

Investor Presentation



RESPONSIBLE CARE[®]
OUR COMMITMENT TO SUSTAINABILITY

Forward Looking Statement



Certain statements in this presentation are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and may include, but are not limited to, statements about sales levels, acquisitions, restructuring, profitability and anticipated synergies, expenses and cash outflows. All forward-looking statements involve risks and uncertainties. All statements contained herein that are not clearly historical in nature are forward-looking, and words such as "believe," "anticipate," "expect," "estimate," "may," "will," "should," "continue," "plans," "potential," "intends," "likely," or other similar words or phrases are generally intended to identify forward-looking statements. Any forward-looking statement contained herein, in press releases, written statements or documents filed with the Securities and Exchange Commission, or in Koppers communications with and discussions with investors and analysts in the normal course of business through meetings, phone calls and conference calls, regarding expectations with respect to sales, earnings, cash flows, operating efficiencies, product introduction or expansion, the benefits of acquisitions and divestitures or other matters as well as financings and repurchases of debt or equity securities, are subject to known and unknown risks, uncertainties and contingencies. Many of these risks, uncertainties and contingencies are beyond our control, and may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Factors that might affect such forward-looking statements, include, among other things, the impact of the price of oil on certain of our products; Koppers ability to successfully integrate the wood preservatives business and/or the railroad services business of Osмосе or such integration of the Osмосе businesses may take longer to accomplish than expected; the expected cost savings and any synergies from the Osмосе acquisition may not be fully realized within the expected timeframes; disruption from the acquisition may make it more difficult to maintain relationships with clients, associates or suppliers; general economic and business conditions; demand for Koppers goods and services; competitive conditions; interest rate and foreign currency rate fluctuations; availability of key raw materials and unfavorable resolution of claims against us, as well as those discussed more fully elsewhere in this release and in documents filed with the Securities and Exchange Commission by Koppers, particularly our latest annual report on Form 10-K and subsequent filings. Any forward-looking statements in this presentation speak only as of the date of this presentation, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after that date or to reflect the occurrence of unanticipated events.

Koppers Overview: A Leading Global Supplier to Infrastructure and Construction Markets



- Three core complementary business segments
- Top producer of carbon compounds, performance chemicals and treated wood products
- Unique product/service portfolio and niche end market focus

TTM	9/30/2015
Net sales	\$1,690mm
Adj. EBITDA	\$145mm
% Margin	8.6%

	Railroad and Utility Products and Services (RUPS)	Performance Chemicals (PC)	Carbon Materials and Chemicals (CMC)
TTM 9/30/2015 Net sales	\$660 million	\$355 million	\$675 million
Products & Services	<ul style="list-style-type: none"> • Railroad Crossties • Railroad Bridge Services^(a) • Rail Joint Bars • Utility Poles 	<ul style="list-style-type: none"> • Wood Preservation Chemicals • Coatings • Water Repellants • Pigmented Stains • Fire Retardants 	<ul style="list-style-type: none"> • Carbon Pitch • Creosote • Carbon Black Feedstock • Naphthalene • Phthalic Anhydride

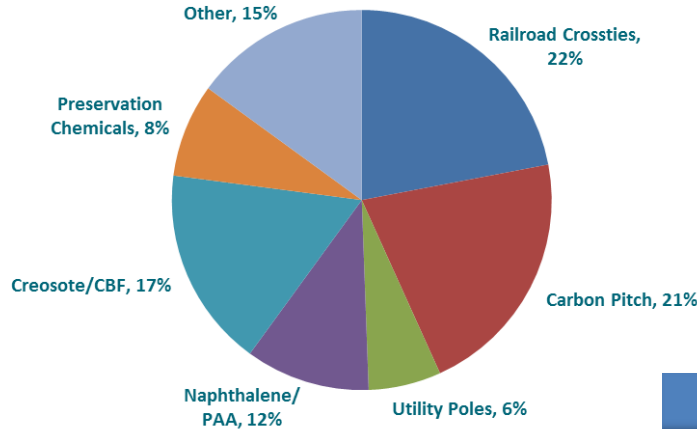
(a) This business was acquired as part of the Osmose transaction in August 2014

Addition of Osmose Enhances Koppers Diversity, Stability and Profit Potential

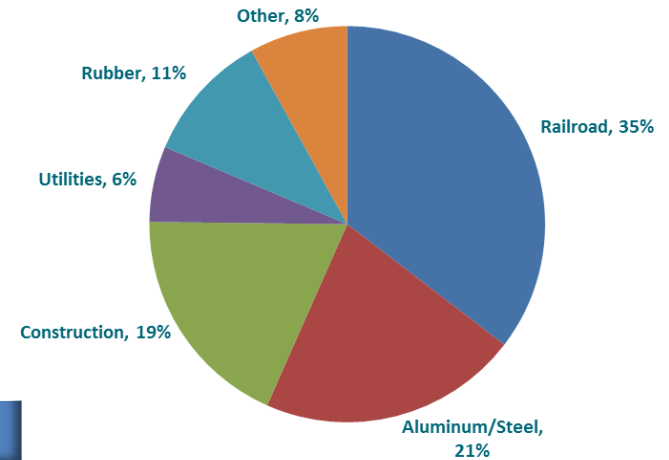


2014 Actual Sales

2014 Sales by Product



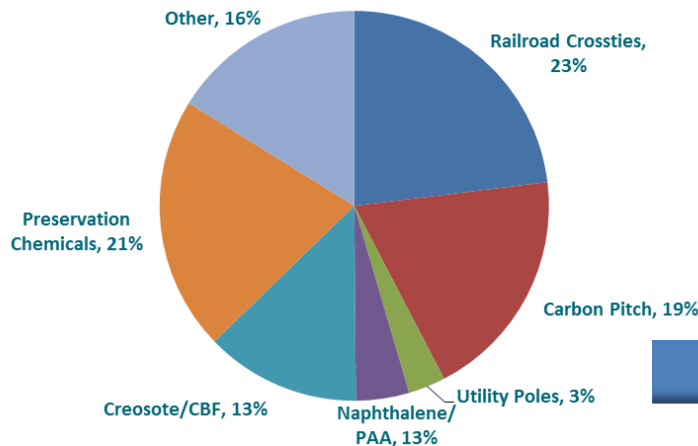
2014 Sales by End Market



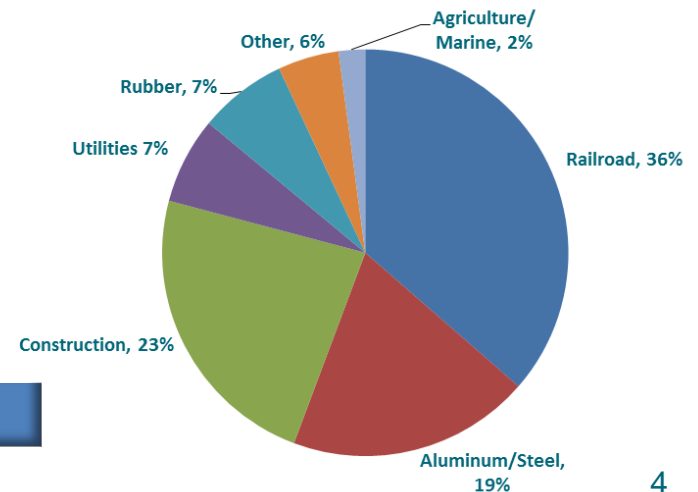
\$1,555mm

2015 Estimated Sales

2015 Estimated Sales by Product



2015 Estimated Sales by End Market



\$1,660mm

Products Fulfill Industry Demand Across Diverse End Markets...



