



Q4 2017 Earnings Call & Webcast February 27, 2018

To be recognized as the standard bearer for safely delivering customer focused solutions primarily through the development and application of technologies to enhance wood.

Changing Perceptions. Advancing Our Culture.



Forward Looking Statement

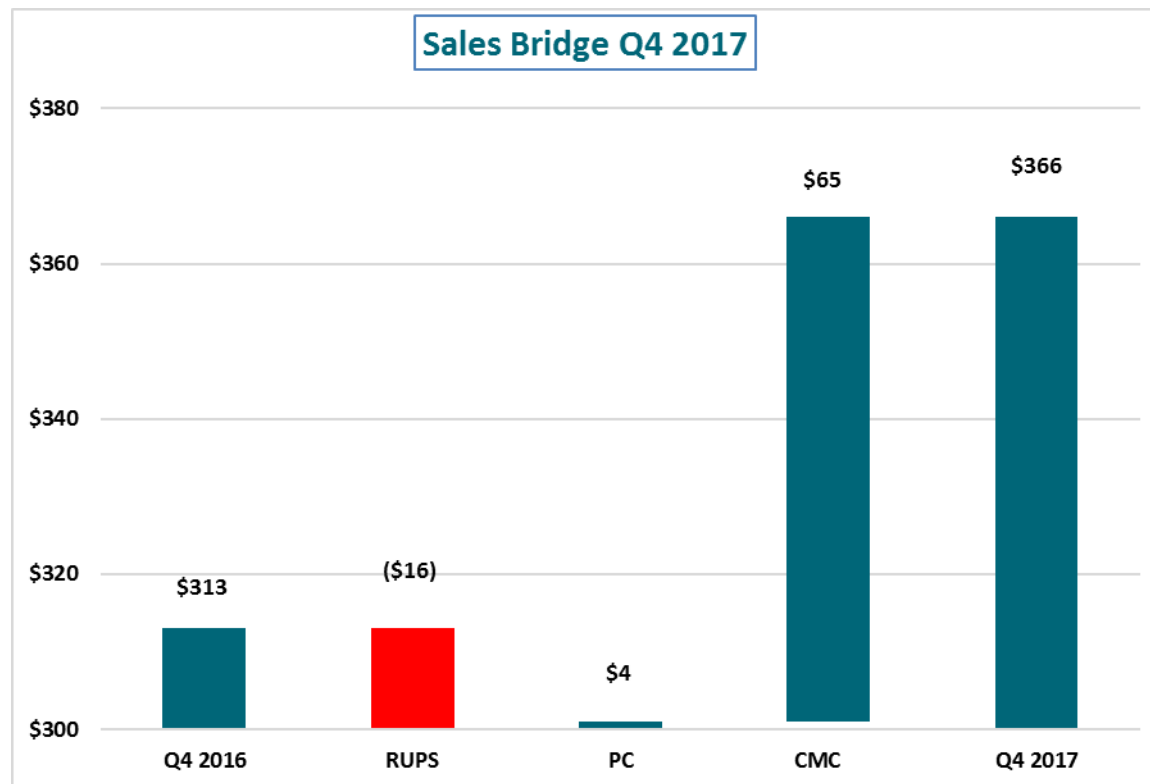
Certain statements in this presentation are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and may include, but are not limited to, statements about sales levels, acquisitions, restructuring, profitability and anticipated synergies, expenses and cash outflows. All forward-looking statements involve risks and uncertainties. All statements contained herein that are not clearly historical in nature are forward-looking, and words such as "believe," "anticipate," "expect," "estimate," "may," "will," "should," "continue," "plans," "potential," "intends," "likely," "outlook," "guidance," "forecast," or other similar words or phrases are generally intended to identify forward-looking statements. Any forward-looking statement contained herein, in press releases, written statements or documents filed with the Securities and Exchange Commission, or in Koppers communications with and discussions with investors and analysts in the normal course of business through meetings, phone calls and conference calls, regarding expectations with respect to sales, earnings, cash flows, operating efficiencies, restructurings, the benefits of acquisitions and divestitures or other matters as well as financings and debt reduction, are subject to known and unknown risks, uncertainties and contingencies. Many of these risks, uncertainties and contingencies are beyond our control, and may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Factors that might affect such forward-looking statements, include, among other things, the impact of changes in commodity prices, such as oil and copper, on product margins; general economic and business conditions; potential difficulties in protecting our intellectual property; the ratings on our debt and our ability to repay or refinance outstanding indebtedness; our ability to operate within the limitations of our debt covenants; potential impairment of our goodwill and/or long-lived assets; demand for Koppers goods and services; competitive conditions; interest rate and foreign currency rate fluctuations; availability of key raw materials and unfavorable resolution of claims against us, as well as those discussed more fully elsewhere in this presentation and in documents filed with the Securities and Exchange Commission by Koppers, particularly our latest annual report on Form 10-K and subsequent filings. Any forward-looking statements in this presentation speak only as of the date of this presentation, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after that date or to reflect the occurrence of unanticipated events.

