



Koppers Inc. Announces Pricing of KI Holdings Inc. Senior Discount Notes

November 16, 2004

PITTSBURGH, Nov. 16 -- Koppers Inc. ("Koppers") announced today that its holding company, KI Holdings Inc. ("KI Holdings"), priced an offering of \$203,000,000 stated aggregate principal at maturity 9-7/8% Senior Discount Notes Due 2014. KI Holdings expects to receive approximately \$125,000,000 in gross proceeds upon the issuance of the notes and expects to complete the sale of the notes on or about November 18, 2004.

The notes will have an initial accreted value of \$618.08 per \$1,000 stated principal amount at maturity. Prior to November 15, 2009, interest will accrue on the notes in the form of an increase in the accreted value of the notes. The accreted value of each note will increase from the date of issuance until November 15, 2009 at a rate of 9-7/8% per annum, such that the accreted value will equal the stated principal amount at maturity on November 15, 2009. No cash interest will accrue on the notes prior to November 15, 2009. Thereafter, cash interest on the notes will accrue at a rate of 9-7/8% per annum and be payable semiannually in arrears on May 15 and November 15, commencing on May 15, 2010. The notes will mature on November 15, 2014.

KI Holdings intends to use the net proceeds from the offering to pay a dividend up to \$95.0 million to its shareholders and to use the remainder for general corporate purposes, which may include dividends, acquisitions or working capital requirements. This offering is subject to market and other conditions.

The notes will be sold to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). The notes have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration. This news release does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which it would be unlawful.

About Koppers

Koppers, with corporate headquarters and a research center in Pittsburgh, Pennsylvania, is a global integrated producer of carbon compounds and treated wood products. Including its joint ventures, Koppers operates 39 facilities in the United States, United Kingdom, Denmark, Australia, the Pacific Rim and South Africa.

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