 31, 2019

EXHIBIT 99.1 News Release

Investor Contact:
Cindi Buckwalter, (212) 878-1831
Media Contact:
Michael Landau, (212) 878-1840

MINERALS TECHNOLOGIES REPORTS FOURTH QUARTER 2018 EARNINGS OF \$1.22 PER SHARE, OR \$1.17 PER SHARE, EXCLUDING SPECIAL ITEMS

**Company Reports 2018 Earnings per Share of \$4.75;
Earnings per Share of \$4.84, Excluding Special Items**

Fourth Quarter Highlights:

- Sales Increase 4 Percent to \$447.5 Million
- Double Digit Operating Margins Across All Segments, Excluding Special Items
- Earnings Per Share, Excluding Special Items, Up 6 Percent

2018 Highlights:

- Sales Increase 8 Percent to \$1.808 Billion
- Earnings Per Share, Excluding Special Items, Up 5 Percent
- Productivity Improvement of 6 Percent
- Acquisition of Sivomatic Fully Integrated and Accretive to Earnings in 2018
- Repaid \$80 Million of Debt

NEW YORK, January 31—Minerals Technologies Inc. (NYSE: MTX) (“MTI” or “the Company”) today reported diluted earnings per share of \$1.17, excluding special items, for the fourth quarter ended December 31, 2018, compared with earnings per share of \$1.10 in the prior year. Reported diluted earnings per share were \$1.22 compared with \$2.12 in the prior year, which included an income tax benefit of \$1.32 per share from the U.S. Tax Cuts and Jobs Act legislation.

For the full year 2018, the Company reported earnings per share of \$4.84, excluding special items, compared with earnings per share of \$4.59 in the prior year. Reported earnings per share were \$4.75 for the full year 2018.

“We are pleased with MTI’s strong performance across our businesses in the fourth quarter and for the full year 2018,” said Douglas T. Dietrich, Chief Executive Officer. “In 2018, we advanced our growth strategies through the continued penetration of Metalcasting and Paper PCC in Asia, the commercialization of 35 new valued-added products and the successful integration of Sivomatic. Our team’s deep commitment to operational excellence and continuous improvement activities along with pricing actions mitigated the impact of inflationary costs during the year. The momentum we’ve built in 2018, combined with our solid balance sheet, positions us well for continued profitable growth and value creation in 2019.”

FOURTH QUARTER 2018

Worldwide net sales increased 4 percent to \$447.5 million. Foreign exchange had an unfavorable impact on sales of approximately \$6.7 million or 1 percentage point of growth. Operating income, as reported, was \$62.3 million and represented 13.9 percent of sales. Operating income, excluding special items, increased 2 percent to \$64.1 million and represented 14.3 percent of sales. In the fourth quarter, the Company’s pricing actions and improved business performance more than offset inflationary costs of approximately \$12 million.

Segment Information

Performance Materials and Specialty Minerals

Sales in the Minerals businesses, which include the Performance Materials and Specialty Minerals segments, grew 3 percent in the fourth quarter to \$349.3 million. Operating income for the Minerals businesses was \$50.4 million and represented 14.4 percent of sales. Operating income, excluding special items, was \$51.1 million and represented 14.6 percent of sales.

Performance Materials segment sales increased 6 percent to \$206.8 million. Metalcasting sales rose 6 percent, primarily driven by higher volumes of greensand bonds in North America and Asia. Household, Personal Care & Specialty Products sales increased 50 percent due to the acquisition of Sivomatic and the continued strong growth of our pet care products in North America and China. This growth was partially offset by lower sales in Building Materials resulting from fewer large projects and a decrease in Basic Minerals due to the exit of the bulk chromite business last year. Operating income for the segment increased 4 percent to \$29.2 million due to higher pricing, volume and operating efficiencies, partially offset by increased raw material, logistics and energy costs. The Performance Materials segment provides a wide range of bentonite-based and synthetic materials for industrial and consumer markets and for non-residential construction, environmental remediation and infrastructure projects worldwide.

Specialty Minerals segment sales, which consist of the Precipitated Calcium Carbonate (PCC) and Processed Minerals product lines, decreased 1 percent to \$142.5 million. Operating income, excluding special items, decreased to \$21.9 million, driven by previously announced customer paper machine shutdowns in North America in late 2017 and early 2018, and higher logistics and energy costs. Contractual selling price increases in PCC and other price increases were implemented in the second half of 2018 and will continue into 2019 to partially offset rising costs.

Worldwide sales of PCC, which is used mainly in the manufacturing processes of the paper industry, decreased 1 percent to \$109.6 million, primarily due to reduced sales in North America following the paper machine closures.

Sales of Processed Minerals products were flat at \$32.9 million. Processed Minerals products are used in the building materials, polymers, ceramics, consumer products, paints and coatings, glass and other manufacturing industries.

Refractories and Energy Services

Sales in the Service businesses, which include the Refractories and Energy Services segments, grew 6 percent in the fourth quarter to \$98.2 million. Operating income for the Service businesses rose 4 percent to \$12.0 million and represented 12.2 percent of sales. Operating income, excluding special items, increased 6 percent to \$13.1 million and was 13.3 percent of sales.

