
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15 (d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 21, 2014 (August 15, 2014)

KOPPERS HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction
of incorporation)

1-32737
(Commission
File Number)

20-1878963
(IRS Employer
Identification No.)

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

15219
(Zip Code)

Registrant's telephone number, including area code: (412) 227-2001

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

Credit Agreement

On August 15, 2014, Koppers Inc. (“Koppers” or the “Company”), a wholly-owned subsidiary of Koppers Holdings Inc. (“Holdings”), entered into a Credit Agreement with certain lenders, the guarantors party thereto, PNC Bank, National Association, as administrative agent, and the other agents party thereto (the “Credit Agreement”) in connection with the closing of the acquisition (the “Acquisition”) of Osmose, Inc., a New York corporation, and Osmose Railroad Services, Inc., a Delaware corporation (Osmose, Inc., together with Osmose Railroad Services, Inc., the “Osmose Entities”), described more fully in Item 2.01 below. The Credit Agreement provides for a \$500,000,000 revolving credit facility (the “Revolving Facility”) and a \$300,000,000 term loan (the “Term Loan,” together with the Revolving Facility, the “Senior Secured Credit Facilities”). As described in Item 2.01 below, the proceeds of the Senior Secured Credit Facilities were used to fund the Acquisition.

The Senior Secured Credit Facilities mature on August 15, 2019. Borrowings under the Senior Secured Credit Facilities will initially bear interest at a rate per annum equal to an agreed applicable margin plus, at the Company’s election, a prime rate equivalent or a Eurodollar rate. For purposes of the Credit Agreement, the prime rate equivalent is defined as the highest of (1) the federal funds open rate in effect on such day plus 0.5%, (2) the prime rate in effect on such day published by PNC Bank, National Association, or (3) an adjusted LIBOR rate. The Credit Agreement contains certain covenants including, among others, a maximum total secured leverage ratio and a minimum fixed charge coverage ratio, limitations on the Company’s ability to incur liens or become liable with respect to a guaranty, limitations on the Company’s ability to consummate a merger, consolidation, acquisition, or disposition of certain assets, and limitations on the Company’s ability to change the nature of its business.

The obligation of Koppers to pay amounts outstanding under the Credit Agreement may be accelerated upon the occurrence of an “Event of Default” as defined in the Credit Agreement. Such Events of Default include, among others, (1) the Company’s failure to pay the principal of, or interest on, borrowings under the Credit Agreement, (2) any representation or warranty of Koppers in the Credit Agreement proving to be materially false or misleading, (3) the Company’s breach of any of its covenants contained in the Credit Agreement, (4) the bankruptcy or insolvency of Koppers, and (5) the failure of certain third-party indemnitors to perform their obligations to a certain extent.

The foregoing description of the Credit Agreement does not purport to be a complete statement of the parties’ rights and obligations under the Credit Agreement and the transaction contemplated by the Credit Agreement. The foregoing description of the Credit Agreement is qualified in its entirety by reference to the Credit Agreement, a copy of which will be filed as an exhibit to Holdings’ Quarterly Report on Form 10-Q for the quarter ended September 30, 2014.

Amendment No. 1 to Stock Purchase Agreement

On August 15, 2014, Koppers entered into an Amendment No. 1 to the Stock Purchase Agreement (the “Amendment”) by and among Osmose Holdings, Inc. (“Seller”) and the Osmose Entities. Pursuant to the Amendment, the Stock Purchase Agreement (as defined in Item 2.01 below) was amended to provide for additional limited indemnity to be provided by Seller to Koppers and a related special escrow account.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the Amendment, a copy of which will be filed as an exhibit to Holdings' Quarterly Report on Form 10-Q for the quarter ended September 30, 2014.

Item 1.02. Termination of a Material Definitive Agreement.

Effective August 15, 2014, the debt financing commitment letter, dated as of April 13, 2014, by and among the Company, PNC Bank, National Association and PNC Capital Markets LLC (together, the "Lenders"), pursuant to which the Lenders committed to arrange and provide the Senior Secured Credit Facilities, terminated in accordance with its terms.

