EXPAND & OPTIMIZE

# Q2 2022 Results

## August 4, 2022

# 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," "plan,“ “potential,” "intend," "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, future dividends, 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; disruption in the U.S. and global financial markets; 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.

# Zero Harm

# Zero Harm: 2022 President's Award

## *CEO Leroy Ball Presented Team at Muncy Facility with Zero Harm President's Award*

- Muncy, Pennsylvania – Plant Manager: Al Rutz
  - ✓ Serves commercial and Class I railroads
  - ✓ Produced 900,000+ crossties in 2021
- Recognized for Best-in-Company Performance: Safety, Environmental Responsibility, and Innovation

- Ranked 1st among 45 facilities worldwide in Leading Indicators
- Received $5,000 in corporate giving funds; employees chose to donate to Ronald McDonald House of Danville

KOPPERS ZERO harm President's Award

# Advancing Our Zero Harm Commitment

## Drive Zero Harm Deeper: Frontline Employees

- Launched ***Zero Harm 2.0*** to find better, faster ways to reach our goal of ***Zero***
- Incorporate feedback from frontline employees
- 12 workstreams being managed in formal project environment

**23 out of 43 Facilities Accident-Free in Q2 2022**


## Zero Harm Idea Summit

- Event held in Pittsburgh using facilitation methods that generate creative ideas
- Participation from 10 frontline employees from crosstie and pole treating plants in N.A.
- 10 actionable ideas being evaluated for implementation

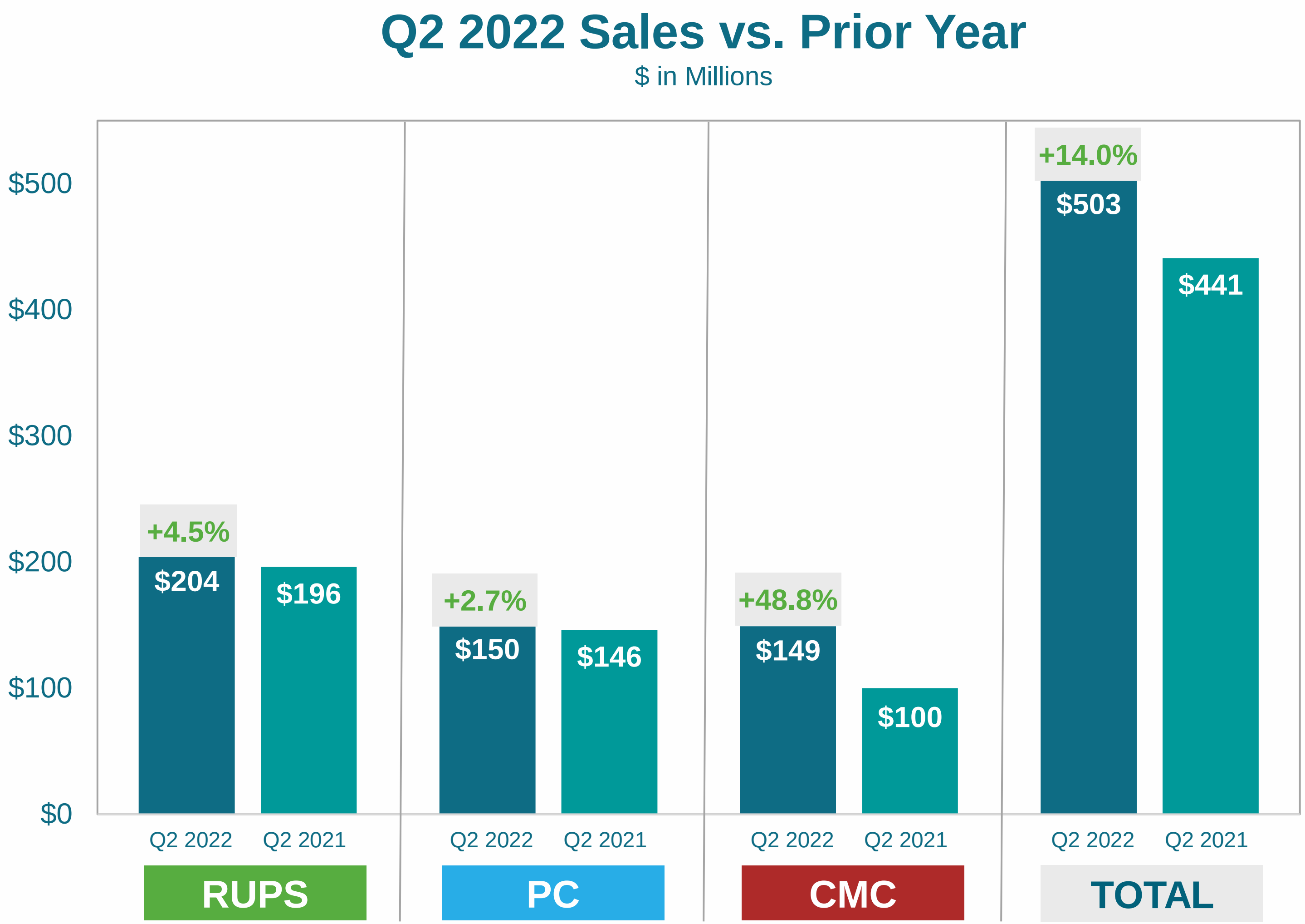
# Q2 2022 Highlights

- **Record sales in Q2 2022**; first quarter in KOP history with sales at $500+M
  - ✓ $95M in price increases, which more than offset $15M unfavorable currency impact and $19M in lower sales volumes (primarily PC and UIP)
- **PC delivered record quarter in Q2 2022**; sales benefited from price increases; volumes lower yr/yr; outsized demand in Q2 2021 related to pandemic
- **UIP sales decrease not demand related**; exited arrangement with Texas Electric Cooperative in prior year quarter; represents approximately half of revenue decline; other challenges primarily related to supply chain which impacted orders/shipments; widespread problem throughout industry; all business is being pushed out
- **Underlying fundamentals strong**; 22% sales increase from pricing in Q2 2022; persistent inflationary increases; unfavorable impact from strengthening U.S. dollar
- 2022 expectations were for 1H 2022 not as strong as prior year period; **expect record performance in 2H 2022**
  - ✓ RUPS: crosstie procurement tracking at a pace well above last year; strong demand and pricing for utility pole business
  - ✓ CMC: favorable near-term backdrop for pricing and demand
  - ✓ PC: solid backlog of projects in PC

