SunCoke Energy, Inc. Q2 2016 Earnings Conference Call

July 28, 2016

SunCoke Energy™

Forward-Looking Statements

This slide presentation should be reviewed in conjunction with the Second Quarter 2016 earnings release of SunCoke Energy, Inc. (SXC) and conference call held on July 28, 2016 at 11:00 a.m. ET.

Some of the information included in this presentation constitutes "forward-looking statements" as defined in Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. All statements in this presentation that express opinions, expectations, beliefs, plans, objectives, assumptions or projections with respect to anticipated future performance of SXC or SunCoke Energy Partners, L.P. (SXCP), in contrast with statements of historical facts, are forward-looking statements. Such forward-looking statements are based on management's beliefs and assumptions and on information currently available. Forward-looking statements include information concerning possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, the effects of competition and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and may be identified by the use of forward-looking terminology such as the words "believe," "expect," "plan," "intend," "anticipate," "estimate," "predict," "potential," "continue," "may," "will," "should" or the negative of these terms or similar expressions.

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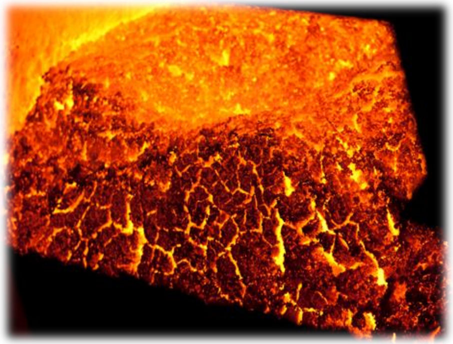
This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided in the Appendix at the end of the presentation. Investors are urged to consider carefully the comparable GAAP measures and the reconciliations to those measures provided in the Appendix.

Management Perspective



- ✓ **Achieved solid safety, environmental and operating performance across cokemaking fleet**
- ✓ **Realized strong cost improvement at Indiana Harbor; expanding scope of oven rebuild initiative in Q4 '16**
- ✓ **Handled below-target logistics volumes due to coal market challenges; fundamentals improving as of late**
- ✓ **Completed Coal Mining divestiture, contributing to year-over-year Adj. EBITDA improvement**
- ✓ **Reduced consolidated debt outstanding by >$57M, including >$17M bond repurchases at SXCP**
- ✓ **Reaffirmed FY 2016 Consolidated Adjusted EBITDA[(1)] guidance of $210M – $235M**

(1) For a definition and reconciliation of Adjusted EBITDA, please see appendix.

Navigating Current Market Conditions

Encouraged by recent improvement in steel and coal market conditions, and will remain flexible and responsive to industry landscape

Reached resolution on several previously uncertain items in 1H 2016

Continued improvement in steel industry outlook

- Improving customer balance sheets
- Favorable AD and CVD rulings against unfairly traded steel imports
- Strong recovery in HRC prices & utilization rates

Stabilizing coal industry fundamentals

- API2 prices have rebounded sharply; exports near economic breakeven
- Higher natural gas prices, warmer summer weather, restocking

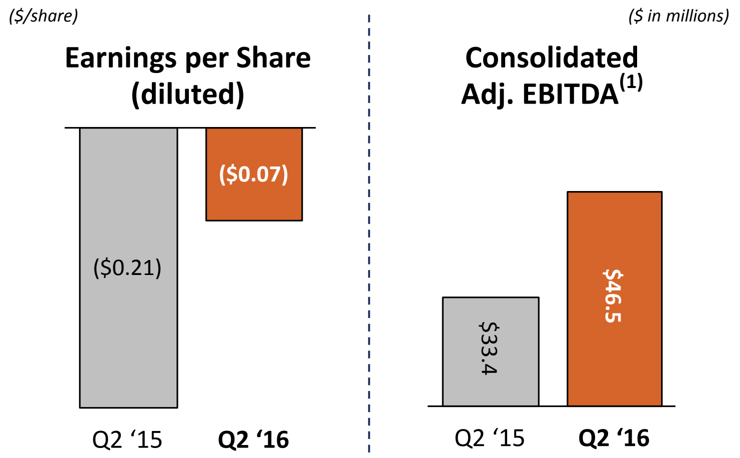
Continue to closely follow CMT customer developments

- Progress on FELP bondholder negotiations
- Monitoring Murray's progress with its creditors and labor union