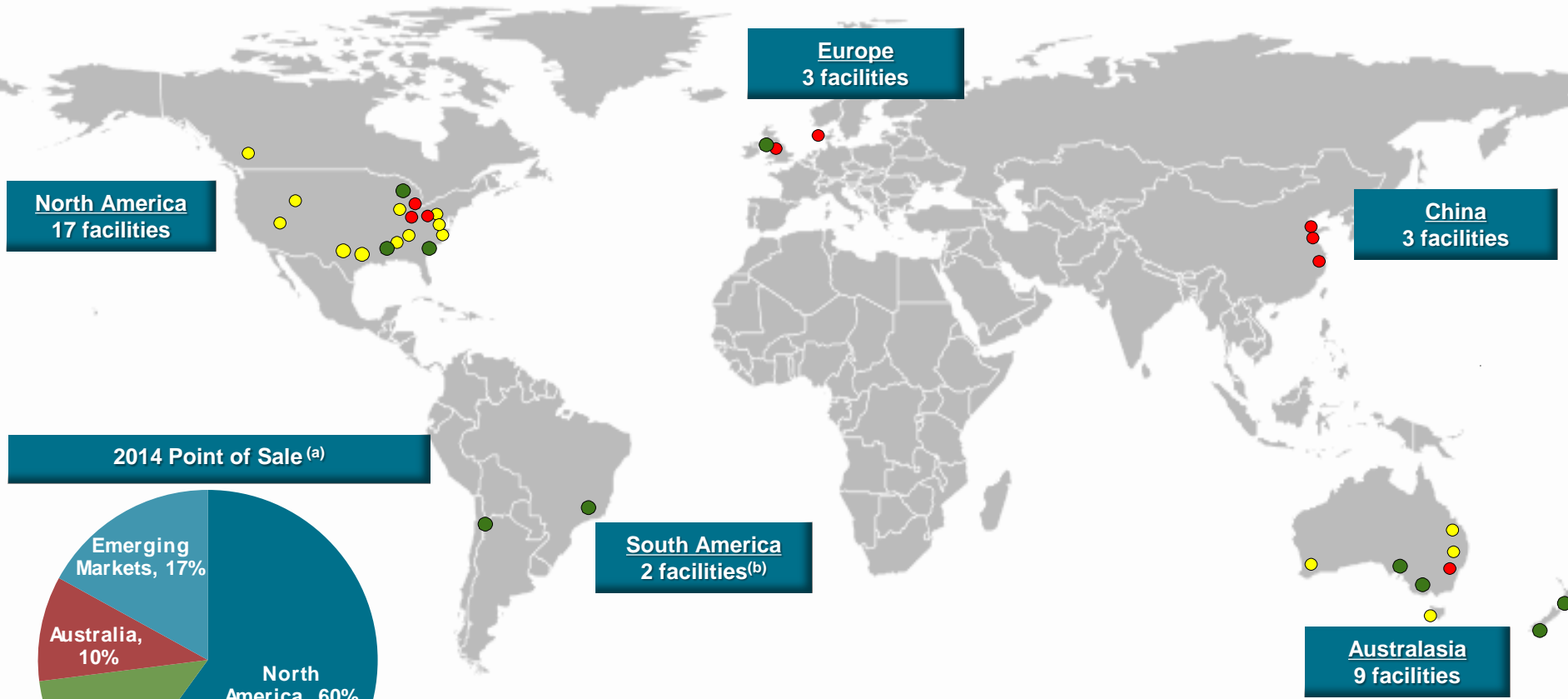
Drivers	Coal Tar	Carbon Pitch	PAA	Naphthalene	CBF	Creosote	Railroad Crossties	Treating Chemicals
BF Steel	✓							
EAF Steel		✓						
Aluminum		✓						
Automotive		✓	✓	✓	✓			
Rubber					✓			
Construction		✓	✓	✓				✓
Remodeling								✓
RR Budgets						✓	✓	
Crosstie Insertions						✓	✓	

...Providing Counter-Cyclical Earnings Stability

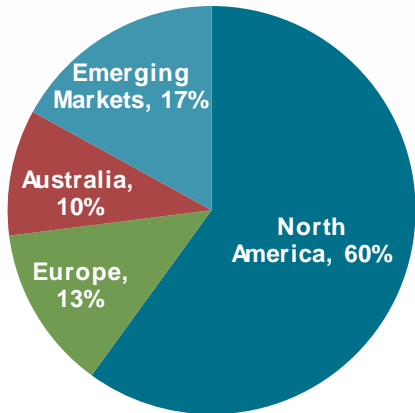
Strategically Located Facilities to Best Serve Clients and Meet Growing Demand



Facilities are well-positioned to capture worldwide growth in demand



2014 Point of Sale ^(a)



(a) Pro forma for Osmose acquisition
 (b) Toll producing facilities

- Carbon Materials and Chemicals
- Railroad and Utility Products and Services
- Performance Chemicals

Leading Market Positions

- Leading positions in eight key markets and ~51% of 2014 sales came from products where Koppers has a leading market position

<u>Market</u>	<u>Segment</u>	<u>Market Position</u>
North American Crosstie	RUPS	#1
North American Carbon Pitch ^(a)	CMC	#1
North American Creosote ^(b)	RUPS/CMC	#1
North American Wood Treating Chemicals	PC	#1
Australian Carbon Pitch ^{(a)(c)}	CMC	#1
Australian Utility Poles	RUPS	#1
Australia/New Zealand Wood Treating Chemicals	PC	#1
South/Central America Wood Treating Chemicals	PC	#1

(a) Aluminum industry only

(b) Includes intercompany sales which are eliminated on consolidation (80% of the creosote we produced in North America in 2014 was consumed internally)

(c) Australian carbon pitch includes New Zealand market

Long-Term Relationships with Large Blue Chip Customers Create Revenue Visibility



Select Key Customers



- Key customers include large cap, mostly investment grade aluminum, railroad and wood treating companies, most of which have been customers for over 20 years
- Many key customers served under long-term contracts with an average length of 3-5 years, typically with provisions for pricing increases
- 40% of 2014 sales were under long-term contracts

Koppers is Faced With No Shortage Of Challenges...