**On Track: $300M EBITDA by 2025**

# Q2 2022 Results

# Q2: Sales by Segment (Unaudited)

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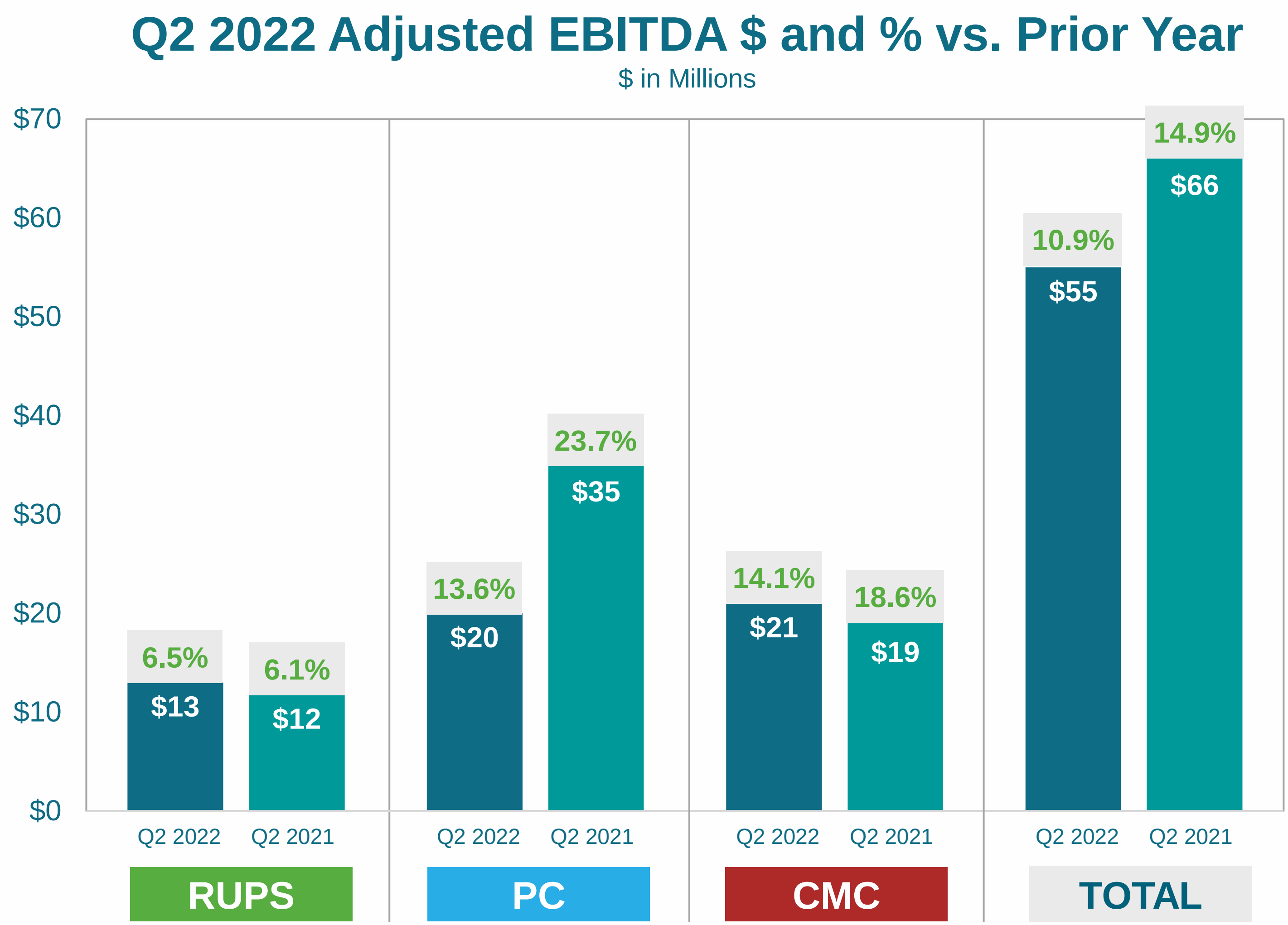
# Q2: Adjusted EBITDA by Segment (Unaudited)

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# Q2 2022 RUPS Segment

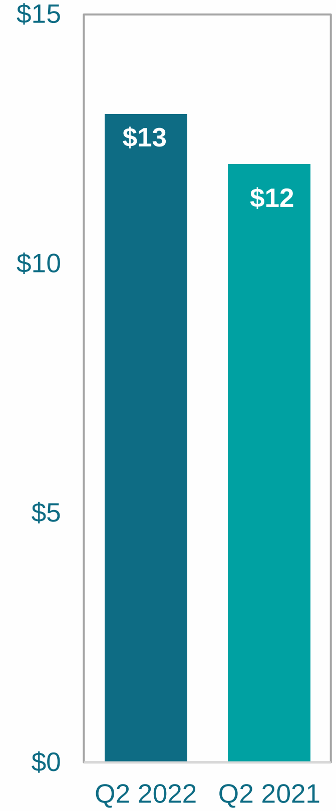
## RAILROAD AND UTILITY PRODUCTS AND SERVICES

