

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

The Company operates in multiple taxing jurisdictions, both within and outside the U.S. In certain situations, a taxing authority may challenge positions that the Company has adopted in its income tax filings. The Company, with a few exceptions (none of which are material), is no longer subject to U.S. federal, state, local, and international income tax examinations by tax authorities for years prior to 2015.

Net cash paid for income taxes were \$42.5 million, \$28.5 million and \$29.5 million for the years ended December 31, 2021, 2020 and 2019, respectively.

The Company had approximately \$481.4 million of foreign subsidiaries' undistributed earnings as of December 31, 2021. We intend to continue to permanently reinvest these earnings overseas for the foreseeable future and while U.S. federal tax expense has been recognized as a result of U.S. Tax Reform, no deferred tax liabilities with respect to foreign withholding taxes or state taxes have been recognized.

Note 9. Inventories

The following is a summary of inventories by major category:

(millions of dollars)	December 31,	
	2021	2020
Raw materials	\$ 136.6	\$ 107.1
Work-in-process	10.7	9.0
Finished goods	99.4	85.6
Packaging and supplies	51.0	46.5
Total inventories	\$ 297.7	\$ 248.2

Note 10. Property, Plant and Equipment

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

(millions of dollars)	December 31,	
	2021	2020
Mineral rights and reserves	\$ 554.7	\$ 565.8
Land	50.6	50.9
Buildings	229.2	225.6
Machinery and equipment	1,262.8	1,254.3
Furniture and fixtures and other	139.9	138.9
Construction in progress	59.2	41.4
	2,296.4	2,276.9
Less: accumulated depreciation and depletion	(1,247.3)	(1,237.3)
Property, plant and equipment, net	\$ 1,049.1	\$ 1,039.6

In November 2021, the Company acquired Specialty PCC assets from a company in the Midwest United States for \$6.9 million.

In the third quarter of 2020, the Company acquired the assets of a mining and hauling company in the western United States for \$9.2 million to support our bentonite clay mining operations.

Depreciation and depletion expense for the years ended December 31, 2021, 2020 and 2019 was \$77.4 million, \$77.9 million and \$82.1 million, respectively.