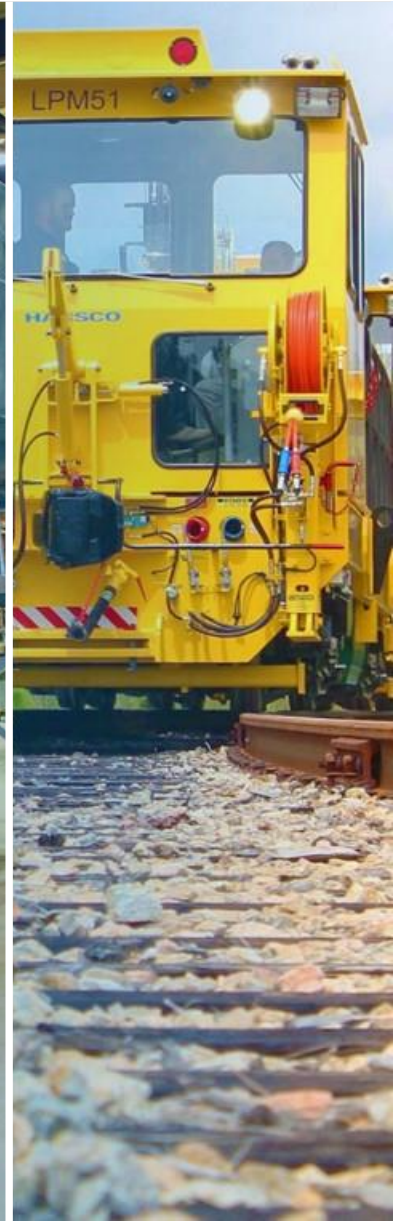




Baird 2018 Global Industrial Conference

November 2018

HARSCO



FORWARD LOOKING STATEMENTS

Forward-Looking Statements

The Company's presentation contains forward-looking statements based on management's current expectations, estimates and projections. The nature of the Company's business and the many countries in which it operates subject it to changing economic, competitive, regulatory and technological conditions, risks and uncertainties. In accordance with the "safe harbor" provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, the Company provides the following cautionary remarks regarding important factors that, among others, could cause future results to differ materially from the results contemplated by forward-looking statements, including the expectations and assumptions expressed or implied herein. Forward-looking statements contained herein could include, among other things, statements about management's confidence in and strategies for performance; expectations for new and existing products, technologies and opportunities; and expectations regarding growth, sales, cash flows, and earnings. Forward-looking statements can be identified by the use of such terms as "may," "could," "expect," "anticipate," "intend," "believe," "likely," "estimate," "outlook," "plan" or other comparable terms.

Factors that could cause actual results to differ, perhaps materially, from those implied by forward-looking statements include, but are not limited to: (1) changes in the worldwide business environment in which the Company operates, including general economic conditions; (2) changes in currency exchange rates, interest rates, commodity and fuel costs and capital costs; (3) changes in the performance of equity and bond markets that could affect, among other things, the valuation of the assets in the Company's pension plans and the accounting for pension assets, liabilities and expenses; (4) changes in governmental laws and regulations, including environmental, occupational health and safety, tax and import tariff standards; (5) market and competitive changes, including pricing pressures, market demand and acceptance for new products, services and technologies; (6) the Company's inability or failure to protect its intellectual property rights from infringement in one or more of the many countries in which the Company operates; (7) failure to effectively prevent, detect or recover from breaches in the Company's cybersecurity infrastructure; (8) unforeseen business disruptions in one or more of the many countries in which the Company operates due to political instability, civil disobedience, armed hostilities, public health issues or other calamities; (9) disruptions associated with labor disputes and increased operating costs associated with union organization; (10) the seasonal nature of the Company's business; (11) the Company's ability to successfully enter into new contracts and complete new acquisitions or strategic ventures in the time-frame contemplated, or at all; (12) the integration of the Company's strategic acquisitions; (13) the amount and timing of repurchases of the Company's common stock, if any; (14) the outcome of any disputes with customers, contractors and subcontractors; (15) the financial condition of the Company's customers, including the ability of customers (especially those that may be highly leveraged and those with inadequate liquidity) to maintain their credit availability; (16) implementation of environmental remediation matters; (17) risk and uncertainty associated with intangible assets; and (18) other risk factors listed from time to time in the Company's SEC reports. A further discussion of these, along with other potential risk factors, can be found in Part I, Item 1A, "Risk Factors," of the Company's Annual Report on Form 10-K for the year ended December 31, 2017. The Company cautions that these factors may not be exhaustive and that many of these factors are beyond the Company's ability to control or predict. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. The Company undertakes no duty to update forward-looking statements except as may be required by law.

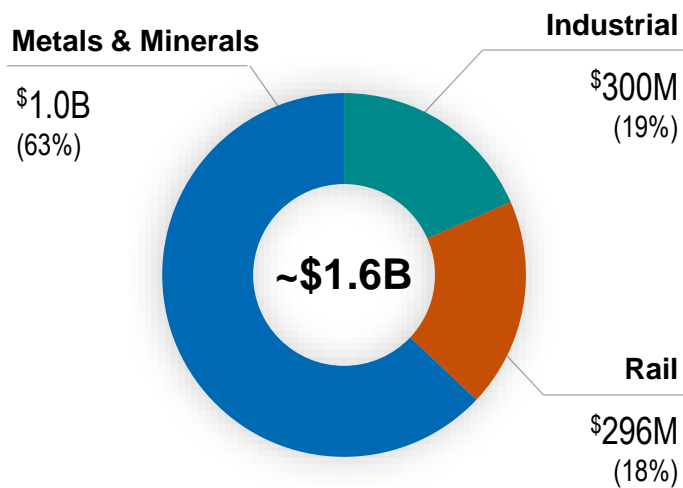
Non-GAAP Measures

Throughout this presentation, the Company refers to certain non-GAAP measures, including, without limitation, adjusted operating income (loss) from continuing operations, adjusted operating income margin, adjusted diluted earnings per share from continuing operations, return on invested capital, free cash flow, free cash flow before growth capital expenditures, EBITDA, adjusted EBITDA and adjusted EBITDA less net maintenance capital expenditures. For a reconciliation of non-GAAP measures to U.S. GAAP results and the Company's rationale for its usage of non-GAAP measures, see the Appendix in this presentation.

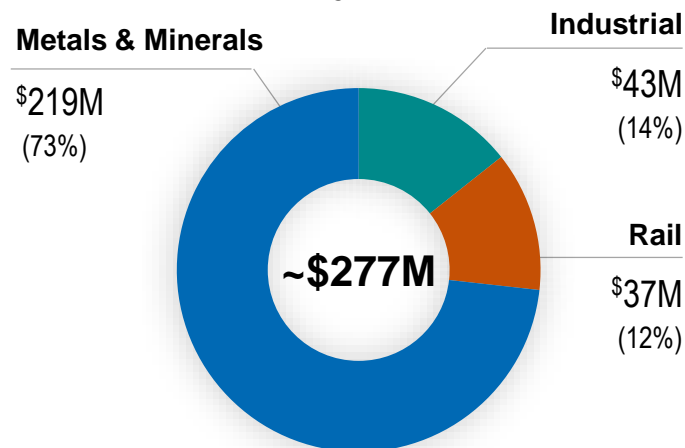
HARSCO TODAY

Market leading provider of environmental services and manufacturer of engineered products, serving industries that are fundamental to global growth.

FY 2017 Revenue



2017 EBITDA (Adjusted)¹



(1) See tables in appendix for GAAP to Non-GAAP Reconciliations. Also percentages don't total due to rounding.

INVESTMENT HIGHLIGHTS



STRONG FOUNDATION

- High-performing businesses
- Diversified portfolio, customers, geographies and markets
- Proven management team
- Continuous improvement culture and core business system
- Strong balance sheet and cash flow
- Disciplined capital allocation process



ATTRACTIVE MARKET ENVIRONMENT

- Serving critical industries with underlying growth
- Markets poised to recover further
- Positive secular trends: environmental solutions, rail safety and analytics and energy resource development



POSITIONED FOR GROWTH

- Meaningful operating leverage
- Accelerated innovation driven by customer needs
- Significant market share and penetration opportunities
- Robust pipeline of organic growth and M&A opportunities, particularly in M&M