### Sales (Unaudited)
$ in Millions


**Highlights**

- Sales increased due to:
  - ✓ Pricing increases across multiple markets, particularly crossties and utility poles
  - ✓ Volume increases in railroad bridge services business
  - ✓ Partly offset by volume decreases in utility pole business
- Market prices for untreated crossties remain at relatively high levels but stabilizing
  - ✓ Compared with prior year, crosstie procurement in Q2 higher by 17% and crosstie treatment increased 8%

### Adjusted EBITDA (Unaudited)
$ in Millions




**Highlights**

- Higher profitability primarily driven by:
  - ✓ Improvements in maintenance-of-way businesses
  - ✓ Price increases which offset higher costs for raw materials, freight and fuel
  - ✓ Favorable absorption as procurement of untreated crossties improved over prior year

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# Q2 2022 PC Segment

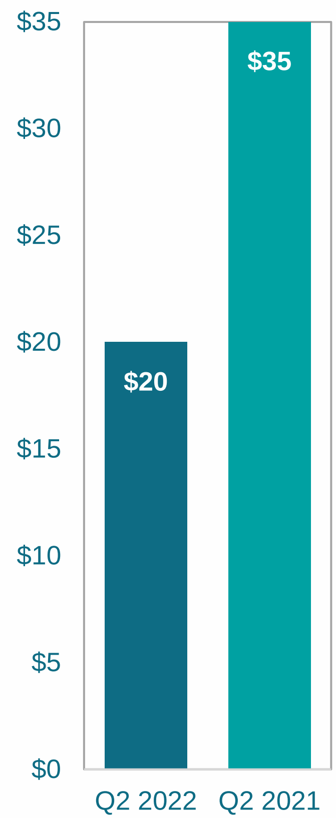
## PERFORMANCE CHEMICALS

### Sales (Unaudited)
$ in Millions


**Highlights**

- Record sales quarter primarily due to:
  - ✓ Global price increases for copper-based preservatives
  - ✓ Partly offset by year-over-year volume decreases for preservatives in Europe
  - ✓ Volumes in the Americas slightly lower than prior year record levels

### Adjusted EBITDA (Unaudited)
$ in Millions



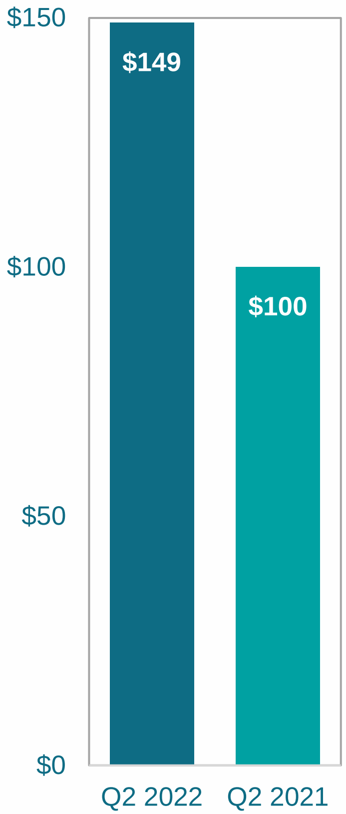

**Highlights**

- Profitability was lower due to:
  - ✓ Higher raw material costs
    - Partly offset by global price increases for preservatives
  - ✓ Higher-cost inventory in a falling copper price environment
  - ✓ Decreased volumes

# Q2 2022 CMC Segment

## CARBON MATERIALS AND CHEMICALS

### Sales (Unaudited)
$ in Millions




**Highlights**

- Increase in sales primarily driven by:
  - ✓ Higher sales prices across all product lines
    - Carbon Pitch
    - Phthalic Anhydride
    - Carbon Black Feedstock
    - Naphthalene

### Adjusted EBITDA (Unaudited)
$ in Millions


**Highlights**

- Higher profitability due to:
  - ✓ Favorable demand environment
  - ✓ Pricing increases
- Compared with Q1 2022, average pricing of major products 18% higher, while average coal tar costs increased 14%
- Compared with Q2 2021, average pricing of major products was 60% higher, while average coal tar costs increased 52%

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# Capital Allocation

# Uses of Cash: Balanced Approach

- **Investing in our business**
  - ✓ Capital expenditures
- **Returning capital to shareholders**
  - ✓ Reinstated dividends in 2022
  - ✓ Repurchased shares – $7.3M in Q2 2022; $13.8M YTD 6/30/22; $76.9M remaining under authorization
- **Reducing leverage(1) as appropriate**
  - ✓ $793M net debt and $317M available borrowings at 6/30/22; no near-term maturities before 11/2024
  - ✓ NLR 3.8 at 6/30/22 vs. 3.3 at 12/31/21
  - ✓ Long-term target of 2x-3x net leverage ratio

**Confident In Ability to Grow and Generate Cash**

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(1) Net Leverage Ratio is calculated as net debt divided by adjusted EBITDA for the latest twelve-month period. Net debt represents total debt less cash at the end of a quarter. Net debt and liquidity will fluctuate before, after and throughout the related period based upon the timing of receipts and payables.