Refractories segment sales increased 9 percent to \$77.9 million, driven by higher volumes of refractory products and increased pricing to offset higher raw material costs. The Refractories segment operating income increased 6 percent to \$10.8 million and was 13.9 percent of sales. The Refractories segment provides products and services primarily to the worldwide steel industry.

Energy Services segment sales decreased 4 percent to \$20.3 million, primarily driven by lower filtration activity. Operating income decreased to \$1.2 million and was 5.9 percent of sales. Excluding special items, operating income increased 5 percent to \$2.3 million and represented 11.3 percent of sales. Energy Services offers a range of patented technologies, products and services for off-shore filtration and well testing to the worldwide oil and gas industry.

FULL YEAR 2018

Worldwide net sales increased 8 percent to \$1.808 billion. Foreign exchange had a favorable impact on sales of approximately \$13 million or 1 percentage point of growth. Operating income, as reported, was \$255.9 million and represented 14.2 percent of sales. Excluding special items, operating income was \$260.6 million and represented 14.4 percent of sales.

Segment Information

Performance Materials and Specialty Minerals

Sales in the Minerals businesses, which include the Performance Materials and Specialty Minerals segments, grew 7 percent to \$1.417 billion. Operating income for the Minerals businesses was \$212.2 million and represented 15.0 percent of sales. Excluding special items, operating income was \$213.4 million and was 15.1 percent of sales.

Performance Materials segment sales increased 13 percent to \$828.1 million. Metalcasting sales rose 12 percent due to higher volumes of greensand bonds in North America and Asia. Household, Personal Care & Specialty Products sales increased 47 percent, primarily driven by higher pet care revenue, including the acquisition of Sivomatic, and increased European fabric care sales. Environmental Products sales rose 19 percent due to several large projects. This growth was partially offset by lower sales in Building Materials resulting from fewer large projects and a decrease in Basic Minerals due to the exit of the bulk chromite business last year. Operating income for the segment decreased to \$116.8 million and represented 14.1 percent of sales, primarily due to higher raw material, logistics and energy costs, partially offset by increased selling prices and higher volume. Excluding special items, operating income was \$117.3 million and represented 14.2 percent of sales.

Specialty Minerals segment sales, which consist of the Precipitated Calcium Carbonate (PCC) and Processed Minerals product lines, increased 1 percent to \$589.3 million. Operating income excluding special items decreased 5 percent to \$96.1 million and was 16.3 percent of sales million primarily due to previously announced paper machine shutdowns in North America, and higher logistics and energy costs.

Worldwide sales of PCC were up slightly to \$445.4 million as higher sales in Asia were partially offset by reduced sales in North America due to customer paper machine closures in late 2017 and early 2018.

Sales of Processed Minerals products rose 2 percent to \$143.9 million. Ground Calcium Carbonate sales grew 4 percent, driven by higher volumes in the construction market, while talc sales decreased 2 percent.

Refractories and Energy Services

Sales in the Service businesses, which include the Refractories and Energy Services segments, grew 10 percent to \$390.2 million. Operating income for the Service businesses rose 9 percent to \$49.9 million, and represented 12.8 percent of sales. Operating income, excluding special items, increased 11 percent to \$51.7 million and was 13.2 percent of sales.

Refractories segment sales increased 12 percent to \$311.9 million, driven by higher volumes of refractory products and from increased pricing to offset higher raw material costs. The Refractories segment operating income increased 14 percent to \$45.4 million and was 14.6 percent of sales.

Energy Services segment sales increased 2 percent to \$78.3 million, primarily driven by higher filtration activity in the Gulf of Mexico and the North Sea. Operating income, excluding special items, decreased 7 percent to \$6.3 million and was 8.0 percent of sales, due to sales mix in the Gulf of Mexico.

Minerals Technologies will host a conference call tomorrow, February 1, 2019 at 11 a.m. Eastern Time. The conference call will be broadcast live on our website: www.mineralstech.com. To listen to the call, go to the website and click on "Investor Relations," then click on "Quarterly Results & Conference Calls." A presentation for the call will be available at the same location at approximately 10:30 a.m. Eastern Time on February 1, 2019.

FORWARD-LOOKING STATEMENTS

This press release may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, which describe or are based on current expectations. Actual results may differ materially from these expectations. In addition, any statements that are not historical fact (including statements containing the words "believes," "plans," "anticipates," "expects," "estimates," and similar expressions) should also be considered to be forward-looking statements. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. Forward-looking statements in this document should be evaluated together with the many uncertainties that affect our businesses, particularly those mentioned in the risk factors and other cautionary statements in our 2017 Annual Report on Form 10-K and in our other reports filed with the Securities and Exchange Commission.

About Minerals Technologies Inc.