- Reduction in crude oil and orthoxylene prices has resulted in lower pricing for products tied to these benchmarks
- Over-supplied global aluminum market has resulted in a difficult pricing environment for carbon pitch
- Stronger regulatory environment has brought increased focus to our products and their potential impact on the environment
- Aging plants have caused issues with performance and reliability
- Lack of profitability and higher risk profile in China has caused us to rethink our growth strategy in that region
- High debt level has limited our investment flexibility

...but a Path Has Been Developed to Lead Us Back to Success



Management action	Description
Aggressively targeted debt reduction	<ul style="list-style-type: none"> Debt reduction target of \$200-\$225 million over 2015-2016 time period
Commenced restructuring of Global CMC operations	<ul style="list-style-type: none"> Plan to go from 9 global facilities at the beginning of 2014 to a maximum of 5 facilities over the next three years Capacity utilization should improve from 75% globally to greater than 85-90% EBITDA benefit estimated at \$30 - \$40 million
Reducing risk profile in China	<ul style="list-style-type: none"> Actively looking to exit two of the three existing joint ventures in China EBITDA margin in China has not exceeded 4% in the last five years
Focused on reducing cost through process improvement	<ul style="list-style-type: none"> Completed operations excellence project in RUPS in 2014 – expected annualized benefits are between \$4 and \$5 million Expect to complete operations excellence project in CMC in 2015 – expected annualized benefits are between \$7 and \$9 million
Diversified business risk through Osmose acquisition	<ul style="list-style-type: none"> Greater product line and end market diversity in a higher margin business Various cost synergies in corporate, manufacturing, distribution and procurement to enhance margin stability
Targeting investments in higher margin stable RUPS business	<ul style="list-style-type: none"> Acquired Canadian wood treatment plant in January 2014 Acquired Railroad Structures business in August 2014 to complement existing core treatment business Invested in additional higher value borate-creosote treatment capacity at two more facilities in 2014
Eliminating distractions by divesting small non-core businesses	<ul style="list-style-type: none"> Sold North American Utility business in January 2015 Sold KSA concrete tie joint venture in July 2015

The New Koppers: A Leading Global Supplier to Infrastructure and Construction Markets



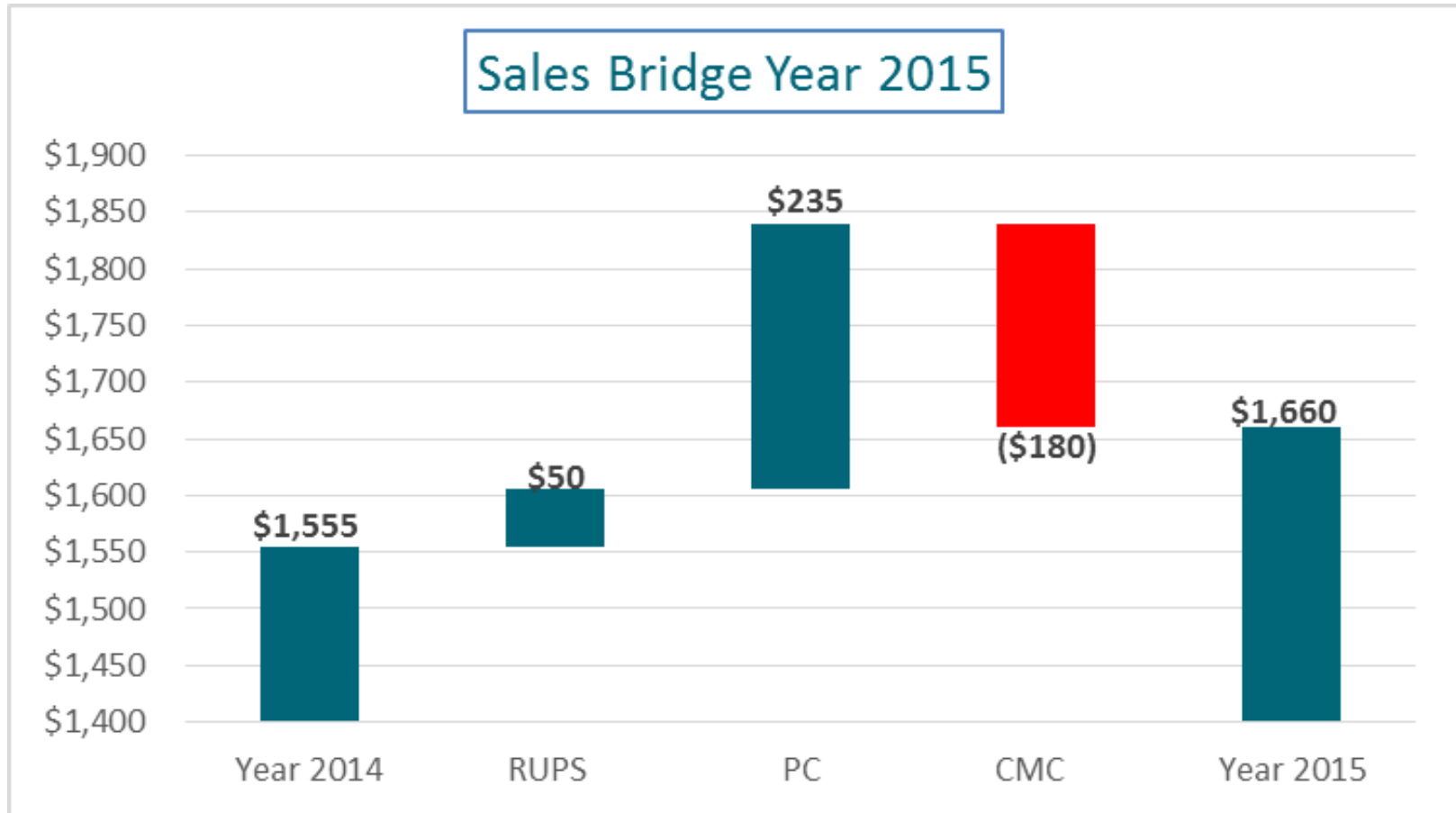
- **Market leadership positions** and long-term customer relationships provide for a **stable base business** and **recurring revenue stream**
- **Diversity** of products, end markets, and locations provides **counter-cyclical earnings stability**
- History of **strong cash flow** generation and plans to **significantly reduce debt**
- Strategy to **significantly grow the bottom line** through a global restructuring of the CMC business
- **Refocused growth strategy** that emphasizes higher margin, higher return businesses

