UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2011

Commission file number 1-32737

KOPPERS HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Pennsylvania (State of incorporation)	20-1878963 (IRS Employer Identification No.)

436 Seventh Avenue
Pittsburgh, Pennsylvania 15219
(Address of principal executive offices)

(412) 227-2001
(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 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. (Check one):

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Common Stock, par value $0.01 per share, outstanding at April 29, 2011 amounted to 20,603,049 shares.

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

KOPPERS HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended March 31,	
	2011	*2010*
(Dollars in millions, except per share amounts)	*(Unaudited)*	
Net sales	$ 359.1	$ 274.3
Cost of sales (excluding items below)	313.6	233.7
Depreciation and amortization	6.8	6.4
Selling, general and administrative expenses	17.9	17.4
Operating profit	20.8	16.8
Other income	0.1	1.7
Interest expense	6.9	6.9
Income before income taxes	14.0	11.6
Income taxes	5.0	4.2
Net income	9.0	7.4
Net income attributable to noncontrolling interests	0.1	0.1
Net income attributable to Koppers	$ 8.9	$ 7.3
Earnings per common share attributable to Koppers common shareholders:		
Basic	$ 0.43	$ 0.36
Diluted	0.43	0.36
Weighted average shares outstanding *(in thousands):*		
Basic	20,588	20,473
Diluted	20,724	20,632
Dividends declared per common share	$ 0.22	$ 0.22

The accompanying notes are an integral part of these condensed consolidated financial statements.

KOPPERS HOLDINGS INC.
CONDENSED CONSOLIDATED BALANCE SHEET

	March 31, 2011	December 31, 2010
(Dollars in millions, except per share amounts)	*(Unaudited)*	
Assets		
Cash and cash equivalents	$ 40.5	$ 35.3
Accounts receivable, net of allowance of $1.6 and $0.1	171.5	128.9
Income tax receivable	10.0	11.9
Inventories, net	172.9	165.4
Deferred tax assets	5.9	5.9
Other current assets	22.1	23.0
Total current assets	422.9	370.4
Equity in non-consolidated investments	4.7	4.7
Property, plant and equipment, net	168.8	168.2
Goodwill	73.4	72.1
Deferred tax assets	25.5	26.1
Other assets	26.7	27.7
Total assets	$ 722.0	$ 669.2
Liabilities		
Accounts payable	$ 100.1	$ 87.9
Accrued liabilities	59.3	55.4
Dividends payable	5.2	5.1
Short-term debt and current portion of long-term debt	0.1	1.0
Total current liabilities	164.7	149.4
Long-term debt	319.9	295.4
Accrued postretirement benefits	85.6	86.1
Other long-term liabilities	38.8	38.4
Total liabilities	609.0	569.3
Commitments and contingent liabilities (Note 16)		
Equity		
Senior Convertible Preferred Stock, $0.01 par value per share; 10,000,000 shares authorized; no shares issued	0.0	0.0
Common Stock, $0.01 par value per share; 40,000,000 shares authorized; 21,309,210 and 21,278,480 shares issued	0.2	0.2
Additional paid-in capital	138.2	137.0
Retained deficit	(7.4)	(11.7)
Accumulated other comprehensive loss	(4.6)	(12.3)
Treasury stock, at cost, 706,161 and 700,203 shares	(24.8)	(24.5)
Total Koppers stockholders' equity	101.6	88.7
Noncontrolling interests	11.4	11.2
Total equity	113.0	99.9
Total liabilities and equity	$ 722.0	$ 669.2

The accompanying notes are an integral part of these condensed consolidated financial statements.

KOPPERS HOLDINGS INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Dollars in millions)	Three Months Ended March 31, 2011	*2010*
	(Unaudited)	
Cash provided by (used in) operating activities:		
Net income	$ 9.0	$ 7.4
Adjustments to reconcile net cash provided by operating activities:		
Depreciation and amortization	6.8	6.8
Gain on sale of fixed assets	0.0	(1.6)
Deferred income taxes	0.2	1.0
Change in other liabilities	1.2	(0.8)
Non-cash interest expense	0.4	0.1
Stock-based compensation	0.8	0.9
Other	0.0	0.2
(Increase) decrease in working capital:		
Accounts receivable	(39.8)	(22.4)
Inventories	(5.6)	1.5
Accounts payable	11.5	6.8
Accrued liabilities and other working capital	6.0	16.3
Net cash (used in) provided by operating activities	(9.5)	16.2
Cash provided by (used in) investing activities:		
Capital expenditures	(4.4)	(2.5)
Acquisitions	(0.6)	(22.3)
Net cash proceeds from divestitures and asset sales	0.0	1.7
Net cash used in investing activities	(5.0)	(23.1)
Cash provided by (used in) financing activities:		
Borrowings of revolving credit	76.1	25.8
Repayments of revolving credit	(51.6)	(46.9)
Repayments of long-term debt	(0.9)	(0.1)
Issuances of Common Stock	0.2	0.0
Repurchases of Common Stock	(0.2)	(0.9)
Payment of deferred financing costs	(0.5)	(0.1)
Dividends paid	(4.5)	(4.5)
Net cash provided by (used in) financing activities	18.6	(26.7)
Effect of exchange rate changes on cash	1.1	(1.3)
Net increase (decrease) in cash and cash equivalents	5.2	(34.9)
Cash and cash equivalents at beginning of year	35.3	58.4
Cash and cash equivalents at end of period	$ 40.5	$ 23.5

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(Unaudited)*

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements and related disclosures have been prepared in accordance with accounting principles generally accepted in the United States applicable to interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation of Koppers Holdings Inc.'s and its subsidiaries' ("Koppers", "Koppers Holdings" or the "Company") financial position and interim results as of and for the periods presented have been included. All such adjustments are of a normal recurring nature unless disclosed otherwise. Because the Company's business is seasonal, results for interim periods are not necessarily indicative of those that may be expected for a full year. The Condensed Consolidated Balance Sheet for December 31, 2010 has been summarized from the audited balance sheet contained in the Annual Report on Form 10-K for the year ended December 31, 2010.

The financial information included herein should be read in conjunction with the Company's audited consolidated financial statements and related notes included in its Annual Report on Form 10-K for the year ended December 31, 2010.

2. Dividends

On May 4, 2011, the Company's board of directors declared a quarterly dividend of 22 cents per common share, payable on July 6, 2011 to shareholders of record as of May 16, 2011.

3. Business Acquisitions

Koppers Netherlands – On March 1, 2010, the Company acquired 100 percent of the outstanding shares of privately-owned Cindu Chemicals B.V. ("Cindu") for cash of $21.6 million. Cindu was subsequently renamed Koppers Netherlands B.V. ("Koppers Netherlands"). Koppers Netherlands is a Dutch company which operates a 140,000 metric ton coal tar distillation plant in Uithoorn, Netherlands. The acquisition strengthens the Company's presence in Europe and increases the Company's ability to service its export markets.

Acquisition expenses were $1.6 million for the three months ended March 31, 2010 and are charged to selling, general and administrative expenses.

Portec – On December 22, 2010, the Company acquired the rail joint bar business of Portec Rail Products, Inc. located in Huntington, West Virginia. The purchase price was cash of $10.7. The updated allocation of purchase price to acquired assets consisted of inventory totaling $7.1 million, plant and equipment totaling $2.7 million, intangible assets consisting primarily of customer relationships totaling $0.6 million and tax deductible goodwill of $0.3 million. The goodwill is allocated to the Railroad and Utility Products segment.

Other acquisitions – On October 31, 2010, the Company acquired the midwestern United States refined tar business of Stella Jones Inc. for cash of $5.8 million. The final allocation of purchase price to acquired assets consisted of inventory totaling $1.6 million and intangible assets consisting primarily of customer relationships totaling $1.7 million and tax deductible goodwill of $2.5 million. The goodwill is allocated to the Carbon Materials and Chemicals segment.

Pro-forma information – The consolidated pro forma results of operations if the above acquisitions had been completed as of the beginning of the year in 2010 would have been pro forma revenue of $288.1 million and operating profit of $15.9 million for the three months ended March 31, 2010.

4. Fair Value Measurements

Carrying amounts and the related estimated fair values of the Company's financial instruments as of March 31, 2011 and December 31, 2010 are as follows:

(Dollars in millions)	March 31, 2011 Fair Value	March 31, 2011 Carrying Value	December 31, 2010 Fair Value	December 31, 2010 Carrying Value
Financial assets:				
Cash and cash equivalents, including restricted cash	$ 40.5	$ 40.5	$ 35.3	$ 35.3
Investments and other assets[a]	1.3	1.3	1.3	1.3
Financial liabilities:				
Long-term debt (including current portion)	$ 351.6	$320.0	$ 324.5	$296.4

(a) Excludes equity method investments.

Cash and cash equivalents – The carrying amount approximates fair value because of the short maturity of those instruments.

Investments and other assets – Represents the broker-quoted cash surrender value on universal life insurance policies. This asset is classified as Level 2 in the valuation hierarchy and is measured from values received from financial institutions.

Debt – The fair value of the Company's long-term debt is estimated based on the market prices for the same or similar issues or on the current rates offered to the Company for debt of the same remaining maturities (Level 2). The fair values of the revolving credit facility approximate carrying value due to the variable rate nature of these instruments.

5. Comprehensive Income and Equity

Total comprehensive income for the three months ended March 31, 2011 and 2010 is summarized in the table below:

(Dollars in millions)	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010
Net income	$ 9.0	$ 7.4
Other comprehensive income (loss):		
Change in currency translation adjustment	6.9	(1.6)
Change in unrecognized pension net loss, net of tax of $(0.3) and $(0.5)	0.9	0.8
Change in unrecognized transition asset, net of tax of $0.0 and $0.1	0.0	(0.1)
Total comprehensive income	16.8	6.5
Less: comprehensive income attributable to noncontrolling interests	0.2	0.1
Comprehensive income attributable to Koppers	$ 16.6	$ 6.4

The following tables present the change in equity for the three months ended March 31, 2011 and 2010, respectively:

(Dollars in millions)	Total Koppers Shareholders' Equity'	Noncontrolling Interests	Total Equity
Balance at January 1, 2011	$ 88.7	$ 11.2	$ 99.9
Net income	8.9	0.1	9.0
Issuance of common stock	0.2	0.0	0.2
Employee stock plans	0.9	0.0	0.9
Other comprehensive income (loss)	7.7	0.1	7.8
Dividends	(4.6)	0.0	(4.6)
Repurchases of common stock	(0.2)	0.0	(0.2)
Balance at March 31, 2011	$ 101.6	$ 11.4	$ 113.0

(Dollars in millions)	Total Koppers Shareholders' Equity'	Noncontrolling Interests	Total Equity
Balance at January 1, 2010	$ 43.8	$ 11.0	$ 54.8
Net income	7.3	0.1	7.4
Issuance of common stock	3.2	0.0	3.2
Employee stock plans	3.7	0.0	3.7
Other comprehensive income (loss)	(0.9)	0.0	(0.9)
Dividends	(4.6)	0.0	(4.6)
Repurchases of common stock	(0.9)	0.0	(0.9)
Balance at March 31, 2010	$ 51.6	$ 11.1	$ 62.7

6. Earnings per Common Share

The computation of basic earnings per common share for the periods presented is based upon the weighted average number of common shares outstanding during the periods. The computation of diluted earnings per common share includes the effect of nonvested nonqualified stock options and restricted stock units assuming such options and stock units were outstanding common shares at the beginning of the period. The effect of antidilutive securities is excluded from the computation of diluted earnings per common share.

The following table sets forth the computation of basic and diluted earnings per common share:

	Three Months Ended March 31,	
(Dollars in millions, except share amounts, in thousands, and per share amounts)	2011	2010
Net income attributable to Koppers	$ 8.9	$ 7.3
Weighted average common shares outstanding:		
Basic	20,588	20,473
Effect of dilutive securities	136	159
Diluted	20,724	20,632
Earnings per common share – continuing operations:		
Basic earnings per common share	$ 0.43	$ 0.36
Diluted earnings per common share	0.43	0.36
Other data:		
Antidilutive securities excluded from computation of diluted earnings per common share	95	128

7. Stock-based Compensation

The amended and restated 2005 Long-Term Incentive Plan (the “LTIP”) provides for the grant to eligible persons of stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance awards, dividend equivalents and other stock-based awards, which are collectively referred to as the awards.

Under the LTIP, the board of directors granted restricted stock units and performance stock units to certain employee participants (collectively, the “stock units”) each year starting in 2007. The restricted stock units vest on the third anniversary of the grant date, assuming continued employment by the participant. Performance stock units granted in 2011 and 2010 each have a two-year performance objective. Performance stock units granted before 2010 have three-year performance objectives. Regardless of whether the measurement period for the applicable performance objective is two or three years, all performance stock units have a three-year period for vesting (if the applicable performance objective is obtained). The applicable performance objective is based upon a multi-year cumulative value creation calculation commencing on the first day of each grant year. The number of performance stock units granted represents the target award and participants have the ability to earn between zero and 150 percent of the target award based upon actual performance. If minimum performance criteria are not achieved, no performance stock units will vest. The performance stock units originally awarded in 2008 did not vest in 2011 as the related performance objectives were not achieved.

Dividends declared on the Company's common stock during the restriction period of the stock units are credited at equivalent value as additional stock units and become payable as additional common shares upon vesting. In the event of termination of employment, other than retirement, death or disability, any nonvested stock units are forfeited, including additional stock units credited from dividends. In the event of termination of employment due to retirement, death or disability, pro-rata vesting of the stock units over the service period will result. There are special vesting provisions for the stock units related to a change in control.

Restricted stock units that vest immediately or have one-year vesting periods are also issued under the LTIP to members of the board of directors in connection with annual director compensation and, from time to time, are issued to members of management in connection with employee compensation.

Compensation expense for nonvested stock units is recorded over the vesting period based on the fair value at the date of grant. The fair value of stock units is the market price of the underlying common stock on the date of grant.

The following table shows a summary of the performance stock units outstanding as of March 31, 2011:

Performance Period	*Minimum Shares*	*Target Shares*	*Maximum Shares*
2009 – 2011	0	137,144	205,716
2010 – 2011	0	68,457	102,686
2011 – 2012	0	93,115	139,673

The following table shows a summary of the status and activity of nonvested stock awards for the three months ended March 31, 2011:

	Restricted Stock Units	*Performance Stock Units*	*Total Stock Units*	*Weighted Average Grant Date Fair Value per Unit*
Nonvested at January 1, 2011	121,397	257,002	378,399	$ 23.31
Granted	46,277	93,115	139,392	$ 40.26
Credited from dividends	3,627	7,693	11,320	$ 27.31
Performance stock unit adjustment	0	(50,600)	(50,600)	$ 38.92
Vested	(23,580)	0	(23,580)	$ 38.92
Forfeited	(17)	0	(17)	$ 36.61
Nonvested at March 31, 2011	147,704	307,210	454,914	$ 26.06

Stock options to executive officers vest and become exercisable upon the completion of a three-year service period commencing on the grant date. The stock options have a term of 10 years. In the event of termination of employment, other than retirement, death or disability, any nonvested options are forfeited. In the event of termination of employment due to retirement, death or disability, pro-rata vesting of the options over the service period will result. There are special vesting provisions for the stock options related to a change in control.

In accordance with accounting standards, compensation expense for unvested stock options is recorded over the vesting period based on the fair value at the date of grant. The fair value of stock options on the date of grant is calculated using the Black-Scholes-Merton model and the assumptions listed below:

	February 2011 Grant	*August 2010 Grant*	*February 2010 Grant*	*February 2009 Grant*
Grant date price per share of option award	$ 40.26	$ 20.00	$ 28.10	$ 15.26
Expected dividend yield per share	2.50%	2.50%	2.50%	2.50%
Expected life in years	6.5	6.5	6.5	6.5
Expected volatility	60.00%	62.00%	62.00%	51.00%
Risk-free interest rate	3.02%	3.05%	3.05%	2.05%
Grant date fair value per share of option awards	$ 19.28	$ 9.82	$ 13.81	$ 6.19

The dividend yield is based on the Company's current and prospective dividend rate which calculates a continuous dividend yield based upon the market price of the underlying common stock. The expected life in years is based on the simplified method permitted under Securities and Exchange Commission Staff Accounting Bulletin No. 107 which calculates the average of the weighted vesting term and the contractual term of the option. This method was selected due to the lack of historical exercise data with respect to the Company. Expected volatility is based on the historical volatility of the Company's common stock and the historical volatility of certain other similar public companies' stock. The risk-free interest rate is based on U.S. Treasury bill rates for the expected life of the option.

The following table shows a summary of the status and activity of stock options for the three months ended March 31, 2011:

	Options	*Weighted Average Exercise Price per Option*	*Weighted Average Remaining Contractual Term (in years)*	*Aggregate Intrinsic Value (in millions)*
Outstanding at January 1, 2011	291,591	$ 24.63		
Granted	73,910	$ 40.26		
Exercised	(7,150)	$ 29.97		
Outstanding at March 31, 2011	358,351	$ 27.75	8.04	$ 5.4
Exercisable at March 31, 2011	95,568	$ 34.70	6.26	$ 0.8

Total stock-based compensation expense recognized for the three months ended March 31, 2011 and 2010 is as follows:

	Three Months Ended March 31,	
(Dollars in millions)	*2011*	*2010*
Stock-based compensation expense recognized:		
Selling, general and administrative expenses	$ 0.8	$ 0.9
Less related income tax benefit	0.3	0.3
	$ 0.5	$ 0.6

As of March 31, 2011, total future compensation expense related to non-vested stock-based compensation arrangements totaled $9.8 million and the weighted-average period over which this cost is expected to be recognized is approximately 30 months.

8. Segment Information

The Company has two reportable segments: Carbon Materials & Chemicals and Railroad & Utility Products. The Company's reportable segments are business units that offer different products. The reportable segments are each managed separately because they manufacture and distribute distinct products with different production processes. The business units have been aggregated into two reportable segments since management believes the long-term financial performance of these business units is affected by similar economic conditions.

The Company's Carbon Materials & Chemicals segment is primarily a manufacturer of carbon pitch, naphthalene, phthalic anhydride, creosote, carbon black feedstock and carbon black. Carbon pitch is a critical raw material used in the production of aluminum and for the production of steel in electric arc furnaces. Naphthalene is used for the production of phthalic anhydride and as a surfactant in the production of concrete. Phthalic anhydride is used in the production of plasticizers, polyester resins and alkyd paints. Creosote is used in the treatment of wood and carbon black feedstock is used in the production of carbon black. Carbon black is used primarily in the production of rubber tires.

The Company's Railroad & Utility Products segment sells treated and untreated wood products, manufactured products and services primarily to the railroad and public utility markets. Railroad products include procuring and treating items such as crossties, switch ties and various types of lumber used for railroad bridges and crossings and the manufacture of rail joint bars. Utility products include transmission and distribution poles and pilings.

The Company evaluates performance and determines resource allocations based on a number of factors, the primary measure being operating profit or loss from operations. Operating profit does not include equity in earnings of affiliates, other income, interest expense or income taxes. Operating profit also excludes the operating costs of Koppers Holdings Inc., the parent company of Koppers Inc. The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies. Intersegment transactions are eliminated in consolidation.