New York-based Minerals Technologies Inc. (MTI) is a resource- and technology-based growth company that develops, produces and markets worldwide a broad range of specialty mineral, mineral-based and synthetic mineral products and related systems and services. MTI serves the paper, foundry, steel,

construction, environmental, energy, polymer and consumer products industries. The Company reported sales of \$1.808 billion in 2018. For further information, please visit our website at www.mineralstech.com. (MTI-E)

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CONDENSED CONSOLIDATED STATEMENTS OF INCOME
MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
(in millions, except per share data)
(unaudited)

| | Quarter Ended | | | % Growth | | Year Ended | | % Growth |
|--|---------------|----------------|---------------|------------|------------|---------------|---------------|------------|
| | Dec. 31, 2018 | Sept. 30, 2018 | Dec. 31, 2017 | Prior Qtr. | Prior Year | Dec. 31, 2018 | Dec. 31, 2017 | Prior Year |
| Net sales | | | | | | | | |
| Product sales | \$ 427.2 | \$ 444.9 | \$ 411.0 | (4)% | 4% | \$ 1,729.3 | \$ 1,599.0 | 8% |
| Service revenue | 20.3 | 19.2 | 21.1 | 6% | (4)% | 78.3 | 76.7 | 2% |
| Total net sales | 447.5 | 464.1 | 432.1 | (4)% | 4% | 1,807.6 | 1,675.7 | 8% |
| Cost of sales | | | | | | | | |
| Cost of goods sold | 320.9 | 332.1 | 303.8 | (3)% | 6% | 1,293.3 | 1,158.5 | 12% |
| Cost of service revenue | 13.8 | 12.8 | 13.8 | 8% | 0% | 52.9 | 50.0 | 6% |
| Total cost of sales | 334.7 | 344.9 | 317.6 | (3)% | 5% | 1,346.2 | 1,208.5 | 11% |
| Production margin | 112.8 | 119.2 | 114.5 | (5)% | (1)% | 461.4 | 467.2 | (1)% |
| Marketing and administrative expenses | 43.5 | 45.4 | 47.8 | (4)% | (9)% | 178.6 | 180.7 | (1)% |
| Research and development expenses | 5.2 | 5.0 | 5.9 | 4% | (12)% | 22.7 | 23.7 | (4)% |
| Acquisition related transaction and integration costs | 0.0 | 0.3 | 0.6 | (100)% | (100)% | 1.7 | 3.4 | (50)% |
| Restructuring and other items, net | 1.8 | 0.3 | 14.1 | * | * | 2.5 | 15.0 | (83)% |
| Income from operations | 62.3 | 68.2 | 46.1 | (9)% | 35% | 255.9 | 244.4 | 5% |
| Interest expense, net | (12.0) | (11.7) | (10.9) | 3% | 10% | (45.9) | (43.4) | 6% |
| Debt modification costs and fees | 0.0 | 0.0 | 0.0 | * | * | 0.0 | (3.9) | * |
| Non-cash pension settlement costs | (0.8) | (3.6) | 0.0 | * | * | (4.4) | 0.0 | * |
| Other non-operating deductions, net | (1.0) | (0.9) | (1.5) | 11% | (40)% | (1.5) | (6.2) | (76)% |
| Total non-operating deductions, net | (13.8) | (16.2) | (12.4) | (15)% | 11% | (51.8) | (53.5) | (3)% |
| Income from operations before tax and equity in earnings | 48.5 | 52.0 | 33.7 | (7)% | 44% | 204.1 | 190.9 | 7% |
| Provision (benefit) for taxes on income | 5.1 | 9.7 | (42.2) | * | * | 34.4 | (6.6) | * |
| Equity in earnings of affiliates, net of tax | 0.6 | 0.6 | 0.8 | 0% | (25)% | 3.5 | 1.5 | 133% |
| Consolidated net income | 44.0 | 42.9 | 76.7 | 3% | (43)% | 173.2 | 199.0 | (13)% |
| Less: Net income attributable to non-controlling interests | 0.9 | 1.0 | 0.9 | (10)% | 0% | 4.2 | 3.9 | 8% |
| Net Income attributable to Minerals Technologies Inc. (MTI) | \$ 43.1 | \$ 41.9 | \$ 75.8 | 3% | (43)% | \$ 169.0 | \$ 195.1 | (13)% |
| Weighted average number of common shares outstanding: | | | | | | | | |
| Basic | 35.2 | 35.3 | 35.4 | | | 35.3 | 35.2 | |
| Diluted | 35.4 | 35.6 | 35.8 | | | 35.6 | 35.6 | |
| Earnings per share attributable to MTI: | | | | | | | | |
| Basic | \$ 1.22 | \$ 1.19 | \$ 2.14 | 3% | (43)% | \$ 4.79 | \$ 5.54 | (14)% |
| Diluted | \$ 1.22 | \$ 1.18 | \$ 2.12 | 3% | (42)% | \$ 4.75 | \$ 5.48 | (13)% |
| Cash dividends declared per common share | \$ 0.05 | \$ 0.05 | \$ 0.05 | | | \$ 0.20 | \$ 0.20 | |

* Percentage not meaningful

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
NOTES TO CONDENSED CONSOLIDATED STATEMENTS OF INCOME

1)For comparative purposes, the quarterly periods ended December 31, 2018, September 30, 2018 and December 31, 2017 consisted of 92 days, 91 days and 91 days.