ROIC-FOCUSED PORTFOLIO DEVELOPMENT

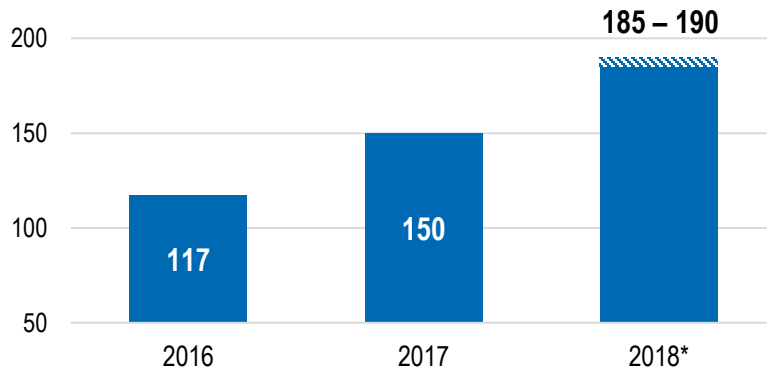
GROWTH TO OUTPACE SERVED MARKETS

STRATEGY ALIGNED WITH CREATING SHAREHOLDER VALUE

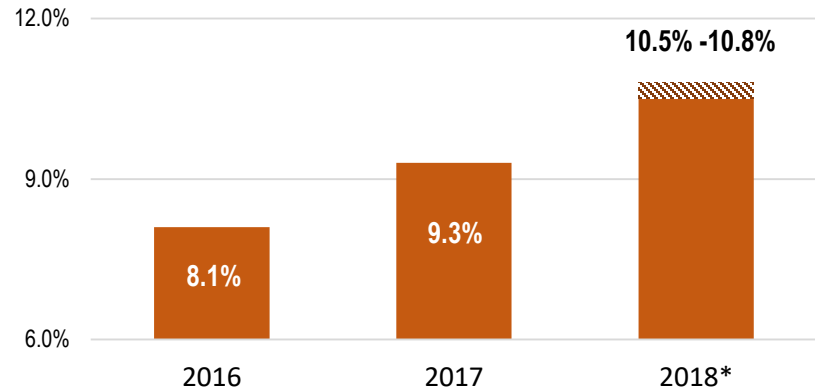
POISED FOR LONG-TERM GROWTH WITH IMPROVING PERFORMANCE

ADJUSTED OPERATING INCOME¹

(\$ Millions)

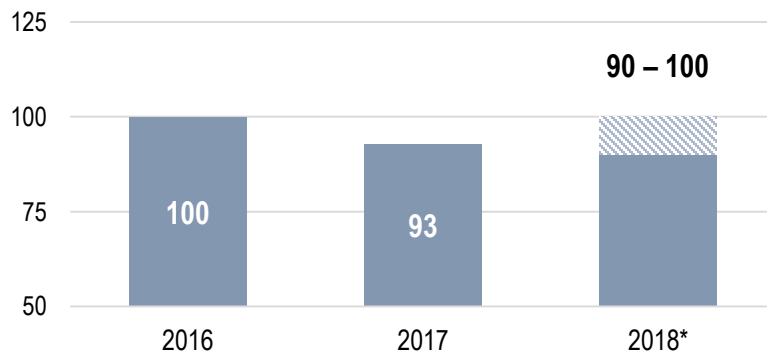


ADJUSTED OPERATING INCOME MARGIN¹

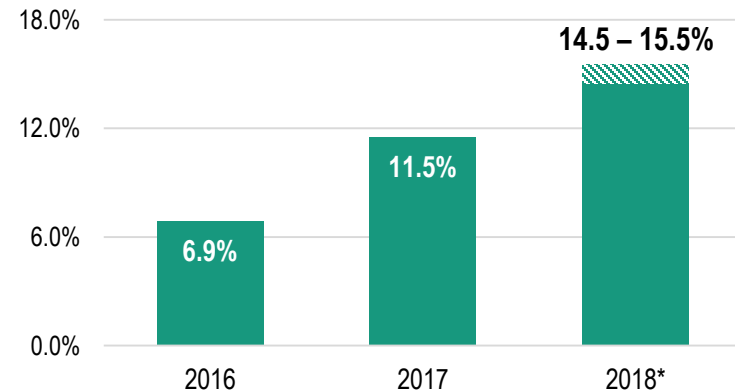


FREE CASH FLOW¹

(\$ Millions)



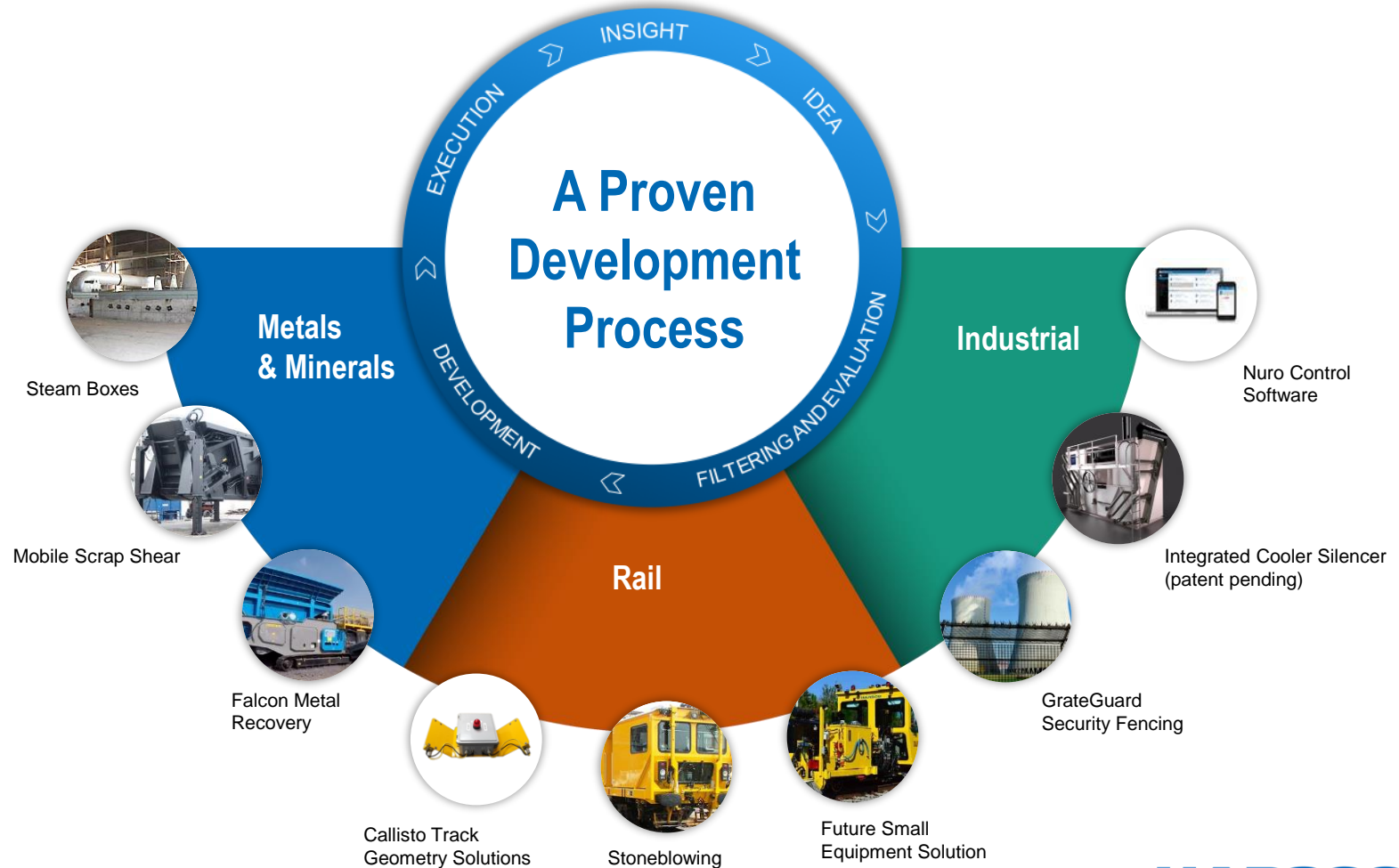
ROIC¹



(1) See tables at end of presentation for GAAP to non-GAAP reconciliations.
* 2018 guidance as reported on 10.31.18

INNOVATION DRIVEN GROWTH

CULTURE OF INNOVATION GROUNDED IN CUSTOMER NEED. SUPPORTED BY BUSINESS DEVELOPMENT AND HOME-GROWN TECHNOLOGIES



GROWTH OPPORTUNITIES

METALS & MINERALS



Considerable Opportunities at Existing Sites (average less than 5 services per site relative to 40+ service offerings)



Targeted Pursuit of New Sites (unique position in growth markets)

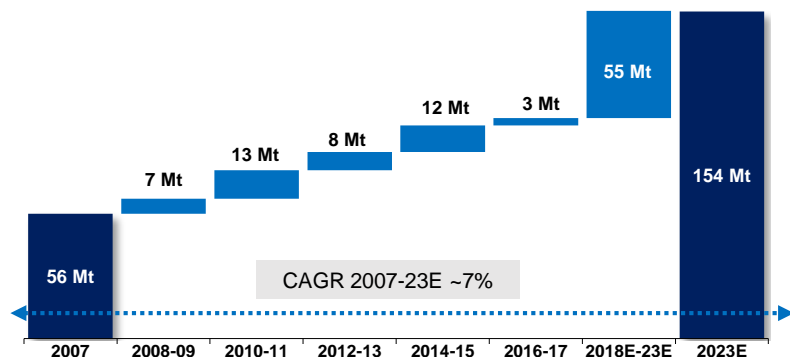


New Environmental Product Solutions

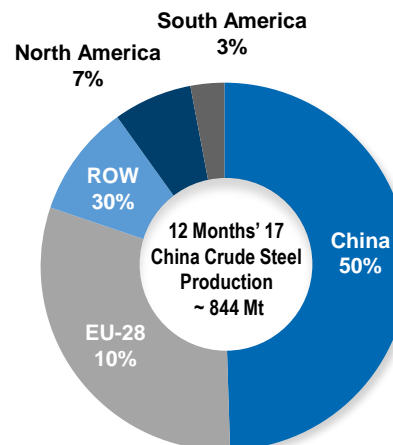
RECENT CONTRACT WINS¹

| | |
|----------------------------------|-----|
| # of Contract wins | 21 |
| Additional revenue backlog (\$M) | 550 |
| Growth capital commitment | 43 |
| Average new contract term (Yr) | 10 |