The following table sets forth certain sales and operating data, net of all intersegment transactions, for the Company's segments for the periods indicated:

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010
(Dollars in millions)		
Revenues from external customers:		
Carbon Materials & Chemicals	$ 236.2	$ 173.3
Railroad & Utility Products	122.9	101.0
Total	$ 359.1	$ 274.3
Intersegment revenues:		
Carbon Materials & Chemicals	$ 27.5	$ 23.1
Depreciation and amortization expense:		
Carbon Materials & Chemicals	$ 4.7	$ 4.5
Railroad & Utility Products	2.1	1.9
Total	$ 6.8	$ 6.4
Operating profit:		
Carbon Materials & Chemicals	$ 13.6	$ 10.7
Railroad & Utility Products	7.5	6.7
Corporate	(0.3)	(0.6)
Total	$ 20.8	$ 16.8

The following table sets forth certain tangible and intangible assets allocated to each of the Company's segments as of the dates indicated:

	March 31, 2011	December 31, 2010
(Dollars in millions)		
Segment assets:		
Carbon Materials & Chemicals	$ 496.8	$ 447.4
Railroad & Utility Products	168.5	154.8
All other	56.7	67.0
Total	$ 722.0	$ 669.2
Goodwill:		
Carbon Materials & Chemicals	$ 70.6	$ 69.6
Railroad & Utility Products	2.8	2.5
Total	$ 73.4	$ 72.1

9. Income Taxes

Effective Tax Rate

Income taxes as a percentage of pretax income was 35.9 percent for each of the three months ended March 31, 2011 and 2010, respectively. There were no discrete items included in the estimated effective tax rate for either period. The effective tax rate for the first three months of 2011 differs from the U.S. federal statutory rate of 35.0 percent due to nondeductible expenses (+0.6 percent), state taxes (+1.1 percent) and uncertain tax positions (+0.9 percent) partially offset by the domestic manufacturing deduction (-1.3 percent). With respect to the first three months of 2010, the effective tax rate differs from the federal statutory rate primarily due to nondeductible expenses (+1.2 percent) and state taxes (+0.8 percent) partially offset by the domestic manufacturing deduction (-1.8 percent).

The income tax provision for interim periods is based on an estimated annual effective tax rate, which requires management to make its best estimate of annual pretax income by domestic and foreign jurisdictions and other items that impact taxable income. During the year, management regularly updates estimates based on changes in various factors such as product prices, shipments, product mix, operating and administrative costs, earnings mix by taxable jurisdiction, repatriation of foreign earnings, uncertain tax positions and the ability to claim tax credits such as the non-conventional fuel tax credit. To the extent that actual results vary from the estimates at the end of the first quarter, the actual tax provision recognized for 2011 could be materially different from the forecasted annual tax provision as of the end of the first quarter.

Uncertain Tax Positions

The Company and its subsidiaries files income tax returns in U.S. federal jurisdiction, individual U.S. state jurisdictions and non-U.S. jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2005.

As of March 31, 2011 and December 31, 2010, the total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate, was approximately $3.7 million and $3.5 million, respectively. Unrecognized tax benefits totaled $6.7 million and $6.5 million as of March 31, 2011 and December 31, 2010, respectively. The Company recognizes interest expense and any related penalties from uncertain tax positions in income tax expense. As of March 31, 2011 and December 31, 2010 the Company had accrued approximately $0.7 million.

10. Inventories

Net inventories as of March 31, 2011 and December 31, 2010 are summarized in the table below:

(Dollars in millions)	*March 31, 2011*	*December 31, 2010*
Raw materials	$ 121.7	$ 107.6
Work in process	7.4	7.6
Finished goods	89.4	95.0
	218.5	210.2
Less revaluation to LIFO	45.6	44.8
Net	$ 172.9	$ 165.4

11. Property, Plant and Equipment

Property, plant and equipment as of March 31, 2011 and December 31, 2010 are summarized in the table below:

(Dollars in millions)	*March 31, 2011*	*December 31, 2010*
Land	$ 7.7	$ 7.6
Buildings	37.5	36.5
Machinery and equipment	619.9	605.5
	665.1	649.6
Less accumulated depreciation	496.3	481.4
Net	$ 168.8	$ 168.2

12. Pensions and Postretirement Benefit Plans

The Company and its subsidiaries maintain a number of defined benefit and defined contribution plans to provide retirement benefits for employees in the U.S., as well as employees outside the U.S. These plans are maintained and contributions are made in accordance with the Employee Retirement Income Security Act of 1974 ("ERISA"), local statutory law or as determined by the board of directors. The defined benefit pension plans generally provide benefits based upon years of service and compensation. Pension plans are funded except for three domestic non-qualified defined benefit pension plans for certain key executives.

All qualified defined benefit pension plans for salaried employees have been closed to new participants and a number of plans, including some plans for hourly employees, have been frozen. Accordingly, these pension plans no longer accrue additional years of service or recognize future increases in compensation for benefit purposes. In addition, a number of pension plans are subject to a "soft" freeze which precludes new employees from entering the defined benefit pension plans.

The defined contribution plans generally provide retirement assets to employee participants based upon employer and employee contributions to the participant's individual investment account. The Company also provides retiree medical insurance coverage to certain U.S. employees and a life insurance benefit to most U.S. employees. For salaried employees, the retiree medical and retiree insurance plans have been closed to new participants.

Expense related to defined contribution plans totaled $1.5 million and $1.4 million for the three months ended March 31, 2011 and 2010, respectively. Expense related to contributions to multi-employer pension plans totaled $0.2 million and $0.1 million for the three months ended March 31, 2011 and 2010, respectively. Expense related to the Company's other postretirement benefit plans other than pensions totaled $0.2 million for each of the three months ended March 31, 2011 and March 31, 2010.

The following table provides the components of net periodic benefit cost for the pension plans for the three months ended March 31, 2011 and 2010:

	Three Months Ended March 31,	
	2011	*2010*
(Dollars in millions)		
Service cost	$ 0.8	$ 0.8
Interest cost	2.9	3.0
Expected return on plan assets	(2.8)	(2.5)
Amortization of net loss	1.6	1.3
Amortization of transition asset	(0.1)	(0.1)
Net periodic benefit cost	$ 2.4	$ 2.5

13. Debt

Debt at March 31, 2011 and December 31, 2010 was as follows:

	Weighted Average Interest Rate	*Maturity*	*March 31, 2011*	*December 31, 2010*
(Dollars in millions)				
Revolving Credit Facility	2.50%	2015	$ 24.5	$ 0.0
Senior Notes	7 7/8%	2019	295.4	295.3
Other debt, including capital leases	8.00%	Various	0.1	1.1
Total debt			320.0	296.4
Less short term debt and current maturities of long-term debt			0.1	1.0
Long-term debt			$ 319.9	$ 295.4

Revolving Credit Facility

The Koppers Inc. revolving credit facility agreement provides for a revolving credit facility of up to $300.0 million at variable rates. Borrowings under the revolving credit facility are secured by a first priority lien on substantially all of the assets of Koppers Inc. and its material domestic subsidiaries. The revolving credit facility contains certain covenants for Koppers Inc. and its restricted subsidiaries that limit capital expenditures, additional indebtedness, liens, dividends, investments or acquisitions. In addition, such covenants give rise to events of default upon the failure by Koppers Inc. and its restricted subsidiaries to meet certain financial ratios. Commitment fees totaled $0.3 million for each of the three months ended March 31, 2011 and 2010 and are charged to interest expense. In March 2011, the Company amended the revolving credit facility to extend the expiration of the facility to March 22, 2015.

As of March 31, 2011, the Company had $247.9 million of unused revolving credit availability for working capital purposes after restrictions from certain letter of credit commitments and other covenants. As of March 31, 2011, $11.3 million of commitments were utilized by outstanding letters of credit.

Senior Notes

The Koppers Inc. 7 $^{7}/_{8}$ percent Senior Notes due 2019 (the "Senior Notes") were issued on December 1, 2009 at an offering price of 98.311 percent of face value, or $294.9 million and have a principal amount at maturity of $300.0 million. The Senior Notes have an effective interest rate yield of 8 $^{1}/_{8}$ percent per annum. The Senior Notes are unsecured senior obligations that are fully and unconditionally guaranteed by Koppers Holdings and certain of Koppers Inc.'s wholly-owned domestic subsidiaries. The Senior Notes are structurally subordinated to indebtedness under the revolving credit facility.

Interest on the Senior Notes is payable semiannually on December 1 and June 1 each year. On or after December 1, 2014, the Company is entitled to redeem all or a portion of the Senior Notes at a redemption price of 103.938 percent of principal value, declining annually in ratable amounts until the redemption price is equivalent to the principal value on December 1, 2017.

The indenture governing the Senior Notes includes customary covenants that restrict, among other things, the ability of Koppers Inc. and its restricted subsidiaries to incur additional debt, pay dividends or make certain other restricted payments, incur liens, merge or sell all or substantially all of the assets of Koppers Inc. or its subsidiaries or enter into various transactions with affiliates.

Guarantees

The Company's 60-percent owned subsidiary in China has issued a guarantee of $18.5 million in support of the Company's 30-percent investment in TKK. The guarantee relates to bank debt incurred by TKK which matures in August 2011 and is expected to be refinanced.

14. Asset Retirement Obligations

The Company recognizes asset retirement obligations for the removal and disposal of residues; dismantling of certain tanks required by governmental authorities; cleaning and dismantling costs for owned rail cars; and cleaning costs for leased rail cars and barges. The following table reflects changes in the carrying values of asset retirement obligations:

(Dollars in millions)	*March 31, 2011*	*December 31, 2010*
Balance at beginning of year	$ 17.0	$ 16.6
Accretion expense	0.3	1.3
Revision in estimated cash flows, net	0.0	1.5
Expenses incurred	(1.1)	(2.4)
Acquisitions	0.0	0.3
Currency translation	0.2	(0.3)
Balance at end of period	$ 16.4	$ 17.0

15. Deferred Revenue from Extended Product Warranty Liabilities

The Company defers revenues associated with extended product warranty liabilities based on historical loss experience and sales of extended warranties on certain products. The following table reflects changes in the carrying values of deferred revenue:

(Dollars in millions)	*March 31, 2011*	*December 31, 2010*
Balance at beginning of year	$ 5.7	$ 6.7
Revenue earned	(0.2)	(1.0)
Balance at end of period	$ 5.5	$ 5.7

16. Commitments and Contingent Liabilities

The Company and its subsidiaries are involved in litigation and various proceedings relating to environmental laws and regulations and toxic tort, product liability and other matters. Certain of these matters are discussed below. The ultimate resolution of these contingencies is subject to significant uncertainty and should the Company or its subsidiaries fail to prevail in any of these legal matters or should several of these legal matters be resolved against the Company or its subsidiaries in the same reporting period, these legal matters could, individually or in the aggregate, be material to the consolidated financial statements.

Legal Proceedings

Coal Tar Pitch Cases. Koppers Inc., along with other defendants, is currently a defendant in lawsuits filed in four states in which the plaintiffs claim they suffered a variety of illnesses (including cancer) as a result of exposure to coal tar pitch sold by the defendants. There are approximately 111 plaintiffs in 62 cases pending as of March 31, 2011 as compared to 111 plaintiffs in 62 cases at December 31, 2010. As of March 31, 2011, there are a total of 58 cases pending in state court in Pennsylvania, one case each pending in state courts in Tennessee and Illinois, and two cases pending in an Indiana state court.

The plaintiffs in all 62 pending cases seek to recover compensatory damages, while plaintiffs in 53 cases also seek to recover punitive damages. The plaintiffs in the 58 cases filed in Pennsylvania state court seek unspecified damages in excess of the court's minimum jurisdictional limit. The plaintiffs in the two cases filed in Indiana state court also seek damages in an unspecified amount. The plaintiffs in the Tennessee state court case each seek damages of $15.0 million. The plaintiff in the Illinois state court case seeks compensatory damages in excess of $50,000.

The other defendants in these lawsuits vary from case to case and include companies such as Beazer East, Inc., United States Steel Corporation, Honeywell International Inc., Vertellus Specialties Inc., Dow Chemical Company, Rust-Oleum Corporation, UCAR Carbon Company, Inc., Exxon Mobil Corporation, Chemtura Corporation, SGL Carbon Corporation, Alcoa, Inc., and PPG Industries, Inc. Discovery is proceeding in these cases.

The Company has not provided a reserve for these lawsuits because, at this time, the Company cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. The timing of resolution of these cases cannot be reasonably determined. Although Koppers Inc. is vigorously defending these cases, an unfavorable resolution of these matters may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations. No trial dates have been set in any of these cases.

Somerville Cases. Koppers Inc. is currently defending five sets of state court cases in Texas (*Antu, Baade, Davis, Hensen* and *Moses*) involving approximately 100 plaintiffs who allegedly have worked or resided in Somerville, Texas, where Koppers Inc. has operated a wood treatment plant since 1995. Koppers Inc. has been named, but not served, as a defendant in another Texas state court case (*Asselin*) involving 11 plaintiffs who allegedly worked or resided in Somerville, Texas. These cases are pending in Burleson County, Texas, and Tarrant County, Texas. The BNSF Railway Company ("BNSF") has also been named as a defendant in these cases. The complaints allege that plaintiffs have suffered personal injuries (including death, in some cases) resulting from exposure to wood preservative chemicals used at the Somerville, Texas wood treatment plant. The complaints in the *Moses, Davis* and *Asselin* cases additionally allege that plaintiffs have suffered property damage.

The complaints seek to recover various damages for each plaintiff, including compensatory and punitive damages within the jurisdictional limits of the court for, among other things, bodily injuries, pain and mental anguish, emotional distress, medical monitoring, medical expenses, diminished earning capacity, permanent disability, physical impairment and/or disfigurement, loss of companionship and society, loss of consortium, devaluation of property, loss of use and enjoyment of personal property, loss of use and enjoyment of real property, property damage, property remediation costs, funeral and burial expenses and lost wages.

Currently, there are a total of 32 plaintiffs in the *Moses* cases. There are a total of two plaintiffs in the *Antu* case. There are a total of 45 plaintiffs in the *Hensen* case, two of whom have claims pending against only the BNSF. The *Davis* case involves one plaintiff. There are a total of 20 plaintiffs in the *Baade* case.

No cases pending against Koppers Inc. have discovery completion dates or trial dates.

The Company has not provided a reserve for these matters because, at this time, it cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. The timing of resolution of these cases cannot be reasonably determined. Although Koppers Inc. is vigorously defending these cases, an unfavorable resolution of these matters may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations.

Grenada. Koppers Inc., together with various co-defendants (including Beazer East), has been named as a defendant in toxic tort lawsuits in federal court in Mississippi and in state court in Mississippi arising from the operation of the Grenada facility. The complaints allege that plaintiffs were exposed to harmful levels of various toxic chemicals, including creosote, pentachlorophenol, polycyclic aromatic hydrocarbons and dioxin, as a result of soil, surface water and groundwater contamination and air emissions from the Grenada facility. Based on the experience of Koppers Inc. in defending previous toxic tort cases, the Company does not believe that the damages sought by the plaintiffs in the state and federal court cases are supported by the facts of the cases.

Counsel for the plaintiffs in the Grenada state and federal cases and counsel for the Company and Beazer East engaged in mediation on December 2, 2010. As a result of the mediation, a settlement agreement has been reached with respect to all outstanding state and federal cases, except one case pending in state court. The terms of the settlement agreement provide that the pending cases will either be dismissed or, with respect to certain specified cases, plaintiffs' attorney may withdraw as counsel in lieu of dismissal. As a result of this agreement, the Company included a charge with respect to the state and federal litigation in its financial statements for the year ended December 31, 2010.

Gainesville. Koppers Inc. operated a utility pole treatment plant in Gainesville from 1988 until its closure late in 2009. The property upon which the utility pole treatment plant was located was sold by Koppers Inc. to Beazer East, Inc. in the first quarter of 2010.

In November 2010, a class action complaint was filed in the Circuit Court of the Eighth Judicial Circuit located in Aluchua County, Florida by residential real property owners located in neighborhoods adjacent to the former utility pole treatment plant in Gainesville. The complaint named the Company, Koppers Inc., Beazer East and several other parties as defendants. The complaint alleges that chemicals and contaminants from the plant have contaminated plaintiffs' properties, have caused property damage and have placed residents and owners of the properties at an elevated risk of exposure to the alleged chemicals. The complaint seeks injunctive relief and compensatory damages for diminution in property values and loss of use and enjoyment. The case was removed to the United States District Court for the Northern District of Florida in December 2010, and plaintiffs have requested that the case be remanded back to state court.

The Company has not provided a reserve for this matter because, at this time, it cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. The timing of resolution of this case cannot be reasonably determined. Although the Company is vigorously defending this case, an unfavorable resolution of this matter may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations.

Legal Reserves Rollforward. The following table reflects changes in the accrued liability for legal proceedings:

		Period Ended
	March 31, 2011	December 31, 2010
(Dollars in millions)		
Balance at beginning of year	$ 3.0	$ 0.0
Accrual of reserves	0.0	3.0
Balance at end of period	$ 3.0	$ 3.0

Environmental and Other Litigation Matters

The Company and its subsidiaries are subject to federal, state, local and foreign laws and regulations and potential liabilities relating to the protection of the environment and human health and safety including, among other things, the cleanup of contaminated sites, the treatment, storage and disposal of wastes, the discharge of effluent into waterways, the emission of substances into the air and various health and safety matters. The Company's subsidiaries expect to incur substantial costs for ongoing compliance with such laws and regulations. The Company's subsidiaries may also face governmental or third-party claims, or otherwise incur costs, relating to cleanup of, or for injuries resulting from, contamination at sites associated with past and present operations. The Company accrues for environmental liabilities when a determination can be made that a liability is probable and reasonably estimable.

Environmental and Other Liabilities Retained or Assumed by Others. The Company's subsidiaries have agreements with former owners of certain of their operating locations under which the former owners retained, assumed and/or agreed to indemnify such subsidiaries against certain environmental and other liabilities. The most significant of these agreements was entered into at Koppers Inc.'s formation on December 29, 1988 (the "Acquisition"). Under the related asset purchase agreement between Koppers Inc. and Beazer East, subject to certain limitations, Beazer East retained the responsibility for and agreed to indemnify Koppers Inc. against certain liabilities, damages, losses and costs, including, with certain limited exceptions, liabilities under and costs to comply with environmental laws to the extent attributable to acts or omissions occurring prior to the Acquisition and liabilities related to products sold by Beazer East prior to the Acquisition (the "Indemnity"). Beazer Limited, the parent company of Beazer East, unconditionally guaranteed Beazer East's performance of the Indemnity pursuant to a guarantee (the "Guarantee"). In 1998, the parent company of Beazer East purchased an insurance policy under which the funding and risk of certain environmental and other liabilities relating to the former Koppers Company, Inc. operations of Beazer East (which includes locations purchased from Beazer East by Koppers Inc.) are underwritten by Centre Solutions (a member of the Zurich Group) and Swiss Re. Beazer East is a wholly-owned, indirect subsidiary of Heidelberg Cement AG. The Indemnity provides different mechanisms, subject to certain limitations, by which Beazer East is obligated to indemnify Koppers Inc. with regard to certain environmental, product and other liabilities and imposes certain conditions on Koppers Inc. before receiving such indemnification, including, in some cases, certain limitations regarding the time period as to which claims for indemnification can be brought. In July 2004, Koppers Inc. and Beazer East agreed to amend the environmental indemnification provisions of the December 29, 1988 asset purchase agreement to extend the indemnification period for pre-closing environmental liabilities through July 2019. As consideration for the amendment, Koppers Inc. paid Beazer East a total of $7.0 million and agreed to share toxic tort litigation defense costs arising from any sites acquired from Beazer East. The July 2004 amendment did not change the provisions of the Indemnity with respect to indemnification for non-environmental claims, such as product liability claims, which claims may continue to be asserted after July 2019.