Will remain flexible & responsive to industry backdrop

Q2 2016 Overview

Q2 2016 Earnings Overview



($ in millions, except volumes)	Q2'16	Q2'15	Q2'16 vs. Q2'15
Domestic Coke Sales Volumes	992	1,110	(118)
Coal Logistics Volumes[2]	4,208	4,366	(158)
Coke Adj. EBITDA[3]	$53.4	$58.8	($5.4)
Coal Logistics Adj. EBITDA	$5.4	$5.0	$0.4
Coal Mining Adj. EBITDA	($0.9)	($5.4)	$4.5
Corporate and Other, including Legacy Costs[4]	($11.4)	($25.0)	$13.6
Adjusted EBITDA (Consolidated)[1]	$46.5	$33.4	$13.1

(1) For a definition and reconciliation of Adjusted EBITDA, please see appendix.
(2) Coal Logistics volumes during Q2 2016 include volumes from CMT.
(3) Coke Adjusted EBITDA includes Domestic Coke and Brazil Coke.
(4) Q2 2015 Legacy Costs included a $12.6M pension termination charge.

Q2 '16 EPS of ($0.07) includes

- $5.1M loss associated with divestiture of Coal Mining business
- $3.5M gain on debt extinguishment
- Other items described below

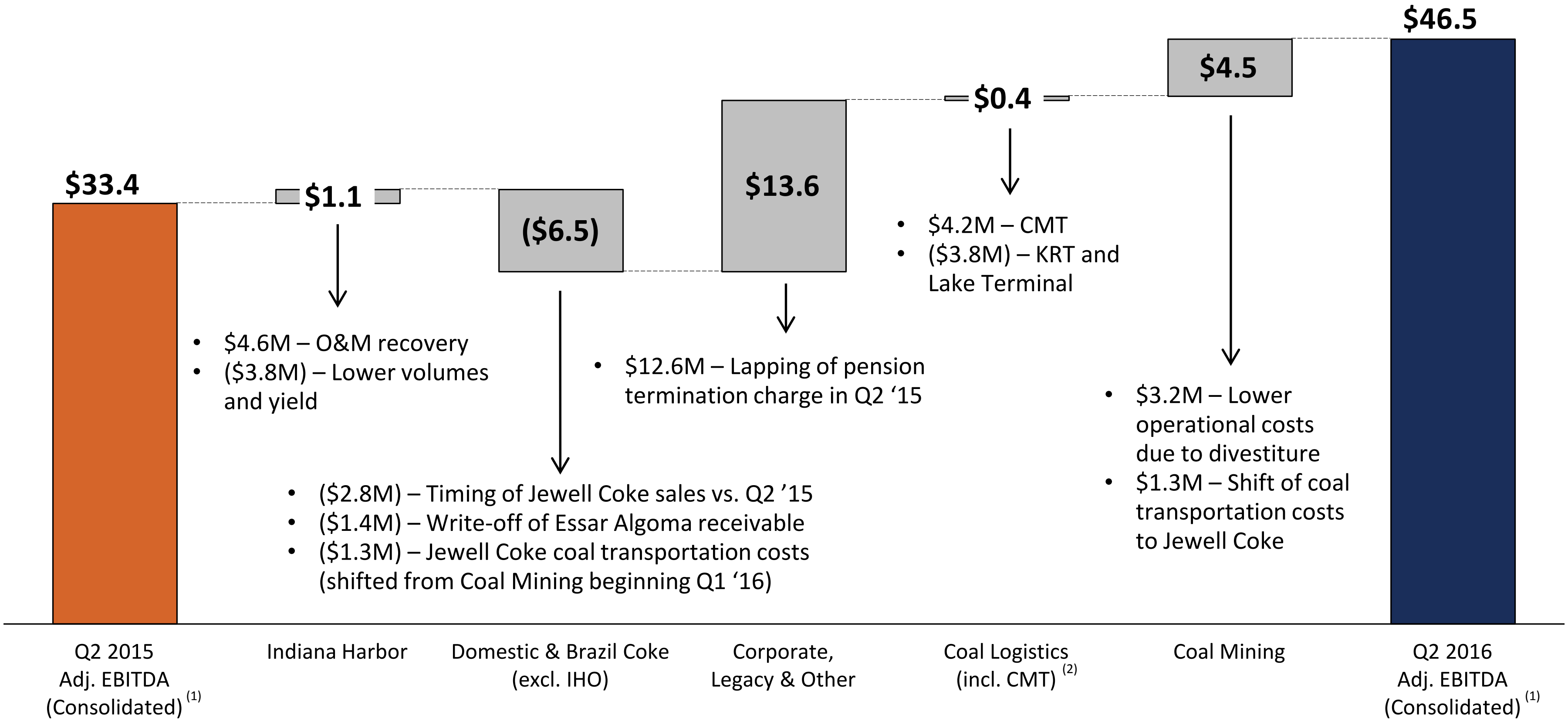
Consolidated Adj. EBITDA[1] up $13.1M vs. Q2 '15 primarily due to