Q4 2017 Results

Q4 Sales of \$366M; Higher CMC Sales Offset RUPS Weakness



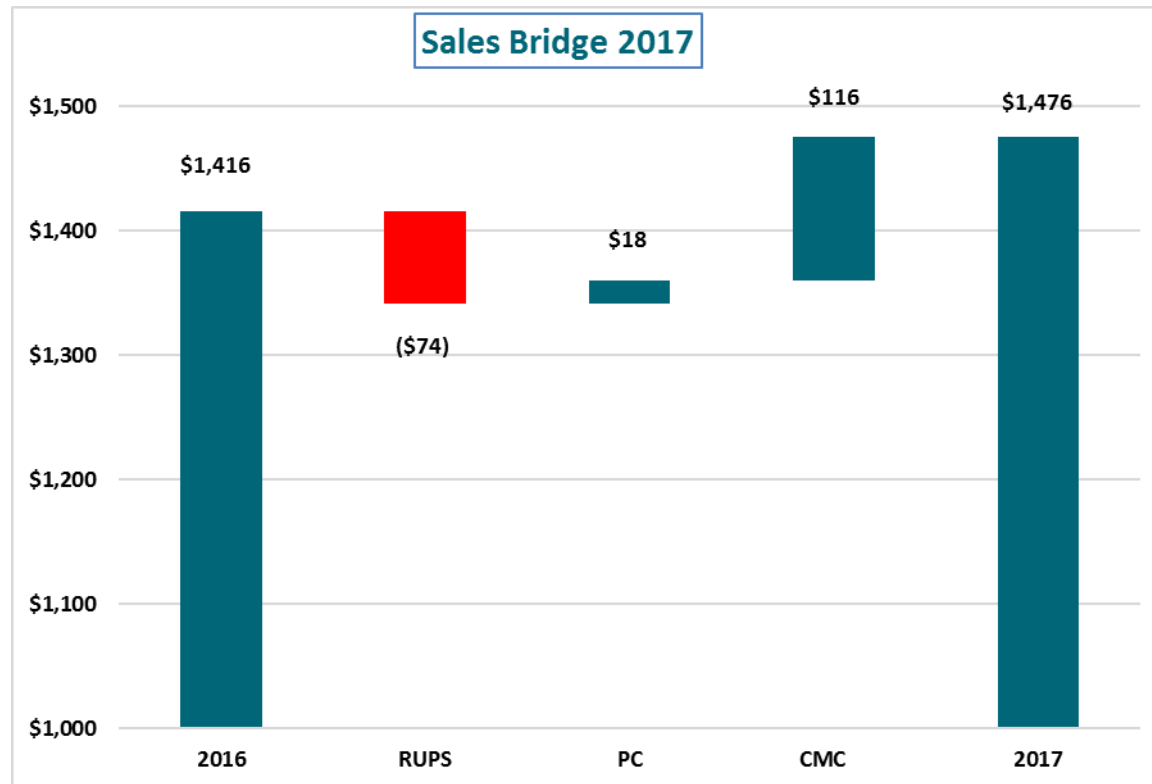
(\$ in millions)



2017 Sales of \$1,476M; Higher CMC & PC Sales Offset RUPS Decline



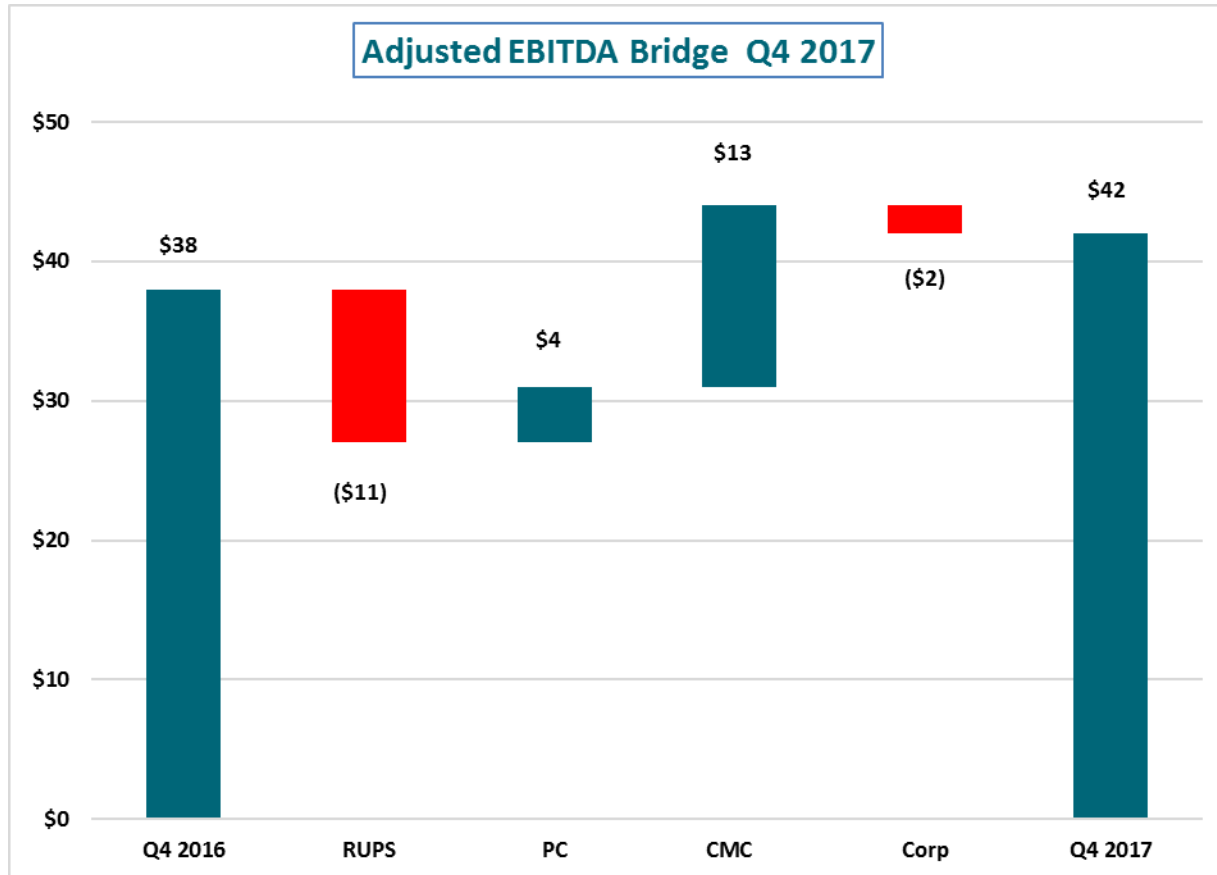
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Q4 Adjusted EBITDA of \$42M; Higher CMC & PC Profitability Offset RUPS



