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Minerals Technologies Q4 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). Your first question comes from the line of Bob Koort with Goldman Sachs.

Bob Koort - Goldman Sachs

Thank you, good morning. I was wondering if you could talk a little bit about what your expectations are for cash flow and CapEx. I know you gave some historic trends on slide 15 and it is pretty telling how CapEx has declined and cash flow has increased, can you give us some sense of what that might look like on a go forward basis?

John Sorel

Yeah, I expect cash flow to remain strong but 2007 was -- relative to where the company has been on capital quite low at the \$50 million level. As we look at 2008, we don't expect it to be that low. We've put a max target of about around \$75 million and would expect us to be somewhere between that \$50 and \$75, somewhere that is obviously high to new potential satellite facilities coming in. That I would hope that gives you sort of a sense where I think we will be and that's something that from a cash management standpoint as you've seen through. This year we've put a strong focus on in the company and we intend to continue that with regard to managing both capital investments quite carefully, but also the working capital side of the equation. So we're going to continue to put emphasis on maintaining good controls there as well as improvement.

Bob Koort - Goldman Sachs

Can you talk a little bit about the share repurchase, how you came to the size, you were seeking for the authorization, and then whether we'll actually see some progress on a share count reduction as we go through '08?

John Sorel

Yeah, again the -- as you saw now, as we shared with you in the fourth quarter we were relatively aggressive in the buying back \$20 million worth. We have an approval for \$75 million. The rationale for that nothing very scientific about it, but based on what our projected cash flows were and what we expected them to be and what we thought was a reasonable amount at that point in time and that's something that we set a two-year window for it. And certainly it can be done in a much shorter timeframe as we exhibited in the fourth quarter, but at this point in time I don't have the specific timeframe less than that that I can share.

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