Qualified expenditures under the Indemnity are not subject to a monetary limit. Qualified expenditures under the Indemnity include (i) environmental cleanup liabilities required by third parties, such as investigation, remediation and closure costs, relating to pre-December 29, 1988, or Pre-Closing, acts or omissions of Beazer East or its predecessors; (ii) environmental claims by third parties for personal injuries, property damages and natural resources damages relating to Pre-Closing acts or omissions of Beazer East or its predecessors; (iii) punitive damages for the acts or omissions of Beazer East and its predecessors without regard to the date of the alleged conduct and (iv) product liability claims for products sold by Beazer East or its predecessors without regard to the date of the alleged conduct. If the third party claims described in sections (i) and (ii) above are not made by July 2019, Beazer East will not be required to pay the costs arising from such claims under the Indemnity. However, with respect to any such claims which are made by July 2019, Beazer East will continue to be responsible for such claims under the

Indemnity beyond July 2019. The Indemnity provides for the resolution of issues between Koppers Inc. and Beazer East by an arbitrator on an expedited basis upon the request of either party. The arbitrator could be asked, among other things, to make a determination regarding the allocation of environmental responsibilities between Koppers Inc. and Beazer East. Arbitration decisions under the Indemnity are final and binding on the parties.

Contamination has been identified at most manufacturing and other sites of the Company's subsidiaries. Three sites currently owned and operated by Koppers Inc. in the United States are listed on the National Priorities List promulgated under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"). Currently, at the properties acquired from Beazer East (which include all of the National Priorities List sites and all but one of the sites permitted under the Resource Conservation and Recovery Act ("RCRA")), a significant portion of all investigative, cleanup and closure activities are being conducted and paid for by Beazer East pursuant to the terms of the Indemnity. In addition, other of Koppers Inc.'s sites are or have been operated under RCRA and various other environmental permits, and remedial and closure activities are being conducted at some of these sites.

To date, the parties that retained, assumed and/or agreed to indemnify the Company against the liabilities referred to above, including Beazer East, have performed their obligations in all material respects. The Company believes that, for the last three years ended December 31, 2010, amounts paid by Beazer East as a result of its environmental remediation obligations under the Indemnity have averaged in total approximately $11 million per year. Periodically, issues have arisen between Koppers Inc. and Beazer East and/or other indemnitors that have been resolved without arbitration. Koppers Inc. and Beazer East engage in discussions from time to time that involve, among other things, the allocation of environmental costs related to certain operating and closed facilities.

If for any reason (including disputed coverage or financial incapability) one or more of such parties fail to perform their obligations and the Company or its subsidiaries are held liable for or otherwise required to pay all or part of such liabilities without reimbursement, the imposition of such liabilities on the Company or its subsidiaries could have a material adverse effect on its business, financial condition, cash flows and results of operations. Furthermore, the Company could be required to record a contingent liability on its balance sheet with respect to such matters, which could result in a negative adjustment to the Company's net worth.

Domestic Environmental Matters. Koppers Inc. has been named as a potentially responsible party (a "PRP") at the Portland Harbor CERCLA site located on the Willamette River in Oregon. Koppers Inc. has replied to an EPA Information request and has executed a PRP agreement which outlines the process to develop an allocation of past and future costs. The current estimate for past costs incurred in the remedial investigation/feasibility study is approximately $100 million. Koppers Inc. currently operates a coal tar pitch terminal near the site. Koppers Inc. has accrued its estimated cost of participation in the PRP group. Separate from the EPA activities, a natural resources damages assessment is being conducted by a local trustee group. In September 2009, Koppers Inc. received a general notice letter notifying it that it may be a PRP at the Newark Bay CERCLA site. In January 2010, Koppers Inc. submitted a response to the general notice letter asserting that Koppers Inc. is a de minimus party at this site. Other than the estimated cost of participating in the PRP group at the Portland Harbor CERCLA site, the Company has not provided a reserve for these matters because, at this time, it cannot reasonably determine the probability of a loss, and the amount of loss, if any, cannot be reasonably estimated. An unfavorable resolution of these matters may have a material adverse effect on the Company's business, financial condition, cash flows and results of operations.

The Illinois Environmental Protection Agency (the "IEPA") has requested that Koppers Inc. conduct a voluntary investigation of soil and groundwater at its Stickney, Illinois carbon materials and chemicals facility. Koppers Inc. is also conducting an investigation of soil and groundwater at a leased terminal site located adjacent to the Stickney facility. Koppers Inc. is conducting such investigations in cooperation with Beazer East. The Company has provided a reserve for this matter totaling $0.8 million as of March 31, 2011.

In August 2005, the Pennsylvania Department of Environmental Protection (the "PADEP") proposed a fine related to alleged water discharge exceedances from a storm water sewer pipe at the tar distillation facility of Koppers Inc. in Clairton, Pennsylvania. In July 2010, Koppers Inc. reached a final settlement of the fine with the PADEP and executed a consent order with the PADEP. Koppers Inc. also agreed to undertake certain engineering and capital improvements and agreed to contribute the capital improvements, primarily a new sewer line, to the city of Clairton. Accordingly, Koppers Inc. has provided a reserve of $0.6 million related to the new sewer line and PADEP fine as of March 31, 2011. Koppers Inc. expects to complete construction of the sewer line in 2011.

Australian Environmental Matters. Soil and groundwater contamination has been detected at certain of the Company's Australian facilities. At the Company's tar distillation facility in Newcastle, New South Wales, Australia, soil contamination from an abandoned underground coal tar pipeline and other groundwater contamination have been detected at a property adjacent to the facility. In December 2006 the Company and the owner of the adjacent property reached an agreement in principle pursuant to which the Company will contribute $1.9 million and the owner of the adjacent property will contribute $6.9 million toward remediation of the property. Subject to the approval of a remediation action plan by local environmental authorities, the agreement in principle provides that the Company will assume responsibility for the management of the remediation effort and will indemnify the current owner for any remediation costs in excess of its agreed contribution. The Company expects to finalize this agreement in the second quarter of 2011. At the completion of the remediation, the agreement in principle provides that the property will be transferred to the Company. The Company has reserved its expected total remediation costs of $1.9 million at March 31, 2011.

Other Australian environmental matters include soil and groundwater remediation at a number of current and former facilities in Australia. With respect to a closed facility in Thornton, Australia, the sale of the property was completed in March 2010 and the buyer assumed all remediation liability. Accordingly, the accrual for remediation at this site was reversed in 2010 and resulted in a decrease to cost of sales of $2.9 million. The Company has reserved $1.2 million for remediation costs at the remaining Australian sites.

*Environmental Reserves Rollforward***.** The following table reflects changes in the accrued liability for environmental matters:

	Period Ended	
	March 31, 2011	*December 31, 2010*
(Dollars in millions)		
Balance at beginning of year	$ 6.6	$ 10.7
Expense	0.0	1.2
Reversal of reserves	(0.5)	(4.3)
Cash expenditures	(0.9)	(1.5)
Currency translation	0.1	0.5
Balance at end of year	$ 5.3	$ 6.6

17. Subsidiary Guarantor Information for Koppers Inc. Senior Notes

On December 1, 2009, Koppers Inc. issued $300.0 million principal value of Senior Notes. Koppers Holdings and each of Koppers Inc.'s wholly-owned material domestic subsidiaries other than Koppers Assurance, Inc. fully and unconditionally guarantee the payment of principal and interest on the Senior Notes. The domestic guarantor subsidiaries include World-Wide Ventures Corporation, Koppers Delaware, Inc., Koppers Concrete Products, Inc., Concrete Partners, Inc., Koppers Ventures LLC and Koppers Asia LLC.

Separate condensed consolidating financial statement information for Koppers Holdings Inc. (the parent), Koppers Inc., domestic guarantor subsidiaries and non-guarantor subsidiaries as of March 31, 2011 and 2010 and for the three months ended March 31, 2011 and 2010 is as follows:

Condensed Consolidating Statement of Income
For the Three Months Ended March 31, 2011

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
Net sales	$ 0.0	$ 189.2	$ 18.9	$ 162.7	$ (11.7)	$ 359.1
Cost of sales including depreciation and amortization	0.0	175.9	13.5	141.2	(10.2)	320.4
Selling, general and administrative	0.3	9.6	0.5	7.5	0.0	17.9
Operating profit (loss)	(0.3)	3.7	4.9	14.0	(1.5)	20.8
Other income (expense)	9.0	0.0	0.0	0.1	(9.0)	0.1
Interest expense (income)	(0.1)	6.9	0.0	1.4	(1.3)	6.9
Income taxes	(0.1)	2.1	0.0	3.0	0.0	5.0
Income from continuing operations	8.9	(5.3)	4.9	9.7	(9.2)	9.0
Noncontrolling interests	0.0	0.0	0.0	0.1	0.0	0.1
Net income attributable to Koppers	$ 8.9	$ (5.3)	$ 4.9	$ 9.6	$ (9.2)	$ 8.9

Condensed Consolidating Statement of Income
For the Three Months Ended March 31, 2010

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
Net sales	$ 0.0	$ 160.6	$ 9.5	$ 114.7	$ (10.5)	$ 274.3
Cost of sales including depreciation and amortization	0.0	148.7	5.2	95.6	(9.4)	240.1
Selling, general and administrative	0.6	8.7	1.9	6.2	0.0	17.4
Operating profit (loss)	(0.6)	3.2	2.4	12.9	(1.1)	16.8
Other income (expense)	7.7	0.1	(0.1)	1.7	(7.7)	1.7
Interest expense (income)	0.0	7.0	0.0	1.2	(1.3)	6.9
Income taxes	(0.2)	1.1	0.1	3.2	0.0	4.2
Income from continuing operations	7.3	(4.8)	2.2	10.2	(7.5)	7.4
Noncontrolling interests	0.0	0.0	0.0	0.1	0.0	0.1
Net income attributable to Koppers	$ 7.3	$ (4.8)	$ 2.2	$ 10.1	$ (7.5)	$ 7.3

Condensed Consolidating Balance Sheet
March 31, 2011

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
ASSETS						
Cash and cash equivalents	$ 0.0	$ 0.0	$ 0.0	$ 40.5	$ 0.0	$ 40.5
Accounts receivable, net	11.8	101.1	465.1	127.9	(524.4)	181.5
Inventories, net	0.0	94.3	1.2	77.5	(0.1)	172.9
Deferred tax assets	0.0	7.4	(1.5)	0.0	0.0	5.9
Other current assets	0.0	7.7	0.3	14.2	(0.1)	22.1
Total current assets	11.8	210.5	465.1	260.1	(524.6)	422.9
Equity investments	94.3	77.1	26.2	3.8	(196.7)	4.7
Property, plant and equipment, net	0.0	94.0	0.0	74.8	0.0	168.8
Goodwill	0.0	39.8	0.0	33.6	0.0	73.4
Deferred tax assets	0.0	64.7	(43.8)	4.6	0.0	25.5
Other noncurrent assets	0.0	20.6	0.1	5.9	0.1	26.7
Total assets	$106.1	$ 506.7	$ 447.6	$ 382.8	$ (721.2)	$ 722.0
LIABILITIES AND EQUITY						
Accounts payable	$ 0.1	$ 497.8	$ 13.6	$ 112.9	$ (524.3)	$ 100.1
Accrued liabilities	4.4	(4.7)	34.8	30.0	0.0	64.5
Short-term debt and current portion of long-term debt	0.0	0.1	0.0	0.0	0.0	0.1
Total current liabilities	4.5	493.2	48.4	142.9	(524.3)	164.7
Long-term debt	0.0	319.9	0.0	0.0	0.0	319.9
Other long-term liabilities	0.0	98.9	2.9	22.6	0.0	124.4
Total liabilities	4.5	912.0	51.3	165.5	(524.3)	609.0
Koppers stockholders’ equity	101.6	(405.3)	396.3	205.9	(196.9)	101.6
Noncontrolling interests	0.0	0.0	0.0	11.4	0.0	11.4
Total liabilities and equity	$106.1	$ 506.7	$ 447.6	$ 382.8	$ (721.2)	$ 722.0

Condensed Consolidating Balance Sheet
December 31, 2010

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
ASSETS						
Cash and cash equivalents	$ 0.0	$ 8.4	$ 0.0	$ 26.9	$ 0.0	$ 35.3
S-T investments & restricted cash	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable, net	16.6	80.3	460.9	107.2	(524.2)	140.8
Inventories, net	0.0	78.3	1.2	85.9	0.0	165.4
Deferred tax assets	0.0	7.4	(1.5)	0.0	0.0	5.9
Other current assets	0.0	6.9	0.3	15.8	0.0	23.0
Total current assets	16.6	181.3	460.9	235.8	(524.2)	370.4
Equity investments	76.7	77.1	26.2	3.8	(179.1)	4.7
Property, plant and equipment, net	0.0	94.7	0.0	73.5	0.0	168.2
Goodwill	0.0	39.5	0.0	32.6	0.0	72.1
Deferred tax assets	0.0	65.4	(43.8)	4.5	0.0	26.1
Other noncurrent assets	0.0	21.6	0.0	6.2	(0.1)	27.7
Total assets	$93.3	$ 479.6	$ 443.3	$ 356.4	$ (703.4)	$ 669.2
LIABILITIES AND EQUITY						
Accounts payable	$ 0.0	$ 492.5	$ 15.1	$ 104.5	$ (524.2)	$ 87.9
Accrued liabilities	4.6	(6.3)	34.8	27.4	0.0	60.5
Short-term debt and current portion of long-term debt	0.0	0.1	0.0	0.9	0.0	1.0
Total current liabilities	4.6	486.3	49.9	132.8	(524.2)	149.4
Long-term debt	0.0	295.4	0.0	0.0	0.0	295.4
Other long-term liabilities	0.0	99.6	3.0	21.9	0.0	124.5
Total liabilities	4.6	881.3	52.9	154.7	(524.2)	569.3
Koppers stockholders' equity	88.7	(401.7)	390.4	190.5	(179.2)	88.7
Noncontrolling interests	0.0	0.0	0.0	11.2	0.0	11.2
Total liabilities and equity	$93.3	$ 479.6	$ 443.3	$ 356.4	$ (703.4)	$ 669.2

Condensed Consolidating Statement of Cash Flows
For the Three Months Ended March 31, 2011

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
Cash provided by (used in) operating activities	$ 4.6	$ (28.7)	$ 0.0	$ 14.6	$ 0.0	$ (9.5)
Cash provided by (used in) investing activities:						
Capital expenditures and acquisitions	0.0	(3.6)	0.0	(1.4)	0.0	(5.0)
Net cash proceeds (payments) from divestitures and asset sales	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by (used in) investing activities	0.0	(3.6)	0.0	(1.4)	0.0	(5.0)
Cash provided by (used in) financing activities:						
Borrowings (repayments) of long-term debt	(0.1)	24.5	0.0	(0.8)	0.0	23.6
Deferred financing costs	0.0	(0.5)	0.0	0.0	0.0	(0.5)
Dividends paid	(4.5)	0.0	0.0	0.0	0.0	(4.5)
Stock issued (repurchased)	0.0	0.0	0.0	0.0		0.0
Net cash provided by (used in) financing activities	(4.6)	24.0	0.0	(0.8)	0.0	18.6
Effect of exchange rates on cash	0.0	(0.1)	0.0	1.2	0.0	1.1
Net increase (decrease) in cash and cash equivalents	0.0	(8.4)	0.0	13.6	0.0	5.2
Cash and cash equivalents at beginning of year	0.0	8.4	0.0	26.9	0.0	35.3
Cash and cash equivalents at end of period	$ 0.0	$ 0.0	$ 0.0	$ 40.5	$ 0.0	$ 40.5

Condensed Consolidating Statement of Cash Flows
For the Three Months Ended March 31, 2010

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
Cash provided by (used in) operating activities	$ 5.3	$ 15.0	$ 0.0	$ 0.4	$ (4.5)	$ 16.2
Cash provided by (used in) investing activities:						
Capital expenditures and acquisitions	0.0	(2.0)	0.0	(22.8)	0.0	(24.8)
Net cash proceeds (payments) from divestitures and asset sales	0.0	0.0	0.0	1.7	0.0	1.7
Net cash provided by (used in) investing activities	0.0	(2.0)	0.0	(21.1)	0.0	(23.1)
Cash provided by (used in) financing activities:						
Borrowings (repayments) of long-term debt	0.0	(21.2)	0.0	0.0	0.0	(21.2)
Deferred financing costs	0.0	(0.1)	0.0	0.0	0.0	(0.1)
Dividends paid	(4.5)	(4.5)	0.0	0.0	4.5	(4.5)
Stock issued (repurchased)	(0.9)	0.0	0.0	0.0		(0.9)
Net cash provided by (used in) financing activities	(5.4)	(25.8)	0.0	0.0	4.5	(26.7)
Effect of exchange rates on cash	0.0	0.0	0.0	(1.3)	0.0	(1.3)
Net increase (decrease) in cash and cash equivalents	(0.1)	(12.8)	0.0	(22.0)	0.0	(34.9)
Cash and cash equivalents at beginning of year	0.2	12.8	0.0	45.4	0.0	58.4
Cash and cash equivalents at end of period	$ 0.1	$ 0.0	$ 0.0	$ 23.4	$ 0.0	$ 23.5

18. Subsidiary Guarantor Information for Shelf Registration

Under a registration statement on Form S-3, Koppers Holdings may sell a combination of securities including common stock, debt securities, preferred stock, depository shares and warrants, from time to time in one or more offerings with an aggregate offering price of up to $325 million. In addition, Koppers Inc. may sell debt securities from time to time under the registration statement. Debt securities may be fully and unconditionally guaranteed, on a joint and several basis, by Koppers Holdings, Koppers Inc. and/or other guarantor subsidiaries which will correspond to subsidiaries in the United States, Europe and Australia. The non-guarantor subsidiaries consist of certain subsidiaries in the United States, China and Mauritius. The guarantor subsidiaries that issue guarantees, if any, will be determined when a debt offering actually occurs under the registration statement and accordingly, the condensed consolidated financial information for subsidiary guarantors will be revised to identify the subsidiaries that actually provided guarantees.