# New $800M Credit Facility

- **$800M revolving credit facility**
  - ✓ Replaces prior $600M credit facility and $100M term loan
- **Provides lower pricing tiers and additional financial flexibility**
  - ✓ Supports growth strategy and sustainability initiatives
  - ✓ May be able to incorporate KPIs for certain ESG targets or external ESG ratings targets
- **Mature on June 17, 2027**
  - ✓ Subject to a springing maturity provision
  - ✓ Contains customary covenants

# Q2 2022 Capital Expenditures

| CapEx by Category | 2022 YTD |
|---|---|
| Maintenance | $27.1M |
| Zero Harm | 10.3M |
| Growth & Productivity | 18.4M |
| **Total** | **$55.8** |
| **Less:** Cash Proceeds | ($4.7) |
| **Capital Expenditures, Net** | **$51.1M** |

| CapEx by Business Unit | Maintenance | Zero Harm | Growth & Productivity | 2022 YTD |
|---|---|---|---|---|
| RUPS | 11.6 | 0.7 | 14.6 | **26.9** |
| PC | 2.6 | 1.0 | 1.2 | **4.8** |
| CMC | 12.2 | 8.6 | 2.6 | **23.4** |
| Corporate | 0.7 | -- | -- | **0.7** |
| **Total** | **$27.1** | **$10.3** | **$18.4** | **$55.8** |

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# Notable Happenings

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# Engaging Our Key Stakeholders

# Living Our Zero Harm Culture!

- Koppers was honored with the **CN Safe Handling Award 2021 for Outstanding Rail Safety**
- Recognized for outstanding work in safety-related tasks surrounding rail equipment


**Jeff Senchak**
**Director, Transportation & Logistics**
accepted the award on behalf of Koppers

# Ashcroft Facility:
## *Practicing Teambuilding and Employee Safety*

Kudos to David Sam, Koppers Mill Operator, for creating a color system for hardhats:

- New employees
- More experienced team members
- Employees certified in life saving skills

**David Sam with CEO Leroy Ball**

# Featuring Our 2021 Corporate Sustainability Report

## *Sustainability Pillars:*
## *People, Planet, and Performance*

PEOPLE

PLANET

PERFORMANCE


**To Learn More:** www.koppers.com/sustainability-report-2021

# Business Sentiment: Customers & Suppliers

# Customers & Suppliers

## PERFORMANCE CHEMICALS

### 2022

- Demand strong for two biggest product lines in NA and expected to continue through year-end
  - ✓ MicroPro® down 1% compared to Q2 2021; 3-year CAGR of 6% through June 2022
  - ✓ CCA up 25% compared to Q2 2021; 3-year CAGR of 9% through June 2022
- Record cost increases partly offset by $18M in price increases YTD
  - ✓ Keeping up with covering cost increase internationally as results outpacing prior year
  - ✓ Currently behind in U.S. due to limited ability to pass on costs to contracted customers until 1/1/23
- Stronger U.S. dollar negatively affected international results by $2M+ in Q2; expect continued negative impact in 2H at current rates
- Despite hedging most of our copper requirements:
  - ✓ Falling copper prices have short-term negative impact as higher cost inventory works through COGS
  - ✓ Rising copper prices have short-term positive impact as lower cost inventory works through COGS
- Existing-home sales, which drive home repairs and remodel activities, decreased in June by 5.4% compared with May and 14.2% compared with prior year, marking 5 consecutive months of declines *(National Association of Realtors®)*
- Consumer Confidence Index® 98.7 in June, down by 4.5 points from 103.2 in May; at lowest level since February 2021; inflation concerns such as rising gas and food prices *(The Conference Board)*
- Home renovation and repair expenditures increased 15.9% yr/yr in Q2 2022; projected to decelerate from 17.4% in 2022 to 10.1% by Q2 2023 *(Leading Indicator of Remodeling Activity)*
- Backlogs of professional contractor demand expected to remain healthy in 2022 supporting MicroPro®
- Industrial demand in U.S. expected to remain strong driven by sunsetting of Penta; recently added large new utility customer; continued strong prospects for further share growth

# Customers & Suppliers

## PERFORMANCE CHEMICALS

### 2023 through 2025

- Market for residential MicroPro® product expected to grow at GDP level rates
- Increased costs for all raw materials, labor, fuel, shipping, etc. necessitate a significant price increase for contracted customers beginning 1/1/23
- Investing to support wood preservation industry ($75M in past 5+ years); future projects to improve safety and environmental footprint, increase micronizing capacity, improve plant layout at Millington (TN), add new industrial preservative capacity, and add production capabilities in West Coast
- NA Industrial CCA volumes will continue to grow as Penta gets phased out of utility pole market (2022 estimated volumes at 2x volumes in 2019)
- Recently added oil-borne industrial preservative DCOI to product portfolio; won several new accounts with this product which will begin adding meaningful EBITDA in 2023
- Purchased property for greenfield manufacturing addition in Brazil; expect plant to be operational beginning in 2026
- European restructuring in process which includes seeking regulatory approval to produce and sell MicroPro® in Europe, cutting costs, and pruning product and customer portfolio

# Customers & Suppliers

## RUPS: UTILITY AND INDUSTRIAL PRODUCTS

### 2022

- 2022 EBITDA will represent new high, if recent earnings trend maintained
- Utilities indicating demand for higher pole volumes in 2022 (and next several years) based on Infrastructure-related funding
- Sales volumes constrained by plant capacities/logistics; most major customer accounts on allocation
- Utilizing third-party trucking assets when possible; attracting/retaining labor continues to be challenging
- Currently tracking $15M+ price increase vs. $10M target for 2022 ($8M realized in 1H 2022); beginning to catch up on raw material cost inflation; most customers on quarterly reviews for pricing and freight
- Recently completed projects (two dry kilns, two plant treating conversions and sale of Sweetwater plant) cost net of $10M and will generate $5M of annualized EBITDA
- Converted 70% of customer's Penta volumes to internally produced CCA; completed phase-out of Penta pole treatment in April 2022
- Now have treating capabilities for creosote (CMC), CCA (PC), and copper naphthenate; considering adding DCOI (PC business recently began producing)
- Wood supply remains relatively stable; pricing pressures based on increased freight costs raising cost per ton by 1-2%