2015 Guidance

Year 2015 sales expected to be \$1.7B



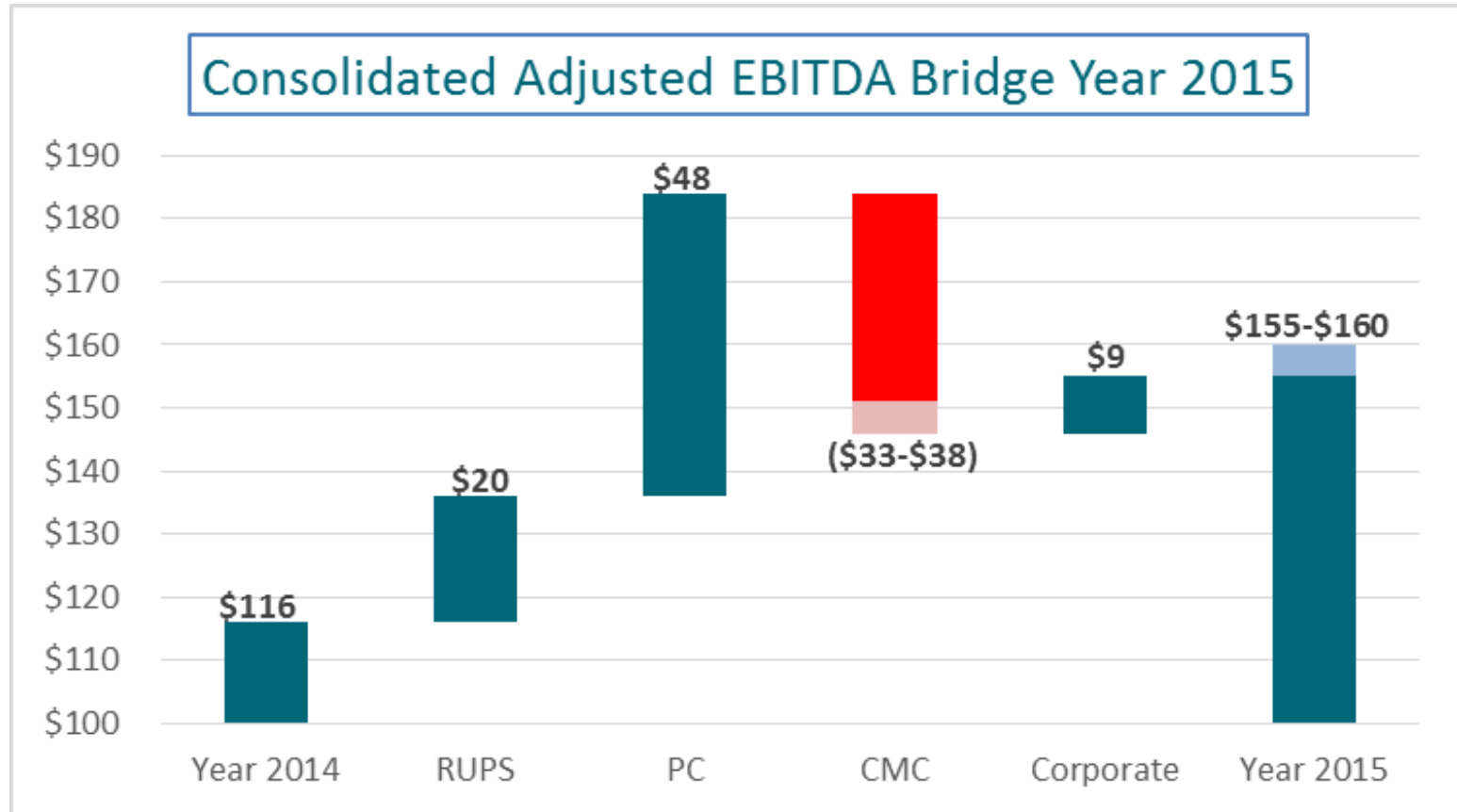
(\$ in millions)



2015 Consolidated EBITDA expected to be in \$155-160 million range



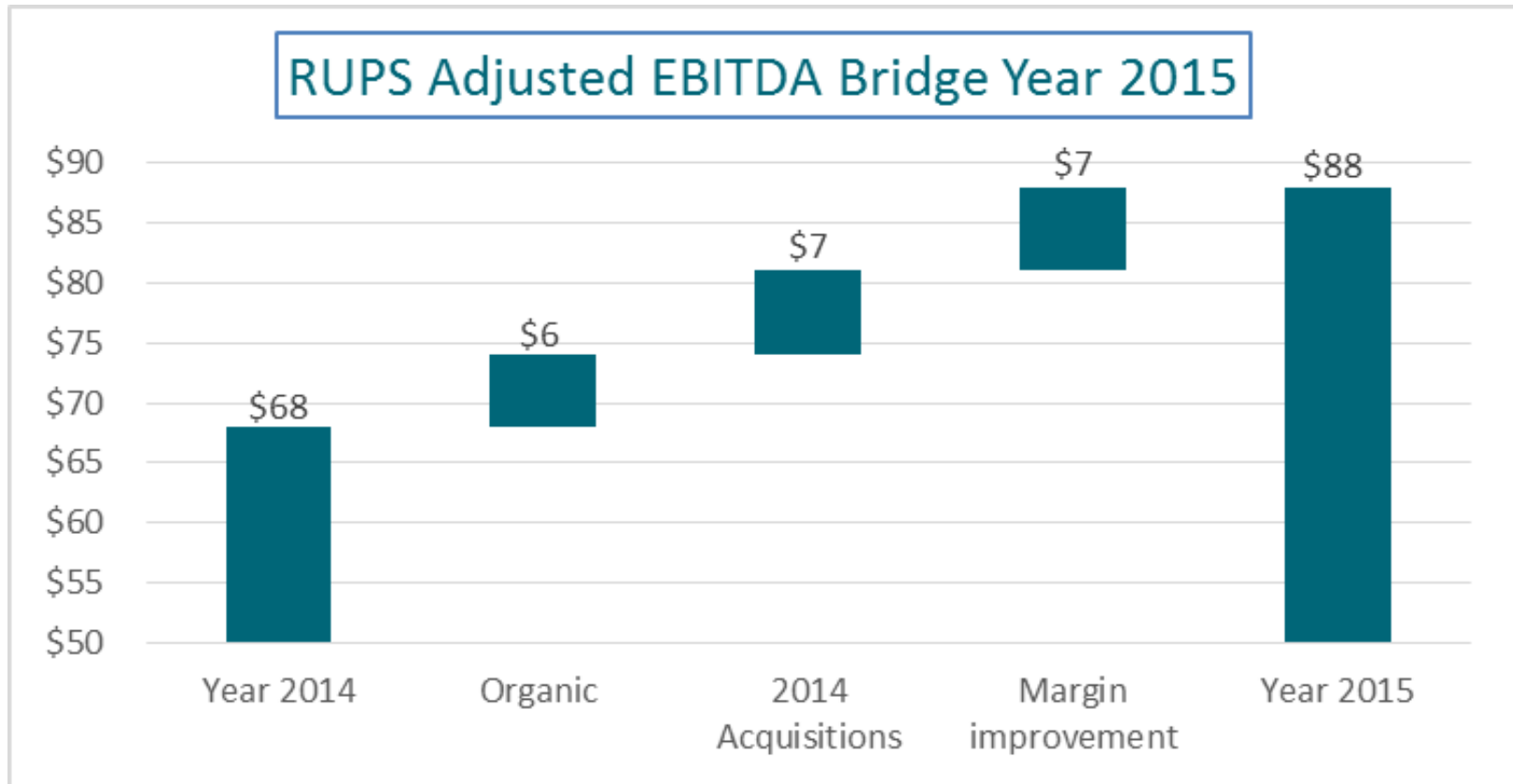
(\$ in millions)