2)During 2017, the Company recorded restructuring costs related to exited businesses in the Energy Services segment, impairment of assets in the Specialty Minerals segment related to paper mill shut downs and employee severance costs related to a reduction of our North American employee base as we realigned our staffing levels to growth regions as well as efficiencies gained from our global ERP implementation. In the fourth quarter of 2018, the Company recorded impairment of assets charges relating to the shut-down of one of our Paper PCC facilities in the U.S. in the first quarter of 2019 and additional restructuring costs relating to our exited Energy Services businesses.

(millions of dollars)

| | Quarter Ended | | | Year Ended | |
|--|---------------|----------|----------|-------------|----------|
| | Dec. 31, | Sept. 30 | Dec. 31, | Dec. | Dec. 31, |
| | 2018 | 2018 | 2017 | 31, 2018 | 2017 |

Impairment of assets

| | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| Specialty Minerals | 0.7 | 0.0 | 5.3 | 0.7 | 5.3 |
| Total impairment of assets charge | \$ 0.7 | \$ 0.0 | \$ 5.3 | \$ 0.7 | \$ 5.3 |

Restructuring and other items, net

| | | | | | |
|--|---------------|---------------|----------------|---------------|----------------|
| Gain on sale of assets | \$ 0.0 | \$ 0.0 | \$ (0.1) | \$ 0.0 | \$ (1.0) |
| Severance, lease termination and other related costs | 1.1 | 0.3 | 8.9 | 1.8 | 10.7 |
| | <u>\$ 1.1</u> | <u>\$ 0.3</u> | <u>\$ 8.8</u> | <u>\$ 1.8</u> | <u>\$ 9.7</u> |
| Total restructuring and other items | \$ 1.8 | \$ 0.3 | \$ 14.1 | \$ 2.5 | \$ 15.0 |

3)To supplement the Company's consolidated financial statements presented in accordance with GAAP, the following is a presentation of the Company's non-GAAP earnings per share, excluding special items, for the quarterly periods ended December 31, 2018, September 30, 2018 and December 31, 2017 and the years ended December 31, 2018 and 2017 and a reconciliation to reported earnings per share for such periods. The Company's management believes these non-GAAP measures provide meaningful supplemental information regarding its performance as inclusion of such special items are not indicative of the ongoing operating results and thereby affect the comparability of results between periods. The Company feels inclusion of these non-GAAP measures also provides consistency in its financial reporting and facilitates investors' understanding of historic operating trends.

(millions of dollars)

| | Quarter Ended | | | Year Ended | |
|--|---------------|----------|----------|-------------|----------|
| | Dec. 31, | Sept. 30 | Dec. 31, | Dec. | Dec. 31, |
| | 2018 | 2018 | 2017 | 31, 2018 | 2017 |

| | | | | | |
|---|---------|---------|---------|----------|----------|
| Income from continuing operations attributable to MTI | \$ 43.1 | \$ 41.9 | \$ 75.8 | \$ 169.0 | \$ 195.1 |
| % of sales | 9.6% | 9.0% | 17.5% | 9.3% | 11.6% |

Special items:

| | | | | | |
|---|-------|-------|-------|-------|-------|
| Acquisition related transaction and integration costs | 0.0 | 0.3 | 0.6 | 1.7 | 3.4 |
| Debt modification costs and fees | 0.0 | 0.0 | 0.0 | 0.0 | 3.9 |
| Write-off of receivables for Malaysia bankruptcy | 0.0 | 0.0 | 2.1 | 0.0 | 2.1 |
| Restructuring and other items, net | 1.1 | 0.3 | 8.8 | 1.8 | 9.7 |
| Impairment of assets | 0.7 | 0.0 | 5.3 | 0.7 | 5.3 |
| Non-cash pension settlement charge | 0.8 | 3.6 | 0.0 | 4.4 | 0.0 |
| Non-cash inventory step-up charge | 0.0 | 0.0 | 0.0 | 0.5 | 0.0 |
| Related tax effects on special items | (0.5) | (1.0) | (6.0) | (2.1) | (8.9) |

| | | | | | | |
|--|------------|--------------|-------------|---------------|--------------|---------------|
| Effect of US tax law change | | <u>(3.7)</u> | <u>0.0</u> | <u>(47.3)</u> | <u>(3.7)</u> | <u>(47.3)</u> |
| Income from continuing operations attributable to MTI, excluding special items | \$ | 41.5 | \$ 45.1 | \$ 39.3 | \$ 172.3 | \$ 163.3 |
| | % of sales | <u>9.3%</u> | <u>9.7%</u> | <u>9.1%</u> | <u>9.5%</u> | <u>9.7%</u> |
| Diluted earnings per share, excluding special items | \$ | 1.17 | \$ 1.27 | \$ 1.10 | \$ 4.84 | \$ 4.59 |

Included in marketing and administrative expenses in the fourth quarter of 2017 is a provision for bad debt of \$2.1 million related to a bankruptcy of a Paper PCC customer in Malaysia.