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# Customers & Suppliers

## RUPS: UTILITY AND INDUSTRIAL PRODUCTS

### 2023 through 2025

- Most major utilities and cooperatives expressing need for greater pole volumes for next 2-5-years, driven by pole replacements and system hardening projects
- Exploring new sales model with major investor-owned utilities for capacity/volume guarantees under long-term contract commitments
- Infrastructure bill has ~$119 billion earmarked for utility markets
- In the process of adding peeling and drying capacity to serve our Somerville, TX treating assets; will begin contributing to profitability in early 2023
- Koppers should benefit from an expected continued tightening of creosote supply that will have an impact on smaller non-integrated treaters
- Conducting due diligence on property to serve as a base of operations serving the West Coast for industrial wood treatment and wood preservation chemical manufacturing
- Continued underlying pole demand in Australia longer-term to restore power lines after natural disasters (wildfires, cyclones)
- Dry kiln added last year in Takura, Australia is supporting shift to soft wood demand that is replacing hardwood demand due to ongoing supply constraints

# Customers & Suppliers

## RUPS: RAILROAD PRODUCTS AND SERVICES

### 2022

- Running behind earnings projections for 1H 2022, but trending positive at end of Q2
- Rail traffic for 2H 2022 unfavorable compared with prior year; U.S. carload traffic decreased 0.1%; intermodal units down 6.2%; combined U.S. traffic lower by 3.5% *(Association of American Railroads)*
- Expecting slight decrease in demand in 2022 of 0.8% to 18.6M crossties; lower Class I volumes; modest growth in commercial market *(Railway Tie Association)*
- Untreated crosstie prices up > 30% vs. prior year; air dried inventory down ~25% from peak in Q1 2021
- Crossties treated and sold expected to finish 2022 at 2% higher than prior year, in line with current rate
- Crosstie purchasing trends show yr/yr positive acceleration (June↑ +21%, Q2↑ +17%, 1H↑ +3%)
- Expect railroad business to benefit from continued tightening of creosote supply, which will impact smaller non-integrated treaters
- Currently tracking above $20M of price increase target for 2022 ($16M realized in 1H 2022) to offset higher material costs
- Although commercial crosstie volumes lower, profits higher as price increases going into effect prior to full impact of higher costs; market dynamics remain very competitive
- Maintenance of Way (MOW) businesses seeing improved demand; still expecting ~$4M yr/yr EBITDA improvement in 2022

# Customers & Suppliers

## RUPS: RAILROAD PRODUCTS AND SERVICES

### 2023 through 2025

- Industry forecast for 2023 reflects modest overall increase of 1.1% to 18.8M crossties, with increases from Class I as well as commercial railroads *(Railway Tie Association)*
  - ✓ Koppers internal projections for industry demand in 2023 at 2%
  - ✓ Koppers projected demand in 2023 expected to increase by 5%
- Network optimization initiatives expected to drive EBITDA improvements
  - ✓ Expansion at facility in North Little Rock, AR expected to be completed in late 2022; will support sizable portion of volume growth in 2023+
  - ✓ Adding capability for pole treatment at facility in Somerville, TX which will improve cost absorption and lower overall unit costs
- Working capital will increase an approximate $40M-$55M to account for greater crosstie purchases and volume growth, partly offset by working capital reductions in PC
- Higher MOW backlog than in years; positioned for continued improvement contingent on railroads cooperating for track time as well as continuity in crews
- Actively working to expand crosstie recovery business to include additional Class I customers

# Customers & Suppliers

## CARBON MATERIALS AND CHEMICALS

### 2022

- Strong 1H as well as added visibility for strong Q3 instill confidence to raise CMC 2022 guidance
- Global light vehicle production forecast updated in June 2022 reflects a near-term increase in auto production for Greater China; downward revisions for Japan/Korea and South Asia; supply chain pressures continuing to impact Europe and North America *(IHS Markit)*
- Demand from markets served remains strong, helping to offset escalating raw material costs
- Global supply chain challenges, high energy prices and significant inflationary pressures have us on alert for eventual slowdown
  - ✓ Aluminum smelters in U.S. and Europe curtailing production due to high energy costs
  - ✓ China still partly locked down due to COVID-19
- Due to the war between Russia and Ukraine, European tar distillers have lost 220,000 MT of tar on an annual basis; tar and pitch are short, and prices are increasing to new all time high
- China pitch and tar prices remained at high level which elevates pricing and cost of materials globally
- Coal tar market continues to shrink having the biggest impact on North American creosote
  - ✓ Less product being produced for a market that hasn't contracted by as much
  - ✓ Significant price increases on the horizon for non-contracted customers
- Strategy to highlight vertical integration as key differentiator paying off in the marketplace
- Reintroduced hybrid pitch in NA; customer acceptance accelerated due to reductions of coal tar
- Expecting $8M EBITDA benefit from enhanced carbon products and cost improvement projects