INDIA STEEL PRODUCTION: ONLY GLOBAL STEEL MILL SERVICES COMPANY WITH FULL-SCALE OPERATIONS IN GROWING INDIA MARKET



CHINA: SIGNIFICANT OPPORTUNITIES FROM OUTSOURCING STEEL MILL SERVICES



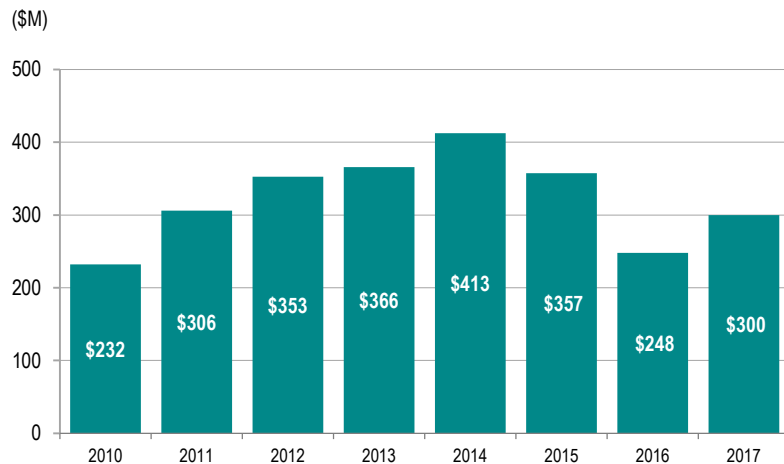
GROWTH OPPORTUNITIES

INDUSTRIAL



MARKET RECOVERY, INVESTMENTS & INNOVATIONS TO GROW REVENUE

- AirX: Penetration downstream and market adjacencies; new CenterGate facility provides industry-leading manufacturing capacity and efficiencies
- IKG: New West Coast facility and improved welding capabilities at Channelview, TX; strong brand recognition in Mexico
- PK: Expanded SONIC product line; introduction of HiDra, Harsco's first entry into the commercial instantaneous hot water market

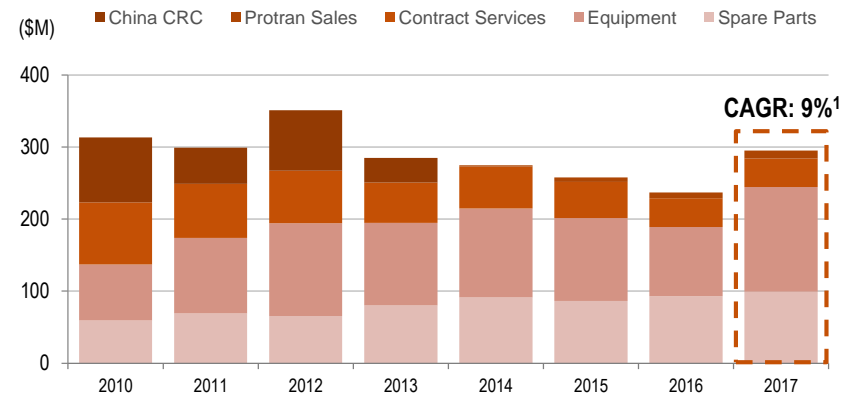


RAIL



STRONG REVENUE GROWTH IN CORE PRODUCTS

- Protran Technology: Suite of collision and advance safety warning systems; measurement and diagnostic technologies to monitor track conditions and plan maintenance
- Equipment & Services: Significant international opportunities, capture increased spending by Metros
- Aftermarket Parts: Increase penetration of large installed base; non-OEM strategy



(1) CAGR equals +6% after adjusting for SBB equipment revenues in 2017.

GROWTH OPPORTUNITIES

SHIFTING FOCUS TO M&A

M&A INVESTMENT CRITERIA

- | | |
|---|--|
| <ul style="list-style-type: none">▪ Profitable business model strategically aligned with Harsco's growth objectives | <ul style="list-style-type: none">▪ Attractive characteristics (e.g. reduced cyclical, unique technology or access to new/growing markets) |
| <ul style="list-style-type: none">▪ Value-enhancing and earnings accretive in the short-term | <ul style="list-style-type: none">▪ Meets risk-adjusted IRR hurdle rates through the cycle |
| <ul style="list-style-type: none">▪ Opportunity to deliver cost and/or revenue synergies | <ul style="list-style-type: none">▪ Maintains reasonable leverage ratios |

MAY 2018: ALTEK ACQUIRED FOR £45M CASH, WITH THE POTENTIAL FOR UP TO £25M IN ADDITIONAL CONSIDERATION SUBJECT TO THE FUTURE PERFORMANCE OF ALTEK

- | | |
|--|--|
| <ul style="list-style-type: none">▪ Market leader with unique technologies | <ul style="list-style-type: none">▪ AluSalt™ is a breakthrough environmental innovation that creates value from salt slag waste |
| <ul style="list-style-type: none">▪ Platform into the aluminum industry | <ul style="list-style-type: none">▪ Large market opportunity; targeting revenues of \$100M within 5 years with further growth potential beyond that period |



Growth is Balanced
Between Organic
and Acquisitions



Greatest Near
Term Opportunities
are in
Environmental
Solutions (M&M)

2018 OUTLOOK - CONSOLIDATED

| | 2018 Outlook ⁽²⁾ | 2018 Prior | 2017 Actual ⁽³⁾ |
|--|-----------------------------|------------------|----------------------------|
| OPERATING INCOME - GAAP | \$186 to \$191M | \$177 to \$187M | \$145M |
| ADJUSTED OPERATING INCOME¹ | \$185 to \$190M | \$175 to \$185M | \$150M |
| ADJUSTED OPERATING INCOME MARGIN¹ | 10.5% to 10.8% | 10.0% to 10.5% | 9.3% |
| DILUTED EARNINGS PER SHARE - GAAP | \$1.35 to \$1.40 | \$1.31 to \$1.39 | \$0.09 |
| ADJUSTED DILUTED EARNINGS PER SHARE¹ | \$1.24 to \$1.29 | \$1.19 to \$1.27 | \$0.74 |
| FREE CASH FLOW¹ | \$90 to \$100M | \$90 to \$100M | \$93M |
| ROIC¹ | 14.5% to 15.5% | 14.5% to 15.5% | 11.5% |

(1) Excludes unusual items. See tables at end of presentation for GAAP to non-GAAP reconciliations.

(2) 2018 GAAP figures do not account for any unusual items in Q4 2018.

(3) 2017 figures adjusted to reflect reclassification for new pension accounting standard



POSITIONED FOR LONG-TERM VALUE CREATION

| | 2017 | LT PLAN ¹ |
|--|--------|----------------------|
| REVENUE | \$1.6B | \$2.0-2.2B |
| ADJUSTED OI | \$150M | \$250-285M |
| ADJUSTED OI MARGIN % | 9.3% | 12%-13% |
| ADJUSTED EBITDA | \$277M | \$410-445M |
| ADJUSTED EBITDA NET MAINTENANCE CAPEX | \$209M | \$320-355M |
| FCF EX GROWTH CAPITAL | \$109M | \$195-220M |
| ROIC | 11.5% | 15+% |

KEY ASSUMPTIONS

- Does not include future acquisitions including Altek
- 5%+ M&M revenue CAGR from market and growth investments of \$200M+
- M&M renewal rates and pricing in-line with historical averages
- Modest growth in key end-markets, including Rail
- Downstream share gains, new product launches and efficiencies in Industrial
- Meaningful expansion of measurement and safety product capabilities in Rail
- Expansion of niche contracting and CTO (configure to order) efficiency benefits in Rail