- Contribution from CMT and improved cost performance at Indiana Harbor
- Lapping of $12.6M pension termination charge incurred during Q2 2015
- Partially offset by lower coal logistics volumes at KRT and items impacting Domestic Coke comparability

Adjusted EBITDA[1] – Q2 ‘15 to Q2 ‘16

Second quarter performance benefited from strong IHO cost savings, contribution of CMT and lapping of Q2 ‘15 pension termination charge

($ in millions)

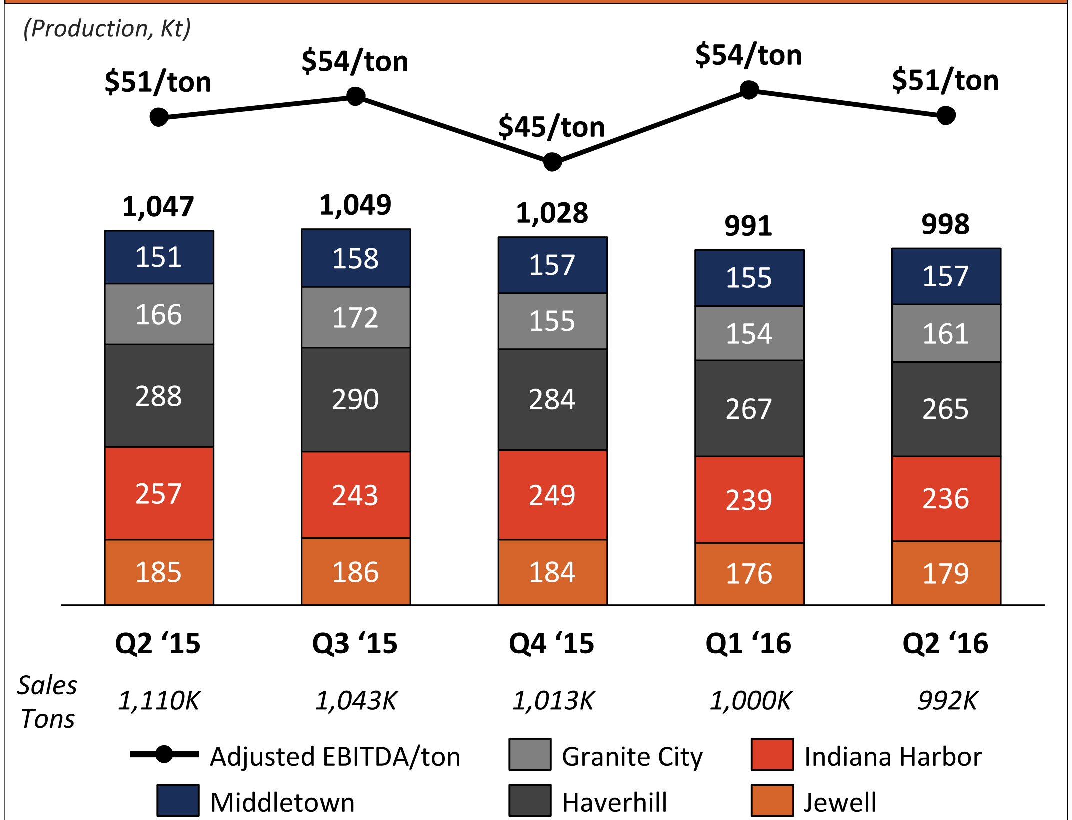


(1) For a definition and reconciliation of Adjusted EBITDA, please see appendix.
(2) Adjusted EBITDA will no longer include Coal Logistics deferred revenue until it is recognized as GAAP revenue, typically at the end of the annual contract period or December 31.

Domestic Coke Business Summary

Solid quarter performance in line with expectations despite items impacting Q2 comparability

Domestic Cokemaking Performance



Stable Q2 coke production, excluding Indiana Harbor

- As expected, production lower due to customer volume accommodations(1)