Separate condensed consolidating financial statement information for the parent, Koppers Inc., domestic guarantor subsidiaries, foreign guarantor subsidiaries and non-guarantor subsidiaries as of March 31, 2011 and 2010 and for the three months ended March 31, 2011 and 2010 is as follows:

Condensed Consolidating Statement of Income
For the Three Months Ended March 31, 2011

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Foreign Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
Net sales	$ 0.0	$ 189.2	$ 18.9	$ 107.8	$ 56.1	$ (12.9)	$ 359.1
Cost of sales including depreciation and amortization	0.0	175.9	13.6	91.4	50.4	(10.9)	320.4
Selling, general and administrative	0.3	9.6	0.5	5.3	2.2	0.0	17.9
Operating profit (loss)	(0.3)	3.7	4.8	11.1	3.5	(2.0)	20.8
Other income (expense)	9.0	0.0	0.0	0.0	0.1	(9.0)	0.1
Interest expense (income)	(0.1)	6.9	0.0	1.3	0.6	(1.8)	6.9
Income taxes	(0.1)	2.1	0.0	2.8	0.2	0.0	5.0
Income from continuing operations	8.9	(5.3)	4.8	7.0	2.8	(9.2)	9.0
Noncontrolling interests	0.0	0.0	0.0	0.0	0.1	0.0	0.1
Net income attributable to Koppers	$ 8.9	$ (5.3)	$ 4.8	$ 7.0	$ 2.7	$ (9.2)	$ 8.9

Condensed Consolidating Statement of Income
For the Three Months Ended March 31, 2010

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Foreign Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
Net sales	$ 0.0	$ 160.6	$ 9.5	$ 87.7	$ 29.0	$ (12.5)	$ 274.3
Cost of sales including depreciation and amortization	0.0	148.7	5.2	70.8	26.7	(11.3)	240.1
Selling, general and administrative	0.6	8.7	1.9	5.1	1.1	0.0	17.4
Operating profit (loss)	(0.6)	3.2	2.4	11.8	1.2	(1.2)	16.8
Other income (expense)	7.7	0.1	(0.1)	1.6	0.1	(7.7)	1.7
Interest expense (income)	0.0	7.0	0.0	1.2	0.1	(1.4)	6.9
Income taxes	(0.2)	1.1	0.1	3.2	0.0	0.0	4.2
Income from continuing operations	7.3	(4.8)	2.2	9.0	1.2	(7.5)	7.4
Noncontrolling interests	0.0	0.0	0.0	0.0	0.1	0.0	0.1
Net income attributable to Koppers	$ 7.3	$ (4.8)	$ 2.2	$ 9.0	$ 1.1	$ (7.5)	$ 7.3

Condensed Consolidating Balance Sheet
March 31, 2011

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Foreign Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
ASSETS							
Cash and cash equivalents	$ 0.0	$ 0.0	$ 0.0	$ 28.8	$ 11.7	$ 0.0	$ 40.5
Accounts receivable, net	11.8	101.1	464.0	93.7	81.5	(570.6)	181.5
Inventories, net	0.0	94.3	1.2	65.9	11.6	(0.1)	172.9
Deferred tax assets	0.0	7.4	(1.5)	0.0	0.0	0.0	5.9
Other current assets	0.0	7.7	0.3	9.4	4.7	0.0	22.1
Total current assets	11.8	210.5	464.0	197.8	109.5	(570.7)	422.9
Equity investments	94.3	77.1	26.2	19.7	14.2	(226.8)	4.7
Property, plant and equipment, net	0.0	94.0	0.0	47.6	27.2	0.0	168.8
Goodwill	0.0	39.8	0.0	26.0	7.6	0.0	73.4
Deferred tax assets	0.0	64.7	(43.8)	5.3	(0.7)	0.0	25.5
Other noncurrent assets	0.0	20.6	0.1	1.0	5.1	(0.1)	26.7
Total assets	$106.1	$ 506.7	$ 446.5	$ 297.4	$ 162.9	$ (797.6)	$ 722.0
LIABILITIES AND EQUITY							
Accounts payable	$ 0.1	$ 497.8	$ 12.7	$ 103.9	$ 56.1	$ (570.5)	$ 100.1
Accrued liabilities	4.4	(4.7)	34.7	22.5	7.6	0.0	64.5
Short-term debt and current portion of long-term debt	0.0	0.1	0.0	0.0	0.0	0.0	0.1
Total current liabilities	4.5	493.2	47.4	126.4	63.7	(570.5)	164.7
Long-term debt	0.0	319.9	0.0	0.0	0.0	0.0	319.9
Other long-term liabilities	0.0	98.9	3.0	13.6	8.9	0.0	124.4
Total liabilities	4.5	912.0	50.4	140.0	72.6	(570.5)	609.0
Koppers stockholders' equity	101.6	(405.3)	396.1	157.4	78.9	(227.1)	101.6
Noncontrolling interests	0.0	0.0	0.0	0.0	11.4	0.0	11.4
Total liabilities and equity	$106.1	$ 506.7	$ 446.5	$ 297.4	$ 162.9	$ (797.6)	$ 722.0

Condensed Consolidating Balance Sheet
December 31, 2010

(Dollars in millions)	*Parent*	*Koppers Inc.*	*Domestic Guarantor Subsidiaries*	*Foreign Guarantor Subsidiaries*	*Non-Guarantor Subsidiaries*	*Consolidating Adjustments*	*Consolidated*
ASSETS							
Cash and cash equivalents	$ 0.0	$ 8.4	$ 0.0	$ 14.7	$ 12.2	$ 0.0	$ 35.3
S-T investments & restricted cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable, net	16.6	80.3	457.4	81.3	67.2	(562.0)	140.8
Inventories, net	0.0	78.3	1.2	71.3	14.6	0.0	165.4
Deferred tax assets	0.0	7.4	(1.5)	0.0	0.0	0.0	5.9
Other current assets	0.0	6.9	0.3	8.8	7.0	0.0	23.0
Total current assets	16.6	181.3	457.4	176.1	101.0	(562.0)	370.4
Equity investments	76.7	77.1	26.2	19.4	13.7	(208.4)	4.7
Property, plant and equipment, net	0.0	94.7	0.0	46.9	26.6	0.0	168.2
Goodwill	0.0	39.5	0.0	25.4	7.2	0.0	72.1
Deferred tax assets	0.0	65.4	(43.8)	5.3	(0.8)	0.0	26.1
Other noncurrent assets	0.0	21.6	0.0	0.9	5.1	0.1	27.7
Total assets	$93.3	$ 479.6	$ 439.8	$ 274.0	$ 152.8	$ (770.3)	$ 669.2
LIABILITIES AND EQUITY							
Accounts payable	$ 0.0	$ 492.5	$ 11.8	$ 95.9	$ 49.7	$ (562.0)	$ 87.9
Accrued liabilities	4.6	(6.3)	34.8	20.4	7.0	0.0	60.5
Short-term debt and current portion of long-term debt	0.0	0.1	0.0	0.0	0.9	0.0	1.0
Total current liabilities	4.6	486.3	46.6	116.3	57.6	(562.0)	149.4
Long-term debt	0.0	295.4	0.0	0.0	0.0	0.0	295.4
Other long-term liabilities	0.0	99.6	2.9	13.3	8.7	0.0	124.5
Total liabilities	4.6	881.3	49.5	129.6	66.3	(562.0)	569.3
Koppers stockholders' equity	88.7	(401.7)	390.3	144.4	75.3	(208.3)	88.7
Noncontrolling interests	0.0	0.0	0.0	0.0	11.2	0.0	11.2
Total liabilities and equity	$93.3	$ 479.6	$ 439.8	$ 274.0	$ 152.8	$ (770.3)	$ 669.2

Condensed Consolidating Statement of Cash Flows
For the Three Months Ended March 31, 2011

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Foreign Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Cash provided by (used in) operating activities	$ 4.6	$ (28.7)	$ 0.0	$ 12.1	$ 2.5	$ 0.0	$ (9.5)
Cash provided by (used in) investing activities:							
Capital expenditures and acquisitions	0.0	(3.6)	0.0	(1.1)	(0.3)	0.0	(5.0)
Net cash proceeds (payments) from divestitures and asset sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by (used in) investing activities	0.0	(3.6)	0.0	(1.1)	(0.3)	0.0	(5.0)
Cash provided by (used in) financing activities:							
Borrowings (repayments) of long-term debt	(0.1)	24.5	0.0	0.0	(0.8)	0.0	23.6
Deferred financing costs	0.0	(0.5)	0.0	0.0	0.0	0.0	(0.5)
Dividends paid	(4.5)	0.0	0.0	0.0	0.0	0.0	(4.5)
Stock issued (repurchased)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by (used in) financing activities	(4.6)	24.0	0.0	0.0	(0.8)	0.0	18.6
Effect of exchange rates on cash	0.0	(0.1)	0.0	3.1	(1.9)	0.0	1.1
Net increase (decrease) in cash and cash equivalents	0.0	(8.4)	0.0	14.1	(0.5)	0.0	5.2
Cash and cash equivalents at beginning of year	0.0	8.4	0.0	14.7	12.2	0.0	35.3
Cash and cash equivalents at end of period	$ 0.0	$ 0.0	$ 0.0	$ 28.8	$ 11.7	$ 0.0	$ 40.5

Condensed Consolidating Statement of Cash Flows
For the Three Months Ended March 31, 2010

(Dollars in millions)	Parent	Koppers Inc.	Domestic Guarantor Subsidiaries	Foreign Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Cash provided by (used in) operating activities	$ 5.3	$ 15.0	$ 0.0	$ 2.9	$ (2.5)	$ (4.5)	$ 16.2
Cash provided by (used in) investing activities:							
Capital expenditures and acquisitions	0.0	(2.0)	0.0	(0.8)	(22.0)	0.0	(24.8)
Net cash proceeds (payments) from divestitures and asset sales	0.0	0.0	0.0	1.6	0.1	0.0	1.7
Net cash provided by (used in) investing activities	0.0	(2.0)	0.0	0.8	(21.9)	0.0	(23.1)
Cash provided by (used in) financing activities:							
Borrowings (repayments) of long-term debt	0.0	(21.2)	0.0	(23.7)	23.7	0.0	(21.2)
Deferred financing costs	0.0	(0.1)	0.0	0.0	0.0	0.0	(0.1)
Dividends paid	(4.5)	(4.5)	0.0	0.0	0.0	4.5	(4.5)
Stock issued (repurchased)	(0.9)	0.0	0.0	0.0	0.0	0.0	(0.9)
Net cash provided by (used in) financing activities	(5.4)	(25.8)	0.0	(23.7)	23.7	4.5	(26.7)
Effect of exchange rates on cash	0.0	0.0	0.0	(1.1)	(0.2)	0.0	(1.3)
Net increase (decrease) in cash and cash equivalents	(0.1)	(12.8)	0.0	(21.1)	(0.9)	0.0	(34.9)
Cash and cash equivalents at beginning of year	0.2	12.8	0.0	36.9	8.5	0.0	58.4
Cash and cash equivalents at end of period	$ 0.1	$ 0.0	$ 0.0	$ 15.8	$ 7.6	$ 0.0	$ 23.5

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Certain sections of "Management's Discussion and Analysis of Financial Condition and Results of Operations" include forward-looking statements concerning trends or events potentially affecting the businesses of Koppers. These statements typically contain words such as "believes", "anticipates", "expects", "estimates", "may", "will", "should", "continue", "plans", "intends", "likely", or other similar words indicating that future outcomes are uncertain. In accordance with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, these statements are accompanied by cautionary language identifying important factors, although not necessarily all factors, which would cause future outcomes to differ materially from those set forth in the forward-looking statements. For additional risk factors affecting our business, see Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2010.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the unaudited financial statements and related notes included in Item 1 of this Part I as well as the audited consolidated financial statements and the related notes included in our Annual Report on Form 10-K for the year ended December 31, 2010.

Overview

We are a leading integrated global provider of carbon compounds and commercial wood treatment products and services. Our products are used in a variety of niche applications in a diverse range of end-markets, including the aluminum, railroad, specialty chemical, utility, rubber, concrete and steel industries. We serve our customers through a comprehensive global manufacturing and distribution network, with manufacturing facilities located in the United States, Australia, China, the United Kingdom, Denmark and the Netherlands.

We operate two principal businesses: **Carbon Materials & Chemicals ("CM&C")** and **Railroad & Utility Products ("R&UP").**

Through our CM&C business, we process coal tar into a variety of products, including carbon pitch, creosote, naphthalene and phthalic anhydride, which are intermediate materials necessary in the production of aluminum, the pressure treatment of wood and the production of carbon black, the production of high-strength concrete, and the production of plasticizers and specialty chemicals, respectively. Through our R&UP business, we believe that we are the largest supplier of railroad crossties to the North American railroads. Our other commercial wood treatment products include the provision of utility poles to the electric and telephone utility industries. We also provide rail joint bar products as well as various services to the railroad industry.

Our CM&C business has entered into a number of strategic transactions during the last year to expand and focus on its core business related to coal tar distillation and derived products. In March 2010, we completed the acquisition of Cindu Chemicals B.V., a coal tar distillation company located in the Netherlands. This company was subsequently renamed Koppers Netherlands B.V. ("Koppers Netherlands"). The revenues from this facility from March 1 through December 31, 2010 amounted to approximately $48 million. In October 2010 we also purchased the midwestern United States refined tar business of Stella Jones Inc. to increase our presence in this market.

Our R&UP business purchased the rail joint bar business of Portec Rail Products, Inc. located in Huntington, West Virginia in December 2010. This acquisition strengthens our product portfolio offerings to our existing Class I and commercial railroad customers in the United States.

Outlook

Trend Overview

Our businesses and results of operations are impacted by various competitive and other factors including (i) the impact of global economic conditions on demand for our products both in the United States and overseas; (ii) raw materials pricing and availability, in particular the amount and quality of coal tar available in global markets, which could be negatively impacted by reductions in steel production; (iii) volatility in oil prices, which impacts the cost of coal tar and certain other raw materials, as well as selling prices and margins for certain of our products including carbon black feedstock and phthalic anhydride; (iv) competitive conditions in global carbon pitch markets; and (v) changes in foreign exchange rates.

Our businesses and results of operations were impacted by the global recession starting in late 2008 and continuing through the first quarter of 2011. Certain key end markets experienced significant global reductions in demand that have negatively impacted our profitability for some of our products. During 2010 our key end markets showed increased stability for our Carbon Materials & Chemicals business.

During 2009 we saw the idling or closure of several aluminum smelters, particularly in North America and Europe, as global production of aluminum declined over previous levels. However, in late 2010 several North American smelters announced that they are planning to increase production and restart some of their previously idled capacity during 2011. We also believe we are well positioned to supply the new Middle Eastern smelters due to our capacity expansions in China.

For the first quarter of 2011, our sales volumes of carbon pitch have increased in all geographic areas where we operate; however, profit margins for carbon pitch have been reduced in certain regions as coal tar costs have increased in response to reduced availability and higher oil prices, and selling prices for carbon pitch have not increased by large enough amounts to recover the increases in raw material costs. We expect this reduction in margins to improve as we move through 2011 as we continue to increase price in an effort to recover the higher raw material costs we have seen to date this year.

Our carbon black business in Australia has been negatively impacted by the weakness of the U.S. dollar because more than half of our carbon black sales are exported and are denominated in U.S. dollars. Additionally, the higher Australian dollar has resulted in increased competition in Australia in terms of imports of carbon black related to our domestic customers. As a result, our second quarter results may be negatively impacted by deteriorating profitability for this business.

Our railroad business was down substantially in 2010 from an unusually strong prior year as we believe the railroads reduced their untreated crosstie purchases and treating volumes in order to reduce inventory levels. However, volumes of crossties have improved significantly in the first quarter of 2011 and we expect this trend to continue for at least the next quarter as the railroads return to more normal inventory levels and the U.S. economy continues to improve and generate more revenues for our Class I and commercial railroad customers.

We produced lower volumes of many of our products in 2010 and 2009 as compared to 2008 which impacted the capacity utilization at our facilities. Lower throughput volumes combined with increasing pressure for price reductions has led us to review our capacity utilization and has resulted in production cutbacks, from time to time, at certain facilities, which can result in lower margins. To the extent these trends continue, we may temporarily idle or permanently close facilities. For example, in December 2009 we announced the sale of our Gainesville utility pole treatment plant, and in the fourth quarter of 2010 we recorded impairment and related charges of $2.2 million related to a wood treating plant in the United States. Utility pole markets in the United States are expected to continue to remain competitive with resulting low margins. We will continue to review underperforming assets and rationalize capacity as necessary to remain competitive in this market and will reduce market share if warranted.

Several of our products, particularly carbon black feedstock and phthalic anhydride, have end market pricing that is linked to oil. During the past few years we have benefited in terms of revenues and profitability from the higher pricing for these products as the cost of coal tar has not increased proportionally with oil. However, when the price of oil declined in late 2008 we saw significant price and profit declines for these products. Additionally, the cost of a portion of our coal tar supply is directly influenced by oil prices, which results in higher costs for our coal tar when oil prices increase.

The availability of our key raw material, coal tar, is linked to levels of metallurgical coke production. As the global steel industry has reduced production of steel and metallurgical coke the volumes of coal tar by-product were also reduced. Our ability to obtain coal tar and the price we are able to negotiate have a significant impact on the level of profitability of our business. Many of our sales contracts include provisions that allow for price increases based on increases in the price of raw materials, which has allowed us to generally maintain profit dollars in our core businesses. However, significant increases in raw material costs can result in margin dilution if only the increased cost of the raw material is passed on to the customer. Additionally, in certain regions such as China that have competing markets for coal tar, or in regions where the available supply of our products exceeds demand, we may not be able to recover raw material cost increases in the selling prices our end products.

Seasonality and Effects of Weather on Operations

Our quarterly operating results fluctuate due to a variety of factors that are outside of our control, including inclement weather conditions, which in the past have affected operating results. Operations at several facilities have been halted for short periods of time during the winter months. Moreover, demand for some of our products declines during periods of inclement weather. As a result of the foregoing, we anticipate that we may experience material fluctuations in quarterly operating results. Historically, our operating results have been significantly lower in the fourth and first calendar quarters as compared to the second and third calendar quarters. We expect this seasonality trend to continue in future periods.

Results of Operations – Comparison of Three Months Ended March 31, 2011 and 2010

Consolidated Results

Net sales for the three months ended March 31, 2011 and 2010 are summarized by segment in the following table:

	Three Months Ended March 31,		
(Dollars in millions)	*2011*	*2010*	*Net Change*
Carbon Materials & Chemicals	$ 236.2	$ 173.3	+36%
Railroad & Utility Products	122.9	101.0	+22%
	$ 359.1	$ 274.3	+31%

CM&C net sales increased by $62.9 million or 36 percent due to the following changes in volume, pricing and foreign exchange:

	Price	*Volume*	*Foreign Exchange*	*Net Change*
Carbon Materials[(a)]	0%	+17%	+2%	+19%
Distillates[(b)]	+3%	+4%	0%	+7%
Coal Tar Chemicals[(c)]	+3%	+1%	0%	+4%
Other[(d)]	+1%	+3%	+2%	+6%
Total CM&C	+7%	+25%	+4%	+36%

(a) Includes carbon pitch, petroleum pitch and refined tar.
(b) Includes creosote and carbon black feedstock.
(c) Includes naphthalene and phthalic anhydride.
(d) Includes carbon black, benzole, freight and other products.