POSITIONED TO DELIVER SUSTAINABLE GROWTH AND VALUE



High-performing businesses well-positioned to deliver earnings growth



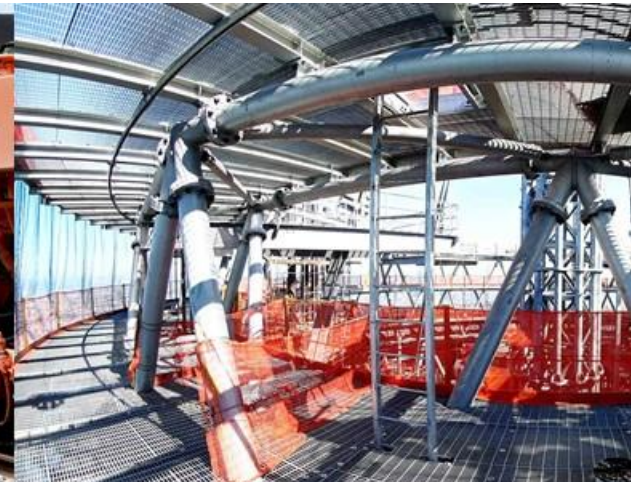
Significant financial flexibility and FCF to pursue growth opportunities and enhance shareholder returns



ROIC-focused approach



Positioned to capitalize on favorable market and industry trends



APPENDIX



METALS & MINERALS

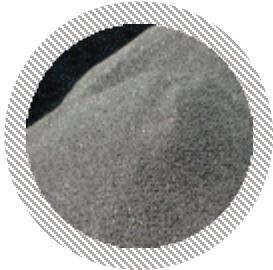
A GLOBAL MARKET LEADER



Transformation
Initiatives
Significantly
IMPROVED
Return Profile

VALUE DRIVERS

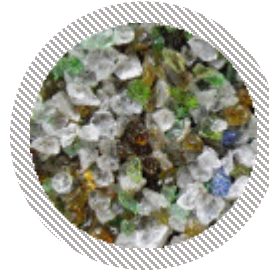
- Critical services for steel production and environmental solutions
- Differentiated operational expertise and technology
- Cost savings benefits to customers
- Long-term contracts & multi-decade relationships
- High renewal rates with fixed / variable pricing
- Diversity of customers, geographies and end markets



**RESOURCE
RECOVERY**



**MATERIALS MANAGEMENT
& MELT SHOP SERVICES**



**ENVIRONMENTAL
& PRODUCT SOLUTIONS**

~\$1B

2017 Revenue

30+

Countries

~70

Customers

~145

Sites

Serving

15%

of ex-China LST

M&M APPLIED PRODUCTS

ADVANCED MATERIAL TECHNOLOGIES DELIVERING ZERO WASTE SOLUTIONS

~20%
OF M&M REVENUES

**ATTRACTIVE
MARGIN
PROFILE**



ABRASIVES



ROOFING GRANULES



SOIL CONDITIONER



FERTILIZER



**ROAD
CONSTRUCTION**



CEMENT PRODUCTION



ASPHALT



**METALLURGICAL
ADDITIVES**



SLAG CONDITIONERS

Performix, US

- Specialty additives used by steelmakers in the ladle refining

Excell, US

- Soil conditioner / fertilizer / acid mine drainage

Reed Minerals, US

- Abrasives
- Roofing granules

Steelphalt, UK

- Asphalt for road construction

ALTEK Group

- Productivity and environmental solutions, mainly for the aluminum industry

THT, China

- Road construction
- Fertilizer
- Cement substitute

India

- Steel and ferrochrome slag based products
- Road construction
- Fertilizer

Excell, Brazil

- Soil conditioner / fertilizer

HARSCO

INDUSTRIAL

PREMIUM QUALITY PRODUCTS AND TRUSTED BRANDS

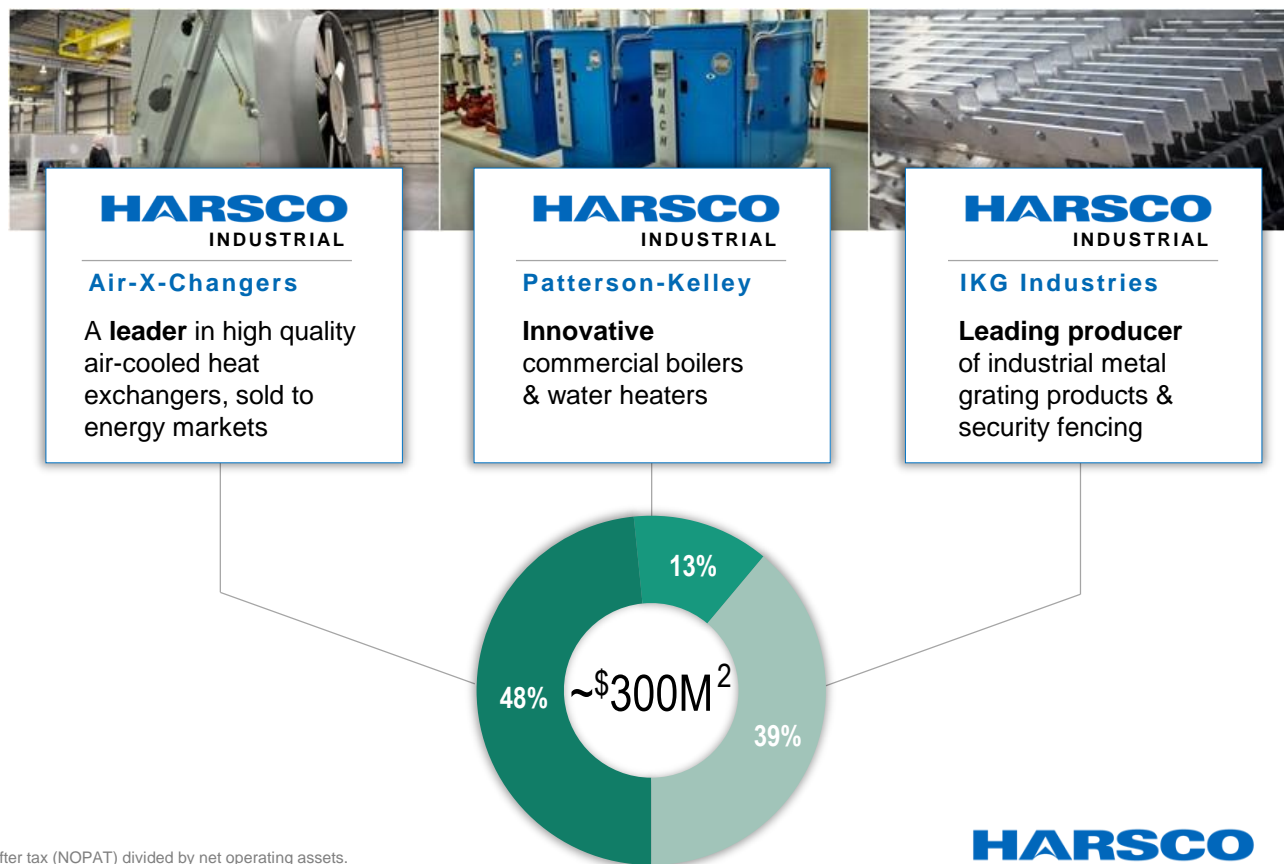
CAPITAL-LIGHT BUSINESS WITH HIGH RETURNS

- Yearly CapEx: ~2% of revenue (2017 excluding MX property sale)
- ROIC: 29% (2017)¹

VALUE DRIVERS

- Broad, attractive and strengthening end-markets
- Unique design, engineering and service support
- Growth through innovation, market penetration and new products delivery

REVENUE MIX BY BUSINESS



(1) Segment ROIC for 2017 = segment net operating profit after tax (NOPAT) divided by net operating assets.
(2) Revenue breakdown from 2017.