Solid Adj. EBITDA/ton despite Q2 impacts

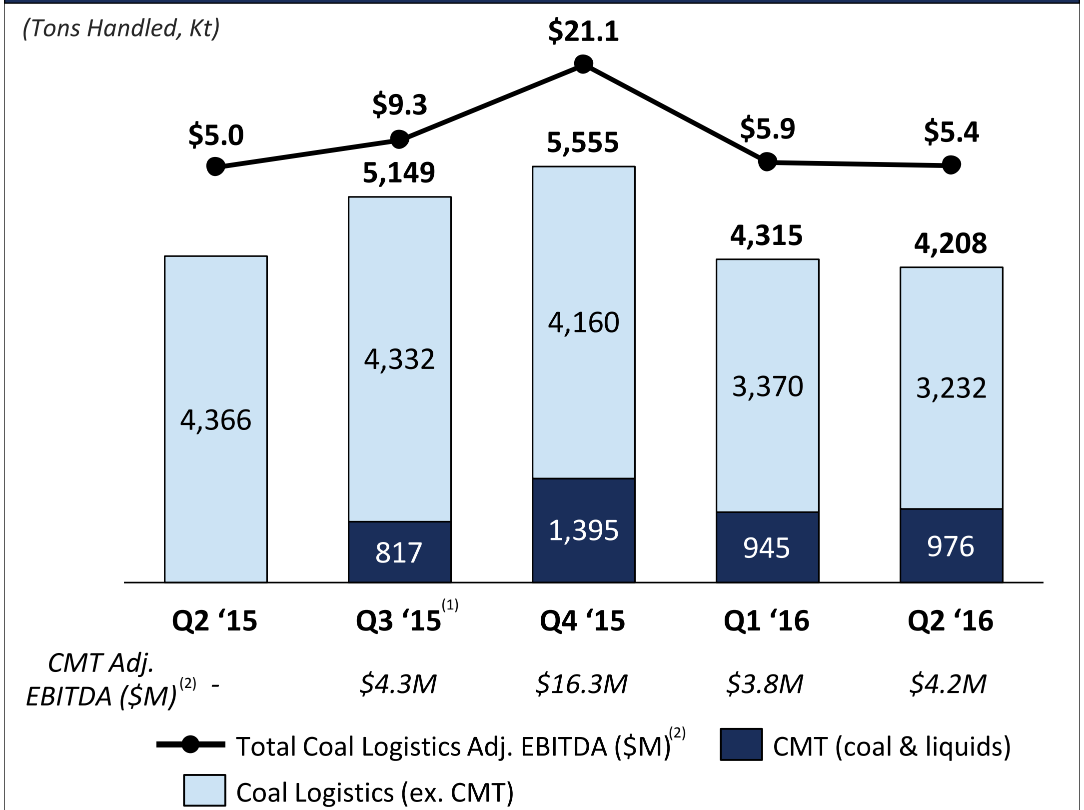
- Shift of coal transportation cost to Jewell Coke from Coal Mining
- Essar Algoma A/R write-off

(1) As discussed on Q1 '16 earnings call, agreed to back-load 2016 coke production at Granite City. Also reduced FY 2016 production at Haverhill 2 by ~75K tons, resulting in a higher fixed fee per ton (no change in contract economics).