Carbon materials' volumes increased primarily due to higher demand for carbon pitch in all geographic regions. The volume increases are due primarily to incremental volumes from the March 2010 acquisition in the Netherlands and increased production from our Chinese operations to supply carbon pitch to smelters in the Middle East.

Distillate pricing and volumes for carbon black feedstock increased three percent in Europe due to increased demand for all operating locations and higher average worldwide oil prices as compared to the prior year. A portion of the increased demand also related to the acquisition in the Netherlands on March 1, 2010.

For coal tar chemicals, the increase in sales for the first quarter of 2011 as compared to 2010 was due to an increase in phthalic anhydride prices which was driven by higher oil prices and an increase in naphthalene volumes related to the March 2010 acquisition in the Netherlands. With respect to other products, volumes for miscellaneous chemical products in China increased three percent as compared to the prior year period.

R&UP net sales increased by $21.9 million or 22 percent due to the following changes in volume, price and foreign exchange:

	Price	*Volume*	*Foreign Exchange*	*Net Change*
Railroad Crossties[(a)]	+5%	+10%	0%	+15%
TSO Crossties[(b)]	+1%	0%	0%	+1%
Distribution Poles	0%	–1%	+1%	0%
Other[(c)]	+1%	+5%	0%	+6%
Total R&UP	+7%	+14%	+1%	+22%

(a) Includes treated and untreated railroad crossties.
(b) Includes sales from treatment services only ("TSO").
(c) Includes joint bar products, creosote, borates, transmission poles, pilings, freight and other treated and untreated lumber products.

Sales prices and volumes for railroad crossties increased five and ten percent, respectively for the three months ended March 31, 2011, driven by higher demand from both commercial and Class I railroad customers. Price increases for treating services increased one percent as a result of adding higher value borate treatment to some of our crossties, and volumes for utility poles decreased one percent. With respect to other products, higher volumes of five percent in the U.S. were realized as a result of the acquisition of the Portec Rail Products, Inc. rail joint bar business in December 2010.

Cost of sales as a percentage of net sales was 87 percent for the quarter ended March 31, 2011 compared to 85 percent for the quarter ended March 31, 2010. The increase in cost of sales as a percentage of net sales is due primarily to raw material cost increases exceeding price increases for the comparable periods, higher inventory carrying costs in the first quarter of 2011 due to stocking for anticipated increases in product demand further into the year and a nonrecurring $2.9 million environmental liability accrual reduction in the first quarter of 2010. Overall, cost of sales was higher between periods due to increased sales of 31 percent.

Depreciation and amortization for the quarter ended March 31, 2011 was $0.4 million higher when compared to the prior year period due partially to foreign exchange translation and additional depreciation from the acquisitions completed in 2010.

Selling, general and administrative expenses for the quarter ended March 31, 2011 were $0.5 million higher when compared to the prior year period primarily due to foreign currency translation.

Other income for the quarter ended March 31, 2011 was $1.6 million lower when compared to the prior year primarily due to the gain on the sale of an Australian property of $1.6 million in 2010.

Interest expense for the quarter ended March 31, 2011 was $6.9 million and was unchanged from the prior year.

Income taxes for the quarter ended March 31, 2011 were $0.8 million higher when compared to the prior year period due primarily to the increase in pretax income of $2.4 million. The Company's effective income tax rate for the quarter ended March 31, 2011 was 35.9 percent and is unchanged from the prior year period.

Segment Results

Segment operating profit for the three months ended March 31, 2011 and 2010 is summarized by segment in the following table:

(Dollars in millions)	*Three Months Ended March 31,* 2011	2010	*% Change*
Operating profit:			
Carbon Materials & Chemicals	$ 13.6	$ 10.7	+27%
Railroad & Utility Products	7.5	6.7	+12%
Corporate	(0.3)	(0.6)	+50%
	$ 20.8	$ 16.8	+24%
Operating profit as a percentage of net sales:			
Carbon Materials & Chemicals	5.8%	6.2%	–0.4%
Railroad & Utility Products	6.1%	6.6%	–0.5%
	5.8%	6.1%	–0.3%

Carbon Materials & Chemicals net sales and operating profit by geographic region for the three months ended March 31, 2011 and 2010 is summarized in the following table:

(Dollars in millions)	*Three months ended March 31,* 2011	2010	*% Change*
Net sales:			
North America	$ 75.6	$ 68.3	+11%
Europe	69.5	45.8	+52%
Australia	45.8	37.9	+21%
China	45.3	23.3	+95%
Intrasegment	0.0	(2.0)	n/a
	$ 236.2	$ 173.3	+36%
Operating profit:			
North America	$ 1.1	$ 2.5	–56%
Europe	7.8	5.0	+56%
Australia	3.7	2.8	+32%
China	1.3	0.1	+1,200%
Intrasegment	(0.3)	0.3	–200%
	$ 13.6	$ 10.7	+27%

North American CM&C sales increased by $7.3 million due primarily to higher volumes for pitch and creosote, higher freight costs, and higher prices for phthalic anhydride totaling $9.5 million, which were partially offset by lower pricing for pitch totaling $3.2 million. Operating profit as a percentage of net sales decreased to two percent from four percent for the prior year, reflecting the impact of lower pitch prices and higher rail and barge demurrage costs, which more than offset the impact of higher prices for phthalic anhydride. Additionally, prior year operating profit was negatively impacted by $1.6 million of expensed acquisition costs related to the acquisition in the Netherlands.

European CM&C sales increased by $23.7 million due primarily to the acquisition in the Netherlands, higher volumes for carbon pitch in the United Kingdom and Denmark totaling $6.5 million, and higher prices for carbon black feedstock and naphthalene totaling $3.8 million. Operating profit as a percentage of net sales was 11 percent, the same as in the prior year.

Australian CM&C sales increased by $7.9 million due primarily to currency exchange rate changes resulting in an increase in sales of $5.1 million combined with higher volumes of carbon pitch totaling $2.1 million. Operating profit as a percentage of net sales increased to eight percent from seven percent in the prior year quarter.

Chinese CM&C sales increased by $22.0 million due primarily to higher volumes of carbon pitch and naphthalene totaling $13.7 million, higher volumes of miscellaneous products totaling $5.3 million, and higher pricing for carbon pitch and carbon black feedstock totaling $3.8 million. Operating profit as a percent of sales increased to three percent from zero percent in the prior year quarter due to profit from the licensing of technology of $0.9 million combined with higher pricing for carbon pitch sold into the Middle East, partially offset by higher raw material costs.

Railroad & Utility Products sales for the three months ended March 31, 2011 increased by $21.9 million as compared to the prior year period due primarily to higher sales volumes for untreated crossties and commercial crossties totaling $12.9 million combined with higher prices for untreated crossties and commercial crossties totaling $4.6 million. Additionally, sales volumes for other railroad products increased by $6.9 million due primarily to incremental sales of rail joint bar products as a result of the Portec Rail Products, Inc. acquisition in December 2010. Operating profit as a percentage of net sales decreased to six percent from seven percent in the prior year as an environmental reserve reversal of $2.9 million related to the sale of a treating plant in Australia in the prior year period more than offset the positive impact from higher crosstie pricing for the three months ended March 31, 2011.

Cash Flow

Net cash used by operating activities was $9.5 million for the quarter ended March 31, 2011 as compared to net cash provided by operating activities of $16.2 million for the quarter ended March 31, 2010. The decrease of $25.7 million in net cash provided by operations is due primarily to higher working capital requirements for inventory and accounts receivable as compared to prior periods.

Net cash used by investing activities was $5.0 million for the quarter ended March 31, 2011 as compared to net cash used by investing activities of $23.1 million for the quarter ended March 31, 2010. The first quarter of 2010 included the acquisition of Cindu totaling $22.0 million partially offset by the proceeds from sale of an Australian property for $1.6 million.

Net cash provided by financing activities was $18.6 million for the quarter ended March 31, 2011 as compared to net cash used by financing activities of $26.7 million for the quarter ended March 31, 2010. The first quarter of 2011 included borrowing of $24.5 million to fund working capital requirements in the business.

Dividends paid were $4.5 million in the quarter ended March 31, 2011 as compared to dividends paid of $4.5 million for the quarter ended March 31, 2010. Dividends paid in both quarters reflect a dividend rate of 22 cents per common share.

On May 4, 2011, our board of directors declared a quarterly dividend of 22 cents per common share, payable on July 6, 2011 to shareholders of record as of May 16, 2011.

Liquidity and Capital Resources

Restrictions on Dividends to Koppers Holdings

Koppers Holdings depends on the dividends from the earnings of Koppers Inc. and its subsidiaries to generate the funds necessary to meet its financial obligations, including the payment of any declared dividend of Koppers Holdings. Koppers Inc.'s credit agreement prohibits it from making dividend payments to us unless (1) such dividend payments are permitted by the indenture governing Koppers Inc.'s Senior Notes and (2) no event of default or potential default has occurred or is continuing under the credit agreement. The indenture governing Koppers Inc.'s Senior Notes restricts its ability to finance our payment of dividends if (1) a default has occurred or would result from such financing, (2) a restricted subsidiary of Koppers Inc. which is not a guarantor under the indenture is not able to incur additional indebtedness (as defined in the indenture), and (3) the sum of all restricted payments (as defined in the indenture) have exceeded the permitted amount (which we refer to as the "basket") at such point in time.

The basket is governed by a formula based on the sum of a beginning amount, plus or minus a percentage of Koppers Inc's consolidated net income (as defined in the indenture), plus the net proceeds of Koppers Inc's qualified stock issuance or conversions of debt to qualified stock, plus the net proceeds from the sale of or a reduction in an investment (as defined in the indenture) or the value of the assets of an unrestricted subsidiary which is designated a restricted subsidiary. At March 31, 2011 the basket totaled $167.3 million. Notwithstanding such restrictions, the indenture governing Koppers Inc.'s Senior Notes permits an additional aggregate amount of $20.0 million each fiscal year to finance dividends on the capital stock of Koppers Holdings, whether or not there is any basket availability, provided that at the time of such payment, no default in the indenture has occurred or would result from financing the dividends.

In addition, certain required coverage ratios in Koppers Inc.'s revolving credit facility may restrict the ability of Koppers Inc. to pay dividends. See "—Debt Covenants."

Liquidity

The Koppers Inc. revolving credit facility agreement provides for a revolving credit facility of up to $300.0 million at variable interest rates. Borrowings under the revolving credit facility are secured by a first priority lien on substantially all of the assets of Koppers Inc. and its material domestic subsidiaries. The revolving credit facility contains certain covenants for Koppers Inc. and its restricted subsidiaries that limit capital expenditures, additional indebtedness, liens, dividends and investments or acquisitions. In addition, such covenants give rise to events of default upon the failure by Koppers Inc. and its restricted subsidiaries to meet certain financial ratios.

As of March 31, 2011, we had $247.9 million of unused revolving credit availability for working capital purposes after restrictions by various debt covenants and certain letter of credit commitments. As of March 31, 2011, $11.3 million of commitments were utilized by outstanding letters of credit.

The following table summarizes our estimated liquidity as of March 31, 2011 *(dollars in millions)*:

Cash and cash equivalents	$ 40.5
Amount available under revolving credit facility	247.9
Amount available under other credit facilities	15.6
Total estimated liquidity	$304.0

Our estimated liquidity was $302.6 million at December 31, 2010.

As of March 31, 2011, we had $325.0 million aggregate amount of common stock, debt securities, preferred stock, depositary shares and warrants (or a combination of these securities) available to be issued under our registration statement on Form S-3 filed in 2009.

Our need for cash in the next twelve months relates primarily to contractual obligations which include debt service, purchase commitments and operating leases, as well as for working capital, capital maintenance programs and mandatory defined benefit plan funding. We may also use cash to pursue potential strategic acquisitions. Capital expenditures in 2011, excluding acquisitions, are expected to total approximately $32 million. We believe that our cash flow from operations and available borrowings under the revolving credit facility will be sufficient to fund our anticipated liquidity requirements for at least the next twelve months. In the event that the foregoing sources are not sufficient to fund our expenditures and service our indebtedness, we would be required to raise additional funds.

Debt Covenants

The covenants that affect availability of the revolving credit facility and which may restrict the ability of Koppers Inc. to pay dividends include the following financial ratios:

- The fixed charge coverage ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, is not permitted to be less than 1.10. The fixed charge coverage ratio at March 31, 2011 was 2.1.
- The leverage ratio, calculated as of the end of each fiscal quarter for the four fiscal quarters then ended, is not permitted to exceed 4.50. The leverage ratio at March 31, 2011 was 2.34.

We are currently in compliance with all covenants in the credit agreement governing the revolving credit facility.

At March 31, 2011, Koppers Inc. had $300.0 million principal value outstanding of Senior Notes. The Senior Notes include customary covenants that restrict, among other things, our ability to incur additional debt, pay dividends or make certain other restricted payments, incur liens, merge or sell all or substantially all of the assets or enter into various transactions with affiliates. We are currently in compliance with all covenants in the Senior Notes indenture.

Legal Matters

The information set forth in Note 16 to the Condensed Consolidated Financial Statements of Koppers Holdings Inc. included in Item 1 of this Part I is incorporated herein by reference.

Recently Issued Accounting Guidance

There is no recently issued accounting guidance that is expected to have a material impact on the Company.

Critical Accounting Policies

There have been no material changes to the Company's critical accounting policies as disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2010.

Environmental and Other Matters

The information set forth in Note 16 to the Condensed Consolidated Financial Statements of Koppers Holdings Inc. included in Item 1 of Part I is incorporated herein by reference.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There are no material changes to the disclosure on this matter made in the Company's Annual Report on Form 10-K for the year ended December 31, 2010.

ITEM 4. CONTROLS AND PROCEDURES

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures were effective as of the end of the period covered by this report. There was no change in the Company's internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) that occurred during the quarter ended March 31, 2011 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information set forth in Note 16 to the Condensed Consolidated Financial Statements of Koppers Holdings Inc. included in Item 1 of Part I of this report is incorporated herein by reference.

ITEM 1A. RISK FACTORS

There have been no material changes to the Risk Factors previously disclosed in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2010.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table sets forth information regarding Koppers Holdings' repurchases of shares of its common stock during the three months ended March 31, 2011:

Period	*Total Number of Common Shares Purchased*	*Average Price paid per Common Share*	*Total Number of Common Shares Purchased as Part of Publicly announced Plans or Programs*	*Maximum Number of Common Shares that May Yet be Purchased Under the Plans or Programs*
January 1 – January 31	0	$ 0.00	0	0
February 1 – February 28	5,958	$ 40.56	5,958	0 (1)
March 1 – March 31	0	$ 0.00	0	0

(1) Under the terms of the Company's Amended and Restated 2005 Long-Term Incentive Plan, restricted stock units and performance stock units granted in 2008 vested in February 2011. Upon the vesting of a portion of these stock units, each employee who holds these stock units has the right to cause the Company to withhold shares of the Company's common stock for tax obligations incurred in connection with the vesting of these units and the related issuance of shares of the Company's common stock to such employee.

See description of the limitations on payment of dividends in Management's Discussion and Analysis of Financial Condition and Results of Operations; Liquidity and Capital Resources.

ITEM 6. EXHIBITS

10.66* **	Form of Koppers Holdings Inc. Restricted Stock Unit Issuance Agreement Non-Employee Director-Time Vesting.
10.67* **	Letter Agreement dated October 4, 2006.
10.68* **	Summary of Terms and Conditions of Employment.
12.1**	Computation of ratio of earnings to fixed charges
31.1**	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2**	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS†	XBRL Instance Document
101.SCH†	XBRL Taxonomy Extension Schema Document
101.CAL†	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB†	XBRL Taxonomy Extension Label Linkbase Document
101.PRE†	XBRL Taxonomy Extension Presentation Linkbase Document

* Management contract or compensatory plan.

** Filed herewith.

† Attached as Exhibit 101 to this report are the following documents formatted in XBRL (Extensible Business Reporting Language): (i) the Condensed Consolidated Statement of Operations for the three months ended March 31, 2011 and 2010, (ii) the Condensed Consolidated Balance Sheet at March 31, 2011 and December 31, 2010, (iii) the Condensed Consolidated Statement of Cash Flows for the three months ended March 31, 2011 and 2010, and (iv) Notes to Condensed Consolidated Financial Statements for the three months ended March 31, 2011. Users of this data are advised pursuant to Rule 406T of Regulation S-T that this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of section 18 of the Securities and Exchange Act of 1934, and otherwise is not subject to liability under these sections.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KOPPERS HOLDINGS INC.
(REGISTRANT)

Date: May 5, 2011

By: /S/ LEROY M. BALL
Leroy M. Ball
Vice President and Chief Financial Officer
(Principal Financial Officer,
Principal Accounting Officer)

Exhibit 10.66

KOPPERS HOLDINGS INC.

RESTRICTED STOCK UNIT ISSUANCE AGREEMENT
NON-EMPLOYEE DIRECTOR - TIME VESTING

RECITALS

A. The Board has adopted the Plan for the purpose of retaining the services of selected employees, non-employee members of the Board (or the board of directors of any Parent or Subsidiary) and consultants and other independent advisors who provide services to the Corporation (or any Parent or Subsidiary).

B. Participant is to render valuable services to the Corporation, and this Agreement is executed pursuant to, and is intended to carry out the purposes of, the Plan in connection with the Corporation's issuance of shares of Common Stock to Participant under the Plan.

C. All capitalized terms in this Agreement shall have the meaning assigned to them in this Agreement or the attached Appendix A.

NOW, THEREFORE, it is hereby agreed as follows:

1. Grant of Restricted Stock Units. The Corporation hereby awards Restricted Stock Units to the Participant under the Plan. The number of shares of Common Stock subject to the awarded Restricted Stock Units, the vesting provisions for those shares, the date on which the vested shares shall become issuable to Participant and the remaining terms and conditions governing the Award shall be as set forth in this Agreement.

AWARD SUMMARY

Award Date:	__________, 2011.
Number of Shares Subject to Award:	__________ shares of Common Stock (the "Shares").
Vesting Schedule:	The Shares shall vest on the earlier to occur of (i) the date which is 365 days after the Award Date or (ii) the date of the next annual meeting of the Corporation's shareholders immediately following the Award Date, provided that the Participant remains in continuous Service as a director of the Corporation during such period (the "Vesting Date"). However, some or all of the Shares may vest earlier in accordance with the special vesting provisions of Paragraph 4.
Issuance Schedule:	The Shares in which Participant vests in accordance with the foregoing Vesting Schedule shall become issuable on the Vesting Date (or upon the date of earlier vesting pursuant to a Change in Control or termination of Service, if so provided herein) (the "Issue Date"). The actual issuance of the Shares shall be effected on the applicable Issue Date or as soon as administratively practicable thereafter, but in no event later than the close of the calendar year in which such Issue Date occurs or (if later) the

fifteenth day of the third calendar month following such Issue Date.