Expectations for RUPS EBITDA improvement have not changed

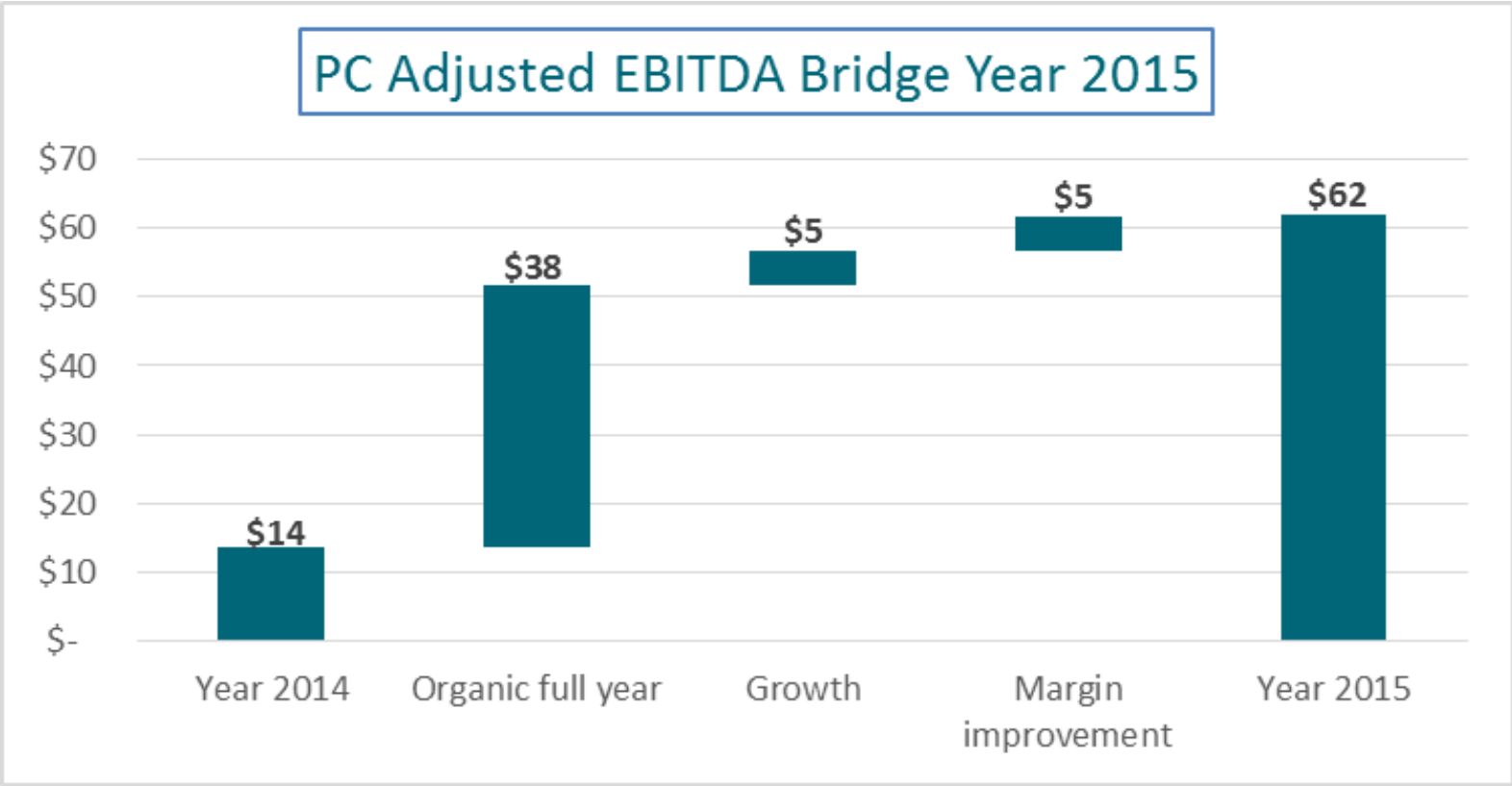


(\$ in millions)



PC should improve by \$48 million

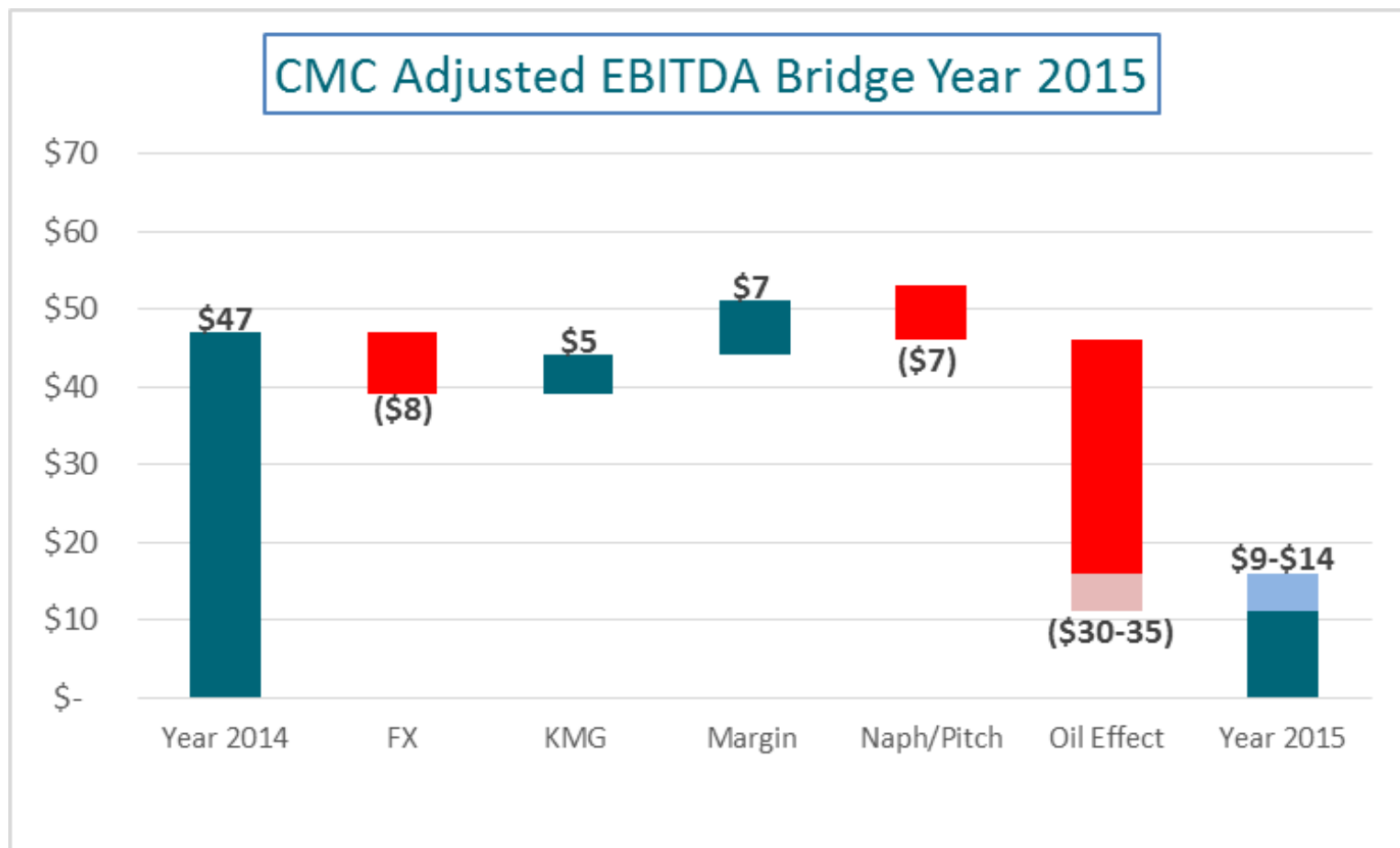
(\$ in millions)