Coal Logistics Business Summary

Continue to see below-target throughput across Coal Logistics fleet

Coal Logistics Performance



Domestic Coal Logistics down $3.8M due to lower than expected throughput

- Lower met. and thermal shipments driven by coal industry challenges

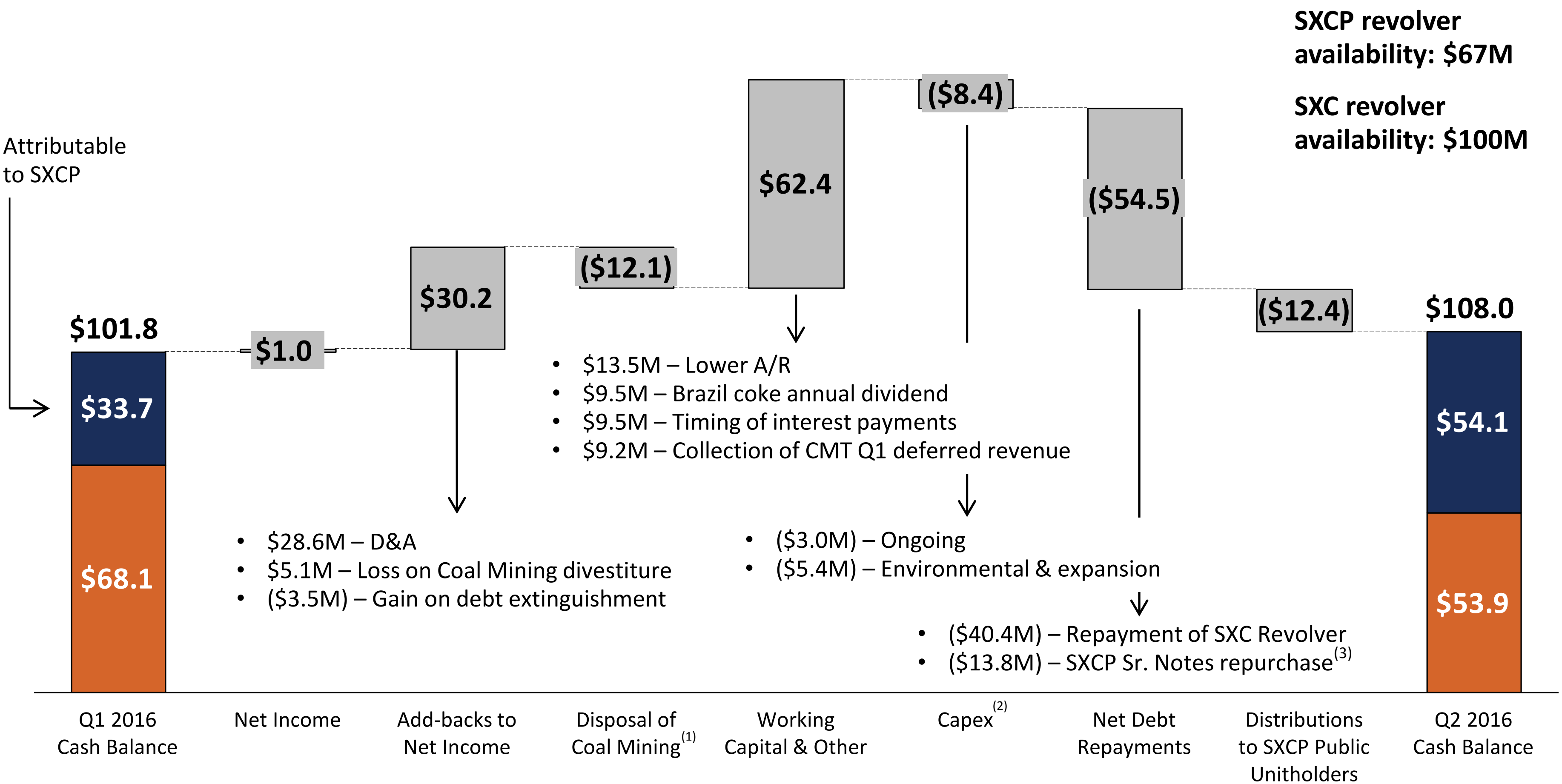
Convent contributed $4.2M to Adj. EBITDA in Q2 '16

- Excludes $9.1M deferred revenue related to ToP volume shortfall(2)

(1) The Convent Marine Terminal acquisition closed August 12, 2015.
(2) Adjusted EBITDA will no longer include Coal Logistics deferred revenue until it is recognized as GAAP revenue, typically at the end of the annual contract period or December 31.

Liquidity Position

Maintain solid combined liquidity of ~$275M



(1) Represents $12.1M paid to Revelation Energy, LLC to assume ownership of a substantial portion of Coal Mining assets and liabilities.
(2) Capex excludes $8.0M spent during Q2 for pre-funded shiploader project.
(3) Average bond repurchase price of $0.8067 per $1.00 face value, resulting in >$17M of face value debt repurchased during Q2 2016.

IHO Q2 Performance

Strong cost management & sustained performance at rebuilt ovens, but continued operational challenges across non-rebuilt ovens

Disciplined cost management resulting in $4.6M benefit vs. Q2 '15

- YTD 2016 incremental O&M savings of ~$10M

Continued stability from 48 rebuilt ovens

- Encouraged by sustained performance in charge weights and coking times
  - Averaged ~39.8 tons per oven in 1H '16 vs. 39.0 tons per oven target, resulting in improved production
  - Averaged ~45.1 hours average coking time in 1H '16 vs. 46.5 hr. target, resulting in increased consistency
- Working to optimize design/scope and develop scalable approach for future rebuilds

Operational challenges driving below-target production and yield

- Mechanical reliability & operational disruptions
- Accelerated oven health degradation across non-rebuilt ovens

Areas of Focus at Indiana Harbor

Remain committed to execution of methodical approach to improving plant operations

Areas of Focus	Implementing Solutions

Oven health degradation of non-rebuilt ovens outpacing expectations

- Oven internals deteriorating more rapidly than empirical data had predicted
  - Greater prevalence and severity of internal wall & floor cracks and sole flue blockage

Leads to longer and inconsistent coking times and production shortfalls

As discussed during Q1 earnings call, expanding scope of rebuilds in 2016

- Anticipate completing ~40 total rebuilds (within original consolidated CapEx guidance)

Expect additional rebuilds to occur in Q4

- Delayed timing to ensure full understanding of degradation
- Implement lessons-learned into future ovens