RAIL

LEADER IN NORTH AMERICA RAIL MAINTENANCE EQUIPMENT WITH GROWING PRESENCE IN ASIA & EUROPE

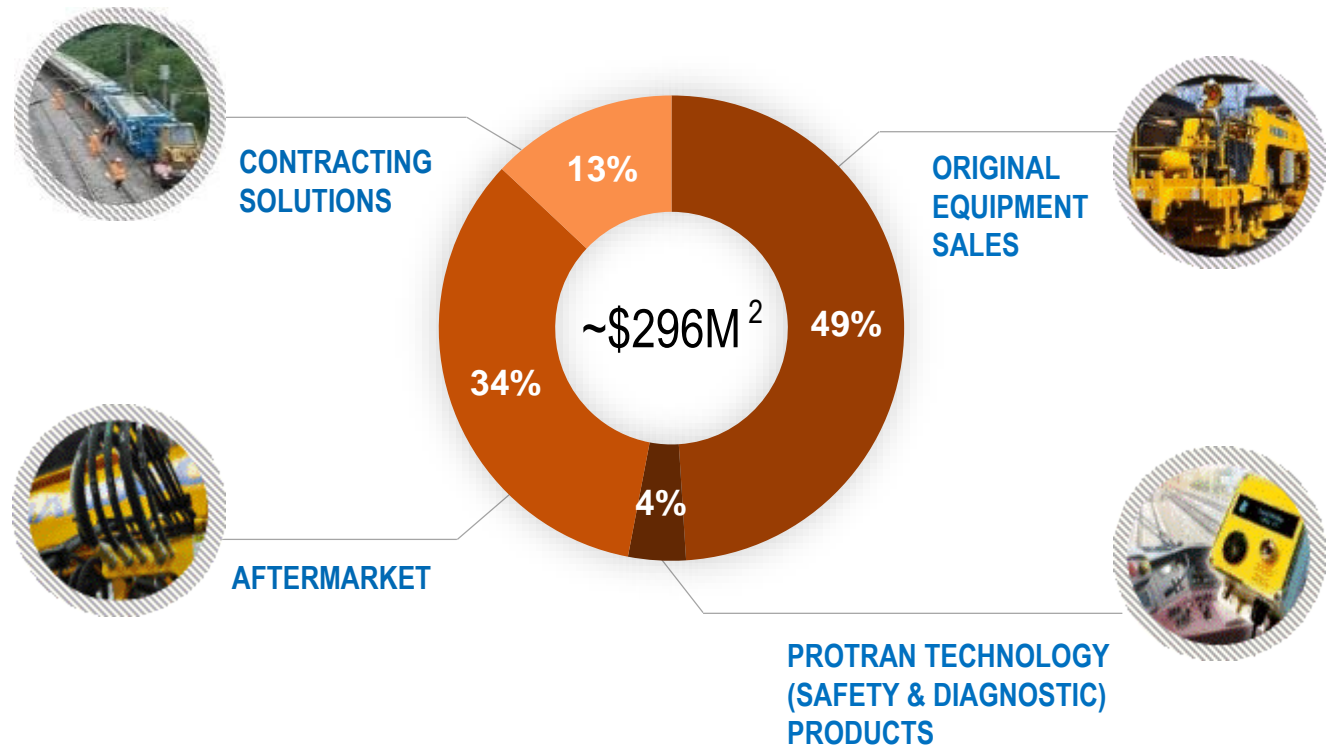
CAPITAL-LIGHT BUSINESS WITH HIGH RETURNS

- Yearly CapEx: ~1% of revenue (2017)
- ROIC: 33% (2017)¹

VALUE DRIVERS

- Growing demand for increased safety & track awareness
- Large and growing aftermarket opportunity
- Breadth of products and services
- Innovative technology and next generation equipment solutions
- Productivity improvements

REVENUE MIX BY BUSINESS



(1) Segment ROIC for 2017 = segment net operating profit after tax (NOPAT) divided by net operating assets.
(2) Revenue breakdown from 2017.

DISCIPLINED FINANCIAL STRATEGY

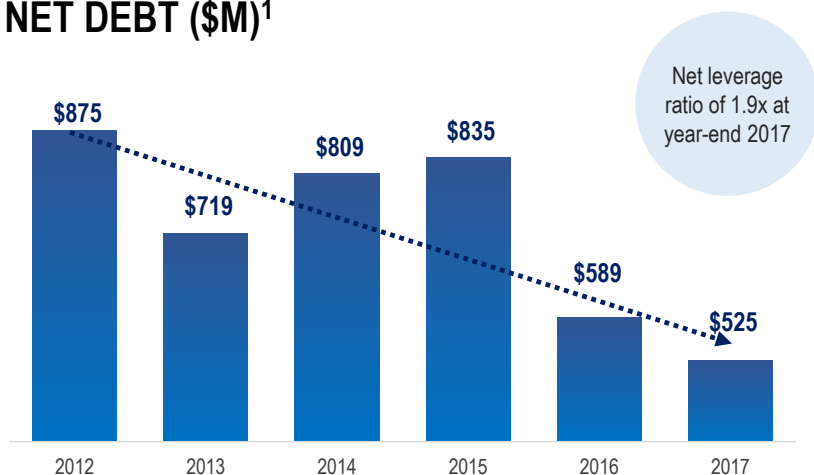
PRINCIPALS

- Maintain efficient capital structure
- Maximize strategic flexibility
- Sustain working capital improvements in each business segment

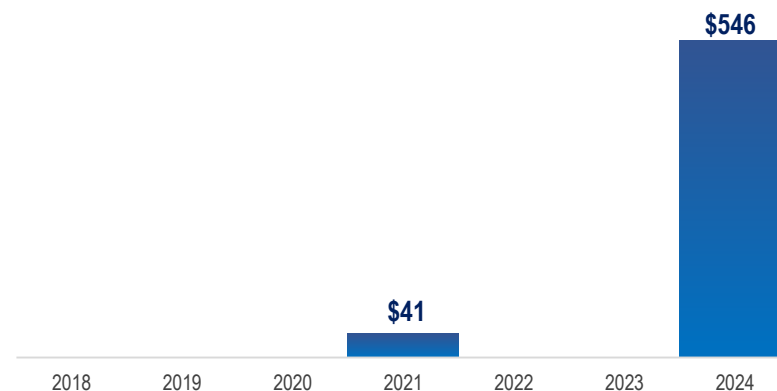
PRIORITIES

- Financially driven capital allocation process
- Return capital to shareholders through \$75M share repurchase authorization
- ROIC > cost of capital
- Long-term leverage ratio: 2.0x – 2.5x

NET DEBT (\$M)¹



MAJOR DEBT MATURITIES – END 2017 (\$M)¹



(1) Net debt equals long term debt + short term borrowing + current maturities of long term debt – cash and cash equivalents. Net leverage ratio calculation in accordance with credit agreement. 3Q 2018 net debt totaled \$579M and major debt maturities included \$101M in 2021 and \$543M in 2024.

EXPERIENCED MANAGEMENT TEAM



**NICHOLAS
GRASBERGER**

Chairman and Chief
Executive Officer



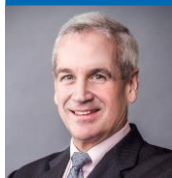
**TRACEY
MCKENZIE**

SVP & Chief HR Officer



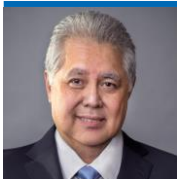
**SCOTT
GERSON**

President of Industrial



**PETER
MINAN**

SVP & Chief Financial Officer



**JESWANT
GILL**

President of Rail



**RUSS
MITCHELL**

VP & Chief Operating Officer of
Metals & Mineral



**RUSSELL
HOCHMAN**

SVP, General Counsel, Chief
Compliance Officer &
Corporate Secretary



EXPERIENCED BOARD OF DIRECTORS



JAMES F. EARL

- Retired Executive Vice President of GATX Corporation
- President – GATX Rail International



KATHY G. EDDY

- Founding partner of McDonough, Eddy, Parsons & Baylous, A.C., a public accounting and financial services corporation
- Former Chair of the American Institute of Certified Public Accountants Board of Directors



DAVID C. EVERITT

- Lead Independent Director
- Former Co-Leader of Deere & Company's Agriculture and Turf Division
- Serves as Director of Allison Transmission, Brunswick Corporation and Agrium, Inc



F. NICHOLAS GRASBERGER

- Chairman of Board of Directors and Chief Executive Officer of Harsco
- Former Managing Director of Precision Polymers Division of Fenner Plc and Former Chief Financial Officer of Armstrong Holdings, Inc



MARIO LONGHI

- Former President and Chief Executive Officer of United States Steel Corporation (U.S. Steel)
- Former President and Chief Executive Officer of Gerdau Ameristeel Corporation
- Serves on the Board of Directors of ITT Corporation



EDGAR M. PURVIS

- Retired Executive Vice President and Chief Operating Officer of Emerson Electric Company
- Former member of the executive board of the Air-Conditioning, Heating and Refrigeration Institute



PHILLIP C. WIDMAN

- Former Senior Vice President and CFO of Terex
- Former Executive Vice President and CFO of Philip Services Corporation



CAROLANN HAZNEDAR

- Retired Senior Vice President, Americas for DuPont Performance Materials
- 30+ years of management experience, leading several global businesses at E. I. du Pont de Nemours and Company

BUSINESS SENSITIVE TO MACRO DRIVERS

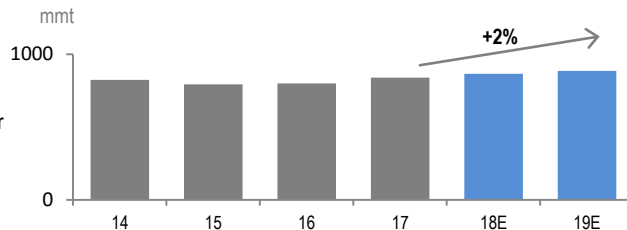
MANY BUSINESS DRIVERS

Materials Management and Melt Shop Services

- Liquid steel production
- Fixed fees
- Equipment / labor rental demand
- Fuel cost
- Inflation

BUSINESS VARIABLES

Liquid Steel Production¹



IMPACT TO BOTTOM LINE

Within current scope of operations...