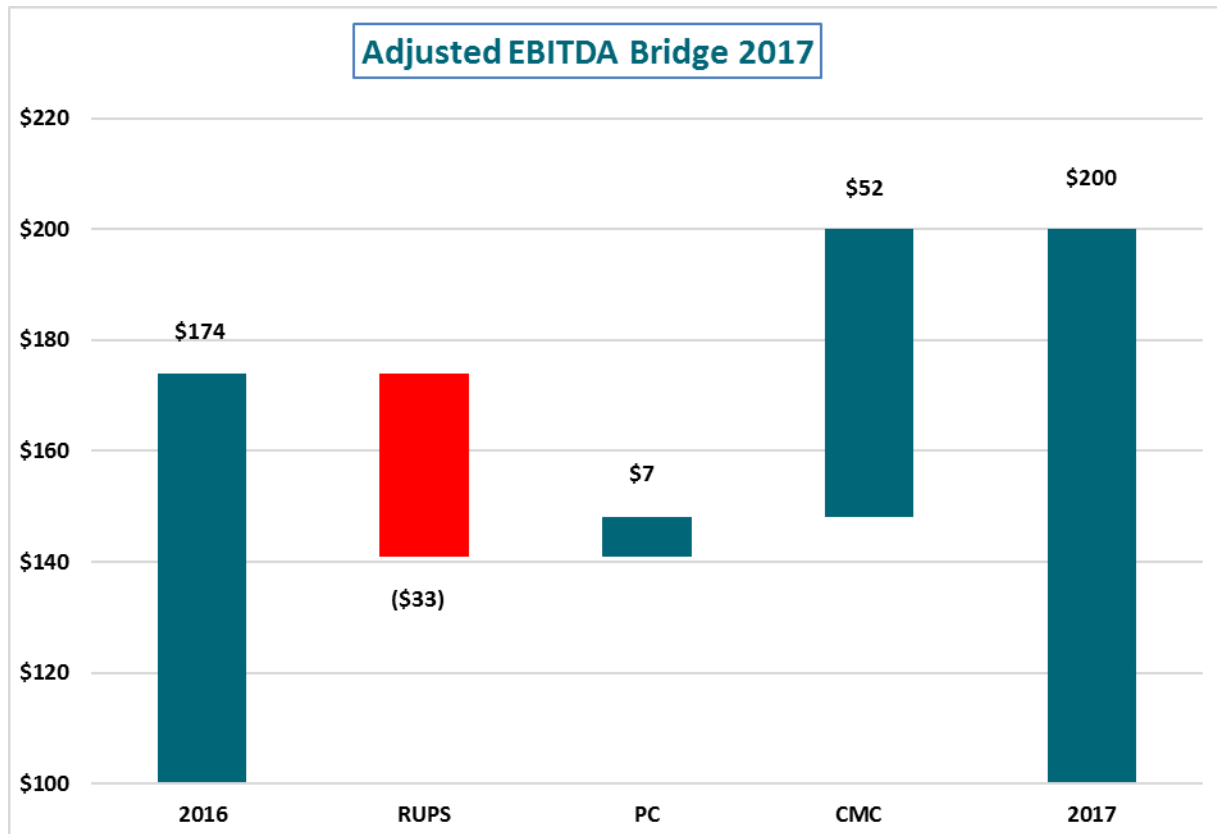
(\$ in millions)



