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## Minerals Technologies Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

Thank you. (Operator Instructions). Your next question comes from the line of Jeffrey Zekauskas, JPMorgan.

#### Silka Koopf - JPMorgan

Good morning. This is Silka Koopf for Jeff; how are you?

#### Joseph Muscari

Hello, how are you?

#### Silka Koopf - JPMorgan

Doing okay. A couple of questions; on PCC side, how many satellite plants do you have at the year? And what's your expectation of... how many may have to be like shutdown given the very steep decline in volumes? And are those costs already in the restructuring that has been... the restructuring costs that has been announced for the first quarter?

#### Joseph Muscari

Yeah, I'm going to let D.J. Monagle answer this, and then to give you a perspective. D.J., as you know, is the business unit President of Paper PCC. D.J.?

#### D.J. Monagle, III

Let me take... we may have to go back and fork on this. So I understand that sequence of the question. But let me give you the essence was, where do we close out the year on our number and how do we see this recession affecting our basic, our footprints of satellites that are out there.

The best way I can answer that is as we close out the year, we have about 57 satellite locations and as we look forward to the year, we see probably in the neighborhood of five customers that are under stress, but it's very hard to project that whether they will or will not make it through the year. Those customers then... those customers that are... everyday we open up the paper, we see some level of curtailment or shut down, so the more likely scenario that was looking after the next two quarter is reduced volumes that's still keep our satellite plants there with the base.

Does that help answer your question?

**Silka Koopf - JPMorgan**

Yeah. That means the restructuring charge taken in the fourth quarter doesn't really include a provision for our plant shut down.

**D.J. Monagle, III**

No, it does not.

**Joseph Muscari**

No.

**Silka Koopf - JPMorgan**

Okay. Secondly, regarding the restructuring taken... regarding the head count reduction, where are you today with that? Is half of that implemented or a third of that and what are the ultimate cost savings that you expect over the next 12 months?

**Joseph Muscari**

Yeah. We have, if you recall when we announced the lay-offs and the restructuring, we announced around 340 people would be affected. As we moved into 2008 we made some additional adjustments and that number is now 380. The large majority of those folks are in our Minteq business. And I'd say probably at this point we have 70, 80% either through permanent or temporary layoffs or layoffs per say have occurred; occurred last year and then continued to occur in January. And the expectations on our estimated savings would be in the \$6 to \$7 million range in 2009, with the biggest impact obviously occurring in the third and fourth quarters.

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