~1%
liquid steel
production
change equals

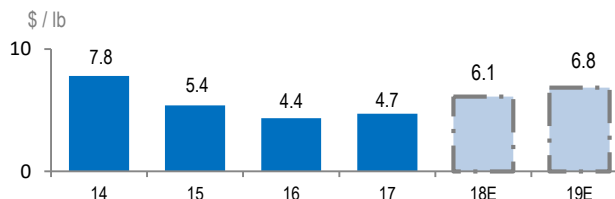


~\$2.2M
segment OI
improvement

Resource Recovery

- Scrap price
- Nickel price
- Chrome price
- Iron price

Nickel Price



\$1
nickel price
change equals

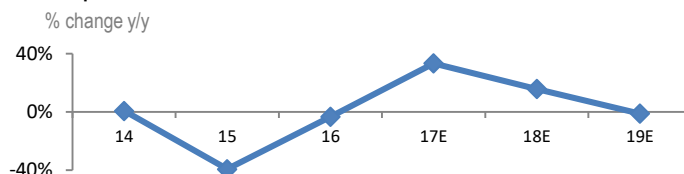


~\$5.0M
segment OI
improvement

Environmental Products

- Abrasive demand & price
- Roofing demand & price

Scrap Price²



10%
scrap price
change equals



~\$2.0M
segment OI
improvement

(1) Global Liquid Steel Production excluding China Production
(2) Reflects US and European Shredded, and HMS #1 forecasts
Source: World Steel Association, Deutsche Bank, Bank of America Merrill Lynch, Goldman Sachs, Citi Research, Barclays, Credit Suisse

Q4 2018 OUTLOOK



Adjusted operating income¹ is expected to be between

\$39M–\$44M versus \$39M in Q4 2017



Adjusted diluted earnings per share of

\$0.26–\$0.31 versus \$0.20 in Q4 2017



Corporate costs

modestly lower than the prior-year quarter

YEAR-OVER-YEAR CONSIDERATIONS INCLUDE:

METALS & MINERALS

New contracts, higher services and applied products demand and increased commodity prices, partially offset by SG&A investments and exits

INDUSTRIAL

Increased demand across business and a more favorable product mix




RAIL

Less favorable equipment mix and lower contracting contributions; note Q4 2017 included SBB revenue of \$42M (at zero margin)

(1) See tables at end of presentation for GAAP to non-GAAP reconciliations.

Note: 2018 GAAP figures do not account for any unusual items in 2018. Also, comparisons reflect new pension reporting for both 2018 and 2017.

2018 SEGMENT OUTLOOK

| Excluding unusual items | | 2018 VERSUS 2017 ¹ | |
|--|-------------------------|-------------------------------|---|
|  Metals & Minerals | Revenues | ▲ | Mid-single to high-single digits |
| | Operating Income | ▲ | ~10% at mid-point, excluding unusual items |
| | Drivers | + - | LST/services, new sites/services, cost/operational savings, commodities prices, Applied Products Exited sites, investments |
|  Industrial | Revenues | ▲ | Double digits |
| | Operating Income | ▲ | ~45% at mid-point |
| | Drivers | + | Demand for all three major product groups More favorable product mix, manufacturing savings |
|  Rail | Revenues | ▲ | Low-single digits (▲ High-single digits excluding SBB revenue) |
| | Operating Income | ▲ | ~15% at mid-point, excluding unusual items |
| | Drivers | + - | Aftermarket parts and Protran volumes Equipment sales mix and Contracting services |
| Corporate Costs | | | Modestly lower due to professional fees and prior investments |

(1) Comparisons are updated to reflect new pension reporting for both 2018 and 2017.

Q3 2018 FINANCIAL SUMMARY

KEY PERFORMANCE INDICATORS

- Q3 adjusted operating income above guidance range of \$50-55 million
- Earnings exceeded guidance due to positive results in Rail, as well as lower Corporate costs
- Each business segment realized an increase in operating profit relative to the prior-year quarter, with each again seeing double-digit margins in Q3 2018
- EPS again included benefit from lower interest costs and tax rate
- FCF comparable to prior-year quarter with meaningful increase expected in Q4 2018

| \$ in millions except EPS | Q3 2018 | Change vs. 2017 | |
|--|---------|-----------------|----------|
| | | \$ | % or bps |
| Revenues | 445 | 61 | 16% |
| GAAP Operating Income | 57 | 22 | 65% |
| <i>% of Sales</i> | 12.8% | | 380bps |
| Adjusted Operating Income¹ | 58 | 18 | 47% |
| <i>% of Sales¹</i> | 12.9% | | 270bps |
| GAAP Diluted Earnings Per Share | 0.40 | 0.24 | nmf |
| Adjusted Diluted Earnings Per Share¹ | 0.40 | 0.20 | 100% |
| Free Cash Flow² | 20 | (2) | (9)% |
| ROIC (TTM)¹ | 15.4% | | 470bps |

2017 figures reflect pension reclassification.
nmf = not meaningful.

(1) Excludes unusual items. See tables at end of presentation for GAAP to non-GAAP reconciliations.

(2) See tables at end of presentation for GAAP to non-GAAP reconciliations.

Q3 2018

METALS & MINERALS

Business Highlights

- Revenues increased mainly due to higher services demand and applied product sales, partially offset by FX translation
- Operating income increase reflects above items and positive impact of net contract changes; partially offset by SG&A investments to support growth
- FCF change YTD reflects increase in capital spending and working capital, partially offset by higher cash earnings

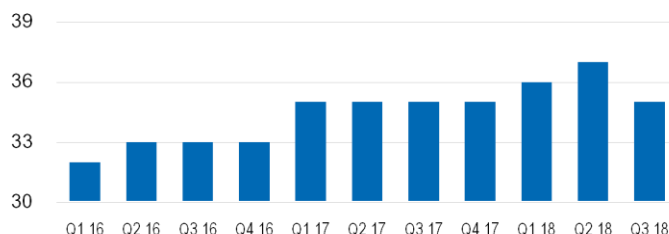
SUMMARY RESULTS

\$ in millions

| | Q3 2018 | Q3 2017 | % Change |
|----------------------------|---------|---------|----------|
| Revenues, as reported | 269 | 255 | 5% |
| Operating Income – GAAP | 29 | 24 | 24% |
| Adjusted operating income* | 30 | 28 | 5% |
| Adjusted operating margin* | 11.1% | 11.1% | |
| Free Cash Flow (YTD) | 49 | 83 | (41)% |
| ROIC (TTM)* | 12.6% | 12.1% | 50bps |

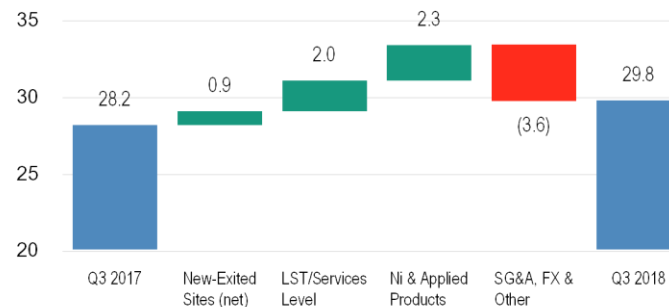
LST CONTINUING SITES

Million tons



ADJUSTED OPERATING INCOME BRIDGE

\$ in millions



*excludes unusual items; see tables at end of presentation for GAAP to non-GAAP reconciliations. 2017 figures reflect pension reclassification.

Q3 2018

INDUSTRIAL

Business Highlights

- Revenue increase reflects strong end market demand and higher product prices
- Operating income increase the result of improved demand; note that 2017 quarter included \$4 million asset sale gain
- Free cash flow YTD comparable to prior-year as higher cash earnings was offset by increased capital spending and working capital changes

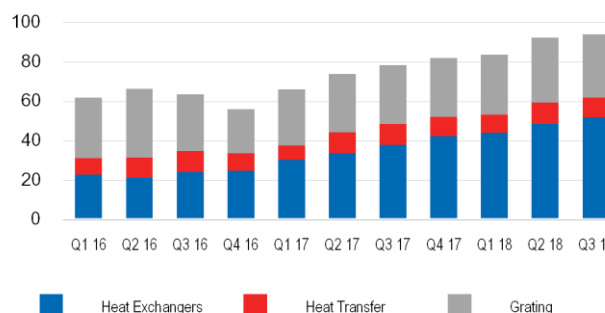
SUMMARY RESULTS

\$ in millions

| | Q3 2018 | Q3 2017 | % Change |
|-------------------------|---------|---------|----------|
| Revenues, as reported | 94 | 78 | 20% |
| Operating Income – GAAP | 14 | 13 | 8% |
| Operating Margin – GAAP | 14.9% | 16.5% | |
| Free Cash Flow (YTD) | 20 | 20 | —% |
| ROIC (TTM) | 37.3% | 23.4% | nmf |

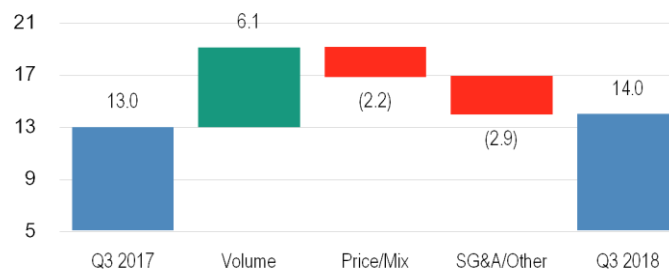
REVENUE MIX¹

\$ in millions



OPERATING INCOME BRIDGE

\$ in millions



nmf = not meaningful.