Mechanical reliability and other operational disruptions

- Underperformance vs. other facilities

Using systematic maintenance window to increase mechanical reliability

Pursuing labor contract at IHO to better align USW and SunCoke goals

Revised IHO Outlook

IHO Adjusted EBITDA guidance revised to reflect operating challenges and cost of additional oven rebuilds

Expect IHO will generate near break-even Adj. EBITDA in 2016, impacted by

- Lower production arising from operational challenges & oven degradation
- Incremental O&M from increased number of 2016 oven rebuilds
- Absence of expected production pick-up in 2H 2016 driven by delayed timing of rebuilds

Formulating plan to pull-forward additional rebuilds in 2017 to further address degradation

Areas of Focus

- Implementing systematic maintenance window to improve mechanical reliability
- Rebuilding ovens to overcome degradation

Driving Operational Improvements

- Increase in & consistency of charge weights
- Lower & more consistent coking times

Increasing Plant Performance

- Improvement in yield
- Increase in total production
- Continued optimization of O&M spend

2016 Priorities

Manage Through Challenging Market Conditions

- Remain flexible & responsive to industry backdrop while leveraging unique value proposition

Stabilize Indiana Harbor Cokemaking Operations

- Improve profitability by executing oven rebuilds and reducing O&M costs

Deliver Operations Excellence

- Drive strong operational & safety performance across our fleet

Achieve Financial Objectives & Strengthen Balance Sheet

- Deliver $210M – $235M Consol. Adj. EBITDA guidance & execute de-levering strategy

QUESTIONS

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APPENDIX

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Definitions

<u>Adjusted EBITDA</u> represents earnings before interest, (gain) loss on extinguishment of debt, taxes, depreciation and amortization ("EBITDA"), adjusted for impairments, coal rationalization costs, changes to our contingent consideration liability related to our acquisition of CMT, and interest, taxes, depreciation and amortization and impairments attributable to our equity method investment. EBITDA and Adjusted EBITDA do not represent and should not be considered alternatives to net income or operating income under GAAP and may not be comparable to other similarly titled measures in other businesses. Management believes Adjusted EBITDA is an important measure of the operating performance and liquidity of the Company's net assets and its ability to incur and service debt, fund capital expenditures and make distributions. Adjusted EBITDA provides useful information to investors because it highlights trends in our business that may not otherwise be apparent when relying solely on GAAP measures and because it eliminates items that have less bearing on our operating performance and liquidity. EBITDA and Adjusted EBITDA are not measures calculated in accordance with GAAP, and they should not be considered a substitute for net income, operating cash flow or any other measure of financial performance presented in accordance with GAAP.

<u>EBITDA</u> represents earnings before interest, taxes, depreciation and amortization.

<u>Adjusted EBITDA attributable to SXC/SXCP</u> represents Adjusted EBITDA less Adjusted EBITDA attributable to noncontrolling interests.

<u>Adjusted EBITDA/Ton</u> represents Adjusted EBITDA divided by tons sold/handled.

<u>Coal Rationalization expense / (income)</u> includes employee severance, contract termination costs and other costs to idle mines incurred during the execution of our coal rationalization plan. The six months ended June 30, 2015, included $2.2 million of income related to a severance accrual adjustment.

<u>Legacy Costs</u> include costs associated with former mining employee-related liabilities net of certain royalty revenues.

Reconciliation to Adjusted EBITDA

($ in millions)	Q2 '16	Q1 '16	FY '15	Q4 '15	Q3 '15	Q2 '15	Q1 '15
Net cash provided by Operating activities	$92.1	$29.4	$141.1	$58.1	$6.4	$65.5	$11.1
Depreciation, depletion and amortization expense	28.6	28.2	109.1	33.3	25.6	26.4	23.8
(Gain) / loss on extinguishment of debt	(3.5)	(20.4)	0.5	(8.9)	-	-	9.4
Loss on divestiture of business	5.1	9.6	-	-	-	-	-
Deferred income tax expense / (benefit)	0.4	3.2	(5.6)	(12.5)	8.0	(4.2)	3.1
Changes in working capital and other	60.5	(3.8)	26.8	13.3	(10.7)	49.8	(25.6)
Net Income / (Loss)	$1.0	$12.6	$10.3	$32.9	($16.5)	($6.5)	$0.4
Depreciation, depletion and amortization expense	28.6	28.2	109.1	33.3	25.6	26.4	23.8
Interest expense, net	13.4	14.0	56.2	14.7	14.6	13.0	13.9
(Gain) / loss on extinguishment of debt	(3.5)	(20.4)	0.5	(8.9)	-	-	9.4
Income tax expense / (benefit)	-	3.3	(8.8)	(13.9)	4.8	(0.8)	1.1
Loss on divestiture of business	5.1	9.6	-	-	-	-	-
Coal rationalization expense / (income)[1]	-	0.2	0.6	0.2	0.8	0.6	(1.0)
Coal Logistics deferred revenue[2]	-	-	(3.3)	(3.3)		-	-
Reduction of contingent consideration[3]	-	(3.7)	-	-	-	-	-
Expiration of land deposits[4]	1.9	-	-	-	-	-	-
Adjustment to unconsolidated affiliate earnings[5]	-	-	20.8	-	19.8	0.7	0.3
Adjusted EBITDA (Consolidated)	$46.5	$43.8	$185.4	$55.0	$49.1	$33.4	$47.9
Adjusted EBITDA attributable to noncontrolling interests[6]	(18.6)	(20.3)	(81.2)	(24.9)	(20.1)	(18.1)	(18.1)
Adjusted EBITDA attributable to SXC	$27.9	$23.5	$104.2	$30.1	$29.0	$15.3	$29.8