2. Limited Transferability. Prior to the actual issuance of the Shares which vest hereunder, Participant may not transfer any interest in the Award or the underlying Shares; provided, however, any Shares which vest hereunder but which otherwise remain unissued at the time of Participant's death may be transferred pursuant to the provisions of Participant's will or the laws of inheritance or to Participant's designated beneficiary or beneficiaries of this Award. Participant may make a beneficiary designation for this Award at any time by filing the appropriate form with the Plan Administrator or its designee.

3. Stockholder Rights and Dividend Equivalents

(a) The holder of this Award shall not have any stockholder rights, including voting or dividend rights, with respect to the Shares subject to the Award until Participant becomes the record holder of those Shares following their actual issuance.

(b) Notwithstanding the foregoing, should any stock dividend, whether regular or extraordinary, be declared and paid on the outstanding Common Stock while one or more Shares remain subject to this Award (i.e., those Shares are not otherwise issued and outstanding for purposes of entitlement to the dividend or distribution), then Participant shall automatically be credited with an additional number of Restricted Stock Units equal to the number of shares of Common Stock which would have been paid on the Shares (plus the number of additional shares previously credited to Participant pursuant to the dividend equivalent right provisions of this Paragraph 3) at the time subject to this Award had those Shares been actually issued and outstanding and entitled to that dividend. The additional Restricted Stock Units so credited shall vest at the same time as the Shares to which they relate and shall be distributed to Participant concurrently with the issuance of those Shares on the applicable Issue Date.

(c) Notwithstanding the foregoing, should any cash dividend, whether regular or extraordinary, be declared and paid on the outstanding Common Stock while one or more Shares remain subject to this Award (i.e., those Shares are not otherwise issued and outstanding for purposes of entitlement to the dividend or distribution), then a special book account shall be established for Participant and credited with a dollar amount equal to the amount of that dividend paid per share multiplied by the number of Restricted Stock Units at the time subject to this Award (plus the number of additional shares previously credited to Participant pursuant to the dividend equivalent right provisions of this Paragraph 3) as of the record date for the dividend. As of the fifteenth business day in April each year, the cash dividend amounts credited to the special book account since the Award Date shall be converted into a book entry of an additional number of Restricted Stock Units determined by dividing (i) those cash dividend equivalent amounts by (ii) the average of the Fair Market Value per share of Common Stock on each of the dates since the Award Date on which those dividends on the outstanding Common Stock were paid. The additional Restricted Stock Units so credited shall vest at the same time as the Shares to which they relate and shall be distributed to Participant concurrently with the issuance of those Shares on the applicable Issue Date.

4. Special Vesting/Change in Control.

(a) Should Participant's Service terminate for any reason prior to the Vesting Date, then, on the date of such termination, Participant shall vest in a number of Shares equal to the number of Shares in which Participant would have been vested on the Vesting Date had Participant continued in the Corporation's Service through the Vesting Date *multiplied by a fraction*, the numerator of which is the number of days of Service Participant completed between the Award Date and the termination of Participant's Service, and the denominator of which is three hundred sixty-five (365).

(b) Immediately prior to the closing of a Change in Control, Participant shall vest in a number of Shares equal to the number of Shares in which Participant would have vested on the Vesting Date. The Shares that vest under this subparagraph (b) will be issued on the Issue Date triggered by the Change in Control (or otherwise converted into the right to receive the same consideration per share of Common Stock payable to the other stockholders of the Corporation in consummation of that Change in Control and distributed at the same time as such stockholder payments). For purposes of this Section 4(b), the Issue Date shall be the effective date of the Change in Control so long as it qualifies as a "change in the ownership or effective control" of the Corporation within the meaning of Section 409A(a)(2)(A)(v) of the Code and regulations thereunder. If it does not so qualify, the Issue Date shall be the Vesting Date.

(c) This Agreement shall not in any way affect the right of the Corporation to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

5. Adjustment in Shares. In the event of any of the following transactions affecting the outstanding shares of Common Stock as a class without the Corporation's receipt of consideration: any stock split, stock dividend, spin-off transaction, extraordinary distribution (whether in cash, securities or other property), recapitalization, combination of shares, exchange of shares or other similar transaction affecting the outstanding Common Stock as a class without the Corporation's receipt of consideration or in the event of a substantial reduction to the value of the outstanding shares of Common Stock by reason of a spin-off transaction or extraordinary distribution, then equitable adjustments shall be made to the total number and/or class of securities issuable pursuant to this Award in such manner as the Plan Administrator deems appropriate in order to reflect such change and thereby prevent the dilution or enlargement of benefits hereunder. In determining such adjustments, the Plan Administrator shall take into account any amounts credited to Participant pursuant to the dividend equivalent right provisions of Paragraph 3 in connection with such transaction, and the determination of the Plan Administrator shall be final, binding and conclusive.

6. Compliance with Laws and Regulations. The issuance of shares of Common Stock pursuant to the Award shall be subject to compliance by the Corporation and Participant with all applicable requirements of law relating thereto and with all applicable regulations of any stock exchange on which the Common Stock may be listed for trading at the time of such issuance.

7. Notices. Any notice required to be given or delivered to the Secretary of the Corporation under the terms of this Agreement shall be in writing and addressed to the Corporation at its principal corporate office at 436 Seventh Avenue, Pittsburgh, PA 15219.

Except to the extent electronic notice is expressly authorized hereunder, any notice required to be given or delivered to Participant shall be in writing and addressed to Participant at the address indicated below Participant's signature line on this Agreement. All notices shall be deemed effective upon personal delivery (or electronic delivery to the extent authorized hereunder) or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

8. Successors and Assigns. Except to the extent otherwise provided in this Agreement, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Corporation and its successors and assigns and Participant, Participant's assigns, the legal representatives, heirs and legatees of Participant's estate and any beneficiaries of the Award designated by Participant.

9. Construction. This Agreement and the Award evidenced hereby are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan. All decisions of the Plan Administrator with respect to any question or issue arising under the Plan or this Agreement shall be conclusive and binding on all persons having an interest in the Award.

10. Governing Law. The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the Commonwealth of Pennsylvania without resort to Pennsylvania's conflict-of-laws rules.

11. Service at Will. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Corporation (or any Parent or Subsidiary employing or retaining Participant) or of Participant, which rights are hereby expressly reserved by each, to terminate Participant's Service at any time for any reason, with or without cause, unless such rights are otherwise limited pursuant to a separate agreement between the Corporation (or any Parent or Subsidiary) and Participant.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first indicated above.

KOPPERS HOLDINGS INC.	PARTICIPANT
By: ______________________	______________________ Signature
Title: ______________________	______________________ Printed Name
	______________________ Address
	______________________ Address

APPENDIX A

DEFINITIONS

The following definitions shall be in effect under the Agreement:

A. Affiliate means any entity that, directly or through one or more intermediaries, is controlled by the Corporation, and any entity in which the Corporation has a significant equity interest as determined by the Plan Administrator.

B. Agreement shall mean this Restricted Stock Unit Issuance Agreement.

C. Award shall mean the award of restricted stock units made to Participant pursuant to the terms of this Agreement.

D. Award Date shall mean the date the restricted stock units are awarded to Participant pursuant to the Agreement and shall be the date indicated in Paragraph 1 of the Agreement.

E. Board shall mean the Corporation's Board of Directors.

F. Change in Control of the Corporation shall have occurred in the event that:

(i) a person, partnership, joint venture, corporation or other entity, or two or more of any of the foregoing acting as a "person" within the meaning of Sections 13(d)(3) of the 1934 Act, other than the Corporation, a majority-owned subsidiary of the Corporation or an employee benefit plan of the Corporation or such subsidiary (or such plan's related trust), become(s) the "beneficial owner" (as defined in Rule 13d-3 under the Act) of fifty percent (50%) or more of the then outstanding voting stock of the Corporation;

(ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board (together with any new Board member whose election by the Corporation's Board or whose nomination for election by the Corporation's stockholders, was approved by a vote of at least two-thirds of the Board members then still in office who either were Board members at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board members then in office;

(iii) all or substantially all of the business of the Corporation is disposed of pursuant to a merger, consolidation or other transaction in which the Corporation is not the surviving corporation or the Corporation combines with another company and is the surviving corporation (unless the Corporation's stockholders immediately following such merger, consolidation, combination, or other transaction beneficially own, directly or indirectly, more than fifty percent (50%) of the aggregate voting stock or other ownership interests of (x) the entity or entities, if any, that succeed to the business of the Corporation or (y) the combined company);

(iv) the closing of the sale of all or substantially all of the assets of the Corporation or a liquidation or dissolution of the Corporation; or

(v) the acquisition, directly or indirectly, by any person or related group of persons (other than the Corporation or a person that directly or indirectly controls, is controlled by, or is under common control with, the Corporation of beneficial ownership (within the meaning of Rule 13d-3 of the Act) of securities possessing more than twenty percent (20%) of the total combined voting power of the Corporation's outstanding securities pursuant to a tender or exchange offer made directly to the Corporation's stockholders which the Board does not recommend such stockholders to accept.

G. Code shall mean the Internal Revenue Code of 1986, as amended.

H. Common Stock shall mean shares of the Corporation's common stock.

I. Corporation shall mean Koppers Holdings Inc., a Pennsylvania corporation, and any successor corporation to all or substantially all of the assets or voting stock of Koppers Holdings Inc. which shall by appropriate action adopt the Plan.

J. Fair Market Value per share of Common Stock on any relevant date shall be determined in accordance with the following provisions:

(i) If the Common Stock is at the time traded on the Nasdaq Global Market, then the Fair Market Value shall be the closing selling price per share of Common Stock at the close of regular hours trading (i.e., before after-hours trading begins) on the Nasdaq Global Market on the date in question, as such price is reported by the National Association of Securities Dealers for that particular Stock Exchange. If there is no closing selling price for the Common Stock on the date in question, then the Fair Market Value shall be the closing selling price on the last preceding date for which such quotation exists.

(ii) If the Common Stock is at the time listed on any other Stock Exchange, then the Fair Market Value shall be the closing selling price per share of Common Stock at the close of regular hours trading (i.e., before after-hours trading begins) on the date in question on the Stock Exchange determined by the Plan Administrator to be the primary market for the Common Stock, as such price is officially quoted in the composite tape of transactions on such exchange. If there is no closing selling price for the Common Stock on the date in question, then the Fair Market Value shall be the closing selling price on the last preceding date for which such quotation exists.

K. 1934 Act shall mean the Securities Exchange Act of 1934, as amended from time to time.

L. Participant shall mean the person to whom the Award is made pursuant to the Agreement.

M. Parent shall mean any corporation (other than the Corporation) in an unbroken chain of corporations ending with the Corporation, provided each corporation in the unbroken chain (other than the Corporation) owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

N. Plan shall mean the Corporation's Amended and Restated 2005 Long-Term Incentive Plan.

O. Plan Administrator shall mean the committee(s) designated by the Board to administer the Plan.

P. Service shall mean Participant's performance of services for the Corporation (or any Parent or Subsidiary) in the capacity of an employee, a non-employee member of the board of directors or a consultant or independent advisor. For purposes of this Agreement, Participant shall be deemed to cease Service immediately upon the occurrence of either of the following events: (i) Participant no longer performs services in any of the foregoing capacities for the Corporation (or any Parent or Subsidiary) or (ii) the entity for which Participant performs such services ceases to remain a Parent or Subsidiary of the Corporation, even though Participant may subsequently continue to perform services for that entity. Service shall not be deemed to cease during a period of military leave, sick leave or other personal leave approved by the Corporation; provided, however, that except to the extent otherwise required by law or expressly authorized by the Plan Administrator or by the Corporation's written policy on leaves of absence, no Service credit shall be given for vesting purposes for any period the Participant is on a leave of absence.

Q. Stock Exchange shall mean the American Stock Exchange, the Nasdaq Global Market or the New York Stock Exchange.

R. Subsidiary shall mean any corporation (other than the Corporation) in an unbroken chain of corporations beginning with the Corporation, provided each corporation (other than the last corporation) in the unbroken chain owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

Steven R. Lacy
Senior Vice President, Administration
General Counsel and Secretary

Koppers Inc.
436 Seventh Avenue
Pittsburgh, PA 15219-1800
Tel 412 227 2889
Fax 412 227 2333
LacySR@koppers.com
www.koppers.com

October 4, 2006

Mr. James T. Dietz
526 McElheny Road
Glenshaw, PA 15116

Re: International Assignment Letter Agreement

Dear Jim:

Koppers Inc. ("Koppers") is pleased to offer you an international assignment to the United Kingdom (the "UK") on the terms and conditions set forth in this letter agreement (the "Agreement").

1. <u>ASSIGNMENT LETTER</u>

This Agreement sets forth the terms and conditions of your proposed assignment to Koppers in the UK. To the extent the terms and conditions set forth in this Agreement and/or the attached Compensation Summary are different from the terms of your current employment with Koppers Inc., the terms of employment set forth in paragraphs 1-14 of this Agreement and such Compensation Summary will control during the duration of your assignment in the UK.

2. <u>POSITION AND LOCATION OF SERVICE</u>

During the term of your assignment, your job title shall be Vice President, European Operations. You will be based in Scunthorpe, North Lincolnshire, UK, and will report to Kevin J. Fitzgerald, Senior Vice President, Global Carbon Materials & Chemicals of Koppers. Your job duties in the UK will be determined by Mr. Fitzgerald, but will include responsibility for the profit and loss of Koppers Europe. For purposes of this Agreement, your "Host Country" will be the UK and your "Home Country" will be the United States of America (the "USA"). During the term of the assignment, you must abide by all laws, rules and regulations of the UK.

3. <u>CONDITIONS OF EMPLOYMENT</u>

This Agreement and the benefits set forth herein are contingent upon you and your spouse receiving a satisfactory health assessment and you receiving authorization to work and reside in the UK. If your authorization to live and/or work in the UK is revoked at any time during the term of your assignment in the UK, then Koppers, in its sole discretion, may consider all or any portion of this Agreement to be void. In the event of such revocation, Koppers will reimburse you and your spouse for the cost of one-way economy airfare by the most direct route from the UK to the USA.

4. ASSIGNMENT BASE SALARY

Effective January 1, 2007 you will be transferred to the UK with a Home Country base salary of USD$183,650 USD per year. You will remain on the US payroll during your assignment and your salary will be paid in US Dollars. Adjustments, if any, to your base salary will be determined on the same basis and will be effective at the same time as if you had remained in the USA as an elected Vice President of Koppers.

5. ASSIGNMENT ALLOWANCES

All allowances associated with your assignment in the UK are described the attached International Assignment Compensation Summary attached hereto as Exhibit A. Allowance entitlements are subject to periodic review by Koppers. You will be advised of any changes prior to the implementation of such changes. If any such change shall be material, you may elect to terminate this Agreement. Upon such termination by you, Koppers will reimburse you and your spouse for the cost of one-way economy airfare by the most direct route from the UK to the USA and indemnify you for lost tax savings, if any that may result from such termination.

Please remember that Koppers, in its sole discretion, has the right to terminate, freeze or otherwise amend any of the benefit plans in which you participate at any time for any reason; provided, however, that Koppers cannot reduce any of your vested accrued benefits. Subject to the provisions of the preceding paragraph, if any of such benefit plans are terminated, frozen or otherwise amended, you and your eligible dependents will have no greater right to benefits than the other participants in such benefit plans.

6. ASSIGNMENT BENEFITS

All benefits associated with your assignment are described in this Agreement. Please note that (i) you and your spouse are entitled to one business class home leave at company airfare expense visit per year (or, at your option, two coach class home leave visits per year) during the duration of your stay in the UK, not including any self-paid vacation leave to the U.S., which visits must be approved in advance by the Senior Vice President, Global Carbon Materials and Chemicals of Koppers, and (ii) housing in the UK must be approved in advance by the Senior Vice President, Administration, General Counsel & Secretary of Koppers.

7. INCOME TAX MANAGEMENT

At the expense of Koppers, an international consultant will assist you with the tax filing requirements in the UK and the USA and will assist you with annual tax preparation and filings.

8. ASSIGNMENT CONDITIONS

Many of the conditions contained in this Agreement are designed to assist you in establishing yourself in the UK and take into account certain cost factors that are involved in a transfer and resettlement. It is our goal to provide you with a compensation package comparable to what you would receive as an employee based in the USA.

On repatriation to the USA, you will no longer be entitled to any allowances specifically relating to your overseas assignment.

9. ASSIGNMENT DURATION

The period of your assignment is currently estimated to be for three years beginning on January 1, 2007, but is subject to extension by mutual agreement. At the end of this period, Koppers will examine its options with respect to extending or renewing your assignment in the UK. This examination may include an assessment of Koppers operational requirements and corporate objectives. However, you understand and agree that Koppers, in its sole discretion, may reassign you to the USA at any time and terminate the terms of this Agreement. Upon completion of your assignment, you will be re-assigned to a comparable position (at no reduction in your then current base salary) within Koppers Inc. or you shall be given the option of accepting a position outside of the USA.

10. EMPLOYMENT STATUS AND BENEFITS

During your assignment, you will remain an employee of Koppers Inc. Your employment with Koppers Inc. will continue on the same terms and conditions that would apply if you were in the USA, except to the extent this Agreement modifies such terms and conditions. Your period of time in the UK will be treated as a period of continuous employment with Koppers Inc. and will count toward any service-related entitlements from Koppers Inc.

11. BANKING

Your Home Country annual base salary of USD$183,650 will be paid in US Dollars. Any income tax liability with respect to your salary shall continue to be your obligation. Notwithstanding anything to the contrary contained herein, Koppers shall reimburse you for any income taxes paid by you on relocation expenses which are deemed includable in your income under any federal, state or local laws.

12. TERMINATION

The continuation of the provisions set forth in this Agreement will be subject to your ongoing satisfactory performance of your job duties and to a satisfactory health clearance no more frequently than once in any 12-month period.

Nothing contained in this Agreement shall confer upon you any right to continue in service for any period of specific duration or interfere with or otherwise restrict in any way the rights of Koppers (or any parent, affiliate or subsidiary employing or retaining you) or of you, which rights are hereby expressly reserved by each, to terminate your service at any time for any reason, with or without cause.

If you resign before the scheduled conclusion of your assignment in the UK, you will not be entitled to any further benefits or remuneration. In the event of such resignation, we will reimburse you and your spouse for the cost of one-way economy airfare by the most direct route from the UK to the USA. We will also reimburse you for the cost of shipping your household goods from the UK to the USA.

If your employment is terminated by us during the period of your assignment in the UK, other than for cause, you will be given at least twelve (12) months notice of termination or, in lieu of such notice, you shall be paid an additional twelve (12) months base salary plus arrangements will be made to provide you with life, disability, accident and group health insurance benefits (for such twelve month period) substantially similar to those which you were receiving immediately prior to your termination; provided, however, that such payment shall be in lieu of and in complete satisfaction of any further salary or severance payment that may be due and payable to you under the severance policies of Koppers Inc., Koppers Europe or any shareholder, subsidiary or affiliate of Koppers Inc. and further provided that your receipt of such payment and benefits shall be conditioned upon you executing and delivering a release satisfactory to Koppers Inc. and/or its shareholders, subsidiaries and affiliates from any claims whatsoever that you may have on account of the termination of your employment. In the event of such termination, you and your spouse will be reimbursed for the cost of one-way business class airfare by the most direct route from the UK to the USA. You will also be reimbursed for the cost of shipping your household goods from the UK to the USA.