2017 figures reflect pension reclassification.

See tables at end of presentation for GAAP to non-GAAP reconciliations.

1. The Company has adopted the new revenue recognition standard utilizing the modified retrospective transition method, including use of practical expedients. Comparative information has not been restated and continues to be reported under U.S. GAAP in effect for those periods.

Q3 2018

RAIL

Business Highlights

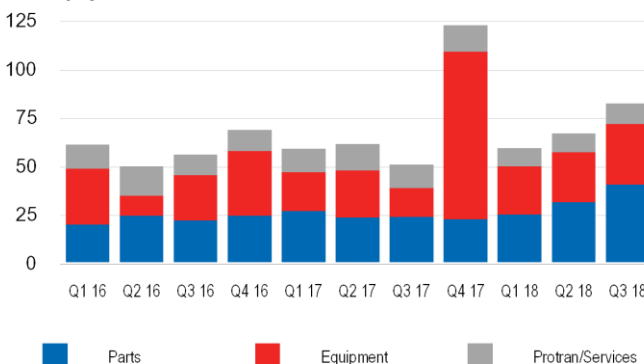
SUMMARY RESULTS

\$ in millions

| | Q3 2018 | Q3 2017 | % Change |
|-------------------------|---------|---------|----------|
| Revenues, as reported | 83 | 51 | 62% |
| Operating Income – GAAP | 19 | 4 | nmf |
| Operating Margin – GAAP | 23.0% | 8.6% | |
| Free Cash Flow (YTD) | (2) | (18) | 91% |
| ROIC (TTM) | 42.3% | 30.8% | nmf |

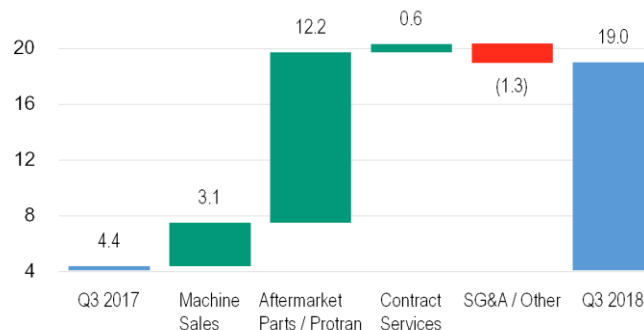
REVENUE MIX¹

\$ in millions



OPERATING INCOME BRIDGE¹

\$ in millions



- Revenues increased due to higher equipment and aftermarket parts sales
- Operating income change reflects improved equipment and parts demand and more favorable mix
- Free cash flow YTD change from prior year mainly as a result of higher cash earnings and working capital; Q4 FCF is again expected to be significant

nmf = not meaningful.

2017 figures reflect pension reclassification.

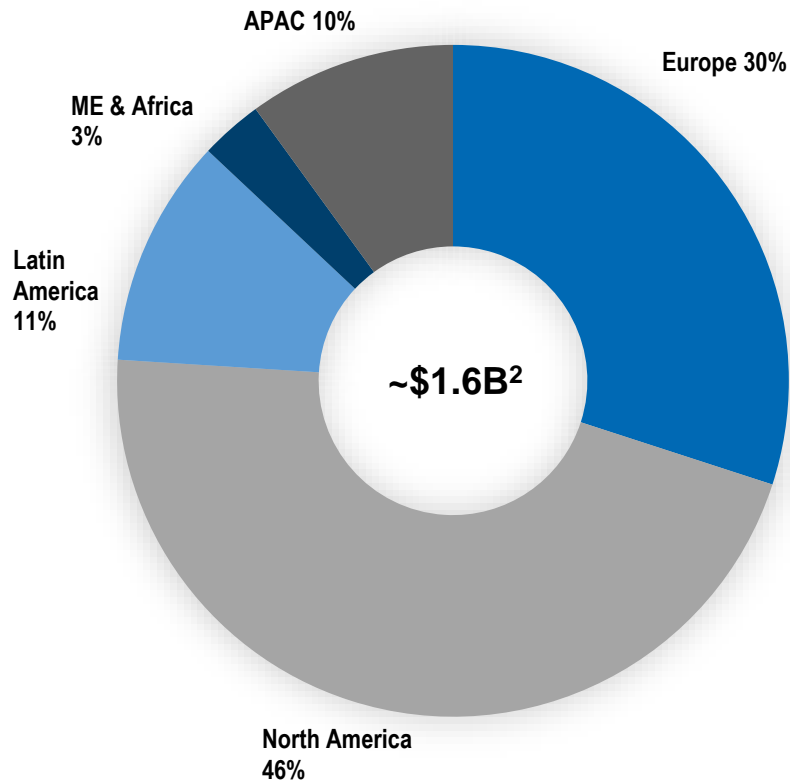
See tables at end of presentation for GAAP to non-GAAP reconciliations.

1. The Company has adopted the new revenue recognition standard utilizing the modified retrospective transition method, including use of practical expedients. Comparative information has not been restated and continues to be reported under U.S. GAAP in effect for those periods.

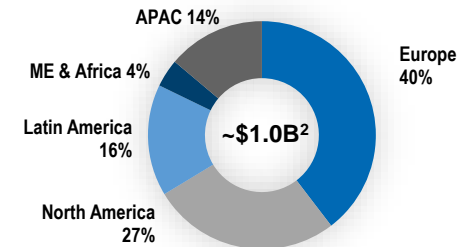
GENERAL INFORMATION

REVENUE MIX BY GEOGRAPHY¹

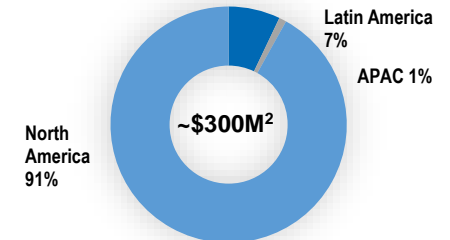
COMPANY



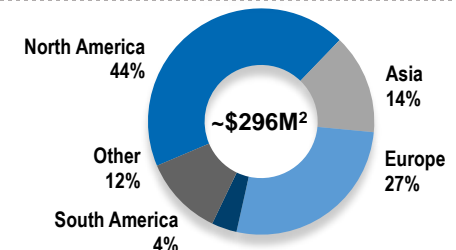
METALS & MINERALS



INDUSTRIAL



RAIL



(1) Revenue mix by location of origin for Company, Metals & Minerals and Industrial. Rail revenue mix is by location of customer. Also, percentages don't total due to rounding.
(2) Company 2017 Information.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF ADJUSTED DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS EXCLUDING UNUSUAL ITEMS TO DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS AS REPORTED (Unaudited)

| | Three Months Ended Sept 30 | | Nine Months Ended Sept 30 | |
|---|-------------------------------|----------------|------------------------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| Diluted earnings per share from continuing operations as reported | \$ 0.40 | \$ 0.16 | \$ 1.09 | \$ 0.50 |
| Harsco Metals & Minerals adjustment to slag disposal accrual (a) | — | — | (0.04) | — |
| Altek acquisition costs (b) | — | — | 0.01 | — |
| Loss on early extinguishment of debt (c) | — | — | 0.01 | — |
| Harsco Metals & Minerals Segment bad debt expense (d) | — | 0.06 | — | 0.06 |
| Harsco Metals & Minerals Segment change in fair value to contingent consideration liability (e) | — | — | — | — |
| Taxes on above unusual items (f) | — | (0.02) | — | (0.02) |
| Deferred tax asset valuation allowance adjustment (g) | — | — | (0.10) | — |
| Adjusted diluted earnings per share from continuing operations excluding unusual items | \$ 0.40 | \$ 0.20 | \$ 0.98 (h) | \$ 0.54 |

- (a) Harsco Metals & Minerals adjustment to previously accrued amounts related to the disposal of certain slag material in Latin America (nine months 2018 \$3.2 million pre-tax).
- (b) Costs associated with the acquisition of Altek Europe Holdings Limited and its affiliated entities ("Altek") recorded in the Harsco Metals & Minerals Segment (nine months 2018 \$0.8 million pretax) and at Corporate (nine months 2018 \$0.4 million pretax).
- (c) Loss on early extinguishment of debt associated with the amending of the Company's existing Senior Secured Credit Facility in order to reduce the interest rate applicable to the Term Loan Facility (nine months 2018 \$1.0 million pre-tax).
- (d) Bad debt expense incurred in Harsco Metals & Minerals Segment (Q3 and nine months 2017 \$4.6 million pre-tax).
- (e) Fair value adjustment to contingent consideration liability related to the acquisition of Altek (Q3 and nine months 2018 \$0.4 million pre-tax). The Company adjusts Operating income and Diluted earnings per share from continuing operations to exclude the impact of the change in fair value to the acquisition-related contingent consideration liability for the Altek acquisition because it believes that the adjustments for this item more closely correlates the reported financial measures with the ordinary and ongoing course of the Company's operation.
- (f) Unusual items are tax effected at the global effective tax rate, before discrete items, in effect at the time the unusual item is recorded except for unusual items from countries where no tax benefit can be realized, in which case a zero percent tax rate is used.
- (g) Adjustment of certain existing deferred tax asset valuation allowances as a result of the Altek acquisition (nine months 2018 \$8.3 million).
- (h) Does not total due to rounding.