(1) Coal rationalization expense/(income) includes employee severance, contract termination costs and other costs to idle mines incurred during the execution of our coal rationalization plan. The six months ended June 30, of 2015 included $2.2 million of income related to an adjustment in the coal severance accrual.

(2) In response to the Securities & Exchange Commission's May 2016 update to its guidance on the appropriate use of non-GAAP financial measures (specifically regarding revenue recognition), SXC's Adjusted EBITDA definition will no longer include Coal Logistics deferred revenue until it is recognized as GAAP income.

(3) During the first quarter of 2016, the Partnership amended the threshold to the contingent consideration arrangement with the Cline Group, which reduced the fair value of the contingent consideration from $7.9 million at December 31, 2015 to $4.2 million at March 31, 2016. Consequently, a $3.7 million gain was recognized as a reduction to costs of products sold and operating expenses on the Consolidated Statements of Operations during the three months ended March 31, 2016.

(4) Land deposits were in connection with the Company's potential new cokemaking facility to be constructed in Kentucky.

(5) Represents SunCoke's share of India JV interest, taxes and depreciation expense.

(6) Represents Adjusted EBITDA attributable to SXCP public unitholders and DTE Energy's interest in Indiana Harbor.

Reconciliation of Segment Adjusted EBITDA and Adjusted EBITDA per ton

Reconciliation of Segment Adjusted EBITDA and Adjusted EBITDA per Ton							
($ in millions, except per ton data)	**Domestic Coke**	**Brazil Coke**	**India Coke [(1)]**	**Coal Mining**	**Coal Logistics [(2)]**	**Corporate, Legacy Costs and Other**	**Consolidated**
Q2 2016							
Adjusted EBITDA	$51.0	$2.4		($0.9)	$5.4	($11.4)	**$46.5**
Sales Volume (thousands of tons)	992	431			4,208		
Adjusted EBITDA per Ton	**$51.41**	**$5.57**			**$1.28**		
Q1 2016							
Adjusted EBITDA	$54.3	$2.3		($4.1)	$5.9	($14.6)	**$43.8**
Sales Volume (thousands of tons)	1,000	415			4,315		
Adjusted EBITDA per Ton	**$54.30**	**$5.54**			**$1.37**		
FY 2015							
Adjusted EBITDA	$210.1	$22.4	($1.9)	($18.9)	$38.0	($64.3)	**$185.4**
Sales Volume (thousands of tons)	4,115	1,760	124		18,864		
Adjusted EBITDA per Ton	**$51.06**	**$12.73**	**($15.32)**		**$2.01**		
Q4 2015							
Adjusted EBITDA	$45.3	$12.3		($5.5)	$21.1	($18.2)	**$55.0**
Sales Volume (thousands of tons)	1,013	436			5,555		
Adjusted EBITDA per Ton	**$44.72**	**$28.19**			**$3.80**		
Q3 2015							
Adjusted EBITDA	$55.9	$3.4	($0.8)	($4.9)	$9.3	($13.8)	**$49.1**
Sales Volume (thousands of tons)	1,043	449	35		5,149		
Adjusted EBITDA per Ton	**$53.60**	**$7.58**	**($22.90)**		**$1.81**		
Q2 2015							
Adjusted EBITDA	$56.2	$2.6	($0.4)	($5.4)	$5.0	($24.6)	**$33.4**
Sales Volume (thousands of tons)	1,110	437	43		4,366		
Adjusted EBITDA per Ton	**$50.63**	**$5.95**	**($9.38)**		**$1.15**		

(1) Represents SunCoke's share of India JV interest, taxes and depreciation expense.
(2) In response to the Securities & Exchange Commission's May 2016 update to its guidance on the appropriate use of non-GAAP financial measures (specifically regarding revenue recognition), SXC's Adjusted EBITDA definition will no longer include Coal Logistics deferred revenue until it is recognized as GAAP income.