CMC expected to be \$33-\$38 million lower driven by oil prices



(\$ in millions)

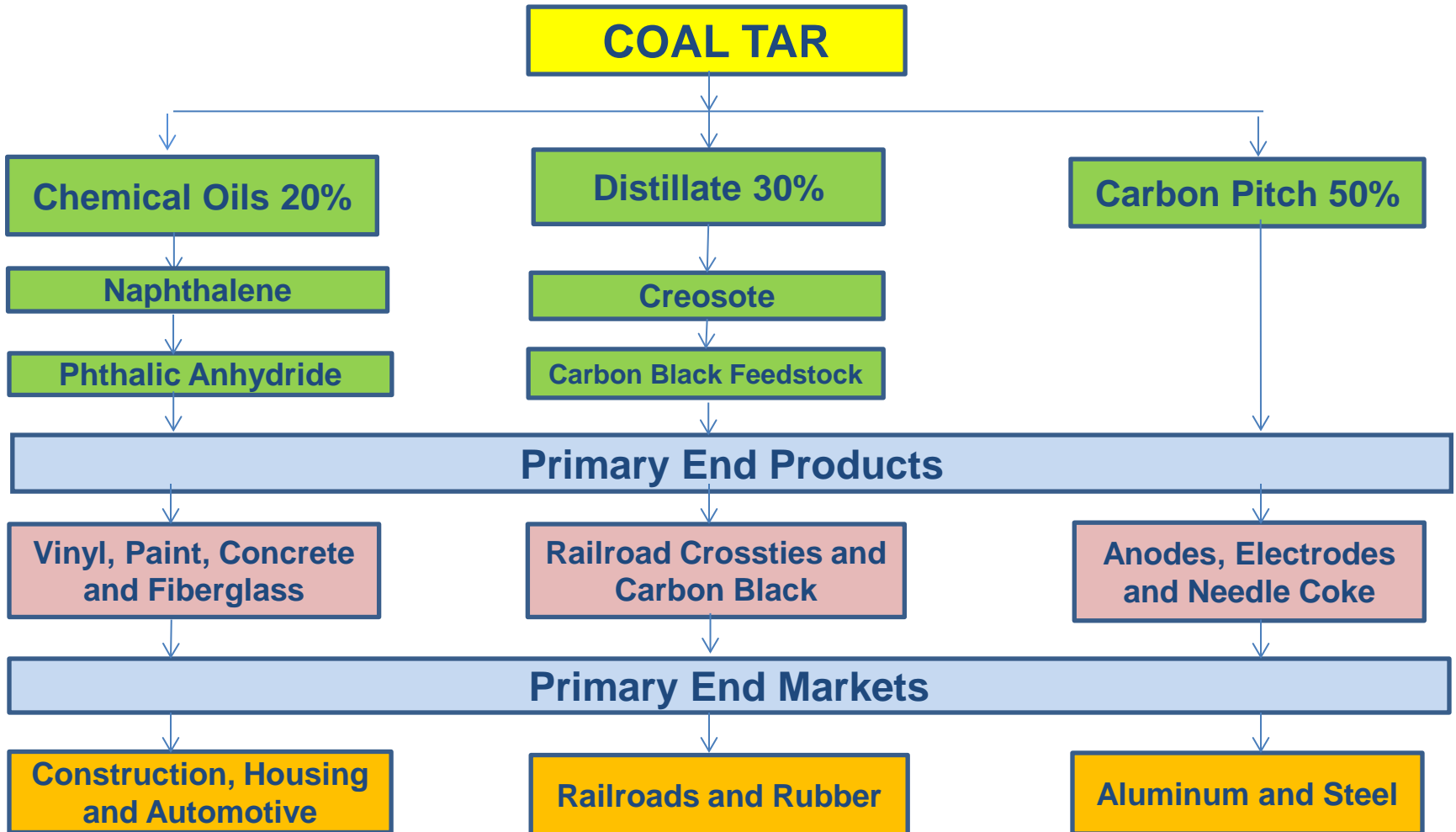


Appendix

Vertically Integrated Operations: A Competitive Advantage



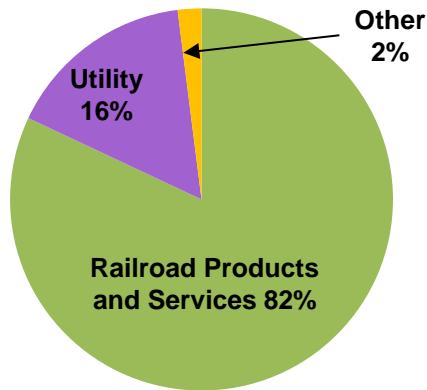
Koppers buys coal tar from over 50 suppliers in 15 countries



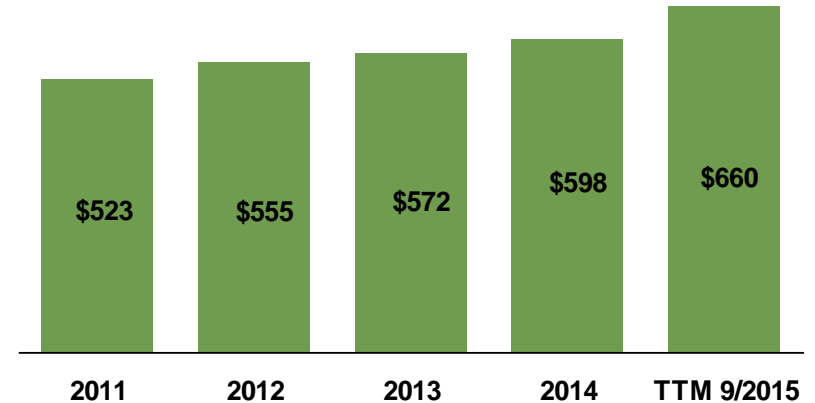
Railroad and Utility Products and Services Sales and EBITDA Summary