Upon the termination of your assignment in the UK and subject to the provisions of the previous two paragraphs, we will reimburse you and your spouse for the cost of one-way business class airfare by the most direct route from the UK to the USA. We will also reimburse you for the cost of shipping your household goods from the UK to the USA.

13. ACCEPTANCE

This international assignment offer set forth in this Agreement shall be valid for ten (10) days after the date of this Agreement.

14. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, USA. Any disputes arising out of this Agreement shall be heard and determined in Pittsburgh, Pennsylvania, UK.

Please signify your understanding of, and agreement with, the terms of this Agreement by signing the enclosed copy of this Agreement in the space provided below and returning an executed copy to the undersigned.

We sincerely hope that you find your new international assignment to be a challenging and rewarding experience on both a personal and professional level.

Very truly yours,

/s/ Steven R. Lacy
Steven R. Lacy

I hereby agree to the terms and conditions covering my assignment to the UK as set forth above.

/s/ James T. Dietz	OCT. 5, 2006
James T. Dietz	Date

EXHIBIT A
INTERNATIONAL ASSIGNMENT COMPENSATION SUMMARY
JAMES T. DIETZ

Annual Base Salary	USD$183,650 per year. Base salary will be paid in US Dollars. Adjustments, if any, to your base salary will be determined on the same basis and will be effective at the same time as if you had remained in the USA as an elected Vice President of Koppers.
Incentive	During the term of your assignment, your annual incentive target will be 55% of your annual base salary. You will be eligible to participate in the following annual incentive plans at the specified participation levels: • Corporate Senior Management Plan – 25% • Global CM&C KVA Plan – 25% • Koppers Europe KVA Plan – 50% Your actual participation in such plans shall be subject to such terms and conditions as the Board of Directors of Koppers shall determine, from time to time. Performance criteria for awards under the above plans will be based on the terms of the applicable plans.
Long-Term Incentive Plan	You will participate in the 2005 Long Term Incentive Plan of Koppers Holdings Inc., as such plan may be amended from time to time and subject to the terms and conditions of such plan. The amount of any awards under such plan shall be determined by the Board of Directors of Koppers Holdings Inc. (or an appropriate Committee thereof) from time to time.
Assignment Premium	Beginning on the commencement date of the assignment and continuing through the termination of the assignment, you shall receive an overseas assignment premium equal to 35% of your annual base salary.
Relocation Allowance	One (1) month base salary upon going to the UK. One (1) month base salary upon return to the USA, conditioned on staying in the UK for the full term of your duty.
Temporary Residence	At our expense, you, your spouse and pet dog will be relocated and provided with suitable furnished housing in Scunthorpe. The specific location and type of housing will be mutually agreed to by you and the Senior Vice President, Administration, General Counsel & Secretary of Koppers Inc. You will be reimbursed for the cost of all utilities for such housing. You will also be reimbursed for the cost of any security deposits that may be

required in connection with the rental of such housing (provided that any deposit paid by Koppers shall be repayable to Koppers when the lease expires). Except as set forth below under Expense Allowance, you shall not be provided with any additional allowances or advances to purchase furniture or other items in the UK.

Residence at Home	Koppers will pay to winterize your primary residence in the USA if you decide to retain ownership of such residence. At your option, you may lease your primary residence in the USA. During your assignment, Koppers will pay for the storage of your personal property in the USA and will pay a reasonable amount toward outside maintenance of your primary residence in the USA. If you sell your primary residence in the USA during the term of this assignment, Koppers will reimburse you for 50% of the customary and reasonable closing costs actually paid by you (up to a maximum of $10,000) in connection with such sale.
Shipment of Personal Goods	Koppers will pay a reasonable amount toward the shipment of your personal goods (excluding appliances and electrical items) both going to the UK and returning from the UK to the USA. Notwithstanding the preceding sentence, Koppers understands and agrees that you may move, at the expense of Koppers, selected furnishings and home decorations.
Medical Insurance	While in the UK, you and your spouse will be covered by Koppers health insurance for Pittsburgh-based employees.
Vacation and Holidays	You shall be entitled to annual vacation benefits equal to the greater of (i) four (4) weeks per year or (ii) the number of weeks to which you are otherwise entitled in accordance with the Koppers vacation policy (as such policy may be amended from time to time). You shall not be permitted to duplicate vacation in both the UK and the USA. While in the UK, you shall receive the same paid Holidays as UK employees.
Automobile	Koppers will provide you with the use of one vehicle during your stay in the UK. Koppers Senior Vice President, Administration, General Counsel and Secretary shall approve the make and model of such vehicle. In addition, Koppers will reimburse you for fuel and maintenance expenses for such vehicle. Such vehicle shall be insured by Koppers and your spouse will be listed as a secondary driver. Koppers will also pay for mandatory driving instruction that is required for you and your spouse to obtain drivers’ licenses in the UK.

SERP Plan	You shall be eligible to participate in the Koppers Inc. SERP II retirement benefit plan, as such plan may be amended from time to time and subject to the terms and conditions of such plan.
Executive Physical	You shall be entitled to receive an annual executive physical at no cost to you.
Executive Long-Term Disability Plan	You shall be entitled to participate in the enhanced long-term disability plan of Koppers, as such plan may be amended from time to time and subject to the terms and conditions of such plan.
Survivor Benefit Plan	You shall be eligible to participate in the Survivor Benefit Plan of Koppers, as such plan may be amended from time to time and subject to the terms and conditions of such plan and subject to the ability of Koppers to purchase life insurance on your life at standard rates.
Recreation	Koppers shall pay your initiation fee and monthly dues at a mutually acceptable golf club located in the Scunthorpe area. You will be responsible for all expenses incurred by you in connection with your use of such club, except for expenses that are payable or reimbursable under the expense reimbursement policy of Koppers.
Change in Control Agreement	Subject to approval by the Board of Directors of Koppers Holdings Inc., you shall be entitled to a Change in Control Agreement substantially in the form of Exhibit B attached hereto. Your Change in Control Agreement shall be submitted to the Board of Directors of Koppers Holdings Inc. on or about November 2, 2006. If your Change in Control Agreement is not approved by the Board of Directors of Koppers Holdings Inc. by November 30, 2006, then either party may terminate this agreement without further obligations hereunder.
Expense Allowance	Koppers will provide a one-time, lump sum Expense Allowance in the amount of $10,000 USD upon your arrival in the UK.
Termination of Benefit Plans	Koppers (or its subsidiaries, as the case may be), in its sole discretion, has the right to terminate, freeze or otherwise amend any of the benefit plans in which you participate at any time for any reason; provided, however, that the Koppers (or its subsidiaries, as the case may be) cannot reduce any of your vested accrued benefits. If any of such benefit plans are terminated, frozen or otherwise amended, you and your eligible dependents will have no greater right to benefits than the other participants in such benefit plans.

EXHIBIT B

CHANGE IN CONTROL AGREEMENT

This Agreement made this __ day of __________, 200__ by and between ____________________ ("Executive") and Koppers Holdings Inc. (the "Company").

WHEREAS, the Company considers it essential to the best interests of its stockholders to foster the continuous employment of certain key management personnel of the Company and its affiliates; and

WHEREAS, the Board of Directors of the Company (the "Board") recognizes that the possibility of a change in control of the Company exists and that such possibility, and the uncertainty and questions which it may raise among management, may result in the departure or distraction of management personnel to the detriment of the Company and its stockholders; and

WHEREAS, the Board has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of certain members of the management of the Company and its affiliates to their assigned duties without distraction in the face of potentially disturbing circumstances arising from the possibility of a change in control of the Company.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and intending to be legally bound hereby, the parties agree as follows:

1. Term of Agreement. The term of this Agreement (the "Term") shall commence as of __________ and shall continue in effect until __________; provided, however, that if a Change in Control (as hereinafter defined) shall have occurred during the Term, the Term shall continue for a period of not less than twenty-four (24) months following the month in which such Change in Control occurred. In no event, however, shall the Term extend beyond the end of the calendar month in which Executive's 65th birthday occurs.

2. Change in Control.

   a. Definition. For purposes of this Agreement, a "Change in Control of the Company" shall be deemed to have occurred upon the first to occur of the following events:

      i. any person, or more than one person acting as a group, (other than Saratoga or the Management Investors, as such terms are defined in the Stockholders' Agreement, dated December 1, 1997, by and among the Company, Saratoga Partners III, LP and the Management Investors and other than any underwriter in a public offering which promptly resells shares acquired in such public offering) acquires ownership of stock of the Company that, together with the stock held by such person or group, represents a majority of the total voting power of the stock of the Company ("Change in Ownership"); or,

ii. during any twelve month period, a majority of the Company's Board is replaced by new directors whose appointment or election is not endorsed by a majority of the Company's Board ("Change in Effective Control"); or,

iii. during any twelve month period, any one person, or more than one person acting as a group, acquires assets from the Company having a total fair market value equal to or more than one-third (1/3) of the total fair market value of all of the assets of the Company immediately prior to such acquisition(s) and Executive is employed in the business which relates to the assets transferred ("Change in Ownership of Substantial Assets"); notwithstanding the preceding, a Change in Ownership of Substantial Assets does not occur when assets are transferred to (i) a shareholder in exchange for stock; (ii) an entity that is at least fifty (50%) percent owned, directly or indirectly, by the Company; (iii) a person, or more than one person acting as a group, that owns at least fifty (50%) percent of the total value or voting power of the stock of the Company; or, (iv) an entity that is at least fifty (50%) percent owned by a person, or more than one person acting as a group, that owns at least fifty (50%) percent of the total value or voting power of the stock of the Company; or,

iv. the Company's termination of its business and liquidation of its assets; or,

v. the reorganization, merger or consolidation of the Company into or with another person or entity, by which reorganization, merger or consolidation the shareholders of the Company receive less than fifty percent (50%) of the outstanding voting shares of the new or continuing corporation.

For purposes of the preceding Change in Ownership, Change in Effective Control and Change in Ownership of Substantial Assets, persons are considered to be acting as a group when such persons are owners of an entity that enters into a merger, consolidation, purchase or acquisition of stock, or a similar business transaction with the Company. Persons are not considered to be acting as a group merely because such persons happen to purchase or own stock of the Company at the same time or as a result of the same public offering.

b. Termination Following Change in Control. Executive shall be entitled to the benefits provided in subsection (c) below if any of the events, described in Section 2(a) constituting a Change in Control of the Company shall have occurred, and:

i. Executive terminates Executive's employment upon 30 days' written notice after being required to relocate Executive's primary office to a location greater than 50 miles from the then current location of Executive's office or Executive terminates Executive's employment upon 30 days' written notice after a material reduction in Executive's duties, responsibilities or compensation (unless the Company either revokes such relocation requirement or revokes such material reduction in Executive's duties, responsibilities or compensation, as the case may be, during the period beginning on the date of Executive's written notice of termination and ending 30 days thereafter); or

ii. The Company or its affiliates, as the case may be, terminates Executive's employment for any reason other than for Cause (as defined below) or by reason of Executive's Disability (as defined below);

Provided, however, that such termination, whether pursuant to Section 2(b)(i) or 2(b)(ii) above, shall have occurred (x) during the two-year period following such Change in Control; or (y) prior to the date on which a Change in Control of the Company occurs, if it can be reasonably demonstrated by Executive that such termination of employment was at the request of a third party who has taken steps reasonably calculated to effect a Change in Control or otherwise arose in connection with or anticipation of a Change in Control.

c. Compensation Upon Termination - In the event that a termination of employment of Executive occurs under the circumstances set forth in Section 2(b) above:

i. No later than the fifth day following the date of termination, the Company shall pay to Executive his or her full base salary through the date of termination at the rate in effect at the time notice of termination is given;

ii. In lieu of any further salary payments to Executive for periods subsequent to the date of termination, the Company shall pay as severance pay to Executive, at the time specified in subsection (d) below, a lump sum severance payment (the "Severance Payment") equal to two (or if less, the number of years, including fractional years, from the date of termination until Executive reaches age 65) times Executive's annual Base Salary as in effect as of the date of termination or immediately prior to the Change in Control of the Company, whichever is greater;

iii. In lieu of any payments under the executive incentive plan or other bonus plan in effect for the year in which Executive's date of termination occurs, the Company shall pay Executive, at the time specified in subsection (d) below, a pro rata portion of all contingent awards granted under such plans for all uncompleted periods, assuming for this purpose that the amount of each award that would have been paid upon completion of such period would equal the average of the payments from the executive incentive plan for the previous two (2) years, and basing such pro rata portion upon the portion of the award period that has elapsed as of the date of termination;

iv. In addition to the retirement benefits to which Executive is entitled, if any, under the Retirement Plan of Koppers Inc. and Subsidiaries for Salaried Executives (the "Qualified Plan") and the Company's "excess benefit plans" (the "SERP Plan") or any successor plans thereto, a lump sum payment equal to the excess of (x) over (y), where (x) equals the sum of (A) the aggregate retirement pension to which Executive would have been entitled under the terms of the Qualified Plan (without regard to any amendment to the Qualified Plan made subsequent to the Change in Control of the Company, which amendment adversely affects in any manner the computation of retirement benefits under such plan), determined as if Executive had accumulated thereunder two (2) additional years of credited service or such lesser number of years of credited service, including fractional years, to Executive's 65th birthday (after any termination pursuant to Section 2(b)) at Executive's rate of Base Salary in effect on the date of termination, and (B) the retirement pension to which Executive would have been entitled under the terms of the SERP Plan, determined as if Executive had accumulated thereunder two (2) additional Years of Service or such lesser number of Years of Service, including fractional years, to Executive's 65th birthday (after any termination pursuant to Section 2(b)) at Executive's rate of Base Salary in effect on the date of termination; and where (y) equals the sum of (A) the aggregate retirement pension to which Executive is entitled pursuant to the provisions of the Qualified Plan, and (B) the retirement pension to which Executive is entitled pursuant to the provisions of the SERP Plan. This supplemental pension benefit shall be payable by the Company in a lump sum payment as soon as legally permissible using the discount specified in the Qualified Plan. Benefits hereunder which commence prior to age 60 with 25 years of service, or age 55 with 10 years of service, shall be actuarially reduced to reflect early commencement in accordance with the terms of any such Plan or Plans. All defined terms used in this paragraph (iv) shall have the same meaning as in the Qualified Plan, unless otherwise defined herein or otherwise required by the context;

v. For a twenty-four (24) month period or for the term of this Agreement, whichever is later, or such lesser period to Executive's 65th birthday after such termination, the Company shall arrange to provide Executive with life, disability, accident and group health insurance benefits substantially similar to those which Executive was receiving immediately prior to the notice of termination (or, in the Company's discretion, the monetary equivalent of such benefits, payable on a monthly basis). Benefits otherwise receivable by Executive pursuant to this paragraph (vi) shall be reduced to the extent comparable benefits are actually received by Executive during the twenty-four (24) month period following Executive's termination, and any such benefits actually received by Executive shall be reported to the Company; and

vi. The Company's obligations to indemnify and defend Executive with respect to matters arising out of Executive's performance during the Term shall continue after Executive's termination to the same extent that they existed prior to such termination. The Company will, at all times, maintain in force and effect Directors and Officers Liability Insurance.

d. Except as provided in subsection (f) hereof, the payments provided for in subsections (c) (ii) and (iii), above, shall be made not later than the fifth day following the date of termination; provided, however, that if the amounts of such payments cannot be finally determined on or before such day, the Company shall pay to Executive on such day an estimate, as determined in good faith by the Company, of the minimum amount of such payments and shall pay the remainder of such payments (together with interest at the rate provided in section 1274(b)(2)(B) of the Internal Revenue Code as amended (the "Code")) as soon as the amount thereof can be determined, but in no event later than the thirtieth day after the date of termination. In the event that the amount of the estimated payments exceeds the amount subsequently determined to have been due, such excess shall constitute a loan by the Company to Executive, payable on the fifth day after demand by the Company (together with interest at the rate provided in section 1274 (b)(2)(B) of the Code).

e. Except as provided in subsection (c)(v) hereof, Executive shall not be required to mitigate the amount of any payment provided for in this Section by seeking other employment or otherwise, nor shall the amount of any payment or benefit provided for in this Section 2 be reduced by any compensation earned by Executive as the result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by Executive to the Company, or otherwise.

f. Notwithstanding the provisions of this Section 2, in no event shall the aggregate present value of "parachute payments" as defined in Section 280G of the Code, exceed three times Executive's "base amount", as defined in Section 280G(b)(3) of the Code. If the preceding limitation is exceeded, then Executive's payments and benefits in this Section 2 shall be reduced to the extent necessary to cause the total payments and "parachute payments" to comply with the limitation.

g. Executive's entitlement to the benefits set forth in Sections 2(c)(ii), (iii), (iv) and (v) shall be conditioned upon Executive executing and delivering a release satisfactory to the Company releasing the Company and its affiliates and persons employed by such entities from any and all claims, demands, damages, actions and/or causes of action whatsoever, which Executive may have had on account of the termination of Executive's employment, including, but not limited to claims of discrimination, including on the basis of sex, race, age, national origin, religion, or handicapped status (with all applicable periods during which Executive may revoke the release or any provision thereof having expired), and any and all claims, demands and causes of action under any retirement or welfare benefit plan of the Company (as defined in the Employee Retirement Income Security Act of 1974, as amended), other than under the Company's 401 (k) plan and the Qualified Plan, severance or other termination pay. Such release shall not, however, apply to the ongoing obligations of the Company arising under this Agreement, or any rights of indemnification Executive may have under the Company's policies or by contract or by statute.

3. Successors; Binding Agreement.

a. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

b. This Agreement shall inure to the benefit of and be enforceable by Executive and Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive should die while any amount would still be payable to Executive hereunder had Executive continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to Executive's devisee, legatee or other designee or, if there is no such designee, to Executive's estate.

4. Notice. For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States certified or registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth on the signature page of this Agreement, provided that all notices to the Company shall be directed to the attention of the Board with a copy to the Secretary of the Company, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

5. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by Executive and such officer of the Company as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement. The validity interpretation, construction and performance of this Agreement shall be governed

by the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law principles. Any payments provided for hereunder shall be paid net of any applicable withholding required under federal, state or local law. The obligations of the Company under Section 2 shall survive the expiration of the term of this Agreement.