4) On December 22, 2017, tax reform legislation was signed into law, encompassing a broad range of tax reform proposals, including a reduction of U.S. corporate tax rates from 35% to 21%, transitioning U.S. international taxation from a worldwide tax system to a territorial tax system and imposing a repatriation tax that is payable over eight years on deemed repatriated accumulated earnings of foreign subsidiaries. As required under ASC 740, Income Taxes, the Company is required to recognize the effects of changes in tax laws and rates on deferred tax positions and the retroactive effects of changes in tax laws in the period in which the new legislation is enacted. As such, the Company recorded a provisional \$47 million income tax benefit in the fourth quarter of 2017, comprised of a tax benefit primarily from the lower U.S. tax rate, resulting in a reduction of deferred tax liabilities of \$82 million and a \$35 million charge related to the repatriation of accumulated foreign earnings. Such provisional amounts were based on reasonable estimates and subject to adjustment during the measurement period. Accordingly, in the fourth quarter of 2018, the Company recorded a \$3.7 million reduction related to the repatriation of accumulated foreign earnings.

5) Free cash flow is defined as cash flow from continuing operations less capital expenditures. The following is a presentation of the Company's non-GAAP free cash flow for the quarterly periods ended December 31, 2018, September 30, 2018 and December 31, 2017 and the years ended December 31, 2018 and 2017 and a reconciliation to cash flow from operations for such periods. The Company's management believes this non-GAAP measure provides meaningful supplemental information as management uses this measure to evaluate the Company's ability to maintain capital assets, satisfy current and future obligations, repurchase stock, pay dividends and fund future business opportunities. Free cash flow is not a measure of cash available for discretionary expenditures since the Company has certain non-discretionary obligations such as debt service that are not deducted from the measure. The Company's definition of free cash flow may not be comparable to similarly titled measures reported by other companies.

| (millions of dollars) | Quarter Ended | | | Year Ended | |
|--------------------------------------|----------------|----------------|----------------|-----------------|-----------------|
| | Dec. 31, | Sept. 30 | Dec. 31, | Dec. | Dec. 31, |
| | 2018 | 2018 | 2017 | 31, 2018 | 2017 |
| Cash flow from continuing operations | \$ 70.2 | \$ 53.2 | \$ 57.0 | \$ 203.6 | \$ 207.6 |
| Capital expenditures | 19.5 | 14.3 | 22.5 | 75.9 | 76.7 |
| Free cash flow | <u>\$ 50.7</u> | <u>\$ 38.9</u> | <u>\$ 34.5</u> | <u>\$ 127.7</u> | <u>\$ 130.9</u> |

6) The following table reflects the components of non-operating income and deductions:

| (millions of dollars) | Quarter Ended | | | Year Ended | |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|
| | Dec. 31, | Sept. 30 | Dec. 31, | Dec. | Dec. 31, |
| | 2018 | 2018 | 2017 | 31, 2018 | 2017 |
| Interest income | \$ 0.6 | \$ 0.5 | \$ 0.5 | \$ 2.1 | \$ 2.1 |
| Interest expense | (12.6) | (12.2) | (11.4) | (48.0) | (45.5) |
| Debt modification costs and fees | 0.0 | 0.0 | 0.0 | 0.0 | (3.9) |
| Non-cash pension settlement costs | (0.8) | (3.6) | 0.0 | (4.4) | 0.0 |
| Foreign exchange gains (losses) | 0.3 | 1.0 | 0.1 | 5.5 | 0.5 |
| Other deductions | (1.3) | (1.9) | (1.6) | (7.0) | (6.7) |
| Non-operating deductions, net | <u>\$ (13.8)</u> | <u>\$ (16.2)</u> | <u>\$ (12.4)</u> | <u>\$ (51.8)</u> | <u>\$ (53.5)</u> |

On January 1, 2018, the Company adopted the provisions of ASU 2017-07, "Compensation - Retirement Benefits: Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost". As a result of this accounting change, the Company reclassified approximately \$0.4 million and \$1.7 million from Marketing

and administrative expense to other deductions for the three months and twelve months ended December 31, 2017, respectively, to conform to current year presentation.

Included in non-operating deductions for the three-month and twelve month periods ended December 31, 2018 are non-cash pension settlement costs of \$0.8 and \$4.4 million, respectively, associated with some of our pension plans in the U.S.

7)The analyst conference call to discuss operating results for the fourth quarter is scheduled for Friday, February 1, 2019 at 11:00 am and will be broadcast over the Company's website (www.mineralstech.com). The broadcast will remain on the Company's website for no less than one year.