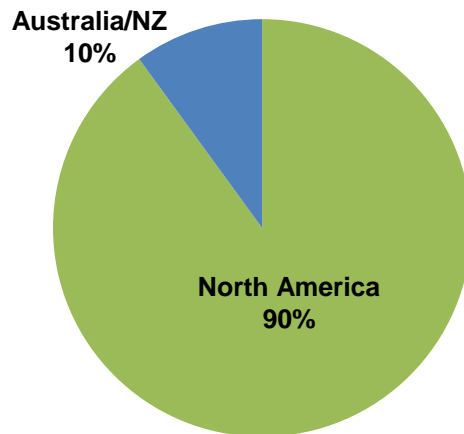
2014 Sales by End Market



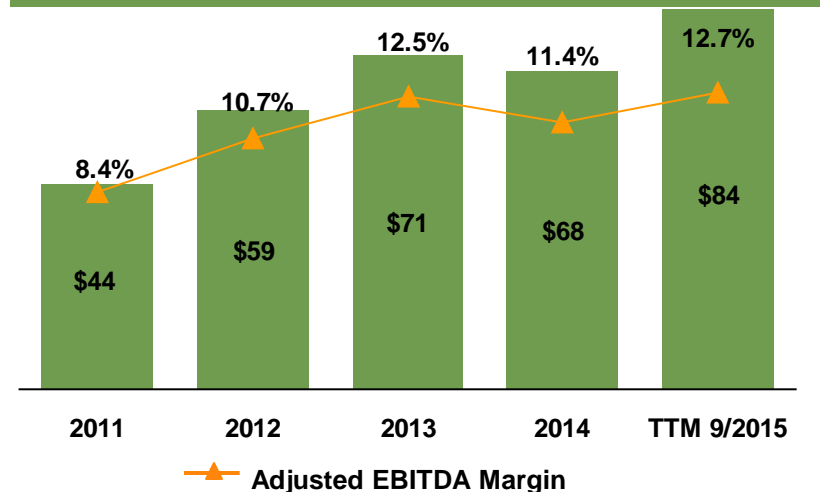
Sales (\$mm)



2014 Point of Sale



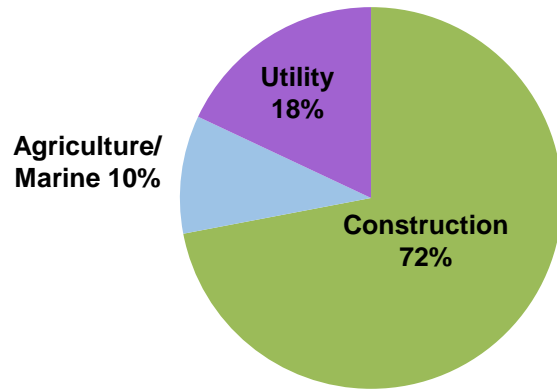
Adjusted EBITDA (\$mm)



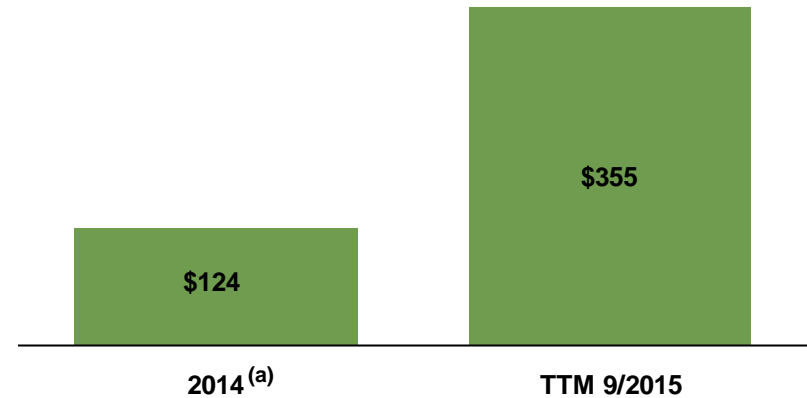
Performance Chemicals Sales and EBITDA Summary



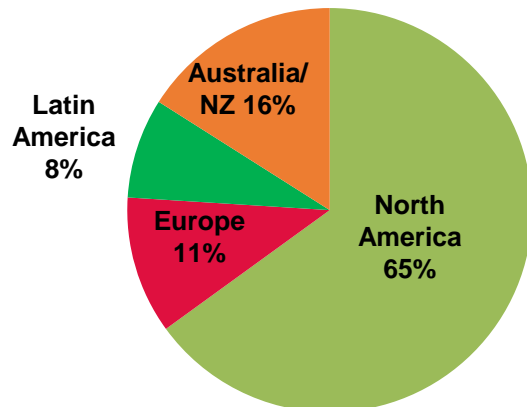
2014 Sales by End Market



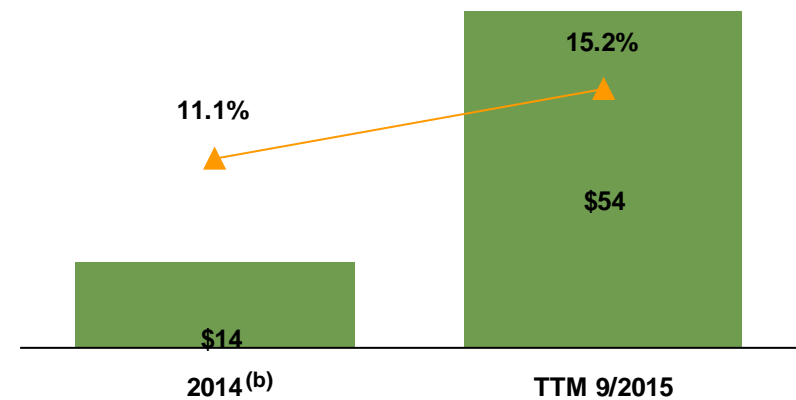
Sales (\$mm)



2014 Point of Sale



Adjusted EBITDA (\$mm)



(a) Reflects sales from Osmose acquisition that closed in August 2014

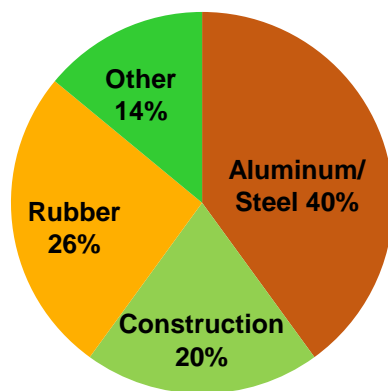
(b) Reflects adjusted EBITDA from Osmose acquisition that closed in August 2014

▲ Adjusted EBITDA Margin

Carbon Materials and Chemicals Sales and EBITDA Summary

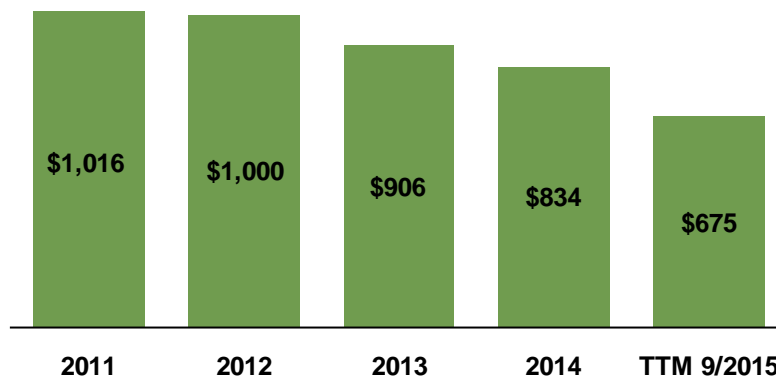


2014 Sales by End Market

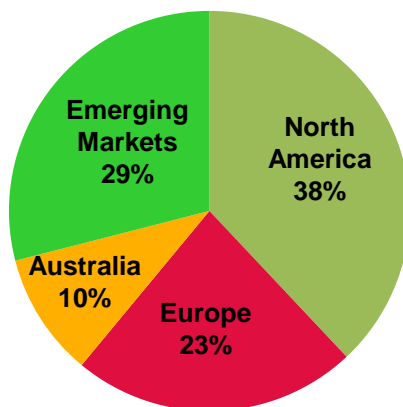


- (1) Other includes refined tar, petroleum pitch, benzole and misc. products.
- (2) Construction includes PAA and naphthalene.