6. Validity. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

7. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

8. Definitions.

a. Cause. Termination by the Company of Executive's employment for "Cause" shall mean termination (a) upon the willful and continued failure by Executive to substantially perform Executive's duties with the Company or its affiliates, as the case may be, (other than any such failure resulting from Executive's incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to Executive by the Chief Executive Officer, which demand specifically identifies the manner in which the Chief Executive Officer believes that Executive has not substantially performed Executive's duties, and Executive is given a reasonable opportunity to remedy such identified failure to perform, or (b) the willful engaging by Executive in conduct which is demonstrably and materially injurious to the Company or its affiliates, as the case may be, monetarily or otherwise. For purposes of this subsection, no act, or failure to act, on Executive's part shall be deemed "willful" unless done, or omitted to be done, by Executive not in good faith and without reasonable belief that Executive's action or omission was in the best interest of the Company or its affiliates, as the case may be.

b. Disability. If, as a result of Executive's incapacity due to physical or mental illness, Executive shall have been absent from the full-time performance of Executive's duties with the Company for at least six (6) consecutive months out of the previous twelve (12) months, and within thirty (30) days after written notice of termination is given to Executive by the Company or its affiliates shall not have returned to the full-time performance of Executive's duties, Executive's employment shall be deemed terminated for "Disability."

9. Dispute Resolution.

a. Negotiation. If a dispute or controversy arises under or in connection with this Agreement, the parties agree first to try in good faith to settle the dispute or controversy. Any party may initiate the negotiation process by written notice to the others, identifying the dispute or controversy and the desire for negotiation.

b. Arbitration. If the parties have not resolved the dispute or controversy by direct negotiations within thirty (30) days of such notice, any party may initiate arbitration as herein provided. All disputes or controversies arising under or in connection with this Agreement which are not resolved by negotiation shall be decided by arbitration in accordance with the Employment Dispute Resolution Rules of the American Arbitration Association, provided, however, that any such arbitration shall be before a single arbitrator selected by agreement of the parties. Judgment upon the award or decision of the arbitrator may be entered and enforced in any court of competent jurisdiction. In the event that the parties cannot agree upon the selection of an arbitrator, the parties agree that the American Arbitration Association in Pittsburgh, Pennsylvania will select the arbitrator. Notwithstanding the foregoing to the contrary, a party shall not be prohibited or precluded from seeking equitable relief in a court of competent jurisdiction without first resorting to the dispute resolution provisions of this Section 9 in circumstances in which a party's interests or property will otherwise be compromised. It is specifically intended by the parties that if any equitable relief is granted by an arbitrator, said relief may be enforced in any court of competent jurisdiction. The forum of such arbitration shall be in Pittsburgh, Pennsylvania to the exclusion of all other jurisdictions.

c. Notice of Decision. The arbitrator shall promptly notify the parties in writing of the decision, together with the amount of any dispute resolution costs arising with respect thereto (the "Notice of Decision"). The Notice of Decision need not contain an explanation of the decision or grounds thereof.

d. Costs and Fees. All dispute resolution costs, which shall include any fee for the arbitrator for services rendered shall be borne by the Company. Each party is to pay its own counsel fees and expenses.

10. Severability and Reformation. The provisions of this Agreement shall be deemed to be divisible so that in the event that any of the provisions of this Agreement shall be held to be invalid or unenforceable in whole or in part, those provisions to the extent enforceable and all other provisions shall nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Agreement. In the event that any provision of this Agreement (including, but not limited to, any provision related to a time period, geographical area or scope of restriction) shall be declared by a court of competent jurisdiction to exceed the maximum limitations or restrictions such court deems reasonable and enforceable, then such provision shall be deemed modified and reformed so as to be valid and enforceable to the maximum extent lawfully permitted.

11. Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties; whether oral or written, by any officer, employee or representative of any party hereto; and any prior agreement of the parties hereto in respect of the subject matter contained herein is hereby terminated and canceled.

12. Compliance with Code Section 409A.

a. The terms of this Agreement are intended to, and shall be interpreted and applied so as to, comply in all respects with the provisions of Internal Revenue Code Section 409A and regulations and rulings thereunder. This terms of this Agreement may be amended or modified at any time and in any respect by the Company if and to the extent recommended by counsel in order to conform to the requirements of Internal Revenue Code Section 409A and regulations and rulings thereunder.

b. Notwithstanding any provision of this Agreement to the contrary, in the event that Executive is a “specified employee” within the meaning of Internal Revenue Code Section 409A(a)(2)(B)(i), no payment under this Agreement may be made, or may commence, before the date which is 6 months after the date of Executive’s “separation from service” within the meaning of Internal Revenue Code Section 409A(a)(2)(B)(i) (or, if earlier, the date of the Executive’s death) if and to the extent such payment is a payment of "deferred compensation" subject to Internal Revenue Code Section 409A.

13. Confidential information.

a. Executive agrees and understands that Executive has been and will be exposed to and receive certain confidential information of the Company and its affiliates, including, but not limited to: technical information; business and marketing plans; strategies; customer information; product information; pricing information and policies; promotions; developments; financing plans; business policies and practices; processes; techniques; methodologies; formulae; processes; compilations of information; research materials; software (source and object code); algorithms; computer processing systems; drawings; proposals; job notes; reports; records; specifications; inventions; discoveries; improvements; innovations; designs; ideas; trade secrets; proprietary information; manufacturing, packaging, advertising, distribution, and sales methods; sales and profit figures; and client and client lists and other forms of information considered by the Company or its affiliates to be confidential and in the nature of a trade secret (hereinafter all referred to as “Confidential Information”). Executive acknowledges that the Confidential Information is a valuable and unique asset of the Company and hereby covenants that both during and after Executive’s employment, Executive shall keep such Confidential Information confidential and shall not disclose such information, either directly or indirectly, to any third person or entity without the prior written consent of a duly authorized representative of the Company. Further, Executive agrees that Executive will not use any Confidential Information for any purpose (including, but not limited to, use for Executive’s own benefit or for the benefit of a third party) other than for purposes authorized by the Company or its affiliates and for the benefit of the Company and/or its affiliates. The parties agree that any Confidential Information that was disclosed or provided to Executive by the Company or its affiliates prior to the effective date of this Agreement was intended to be and shall be subject to the terms and conditions of this Agreement. Executive agrees that this confidentiality covenant has no temporal or territorial restriction. The obligation of confidentiality imposed herein shall not apply: (i) to information that is now or hereafter becomes publicly known or generally known in the Company's industry other than as a result of Executive's breach of Executive's obligations hereunder and (ii) to information that is required to be disclosed by applicable laws, governmental regulations or judicial or regulatory process; provided, however, in such event, that Executive may disclose such information only to the extent required and shall give at least fifteen (15) days' prior written notice to the Company of the requirement to disclose such information to the extent practicable under the circumstances.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

THE COMPANY:	**EXECUTIVE:**
Signature	Signature
Name	Name
Title	Title

SUMMARY OF TERMS AND CONDITIONS OF EMPLOYMENT

This document summarizes the terms and conditions of employment between Mark R. McCormack and Koppers ("the Company") as set out below.

TITLE:

Vice President, Australasian Operations & Managing Director, Koppers Australia Pty. Limited

REPORTS TO:

Senior Vice President, Global Carbon Materials & Chemicals

DUTIES:

You shall perform the duties, services and responsibilities as specified by the Senior Vice President, Global Carbon Materials & Chemicals of Koppers Inc. and shall have the authority commensurate with your position.

HAY POINTS:

2,128

GRADE:

38

PLACE OF WORK:

Sydney, New South Wales, Australia

COMMENCEMENT DATE:

December 1, 2006

The Company reserves the right to change your title and/or duties at any time during your employment without your consent. The Company will not change your place of work without your consent.

RESPONSIBILITIES:

You are required to:

1. Devote your full attention and use your best efforts to further the growth, reputation and business of the Company, its shareholders, subsidiaries and affiliates and observe all lawful directions, orders or instructions given to you.
2. Acknowledge that information relating to the business or affairs of the Company, its shareholders, subsidiaries and affiliates which is not available in the public domain including, but not limited to: technical information; business and marketing plans; strategies; customer information; information concerning the Company's products; pricing information and policies; promotions; developments; financing plans; business policies and practices; processes; techniques; methodologies; formulae; processes; compilations of Information; research materials; software (source and object code); algorithms; computer processing systems; drawings; proposals; job notes; reports; records; specifications; inventions; discoveries; improvements; innovations; designs; ideas; trade secrets; proprietary information; manufacturing, packaging, advertising, distribution, and sales methods; sales and profit figures; and client and client lists and other forms of information considered by the Company to be confidential and in the nature of a trade secret, is confidential information and is the sole property of the Company. You shall not, either

during your employment or thereafter, without the prior written consent of the Company, directly or indirectly, disclose to any person or use any of such confidential information for your own or for another's benefit.

3. Acknowledge that any invention, discovery, original work or authorship or any improvement of any kind relating to, or which could be applied to, the products or services sold by the Company which you make during your employment shall become the property of the Company, To the extent required by the Company, you will authorize the Company to sign any documents to give effect to such obligations.
4. Undertake not to be directly or indirectly involved knowingly with any business activity which conflicts or may tend to conflict or be in competition with any of the Company's operations, unless otherwise agreed by the Company.
5. Work as required to meet the needs of the Company, in this position you will, from time to time, be required to travel and work irregular and extended hours.
6. Agree to be bound by and to comply with all of the Company's policies and codes of conduct. You acknowledge that these policies and codes may change from time to time, but will still be part of the terms of your employment. You agree that failure to comply with those policies and codes may result in the summary termination of your employment if such conduct is willful or intentional
7. Conduct business lawfully and ethically, and meet the highest standards of legal and ethical conduct and to deal honestly with customers, suppliers and consultants; maintain accurate books, records and accounts; follow applicable travel and expense guidelines; comply with all applicable laws and avoid conflicts of interest, including engaging in conflicting business relationships, improper hiring of family members or accepting or giving gifts or other favors, other than of nominal value; and as otherwise specified in the Company's Code of Conduct.
8. Periodically confirm in writing that you have read the Koppers Code of Conduct and Ethics and Compliance Program and that you are in compliance with it and are unaware of any acts of non-compliance (or have reported same).
9. Not bind the Company to any agreement or otherwise purport to be authorized to deal as an agent of the Company, except as authorized by the Company's Limits of Authority,

<u>REMUNERATION & OTHER TERMS</u>

Annual Base Salary

Your annual Base Salary shall be AU$300,000 before taxes and other deductions and shall be payable monthly directly to a bank account that you nominate. Base Salary is the only remuneration component that will be used for the purpose of determining statutory and any other payments on termination. Your Base Salary shall be subject to periodic review by your manager. You will be advised in writing should your remuneration be altered or should you be granted any additional remuneration benefits during your employment with the Company. Your base salary will be reviewed at such times as are deemed appropriate by the Senior Vice President, Global Carbon Materials & Chemicals.

Car Allowance

You will be entitled to receive AU$55,450 per annum under the Company novated motor vehicle plan. This amount will be applied against a motor vehicle that you choose to novate under the plan, or alternatively, you may elect to take it as taxable cash income. Your car allowance shall not be considered as part of your "salary" for purposes of the calculation of your benefits under the Superannuation Plan or for the calculation of any severance benefits which may become due and payable to you.

Superannuation

Your participation in the Koppers Australia Superannuation Plan will remain as it presently is unless you exercise choice of fund under the choice of superannuation legislation. The life insurance policy with ING in the amount of AU$700,000 will continue to be maintained.

Annual Incentive Compensation

Your annual incentive target will be 55% of your annual base salary. You will be eligible to participate in the following annual Incentive plans at the specified participation levels:

- Corporate Senior Management Plan – 25%
- Global CM&CKVA Plan – 25%
- Koppers Australia KVA Plan – 50%

Your actual participation in such plans shall be subject to such terms and conditions as the Board of Directors of Koppers shall determine, from time to time. Performance criteria for awards under the above plans will be based on the terms of the applicable plans. Your annual incentive compensation shall not be considered as part of your "salary" for purposes of the calculation of your benefits under the Superannuation Plan or for the calculation of any severance benefits which may become due and payable to you.

Long Term Incentive Plan

You will participate in the 2005 Long Term Incentive Plan of Koppers Holdings Inc., as such plan may be amended from time to time and subject to the terms and conditions of such plan. The amount of any awards under such plan shall be determined by the Board of Directors of Koppers Holdings Inc. (or an appropriate Committee thereof) from time to time. Your long-term incentive compensation shall not be considered as part of your "salary" for purposes of the calculation of your benefits under the Superannuation Plan or for the calculation of any severance benefits which may become due and payable to you.

Leave

Annual Leave entitlements are as provided for under legislation applicable to the State in which your work is based. Company policy is that the employees take annual leave regularly, preferably within six months of each completed year of employment. The dates on which you propose taking leave must be acceptable to the Company, and the Company undertakes not to reasonably withhold its approval. Annual Leave Loading is paid at the rate of 20%, payable annually in December.

Long Service Leave entitlements are as provided for under legislation applicable to the State in which your work is based.

Sick Leave Is paid at the Company's discretion.

Other leave types are according to statutory requirements applicable to the State in which you work.

Car Space

A car space will be provided for you.

Club Membership – Golf or Business

The Company shall pay your initiation fee and monthly dues at a mutually acceptable golf club or business club located in the Sydney area. You will be responsible for all expenses Incurred by you in connection with your use of such club, except for expenses that are payable or reimbursable under the Company's expense reimbursement policies.

Change in Control Agreement

The current Change in Control Agreement between the Company and you shall continue in full force and effect until such time as it is terminated pursuant to its terms.

Expense Reimbursement

You shall be entitled to receive prompt reimbursement for all reasonable expenses that you incur in performing services for the Company, provided that such expenses are properly accounted for and are in accordance with the policies and practices in effect from time to time as established by the Company.

Other Benefit Plans

Nothing contained herein shall preclude you from participating in and receiving benefits under any future benefit plans, programs and arrangements (which are duly amended, approved or adopted from time to time) for Australian salaried employees to the extent that the terms of any such benefit plans, programs and arrangements provide for your participation.

OCCUPATIONAL SAFETY, HEALTH, AND THE ENVIRONMENT (SH&E)

During your employment with the Company you must comply with its SH&E policies and procedures. You will be responsible for identifying and addressing workplace hazards in the work place environment in which you work and in which any of your subordinates work.

Health

As a condition of your employment, you may from time to time be required to submit to a medical examination or participate in a health or rehabilitation/return to work program at the Company's expense.

Drug & Alcohol Prohibition

The Company has a Drug and Alcohol Policy, a copy of which is available to any employee upon request. The use of or possession of Drugs other than as prescribed to you or used by you for genuine medical reasons, are strictly prohibited from the Company's workplace. The policy forbids the misuse or abuse of prescribed medications. The consumption of alcoholic beverages on Company worksites is also strictly prohibited. It is a condition of this contract that you will not report to work, attend work or perform any of your duties while taking or under the influence of alcohol or drugs. You consent to submit yourself for drug and alcohol testing if requested to do so. You will be required to comply with the Drug and Alcohol Policy that includes pre-employment, causal, post accident/incident and random testing. Refusal to submit to testing will be treated the same as having had a positive test result. Non-negative test results will cause certain actions being taken by the Company as outlined in that Policy.

Employees should note that the allowable limit for breath alcohol content is in accordance with site specific agreements, but not to exceed nationally recognized levels. You should make yourself aware of the level applicable to any Company site(s) where you work. Other substances will be tested against the maximum allowable limit as recorded in the Australian Standard

AS4308 - 2001: Procedures for the Collection, Detection and Quantification of Drugs of Abuse in Urine.

TERMINATION OF EMPLOYMENT

Notice

Your employment may be terminated by you or by the Company by the giving notice of twelve months or such other mutually agreed lesser period of notice, in writing.

Payments in Lieu of Notice

The Company may terminate your employment immediately and without written notice by paying base salary of twelve month's pay lieu of notice.

Grave Misconduct or Dishonesty

If in the Company's opinion you are guilty of any serious misconduct or dishonesty or refuse to obey a reasonable and lawful directive your employment may be terminated by the Company without notice or payment in lieu of notice.

Termination of Benefits

The Company, in its sole discretion, has the right to terminate, freeze or otherwise amend any of the benefit plans in which you participate at any time for any reason; provided, however, that the Company cannot reduce any of your vested accrued benefits. If any of such benefit plans are terminated, frozen or otherwise amended, you and your eligible dependents will have no greater right to benefits than the other participants in such benefit plans.

NO OTHER BENEFITS

This statement is a complete record on the terms, conditions and/or benefits of your appointment arrangement between the Company and you.

VARIATION

No variation of the terms of your employment as set out in this contract is valid unless the variation is in writing and agreed to in writing by both parties.

SEVERABILITY

Any provision of this contract which is prohibited or unenforceable in any Jurisdiction will be ineffective in that Jurisdiction to the extent of the prohibition or unenforceability and will not invalidate the remaining provisions of this contract nor effect the validity or enforceability of that provision in any other jurisdiction.

NO REPRESENTATIONS AND WARRANTIES

You acknowledge that in entering into this contract, you have not relied on any representations or warranties about its subject matter, except as provided in this contract.

GOVERNING LAWS AND JURISDICTIONS

This contract is governed by the laws in force in New South Wales and both the Company and you irrevocably submit to the non-exclusive jurisdiction of the courts of New South Wales.

ACCEPTED AND AGREED TO:

/s/ Mark R. McCormack	1 JAN 2007
Mark R. McCormack	Date

Exhibit 12.1

KOPPERS HOLDINGS INC.
RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in millions, except ratios)

	2006	2007	2008	2009	2010	Three months ended March 31, 2011
Earnings:						
Income from continuing operations before taxes	$18.6	$ 79.5	$ 90.0	$ 35.5	$ 73.8	$ 14.0
Deduct: Equity earnings net of dividends	(0.3)	(0.2)	(0.6)	(0.8)	—	—
Deduct: Pre-tax income of noncontrolling interests	1.9	3.1	0.8	3.4	0.5	0.2
Add: Fixed charges	69.4	55.5	53.5	71.6	40.3	10.2
Earnings as defined	$86.4	$132.1	$143.3	$104.5	$113.6	$ 24.0
Fixed charges:						
Interest expensed	$61.3	$ 45.9	$ 41.4	$ 58.7	$ 27.1	$ 6.9
Interest capitalized	0.2	0.3	—	—	—	—
Other	—	—	0.4	0.5	—	—
Rents	26.1	31.1	39.0	41.5	42.5	10.8
Interest factor	31%	31%	31%	31%	31%	31%
Estimated interest component of rent	8.1	9.6	12.1	12.9	13.2	3.3
Total fixed charges	$69.6	$ 55.8	$ 53.9	$ 72.1	$ 40.3	$ 10.2
Ratio of earnings to fixed charges	**1.24**	**2.37**	**2.66**	**1.45**	**2.82**	**2.35**

Exhibit 31.1

CERTIFICATIONS

I, Walter W. Turner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Koppers Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-5(f) and 15d-15(f)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2011

/S/ WALTER W. TURNER
Walter W. Turner
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Leroy M. Ball, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Koppers Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-5(f) and 15d-15(f)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2011

/S/ LEROY M. BALL
Leroy M. Ball
Vice President and Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Koppers Holdings Inc. (the “Company”) on Form 10-Q for the quarter ending March 31, 2011 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned hereby certifies in his capacity as an officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ WALTER W. TURNER
Walter W. Turner
Chief Executive Officer

May 5, 2011

/S/ LEROY M. BALL
Leroy M. Ball
Chief Financial Officer

May 5, 2011