

MINERALS TECHNOLOGIES INC
Form 10-Q
November 02, 2012
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2012

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-11430

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MINERALS TECHNOLOGIES INC.
(Exact name of registrant as specified in its charter)

DELAWARE 25-1190717
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

622 Third Avenue, New York, NY 10017-6707
(Address of principal executive offices, including zip code)

(212) 878-1800
(Registrant's telephone number, including area code)

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 ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES ☒ NO ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non- accelerated Filer ☐ Smaller Reporting Company ☐

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES ☐ NO ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 16, 2012
Common Stock, \$0.10 par value	17,690,876

MINERALS TECHNOLOGIES INC.

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PART 1. FINANCIAL INFORMATION

ITEM 1. Financial Statements

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(in thousands, except per share data)	Three Months Ended		Nine Months Ended	
	Sept. 30, 2012	Oct. 2, 2011	Sept. 30, 2012	Oct. 2, 2011
Net sales	\$250,346	\$262,192	\$761,453	\$793,111
Cost of goods sold	195,347	209,282	595,175	633,585
Production margin	54,999	52,910	166,278	159,526
Marketing and administrative expenses	22,046	22,553	66,784	69,392
Research and development expenses	5,105	4,723	15,178	14,489
Restructuring and other costs	0	240	0	470
Income from operations	27,848	25,394	84,316	75,175
Non-operating income (deductions), net	(650)	(1,663)	(2,016)	(3,299)
Income from operations before provision for taxes	27,198	23,731	82,300	71,876
Provision for taxes on income	8,015	7,387	24,270	21,686
Consolidated net income	19,183	16,344	58,030	50,190
Less: income attributable to non-controlling interests	553	656	1,653	2,308
Net income attribute to Minerals Technologies Inc. (MTI)	\$18,630	\$15,688	\$56,377	\$47,882
Earnings per share:				
Basic	\$1.06	\$0.88	\$3.19	\$2.64
Diluted	\$1.05	\$0.87	\$3.17	\$2.62

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Cash dividends declared per common share	\$0.05	\$0.05	\$0.15	\$0.15
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Shares used in computation of earnings per share:

Basic	17,640	17,928	17,694	18,128
Diluted	17,733	18,019	17,775	18,242

See accompanying Notes to Condensed Consolidated Financial Statements.

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MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)

	Three Months Ended		Nine Months Ended	
(thousands of dollars)	Sept. 30, 2012	Oct. 2, 2011	Sept. 30, 2012	Oct. 2, 2011
Consolidated net income	\$19,183	\$16,344	\$58,030	\$50,190
Other comprehensive income, net of tax:				
Foreign currency translation adjustments	8,562	(25,356)	1,595	(3,170)
Pension and postretirement plan adjustments	1,829	(1,138)	5,481	1,817
Sale of interest in business	--	(820)	--	(820)
Cash flow hedges:				
Net derivative gains (losses) arising during the period	(299)	1,517	380	87
Comprehensive income (loss)	29,275	(9,453)	65,486	48,104
Comprehensive income (loss) attributable to non-controlling interest	(750)	1,523	(1,561)	(1,391)
Comprehensive income (loss) attributable to MTI	\$28,525	\$(7,930)	\$63,925	\$46,713

See accompanying Notes to Condensed Consolidated Financial Statements.

MINERALS TECHNOLOGIES INC. AND SUBSIDIARY COMPANIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

(thousands of dollars)	Sept. 30, 2012*	Dec. 31, 2011**
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Current assets:

Cash and cash equivalents	\$449,106	\$395,152
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Short-term investments, at cost which approximates market	12,700	18,494
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Accounts receivable, net	194,240	194,317
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Inventories	93,143	90,760
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Prepaid expenses and other current assets	21,039	21,566
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Total current assets	770,228	720,289
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Property, plant and

equipment, less

accumulated

depreciation and

depletion – September

30, 2012 - \$933,525;

December 31, 2011 -

\$930,515