SUPPLEMENTARY DATA
MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
(millions of dollars)
(unaudited)

| SALES DATA | Quarter Ended | | | | % Growth | | Year Ended | | | | % Growth | | |
|---|---------------|------------------|----------------|------------------|---------------|------------------|------------|------------|---------------|------------------|---------------|------------------|------------|
| | Dec. 31, 2018 | % of Total Sales | Sept. 30, 2018 | % of Total Sales | Dec. 31, 2017 | % of Total Sales | Prior Qtr. | Prior Year | Dec. 31, 2018 | % of Total Sales | Dec. 31, 2017 | % of Total Sales | Prior Year |
| United States | \$ 235.4 | 53% | \$ 244.9 | 53% | \$ 234.1 | 54% | (4)% | 1% | \$ 961.6 | 53% | \$ 939.3 | 56% | 2% |
| International | 212.1 | 47% | 219.2 | 47% | 198.0 | 46% | (3)% | 7% | 846.0 | 47% | 736.4 | 44% | 15% |
| Net Sales | \$ 447.5 | 100% | \$ 464.1 | 100% | \$ 432.1 | 100% | (4)% | 4% | \$1,807.6 | 100% | \$1,675.7 | 100% | 8% |
| Metalcasting | \$ 83.1 | 19% | \$ 77.8 | 17% | \$ 78.4 | 18% | 7% | 6% | \$ 328.9 | 18% | \$ 294.3 | 18% | 12% |
| Household, Personal Care & Specialty Products | 69.6 | 16% | 71.9 | 15% | 46.3 | 11% | (3)% | 50% | 248.8 | 14% | 169.6 | 10% | 47% |
| Environmental products | 16.1 | 4% | 26.3 | 6% | 15.9 | 4% | (39)% | 1% | 80.3 | 4% | 67.7 | 4% | 19% |
| Building Materials | 15.5 | 3% | 18.0 | 4% | 20.7 | 5% | (14)% | (25)% | 70.4 | 4% | 78.2 | 5% | (10)% |
| Basic Minerals | 22.5 | 5% | 25.5 | 5% | 34.5 | 8% | (12)% | (35)% | 99.7 | 6% | 125.0 | 7% | (20)% |
| Performance Materials Segment | \$ 206.8 | 46% | \$ 219.5 | 47% | \$ 195.8 | 45% | (6)% | 6% | \$ 828.1 | 46% | \$ 734.8 | 44% | 13% |
| Paper PCC | \$ 93.9 | 21% | \$ 93.1 | 20% | \$ 95.7 | 22% | 1% | (2)% | \$ 378.5 | 21% | \$ 377.7 | 23% | 0% |
| Specialty PCC | 15.7 | 4% | 16.9 | 4% | 15.2 | 4% | (7)% | 3% | 66.9 | 4% | 66.0 | 4% | 1% |
| PCC Products | \$ 109.6 | 24% | \$ 110.0 | 24% | \$ 110.9 | 26% | (0)% | (1)% | \$ 445.4 | 25% | \$ 443.7 | 26% | 0% |
| Ground Calcium Carbonate | \$ 20.3 | 5% | \$ 23.0 | 5% | \$ 20.2 | 5% | (12)% | 0% | \$ 91.0 | 5% | 87.3 | 5% | 4% |
| Talc | 12.6 | 3% | 13.3 | 3% | 12.8 | 3% | (5)% | (2)% | 52.9 | 3% | 53.8 | 3% | (2)% |
| Processed Minerals Products | \$ 32.9 | 7% | \$ 36.3 | 8% | \$ 33.0 | 8% | (9)% | (0)% | \$ 143.9 | 8% | \$ 141.1 | 8% | 2% |
| Specialty Minerals Segment | \$ 142.5 | 32% | 146.3 | 32% | 143.9 | 33% | (3)% | (1)% | 589.3 | 33% | 584.8 | 35% | 1% |
| Total Minerals Businesses | \$ 349.3 | 78% | \$ 365.8 | 79% | \$ 339.7 | 79% | (5)% | 3% | \$1,417.4 | 78% | \$1,319.6 | 79% | 7% |
| Refractory products | \$ 65.4 | 15% | \$ 66.7 | 14% | \$ 57.4 | 13% | (2)% | 14% | \$ 261.1 | 14% | \$ 226.9 | 14% | 15% |
| Metallurgical Products | 12.5 | 3% | 12.4 | 3% | 13.9 | 3% | 1% | (10)% | 50.8 | 3% | 52.5 | 3% | (3)% |
| Refractories Segment | \$ 77.9 | 17% | \$ 79.1 | 17% | 71.3 | 17% | (2)% | 9% | 311.9 | 17% | 279.4 | 17% | 12% |
| Energy Services Segment | \$ 20.3 | 5% | \$ 19.2 | 4% | \$ 21.1 | 5% | 6% | (4)% | \$ 78.3 | 4% | \$ 76.7 | 5% | 2% |
| Total Service Businesses | \$ 98.2 | 22% | \$ 98.3 | 21% | \$ 92.4 | 21% | (0)% | 6% | \$ 390.2 | 22% | \$ 356.1 | 21% | 10% |
| Net Sales | \$ 447.5 | 100% | \$ 464.1 | 100% | \$ 432.1 | 100% | (4)% | 4% | \$1,807.6 | 100% | \$1,675.7 | 100% | 8% |