2017 EBITDA of \$200M; CMC Delivering Strong Profitability



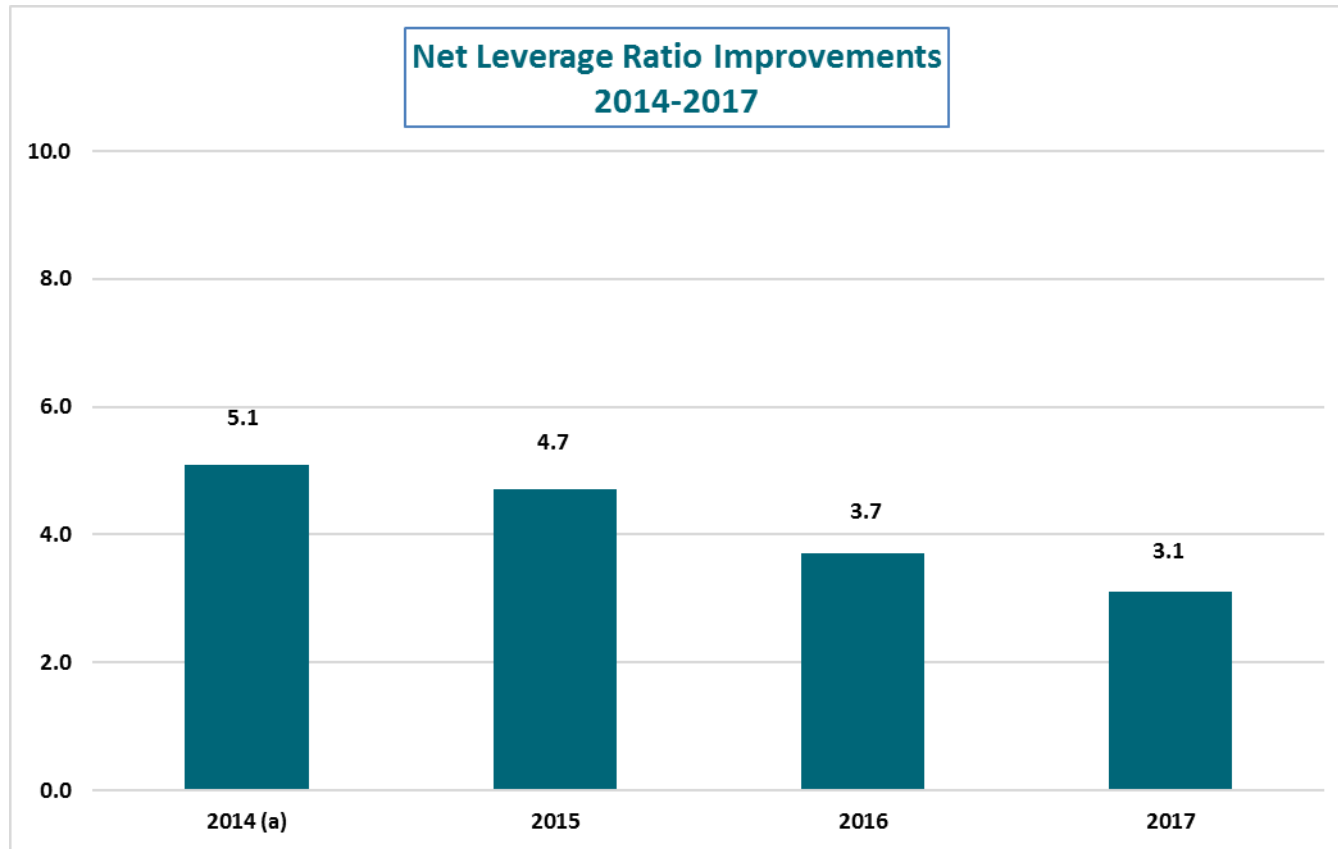
(\$ in millions)



Net Leverage Ratio: Significantly Improved Balance Sheet



(\$ in millions)