# Customers & Suppliers

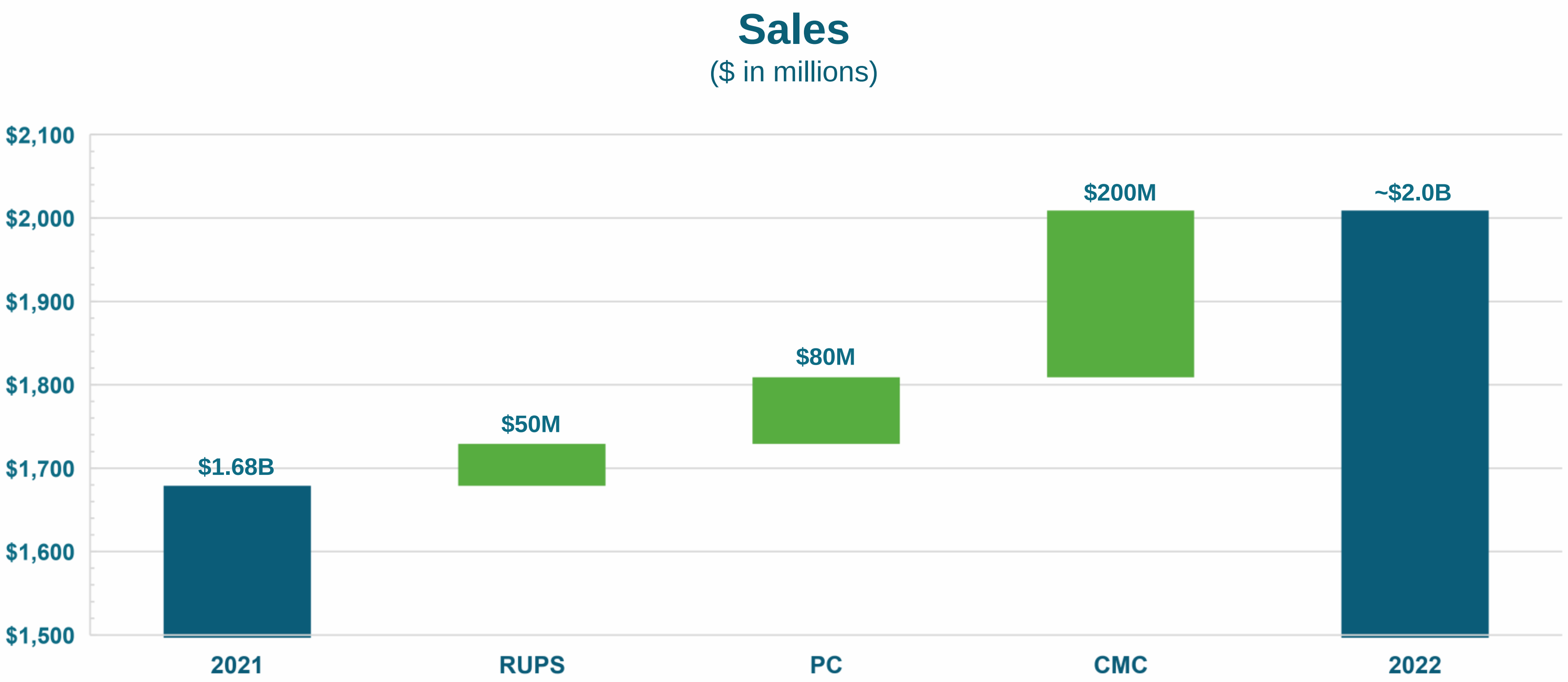
## CARBON MATERIALS AND CHEMICALS

### 2023 through 2025

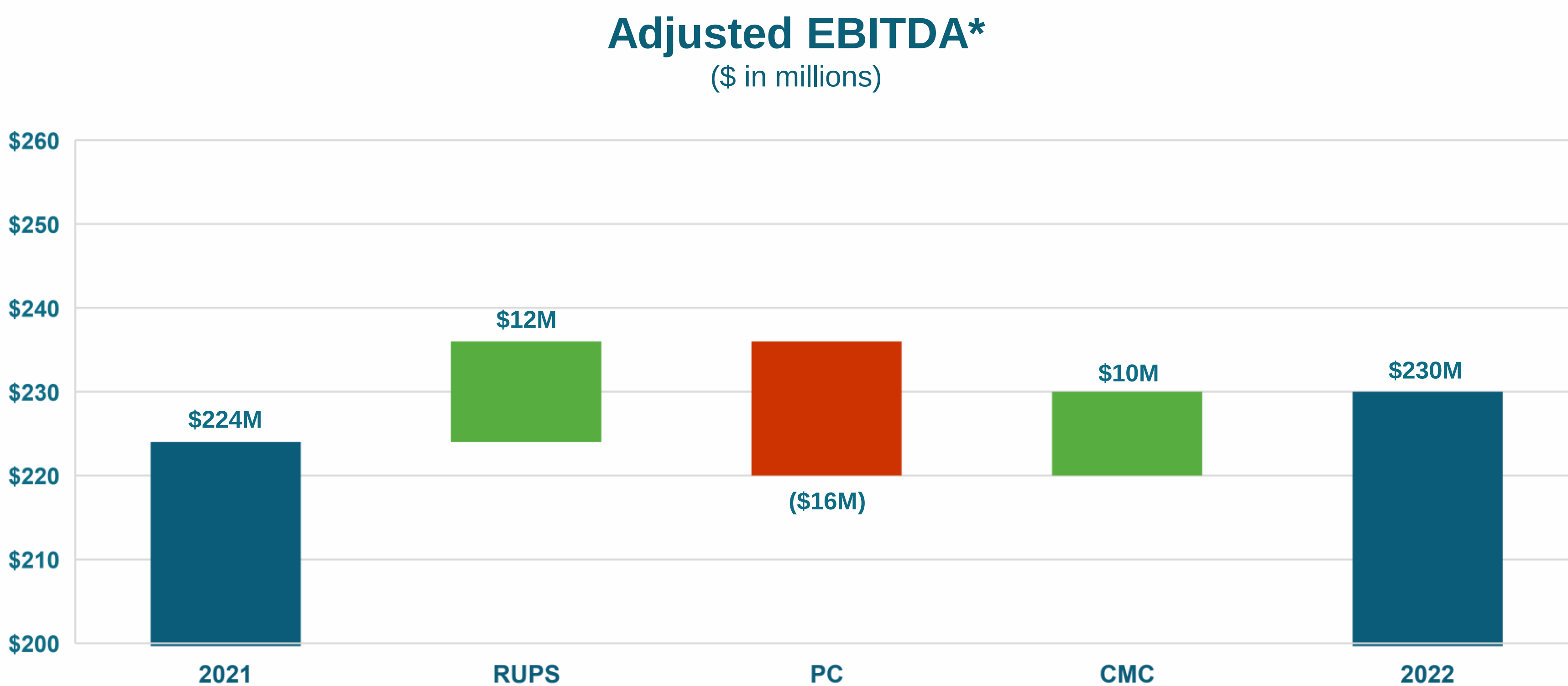
- Should benefit from market trend to reduce reliance upon Chinese exports and unpredictability of worldwide shipping/logistics challenges
- More decarbonization projects to reduce/eliminate coke from steelmaking announced in 2021; expect trend to continue toward new Direct Reduced Iron and Electric Arc Furnace projects further reducing coke production which will result in less coal tar
- Product development opportunities and related capital investments, as appropriate, which will result in higher sales and greater profitability include:
  - ✓ Yield optimization project continues which could improve pitch yields from tar from 50% of production up to >70%
  - ✓ Hybrid pitch using petroleum byproducts to extend reduced coal tar supply
  - ✓ Variations in creosote product blends to increase supply for rail and utility markets
  - ✓ Enhanced carbon products to be used as a coating for battery anode materials – NA, Europe and Australia, although not included in 2025 projections
- Capital spending in 2022-2023 includes project to enhance pitch yields and set the stage for entry into EV battery market
- Acceptance of products into EV space supported by intellectual property will shift business profile into serving specialty chemical space