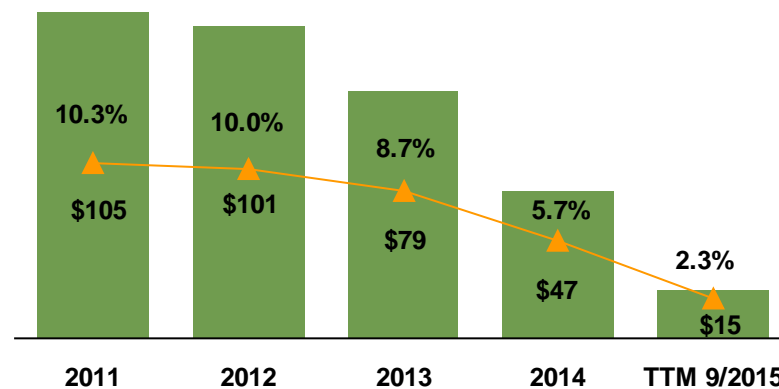
Sales (\$mm)



2014 Point of Sale



Adjusted EBITDA (\$mm)



▲ Adjusted EBITDA Margin

Sales and EBITDA Reconciliation

(not restated for discontinued operations)

(\$ in millions)

Years Ended December 31	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	TTM <u>9/2015</u>
Net sales	\$1,466.2	\$1,555.0	\$1,478.3	\$1,555.0	\$1,689.9
Net income (loss)	37.6	67.2	40.1	(39.4)	(23.0)
Interest expense including refinancing	27.2	27.9	26.8	39.1	52.3
Depreciation and amortization	26.9	28.2	41.6	44.0	63.8
Income tax provision	38.7	33.3	36.8	34.1	35.0
Discontinued operations	19.9	0.1	0.1	(0.6)	(0.5)
EBITDA	\$ 150.3	\$ 156.7	\$ 145.4	\$ 77.2	\$ 127.6
Unusual items impacting net income					
Sale of technology rights	(0.9)	—	—	—	—
Treating plant closure	—	2.8	2.6	0.3	4.1
Net gain on sale of business	—	—	(1.8)	—	(2.6)
European restructuring	—	—	0.8	19.6	2.1
North American restructuring	—	—	—	5.6	9.2
Storage tank and railcar cleaning costs	—	—	3.4	—	—
Osrose acquisition costs	—	—	—	7.1	0.9
China restructuring	—	—	—	5.3	0.6
Non-cash LIFO expense	—	—	—	1.2	3.1
Mark-to-market commodity hedging	—	—	—	—	0.1
Adjusted EBITDA with noncontrolling interests	\$149.4	\$159.5	\$150.4	\$116.3	\$145.1

RUPS EBITDA Reconciliation



(\$ in millions)

Years Ended December 31	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	TTM <u>9/2015</u>
Operating profit	\$ 34.8	\$ 45.1	\$ 58.3	\$ 53.6	\$ 60.4
Allocated corporate operating profit	(0.6)	(0.8)	—	—	—
Depreciation and amortization	9.0	10.8	11.5	11.9	17.9
Other income	0.5	1.5	1.6	(0.1)	0.3
EBITDA	\$ 43.7	\$56.6	\$ 71.4	\$ 65.4	\$ 78.6
Treating plant closure	—	2.8	2.6	0.3	4.1
Sale of Hume, Australia wood treating facility	—	—	(1.8)	—	—
Net gain on sale of business	—	—	—	—	(2.6)
Non-cash LIFO expense	—	—	—	2.3	4.0
Adjusted EBITDA with noncontrolling interests	\$ 43.7	\$ 59.4	\$ 72.2	\$ 68.0	\$ 84.1

PC EBITDA Reconciliation



(\$ in millions)

Years Ended December 31	<u>2014</u>	TTM <u>9/2015</u>
Operating profit	\$ 1.6	\$ 31.9
Depreciation and amortization	7.1	18.9
Other income	1.4	2.1
EBITDA	\$ 10.1	\$ 52.9
Inventory step-up amortization	3.6	0.9
Mark-to-market commodity hedging		0.1
Adjusted EBITDA with noncontrolling interests	\$ 13.7	\$ 53.9

Carbon Materials and Chemicals EBITDA Reconciliation



(\$ in millions)

Years Ended December 31	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>TTM 9/2015</u>
Operating profit	\$ 45.4	\$ 83.1	\$ 43.9	\$ (5.3)	\$ (19.3)
Allocated corporate operating profit	(0.6)	(0.8)	—	—	—
Depreciation and amortization	39.8	17.4	30.7	25.0	27.0
Other income	0.2	0.4	1.3	(1.9)	(3.4)
EBITDA	\$ 84.8	\$ 100.1	\$ 75.9	\$ 17.8	\$ 4.3
Unusual items impacting net income					
Sale of technology rights	(0.9)	—	—	—	—
Closure of carbon black facility in Australia	20.8	—	—	—	—
European restructuring	—	—	0.8	19.6	2.1
North American restructuring	—	—	—	5.6	9.2
Storage tank and railcar cleaning costs	—	—	3.4	—	—
China restructuring	—	—	—	5.3	0.6
Non-cash LIFO expense	—	—	—	(1.1)	(0.9)
Adjusted EBITDA with noncontrolling interests	\$ 104.7	\$ 100.1	\$ 80.1	\$ 47.2	\$ 15.3

Adjusted EBITDA and Guidance



Koppers believes that adjusted EBITDA provides information useful to investors in understanding the underlying operational performance of the company, its business and performance trends and facilitates comparisons between periods and with other corporations in similar industries. The exclusion of certain items permits evaluation and a comparison of results for ongoing business operations, and it is on this basis that Koppers management internally assesses the company's performance. Although Koppers believes that this non-GAAP measure enhances investors' understanding of its business and performance, this non-GAAP financial measure should not be considered an alternative to GAAP basis financial measures.

For the company's 2015 guidance, Adjusted EBITDA excludes restructuring, impairment, and plant closure charges and LIFO charges, the forecasted amounts of which are not determinable, but may be significant. For that reason, the company is unable to provide GAAP earnings estimates at this time. In addition, 2015 GAAP results are subject to completion of the company's year-end accounting processes, which include the finalization of several potentially significant items that could affect these results. These items include, among others, required adjustments to the company's annual provision for income taxes. Final results could also be affected by various other factors that we are unaware of at this time.