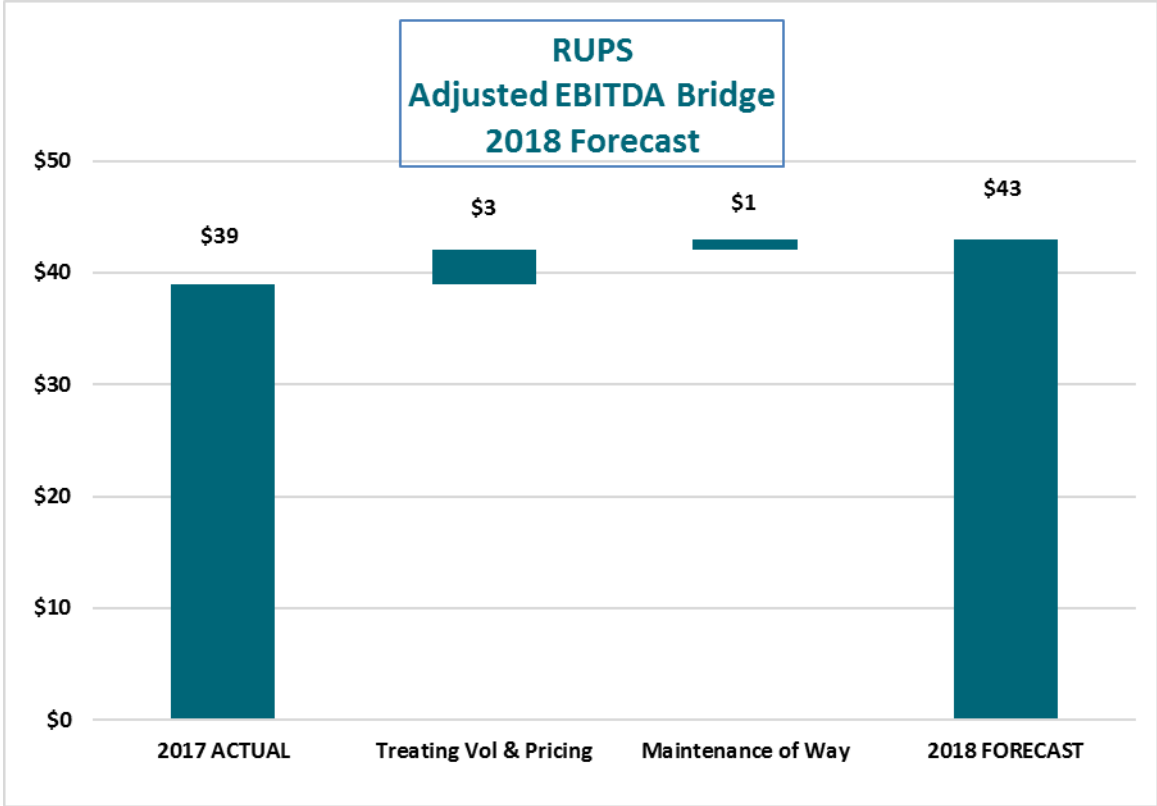
(a) Pro-forma 2014

2018 Guidance

2018 Adjusted EBITDA Forecast: RUPS Expecting Small Improvement



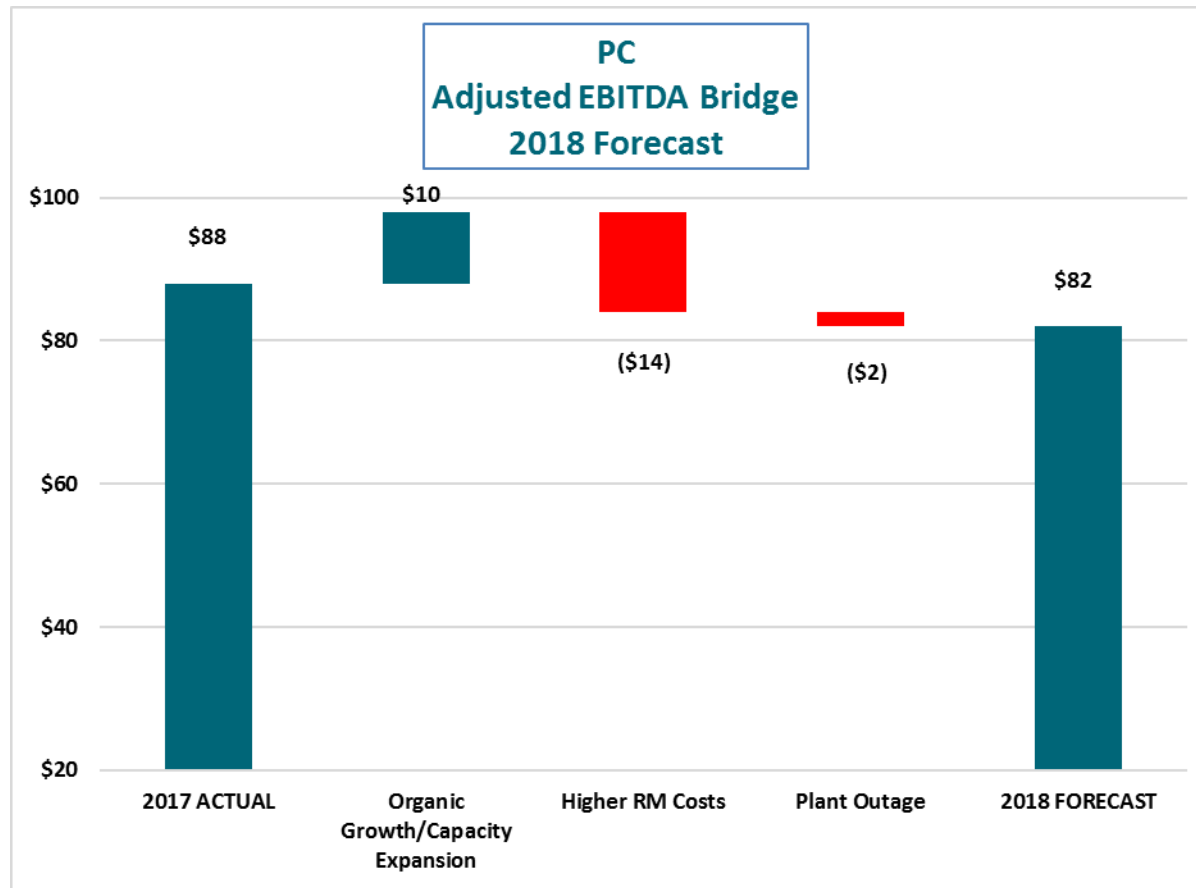
(\$ in millions)