# 2022 Guidance

# 2022 Sales Forecast: ~$2.0B

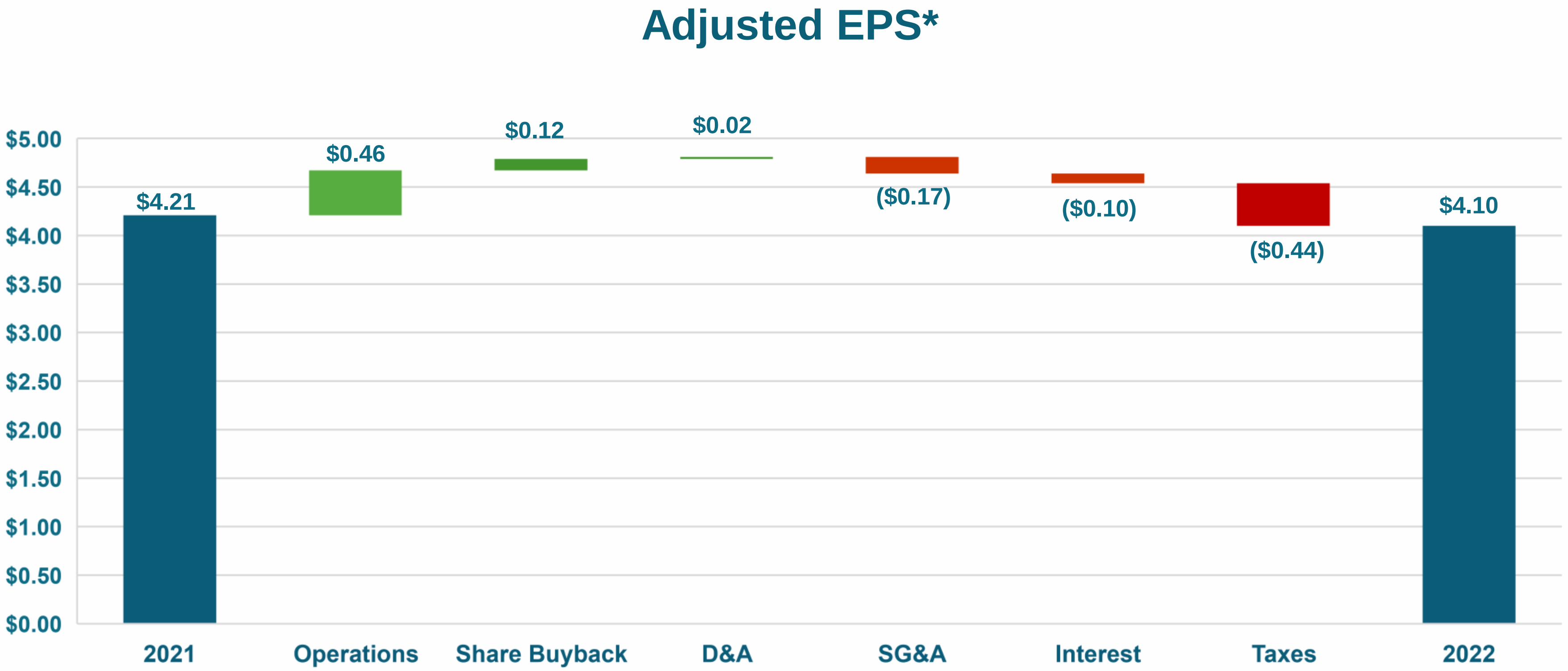


# 2022 Adjusted EBITDA Forecast: $230M




* Excluding special charges

# 2022 Adjusted EPS Forecast: $4.10




* Excluding special charges

# 2022 Capital Expenditures: $80M-$90M (Net)

| CapEx by Category | Amount |
|---|---|
| Maintenance | $45M |
| Zero Harm | 15M |
| Growth & Productivity | 35M |
| **Total** | **$95M** |
| **Less:** Cash Proceeds | ($5M-$15M) |
| **Capital Expenditures, Net** | **$80M-$90M** |