Effective August 15, 2014, the Amended and Restated Credit Agreement, dated as of March 27, 2013, as amended, by and among Koppers, the Guarantors party thereto, the Lenders party thereto, PNC Capital Markets LLC and RBS Citizens N.A., as Co-Lead Arrangers; PNC Capital Markets LLC, Banc of America Securities LLC, and RBS Citizens N.A., as Joint Bookrunners; PNC Bank, National Association, as Administrative Agent; Bank of America, N.A., as Documentation Agent; and Citizens Bank of Pennsylvania, First Commonwealth Bank, and Wells Fargo Bank, N.A., as Syndication Agents (the "Prior Credit Agreement") was replaced by the Credit Agreement. The Prior Credit Agreement provided for a \$300,000,000 revolving credit facility.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On August 15, 2014, Koppers completed the Acquisition pursuant to a Stock Purchase Agreement (the "Stock Purchase Agreement") entered into on April 13, 2014 by and among Koppers, Seller and the Osmose Entities, as amended by the Amendment. The Osmose Entities and their subsidiaries are engaged in the business of manufacturing wood preservatives worldwide and providing railroad services in North America. The Acquisition was previously announced by Holdings in its Current Report on Form 8-K filed on April 14, 2014.

The Acquisition closed for an aggregate cash purchase price of approximately \$494,145,387 (the "Closing Purchase Price"), which included \$27.3 million of cash in foreign countries as well as the value of an anticipated 338(h)(10) tax election. The Closing Purchase Price included estimated net working capital adjustments and is subject to certain post-closing adjustments, including, but not limited to, final net working capital adjustments. The Closing Purchase Price was funded by borrowings under the Senior Secured Credit Facilities, as more fully described in Item 1.01 above.

The above description does not purport to be complete and is qualified in its entirety by reference to the Stock Purchase Agreement, a copy of which was filed as an exhibit to Holdings' Quarterly Report on Form 10-Q for the quarter ended June 30, 2014.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The description of the terms of the Credit Agreement set forth above in Item 1.01 is incorporated by reference into this Item 2.03.

Item 8.01. Other Events.

On August 15, 2014, Holdings issued a press release announcing the closing of the Acquisition and entering into the Credit Agreement. A copy of the press release is furnished herewith as Exhibit 99.1.

The information in this Item 8.01, including the information in Exhibit 99.1 hereto, is being furnished and shall not be deemed "filed" for any purpose, including for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section. The information in this Item 8.01 shall not be incorporated by reference into any registration statement or any other filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filing, except to the extent set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

Holdings intends to file the financial statements required under this item pursuant to an amendment to this Form 8-K no later than 71 calendar days after the date this Current Report on Form 8-K is required to be filed.

(b) Pro Forma Financial Information.

Holdings intends to file any pro forma financial information that is required under this item pursuant to an amendment to this Form 8-K no later than 71 calendar days after the date this Current Report on Form 8-K is required to be filed.

(d) Exhibits. The following exhibit is furnished herewith:

**Exhibit
Number**

99.1 Press Release dated August 15, 2014.

SIGNATURE

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 hereunto duly authorized.

KOPPERS HOLDINGS INC.

By: /s/ Leroy M. Ball
Leroy M. Ball
Chief Operating Officer

Dated: August 21, 2014



News Release

FOR IMMEDIATE RELEASE

Koppers Holdings Inc.
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Pittsburgh, PA 15219-1800
Tel 412 227 2001
www.koppers.com

For Information: Leroy M. Ball, Chief Operating Officer and Chief Financial Officer
412 227 2118
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Koppers Completes Acquisition of Wood Preservation and Railroad Services Businesses from Osmose

Acquisition Adds Meaningfully to Sales and Profitability, Moving Koppers Closer to Long-Term Goals

Annual Run Rate of \$12 Million for Estimated Synergies Expected to be Realizable by the End of 2015

PITTSBURGH, August 15, 2014 – Koppers Inc., a wholly-owned subsidiary of Koppers Holdings Inc. (NYSE:KOP), today announced that it has completed the acquisition of the Wood Preservation and Railroad Services businesses (collectively, the “Acquired Businesses”) of Osmose Holdings, Inc. (Osmose).