Balance Sheet & Debt Metrics

($ in millions)	As of 06/30/2016		
	SXC Consolidated	Attributable to SXCP	Balance Attributable to SXC
Cash	$ 108	$ 54	$ 54
Available Revolver Capacity	167	67	100
Total Liquidity	275	121	154
Total Debt (Long and Short-term)	893	828	65
Net Debt (Total Debt less Cash)	785	774	11
FY 2016E Adj. EBITDA Guidance(1)	222.5	212.0	114.5
Gross Debt / FY 2016E Adj. EBITDA	4.01x	3.91x	0.56x
Net Debt / FY 2016E Adj. EBITDA	3.53x	3.65x	0.09x

(1) Represents mid-point of FY 2016 guidance for Adjusted EBITDA (Consolidated), Adjusted EBITDA attributable to SXCP, and Adjusted EBITDA attributable to SXC.

2016 Outlook

2016 Guidance remains unchanged from prior quarter

Metric	2015 Results	2016 Guidance
Adjusted EBITDA[(1)]		
Consolidated	$185.8M	$210M – $235M
Attrib. to SXC	$104.6M	$105M – $124M
Capital Expenditures[(2)]	$76M	~$45M
Domestic Coke Production	4.1 Mt	4.0 Mt – 4.1 Mt
Dom. Coke Adj. EBITDA/ton	$51 / ton	$48 – $53 / ton
Operating Cash Flow	$141.1M	$150M – $170M
Cash Taxes[(3)]	$2M	$4M – $9M

(1) For a definition and reconciliation of 2015 and 2016E Adjusted EBITDA, please see appendix.
(2) 2016 Guidance excludes capitalized interest.
(3) Included in Operating Cash Flow.

2016E Guidance Reconciliation

($ in millions)	2016E Low	2016E High
Net cash provided by Operating activities	$150	$170
Depreciation and amortization expense	106	106
(Gain) / loss on extinguishment of debt	(20)	(27)
Loss on divestiture of business	14	14
Changes in working capital and other	6	7
Net Income	$44	$70
Depreciation and amortization expense	106	106
Interest expense, net	62	58
(Gain) / loss on extinguishment of debt	(20)	(27)
Income tax expense / (benefit)	6	17
Loss on divestiture of business	14	14
Coal rationalization costs(1)	2	1
Coal Logistics deferred revenue(2)	-	-
Reduction of contingent consideration	(4)	(4)
Adjusted EBITDA (Consolidated)	$210	$235
Adjusted EBITDA attributable to noncontrolling interests(3)	(105)	(111)
Adjusted EBITDA attributable to SXC	$105	$124

(1) Coal rationalization costs includes employee severance, contract termination costs and other costs to idle mines incurred during the execution of our coal rationalization plan.

(2) In response to the Securities & Exchange Commission's May 2016 update to its guidance on the appropriate use of non-GAAP financial measures (specifically regarding revenue recognition), SXC's Adjusted EBITDA definition will no longer include Coal Logistics deferred revenue until it is recognized as GAAP income.

(3) Represents Adjusted EBITDA attributable DTE Energy's interest in Indiana Harbor, as well as to SXCP public unitholders. Adjusted EBITDA attributable to SXCP includes a special deduction for the general partner in an amount equal to the corporate cost reimbursement holiday, in this case assuming a $28 million deduction in 2016. Actual capital allocation decisions to be made quarterly.

Capital Expenditures

2015 CapEx

($ in millions)	SXC	SXCP	Consolidated
Ongoing[1]	$30	$21	$51
Other	4	0	4
Environmental Project	0	21	21
Total CapEx (excl. pre-funded Ship loader)	**$34**	**$42**	**$76**
Coal Logistics: Ship loader (pre-funded)	*$0*	*$5*	*$5*

2016 Expected CapEx

($ in millions)	SXC	SXCP	Consolidated
Ongoing[2]	$26	$12	$38
Other	2	0	2
Environmental Project	0	5	5
Total CapEx (excl. pre-funded Ship loader)	**$28**	**$17**	**$45**
Coal Logistics: Ship loader (pre-funded)	*$0*	*$12*	*$12*

(1) 2015 consolidated includes approximately $50M in ongoing Coke CapEx and $1M ongoing Coal Logistics.
(2) 2016 consolidated includes approximately $34M in ongoing Coke CapEx and $4M ongoing Coal Logistics.