2018 Adjusted EBITDA Forecast: PC Growth Offset by Raw Material Headwind



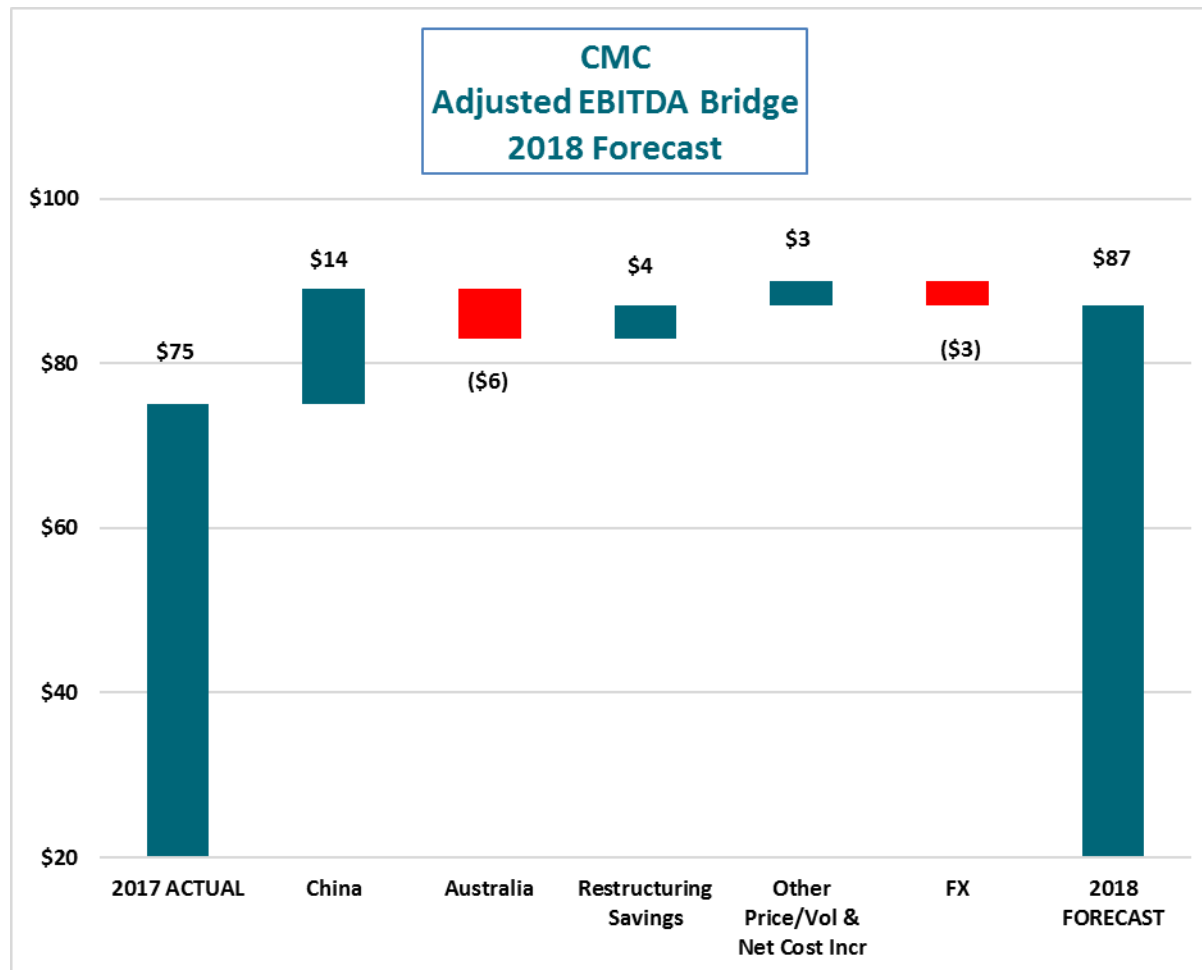
(\$ in millions)



2018 Adjusted EBITDA Forecast: CMC China & Restructuring Savings Drive Improvement



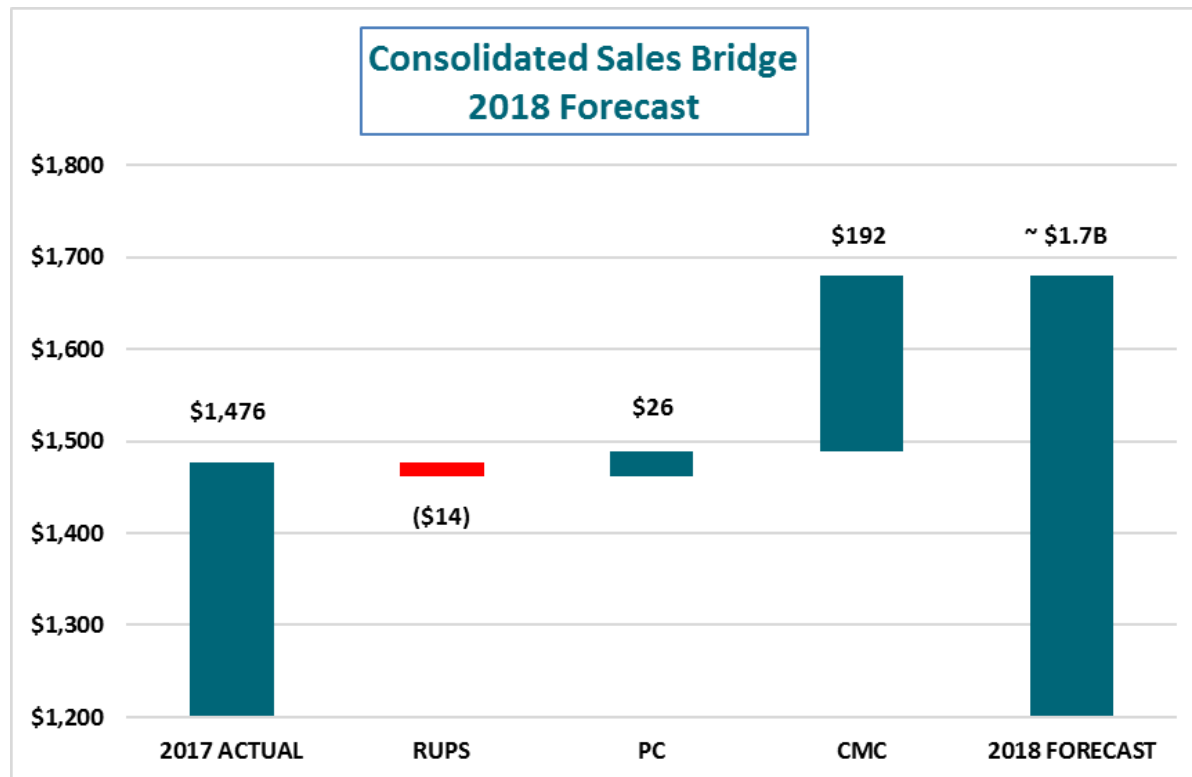
(\$ in millions)