SUPPLEMENTARY DATA
MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
(millions of dollars)
(unaudited)

| SEGMENT OPERATING INCOME DATA | Quarter Ended | | | % Growth | | Year Ended | | % Growth |
|--|------------------|------------------|------------------|--------------|---------------|------------------|------------------|---------------|
| | Dec. 31, 2018 | Sept. 30 2018 | Dec. 31, 2017 | Prior Qtr | Prior Year | Dec. 31, 2018 | Dec. 31, 2017 | Prior Year |
| Performance Materials Segment | \$ 29.2 | \$ 31.8 | \$ 28.1 | (8)% | 4% | \$ 116.8 | \$ 119.7 | (2)% |
| % of Sales | 14.1% | 14.5% | 14.4% | | | 14.1% | 16.3% | |
| Specialty Minerals Segment | \$ 21.2 | \$ 25.0 | \$ 11.0 | (15)% | 93% | \$ 95.4 | \$ 88.9 | 7% |
| % of Sales | 14.9% | 17.1% | 7.6% | | | 16.2% | 15.2% | |
| Total Minerals Businesses | \$ 50.4 | \$ 56.8 | \$ 39.1 | (11)% | 29% | \$ 212.2 | \$ 208.6 | 2% |
| % of Sales | 14.4% | 15.5% | 11.5% | | | 15.0% | 15.8% | |
| Refractories Segment | \$ 10.8 | \$ 11.5 | \$ 10.2 | (6)% | 6% | \$ 45.4 | \$ 39.8 | 14% |
| % of Sales | 13.9% | 14.5% | 14.3% | | | 14.6% | 14.2% | |
| Energy Services Segment | \$ 1.2 | \$ 1.1 | \$ 1.3 | 9% | (8)% | \$ 4.5 | \$ 6.1 | (26)% |
| % of Sales | 5.9% | 5.7% | 6.2% | | | 5.7% | 8.0% | |
| Total Service Businesses | \$ 12.0 | \$ 12.6 | \$ 11.5 | (5)% | 4% | \$ 49.9 | \$ 45.9 | 9% |
| % of Sales | 12.2% | 12.8% | 12.4% | | | 12.8% | 12.9% | |
| Unallocated Corporate Expenses | \$ (0.1) | \$ (0.9) | \$ (3.9) | (89)% | (97)% | \$ (4.5) | \$ (6.7) | (33)% |
| Acquisition related transaction costs | \$ 0.0 | \$ (0.3) | \$ (0.6) | * | * | \$ (1.7) | \$ (3.4) | (50)% |
| Consolidated | \$ 62.3 | \$ 68.2 | \$ 46.1 | (9)% | 35% | \$ 255.9 | \$ 244.4 | 5% |
| % of Sales | 13.9% | 14.7% | 10.7% | | | 14.2% | 14.6% | |
| SPECIAL ITEMS | | | | | | | | |
| Performance Materials Segment | \$ 0.0 | \$ 0.0 | \$ 0.0 | * | * | \$ 0.5 | \$ 0.0 | * |
| Specialty Minerals Segment | \$ 0.7 | \$ 0.0 | \$ 12.3 | * | * | \$ 0.7 | \$ 12.3 | * |
| Total Minerals Businesses | \$ 0.7 | \$ 0.0 | \$ 12.3 | * | * | \$ 1.2 | \$ 12.3 | * |
| Refractories Segment | \$ 0.0 | \$ 0.0 | \$ 0.0 | * | * | \$ 0.0 | \$ 0.0 | * |
| Energy Services Segment | \$ 1.1 | \$ 0.3 | \$ 0.9 | * | 22% | \$ 1.8 | \$ 0.7 | 157% |
| Total Service Businesses | \$ 1.1 | \$ 0.3 | \$ 0.9 | * | 22% | \$ 1.8 | \$ 0.7 | 157% |
| Unallocated and Other Corporate Expenses | \$ 0.0 | \$ 0.0 | \$ 3.0 | * | * | \$ 0.0 | \$ 4.1 | * |
| Acquisition related transaction costs | \$ 0.0 | \$ 0.3 | \$ 0.6 | * | (100)% | \$ 1.7 | \$ 3.4 | (50)% |
| Consolidated | \$ 1.8 | \$ 0.6 | \$ 16.8 | * | * | \$ 4.7 | \$ 20.5 | (77)% |

To supplement the Company's consolidated financial statements presented in accordance with GAAP, the following is a presentation of the Company's non-GAAP operating income, excluding special items (set forth in the above table), for the quarterly periods ended December 31, 2018, September 30, 2018, and December 31, 2017, and the twelve month periods ended December 31, 2018 and December 31, 2017 constituting a reconciliation to GAAP operating income set forth above. The Company's management believe these non-GAAP measures provide meaningful supplemental information regarding its performance as inclusion of such special items are not indicative of ongoing operating results and thereby affect the comparability of results between periods. The Company feels inclusion of these non-GAAP measures also provides consistency in its financial reporting and facilitates investors' understanding of historic operating trends.