| CapEx by Business Unit | Maintenance | Zero Harm | Growth & Productivity | Total |
|---|---|---|---|---|
| RUPS | $17 | $2 | $24 | $43 |
| PC | 5 | 2 | 4 | $11 |
| CMC | 22 | 11 | 7 | $40 |
| Corporate | 1 | — | — | $1 |
| **Total** | **$45** | **$15** | **$35** | **$95** |

# Appendix

# Non-GAAP Measures & Guidance

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

*Koppers does not provide reconciliations of guidance for adjusted EBITDA and adjusted EPS to comparable GAAP measures, in reliance on the unreasonable efforts exception. Koppers is unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include, but are not limited to, restructuring and impairment charges, acquisition-related costs, mark-to-market commodity hedging, and LIFO adjustments that are difficult to predict in advance in order to include in a GAAP estimate and may be significant.*

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

# Unaudited Reconciliation of Net Income to Adjusted EBITDA

| | Three Months Ended June 30, | |
|---|---|---|
| *(Dollars in millions)* | *2022* | *2021* |
| Net income | $ 11.6 | $ 26.9 |
| Interest expense | 11.1 | 10.1 |
| Depreciation and amortization | 13.4 | 13.9 |
| Income tax provision | 6.8 | 9.1 |
| Discontinued operations | 0.0 | (1.0) |
| Sub-total | 42.9 | 59.0 |
| Adjustments to arrive at adjusted EBITDA: | | |
| Impairment, restructuring and plant closure (benefits) costs | (0.2) | 1.6 |
| (Gain) on sale of assets | 0.0 | (0.3) |
| LIFO expense | 5.1 | 4.3 |
| Mark-to-market commodity hedging losses (gains) | 6.8 | 1.0 |
| Total adjustments | 11.7 | 6.6 |
| Adjusted EBITDA | $ 54.6 | $ 65.6 |

# Unaudited Segment Information

| (Dollars in millions) | Three Months Ended June 30, 2022 | 2021 |
|---|---|---|
| Net sales: | | |
| Railroad and Utility Products and Services | $ 204.2 | $ 195.5 |
| Performance Chemicals | 149.6 | 145.6 |
| Carbon Materials and Chemicals | 148.7 | 99.9 |
| Total | $ 502.5 | $ 441.0 |
| Adjusted EBITDA: | | |
| Railroad and Utility Products and Services | $ 13.2 | $ 12.0 |
| Performance Chemicals | 20.4 | 34.5 |
| Carbon Materials and Chemicals | 21.0 | 18.6 |
| Corporate Unallocated | 0.0 | 0.5 |
| Total | $ 54.6 | $ 65.6 |
| Adjusted EBITDA margin: | | |
| Railroad and Utility Products and Services | 6.5% | 6.1% |
| Performance Chemicals | 13.6% | 23.7% |
| Carbon Materials and Chemicals | 14.1% | 18.6% |
| Total | 10.9% | 14.9% |

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# Unaudited Reconciliation of Net Income to Adjusted EBITDA (LTM)

| | | | | Twelve Months Ended | | |
|---|---|---|---|---|---|---|
| | | June 30, 2022 | | December 31, 2021 | | June 30 2021 |
| Net income | $ | 62.7 | $ | 84.9 | $ | 146.7 |
| Interest expense | | 40.9 | | 40.5 | | 42.5 |
| Depreciation and amortization | | 55.9 | | 58.4 | | 58.0 |
| Income tax provision | | 33.4 | | 34.5 | | 33.4 |
| Discontinued operations, net of tax | | 1.3 | | 0.2 | | (32.5) |
| Sub-total | | 194.2 | | 218.5 | | 248.1 |
| Adjustments to arrive at adjusted EBITDA: | | | | | | |
| Impairment, restructuring and plant closure (benefits) costs | | (0.8) | | 4.2 | | (1.6) |
| (Gain) on sale of assets | | (25.9) | | (31.2) | | 0.0 |
| LIFO expense (benefit) | | 29.7 | | 28.2 | | (4.5) |
| Mark-to-market commodity hedging losses (gains) | | 12.7 | | 3.8 | | (10.6) |
| Pension settlement | | 0.0 | | 0.0 | | 0.1 |
| Discretionary incentive | | 0.0 | | 0.0 | | 3.0 |
| Adjusted EBITDA | $ | 209.9 | $ | 223.5 | $ | 234.5 |

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

| | | | | | | *Twelve Months Ended* |
|---|---|---|---|---|---|---|
| | | *June 30, 2022* | | *December 31, 2021* | | *June 30 2021* |
| Total Debt | $ | 833.7 | $ | 783.5 | $ | 806.2 |
| Less: Cash | | 40.4 | | 45.5 | | 46.5 |
| Net Debt | $ | 793.3 | $ | 738.0 | $ | 759.7 |
| Adjusted EBITDA | $ | 209.9 | $ | 223.5 | $ | 234.5 |
| Net Leverage Ratio | | 3.8 | | 3.3 | | 3.2 |

KOPPERS World Headquarters
Pittsburgh, Pennsylvania, USA

KOPPERS

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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, and Europe.

**Stock Exchange Listing**
NYSE: KOP

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