2018 Sales Forecast of ~\$1.7B



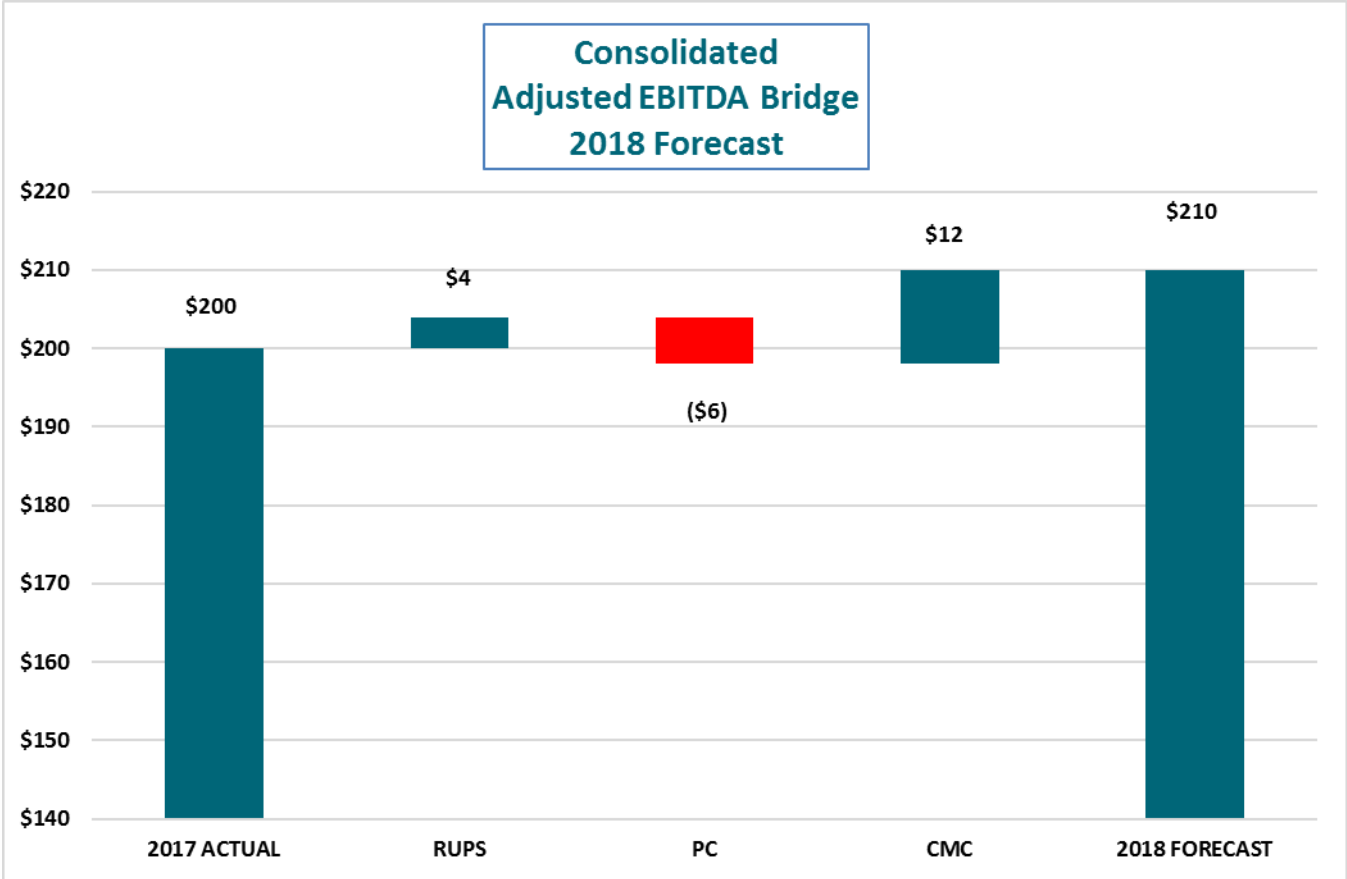
(\$ in millions)



2018 Adjusted EBITDA Forecast: Improved Business Model; Higher Profitability



(\$ in millions)



Q&A Session

Appendix

Non-GAAP Measures and Guidance

This presentation includes unaudited “non-GAAP financial measures” as defined in Regulation G under the Securities Exchange Act of 1934, including adjusted EBITDA. Koppers believes that the presentation of non-GAAP financial measures such as adjusted EBITDA provide information useful to investors in understanding the underlying operational performance of the company, its business and performance trends and facilitates comparisons between periods and with other corporations in similar industries. The exclusion of certain items permits evaluation and a comparison of results for ongoing business operations, and it is on this basis that Koppers management internally assesses the company's performance. In addition, the Board of Directors and executive management team use adjusted EBITDA and adjusted earnings per share as performance measures under the company's annual incentive plans.

Although Koppers believes that these non-GAAP financial measures enhance investors' understanding of its business and performance, these non-GAAP financial measures should not be considered an alternative to GAAP basis financial measures and should be read in conjunction with the relevant GAAP financial measure. Other companies in a similar industry may define or calculate these measures differently than the company, limiting their usefulness as comparative measures. Because of these limitations, these non-GAAP financial measures should not be considered in isolation from, or as substitutes for performance measures calculated in accordance with GAAP.

For the company's guidance, adjusted EBITDA excludes restructuring, impairment, non-cash LIFO charges, and non-cash mark-to-market commodity hedging. The forecasted amounts for these items cannot be reasonably estimated due to their nature, but may be significant. For that reason, the company is unable to provide GAAP earnings estimates at this time. Final results could also be affected by various other factors that management is unaware of at this time.

References to historical EBITDA herein means adjusted EBITDA, for which the company has provided calculations and reconciliations in the Appendix.