Quarter Ended **% Growth** **Year Ended** **%**

| SEGMENT OPERATING INCOME, EXCLUDING SPECIAL ITEMS | | | | | | Growth | | |
|--|--------------------------|--------------------------|--------------------------|----------------------|-----------------------|--------------------------|--------------------------|-----------------------|
| | Dec. 31, 2018 | Sept. 30 2018 | Dec. 31, 2017 | Prior Qtr | Prior Year | Dec. 31, 2018 | Dec. 31, 2017 | Prior Year |
| Performance Materials Segment | \$ 29.2 | \$ 31.8 | \$ 28.1 | (8)% | 4% | \$ 117.3 | \$ 119.7 | (2)% |
| % of Sales | 14.1% | 14.5% | 14.4% | | | 14.2% | 16.3% | |
| Specialty Minerals Segment | \$ 21.9 | \$ 25.0 | \$ 23.3 | (12)% | (6)% | \$ 96.1 | \$ 101.2 | (5)% |
| % of Sales | 15.4% | 17.1% | 16.2% | | | 16.3% | 17.3% | |
| Total Minerals Businesses | \$ 51.1 | \$ 56.8 | \$ 51.4 | (10)% | (1)% | \$ 213.4 | \$ 220.9 | (3)% |
| % of Sales | 14.6% | 15.5% | 15.1% | | | 15.1% | 16.7% | |
| Refractories Segment | \$ 10.8 | \$ 11.5 | \$ 10.2 | (6)% | 6% | \$ 45.4 | \$ 39.8 | 14% |
| % of Sales | 13.9% | 14.5% | 14.3% | | | 14.6% | 14.2% | |
| Energy Services Segment | \$ 2.3 | \$ 1.4 | \$ 2.2 | 64% | 5% | \$ 6.3 | \$ 6.8 | (7)% |
| % of Sales | 11.3% | 7.3% | 10.4% | | | 8.0% | 8.9% | |
| Total Service Businesses | \$ 13.1 | \$ 12.9 | \$ 12.4 | 2% | 6% | \$ 51.7 | \$ 46.6 | 11% |
| % of Sales | 13.3% | 13.1% | 13.4% | | | 13.2% | 13.1% | |
| Unallocated Corporate Expenses | \$ (0.1) | \$ (0.9) | \$ (0.9) | (89)% | (89)% | \$ (4.5) | \$ (2.6) | 73% |
| Consolidated | \$ 64.1 | \$ 68.8 | \$ 62.9 | (7)% | 2% | \$ 260.6 | \$ 264.9 | (2)% |
| % of Sales | 14.3% | 14.8% | 14.6% | | | 14.4% | 15.8% | |
| * Percentage not meaningful | | | | | | | | |

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

(In millions of dollars)

| | <u>Dec. 31, 2018*</u> | <u>Dec. 31, 2017**</u> |
|---|---------------------------|----------------------------|
| Current assets: | | |
| Cash & cash equivalents | \$ 208.8 | \$ 212.2 |
| Short-term investments | 3.8 | 2.7 |
| Accounts receivable, net | 387.3 | 383.0 |
| Inventories | 239.2 | 219.3 |
| Prepaid expenses and other current assets | 37.2 | 35.0 |
| Total current assets | <u>876.3</u> | <u>852.2</u> |
| Property, plant and equipment | 2,256.0 | 2,219.6 |
| Less accumulated depreciation | 1,153.1 | 1,158.3 |
| Net property, plant & equipment | <u>1,102.9</u> | <u>1,061.3</u> |
| Goodwill | 812.4 | 779.3 |
| Intangible assets | 214.1 | 196.5 |
| Other assets and deferred charges | 81.4 | 81.1 |
| Total assets | <u>\$ 3,087.1</u> | <u>\$ 2,970.4</u> |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | |
|--|-------------------|-------------------|
| Current liabilities: | | |
| Short-term debt | \$ 105.2 | \$ 6.3 |
| Current maturities of long-term debt | 3.3 | 3.8 |
| Accounts payable | 169.1 | 179.0 |
| Other current liabilities | 104.3 | 120.9 |
| Total current liabilities | <u>381.9</u> | <u>310.0</u> |
| Long-term debt | 907.8 | 959.8 |
| Deferred income taxes | 196.8 | 159.4 |
| Other non-current liabilities | 215.3 | 262.1 |
| Total liabilities | <u>1,701.8</u> | <u>1,691.3</u> |
| Total MTI shareholders' equity | 1,353.5 | 1,251.7 |
| Non-controlling Interests | 31.8 | 27.4 |
| Total shareholders' equity | <u>1,385.3</u> | <u>1,279.1</u> |
| Total liabilities and shareholders' equity | <u>\$ 3,087.1</u> | <u>\$ 2,970.4</u> |

*Unaudited

**Condensed from audited financial statements.