“Acquiring the two Osmose businesses is an important step in our long-term growth strategy for Koppers. The businesses fit well within our core competencies, expand both our chemicals offering and our existing railroad and utilities products and services platform, and provide additional growth opportunities as we gain leading market positions in strategic end-markets around the world, said Walt Turner, President and CEO of Koppers. “The synergies from the acquisition are expected to be at least \$12 million, and we anticipate that the annual run rate will be realizable by the end of 2015. I am pleased with the opportunities that we have identified throughout the integration process, and I look forward to achieving the benefits that we will provide to our shareholders from the acquisition.”

The Wood Preservation business, now known as Koppers Performance Chemicals, is the global leader in developing, manufacturing, and marketing wood preservation chemicals and wood treatment technologies. The business has operations and sales in North America, South America, Europe, and Australasia, and accounted for approximately \$350 million of the revenue for the Acquired Businesses in 2013. This business serves a diverse range of end-markets including infrastructure, residential and commercial construction, and agriculture.

The Railroad Services business, now known as Koppers Railroad Structures, is a leading provider of railroad infrastructure services, including bridge inspection, engineering, maintenance and repair, and construction services for the Class I and shortline railroads in North America. The business accounted for approximately \$40 million of revenue in 2013.

The aggregate cash purchase price for the Acquired Businesses was \$494.1 million, which includes \$27.3 million of cash in foreign countries as well as the value of an anticipated 338(h)(10) tax election that is expected to provide cash tax savings of approximately \$7 million

annually over the next 15 years. Koppers is financing the purchase through new and existing bank debt, including a new term loan and an increase to the company's existing revolving credit facility. Revenues for the Acquired Businesses in 2013 were approximately \$390 million. Through June 30, 2014, revenues for the Acquired Businesses were up by 6% over the first six months of 2013. The synergies from the acquisition are expected to be at least \$12 million, and the company anticipates the annual run rate will be realizable by the end of 2015. The acquisition is expected to add more than \$400 million of sales at EBITDA margins that are expected to be above the company's 2015 target level of 12%.

The new financing, which was completed concurrent with the closing of the acquisition, includes a \$300 million Term Loan A with a five-year amortization period and a \$500 million revolving credit facility that has been increased from the previous \$350 million facility. Initial average borrowing rates under the new facilities are expected to be approximately 3.25%.

Barclays Capital Inc. acted as financial advisor to Koppers in regard to the transaction, and K&L Gates LLP acted as legal counsel to the company. Committed financing has been provided by PNC Bank, National Association.

About Koppers

The stock of Koppers Holdings Inc. is publicly traded on the New York Stock Exchange under the symbol "KOP." For more information, visit us on the Web: www.koppers.com. Questions concerning investor relations should be directed to Leroy M. Ball at 412 227 2118 or Michael W. Snyder at 412 227 2131.

Safe Harbor Statement

Certain statements in this press release 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, 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," "intends," "likely," or other similar words or phrases are generally intended to identify forward-looking statements. Any forward-looking statement contained herein, in other press releases, written statements or documents filed with the Securities and Exchange Commission, or in Koppers communications with and discussions with investors and analysts in the normal course of business through meetings, phone calls and conference calls, regarding expectations with respect to sales, earnings, cash flows, operating efficiencies, product introduction or expansion, the benefits of acquisitions and divestitures or other matters as well as financings and repurchases of debt or equity securities, are subject to known and unknown risks, uncertainties and contingencies. Many of these risks, uncertainties and contingencies are beyond our control, and may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Factors that might affect such forward-looking statements, include, among other things, Koppers may not be able to successfully integrate the wood preservatives business and/or the railroad services business of Osmose or such integration may take longer to accomplish than expected; the expected cost savings and any synergies from the Osmose acquisition may not be fully realized within the expected timeframes; disruption from the Osmose acquisition may make it more difficult to maintain relationships with clients, associates, or suppliers; general economic and business conditions, demand for Koppers goods and services, competitive conditions, interest rate and

foreign currency rate fluctuations, availability of key raw materials and unfavorable resolution of claims against us, as well as those discussed more fully elsewhere in this release and in documents filed with the Securities and Exchange Commission by Koppers, particularly our latest annual report on Form 10-K and subsequent filings. Any forward-looking statements in this release speak only as of the date of this release, 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.

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