Unaudited Reconciliation of Operating Profit To EBITDA and Adjusted EBITDA



UNAUDITED RECONCILIATION OF OPERATING PROFIT TO EBITDA AND ADJUSTED EBITDA (In millions)

	<i>Three months ended December 31, 2017</i>				
	<i>RUPS</i>	<i>PC</i>	<i>CMC</i>	<i>Corporate Unallocated</i>	<i>Consolidated</i>
Operating (loss) profit	\$ (4.0)	\$ 14.8	\$ 3.0	\$ (1.6)	\$ 12.2
Other income (loss)	0.3	1.0	0.2	(0.8)	0.7
Depreciation and amortization	3.0	4.6	7.2	-	14.8
Depreciation in impairment and restructuring charges	-	-	8.5	-	8.5
EBITDA with noncontrolling interest	\$ (0.7)	\$ 20.4	\$ 18.9	\$ (2.4)	\$ 36.2
Unusual items impacting EBITDA:					
Pension settlement charge	-	-	-	1.2	1.2
CMC restructuring	-	-	4.4	-	4.4
RUPS treating plant closures	1.3	-	-	-	1.3
Non-cash LIFO expense	0.7	-	0.5	-	1.2
Mark-to-market commodity hedging	-	(1.5)	-	-	(1.5)
Reimbursement of environmental costs	-	(0.4)	-	-	(0.4)
Adjusted EBITDA	\$ 1.3	\$ 18.5	\$ 23.8	\$ (1.2)	\$ 42.4
<i>Adj. EBITDA % of Consolidated Adj. EBITDA (excluding corporate unallocated)</i>	<i>3.0%</i>	<i>42.4%</i>	<i>54.6%</i>		

Unaudited Reconciliation of Operating Profit To EBITDA and Adjusted EBITDA



UNAUDITED RECONCILIATION OF OPERATING PROFIT TO EBITDA AND ADJUSTED EBITDA (In millions)

	Three months ended December 31, 2016				
	RUPS	PC	CMC	Corporate Unallocated	Consolidated
Operating profit (loss)	\$ 5.6	\$ 10.9	\$ 6.2	\$ (3.8)	\$ 18.9
Other income (loss)	0.2	0.8	0.2	(0.5)	0.7
Depreciation and amortization	2.8	4.4	3.7	-	10.9
Depreciation in impairment and restructuring charges	0.2	-	1.5	-	1.7
EBITDA with noncontrolling interest	\$ 8.8	\$ 16.1	\$ 11.6	\$ (4.3)	\$ 32.2
Unusual items impacting EBITDA:					
Pension settlement charge	-	-	-	4.4	4.4
CMC restructuring	-	-	5.8	-	5.8
RUPS treating plant closures	2.0	-	-	-	2.0
Non-cash LIFO expense (benefit)	1.1	-	(6.5)	-	(5.4)
Mark-to-market commodity hedging	-	(1.4)	-	-	(1.4)
Adjusted EBITDA	\$ 11.9	\$ 14.7	\$ 10.9	\$ 0.1	\$ 37.6
<i>Adj. EBITDA % of Consolidated Adj. EBITDA (excluding corporate unallocated)</i>	31.7%	39.2%	29.1%		

Unaudited Reconciliation of Total Debt to Net Debt and Net Leverage Ratio



UNAUDITED RECONCILIATION OF TOTAL DEBT TO NET DEBT AND NET LEVERAGE RATIO						
<i>(In millions)</i>						
	<i>Year ended December 31,</i>					
	<i>2017</i>		<i>2016</i>		<i>2015</i>	<i>Pro- Forma 2014</i>
Total Debt	\$ 677.0		\$ 662.4		\$ 722.3	\$ 850.5
Less: Cash	60.3		20.8		21.8	\$ -
Net Debt	\$ 616.7		\$ 641.6		\$ 700.5	\$ 850.5
Adjusted EBITDA	\$ 200.4		\$ 174.2		\$ 150.2	\$ 167.1
Net Leverage Ratio	3.1		3.7		4.7	5.1



Koppers Holdings Inc.

436 Seventh Avenue
Pittsburgh, PA 15219-1800

Koppers is an integrated global provider of treated wood products, wood treatment chemicals and carbon compounds for the railroad, specialty chemical, utility, residential lumber, agriculture, aluminum, steel, rubber, and construction industries. Headquartered in Pittsburgh, Pennsylvania, we serve our customers through a comprehensive global manufacturing and distribution network, with facilities located in North America, South America, Australasia, China and Europe.

Stock Exchange Listing

NYSE: KOP

Investor Relations and Media Information

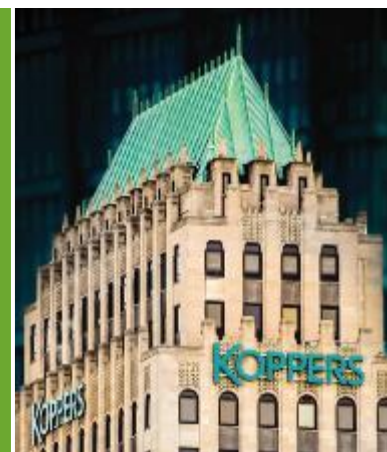
Ms. Quynh McGuire
Director, Investor Relations and
Corporate Communications
412 227 2049
McGuireQT@koppers.com




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Koppers is an integrated global provider of treated wood products, wood treatment chemicals and carbon compounds for the railroad, specialty chemical, utility, residential lumber, agriculture, aluminum, steel, rubber, and construction industries. Headquartered in Pittsburgh, Pennsylvania, we serve our customers through a comprehensive global manufacturing and distribution network, with facilities located in North America, South America, Australasia, China and Europe.

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