The Company's management believes Adjusted diluted earnings per share from continuing operations excluding unusual items, which is a non-U.S. GAAP financial measure, is useful to investors because it provides an overall understanding of the Company's historical and future prospects. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF ADJUSTED DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS EXCLUDING UNUSUAL ITEMS TO DILUTED LOSS PER SHARE FROM CONTINUING OPERATIONS AS REPORTED (Unaudited)

| | Three Months Ended December 31, 2017 |
|---|--|
| Diluted loss per share from continuing operations as reported | \$ (0.42) |
| Impact of U.S. tax reform on income tax benefit (expense) (a) | 0.59 |
| Loss on early extinguishment of debt (b) | 0.03 |
| Taxes on above unusual items (c) | (0.01) |
| Adjusted diluted earnings per share from continuing operations excluding unusual items | \$ 0.20 (d) |

(a) The Company recorded a charge as a result of revaluing net deferred tax assets and liabilities as a result of U.S. tax reform (\$48.7 million).

(b) Loss on early extinguishment of debt recorded at Corporate (\$2.3 million pre-tax).

(c) Unusual items are tax effected at the global effective tax rate, before discrete items, in effect at the time the unusual item is recorded except for unusual items from countries where no tax benefit can be realized, in which case a zero percent tax rate is used.

(d) Does not total due to rounding.

The Company's management believes Adjusted diluted earnings per share from continuing operations excluding unusual items, which is a non-U.S. GAAP financial measure, is useful to investors because it provides an overall understanding of the Company's historical and future prospects. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF ADJUSTED DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS EXCLUDING UNUSUAL ITEMS TO DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS AS REPORTED (Unaudited)

| | Twelve Months Ended December 31 2017 |
|---|---|
| Diluted earnings per share from continuing operations as reported | \$ 0.09 |
| Impact of U.S. Tax reform on income tax benefit (expense) (a) | 0.59 |
| Harsco Metals & Minerals Segment bad debt expense (b) | 0.06 |
| Loss on early extinguishment of debt (c) | 0.03 |
| Taxes on above unusual items (d) | (0.02) |
| Adjusted diluted earnings per share from continuing operations excluding unusual items | \$ 0.74 (e) |

(a) The Company recorded a charge as a result of revaluing net deferred tax assets and liabilities as a result of U.S. tax reform (\$48.7 million).

(b) Bad debt expense incurred in the Harsco Metals & Minerals Segment (\$4.6 million pre-tax).

(c) Loss on early extinguishment of debt recorded at Corporate (\$2.3 million pre-tax).

(d) Unusual items are tax effected at the global effective tax rate, before discrete items, in effect at the time the unusual item is recorded except for unusual items from countries where no tax benefit can be realized, in which case a zero percent tax rate is used.

(e) Does not total due to rounding.

The Company's management believes Adjusted diluted earnings per share from continuing operations excluding unusual items, which is a non-U.S. GAAP financial measure, is useful to investors because it provides an overall understanding of the Company's historical and future prospects. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF ADJUSTED OPERATING INCOME (LOSS) EXCLUDING UNUSUAL ITEMS BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT (Unaudited)

| (In thousands) | Harsco Metals & Minerals | Harsco Industrial | Harsco Rail | Corporate | Consolidated Totals |
|---|--------------------------|-------------------|-------------|------------|---------------------|
| Three Months Ended September 30, 2018: | | | | | |
| Operating income (loss) as reported | \$ 29,338 | \$ 13,959 | \$ 19,000 | \$ (5,188) | \$ 57,109 |
| Harsco Metals & Minerals Segment change in fair value to contingent consideration liability | 412 | — | — | — | 412 |
| Adjusted operating income (loss), excluding unusual items | \$ 29,750 | \$ 13,959 | \$ 19,000 | \$ (5,188) | \$ 57,521 |
| Revenues as reported | \$ 268,881 | \$ 93,912 | \$ 82,682 | \$ — | \$ 445,475 |
| Adjusted operating margin (%) excluding unusual items | 11.1% | 14.9% | 23.0% | | 12.9% |
| Three Months Ended September 30, 2017: | | | | | |
| Operating income (loss) as reported (a) | \$ 23,613 | \$ 12,954 | \$ 4,391 | \$ (6,329) | \$ 34,629 |
| Harsco Metals & Minerals bad debt expense | 4,589 | — | — | — | 4,589 |
| Adjusted operating income (loss), excluding unusual items | \$ 28,202 | \$ 12,954 | \$ 4,391 | \$ (6,329) | \$ 39,218 |
| Revenues as reported | \$ 255,163 | \$ 78,318 | \$ 51,134 | \$ 38 | \$ 384,653 |
| Adjusted operating margin (%) excluding unusual items | 11.1% | 16.5% | 8.6% | | 10.2% |

- (a) On January 1, 2018, the Company adopted changes issued by the Financial Accounting Standards Board related to how employers that sponsor defined benefit pension plans and other postretirement plans present net periodic pension cost ("NPPC") in the statement of operations. Employers are required to report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. Other components of NPPC are required to be presented in the statement of operations separately from the service cost component and outside of the subtotal of income from operations. The amounts presented reflect the adoption of these changes.

The Company's management believes Adjusted operating income (loss) excluding unusual items, which is a non-U.S. GAAP financial measure, is useful to investors because it provides an overall understanding of the Company's historical and future prospects. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF ADJUSTED OPERATING INCOME (LOSS) EXCLUDING UNUSUAL ITEMS BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT (Unaudited)

| (In thousands) | Harsco Metals & Minerals | Harsco Industrial | Harsco Rail | Corporate | Consolidated Totals |
|---|-----------------------------|----------------------|----------------|-------------|------------------------|
| <u>Nine Months Ended September 30, 2018:</u> | | | | | |
| Operating income (loss) as reported | \$ 92,734 | \$ 40,550 | \$ 29,570 | \$ (15,579) | \$ 147,275 |
| Harsco Metals & Minerals adjustment to slag disposal accrual | (3,223) | — | — | — | (3,223) |
| Altek acquisition costs | 753 | — | — | 431 | 1,184 |
| Harsco Metals & Minerals Segment change in fair value to contingent consideration liability | 412 | — | — | — | 412 |
| Adjusted operating income (loss), excluding unusual items | \$ 90,676 | \$ 40,550 | \$ 29,570 | \$ (15,148) | \$ 145,648 |
| Revenues as reported | \$ 805,924 | \$ 269,575 | \$ 209,912 | \$ 74 | \$ 1,285,485 |
| <u>Nine Months Ended September 30, 2017:</u> | | | | | |
| Operating income (loss) as reported (a) | \$ 80,834 | \$ 25,088 | \$ 18,800 | \$ (18,337) | \$ 106,385 |
| Harsco Metals & Minerals bad debt expense | 4,589 | — | — | — | 4,589 |
| Adjusted operating income (loss), excluding unusual items | \$ 85,423 | \$ 25,088 | \$ 18,800 | \$ (18,337) | \$ 110,974 |
| Revenues as reported | \$ 761,503 | \$ 217,766 | \$ 172,716 | \$ 107 | \$ 1,152,092 |

- (a) On January 1, 2018, the Company adopted changes issued by the Financial Accounting Standards Board related to how employers that sponsor defined benefit pension plans and other postretirement plans present net periodic pension cost ("NPPC") in the statement of operations. Employers are required to report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. Other components of NPPC are required to be presented in the statement of operations separately from the service cost component and outside of the subtotal of income from operations. The amounts presented reflect the adoption of these changes.

The Company's management believes Adjusted operating income (loss) excluding unusual items, which is a non-U.S. GAAP financial measure, is useful to investors because it provides an overall understanding of the Company's historical and future prospects. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF ADJUSTED OPERATING INCOME (LOSS), EXCLUDING UNUSUAL ITEMS BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT (Unaudited)

| (In thousands) | Harsco Metals & Minerals | Harsco Industrial | Harsco Rail | Corporate | Consolidated Totals |
|---|--------------------------|-------------------|-------------|-------------|---------------------|
| <u>Twelve Months Ended December 31, 2017:</u> | | | | | |
| Operating income (loss) as reported (a) | \$ 102,362 | \$ 35,532 | \$ 32,954 | \$ (25,455) | \$ 145,393 |
| Harsco Metals & Minerals bad debt expense | 4,589 | — | — | — | 4,589 |
| Adjusted operating income (loss), excluding unusual items | \$ 106,951 | \$ 35,532 | \$ 32,954 | \$ (25,455) | \$ 149,982 |
| Revenues as reported | \$ 1,011,328 | \$ 299,592 | \$ 295,999 | \$ 143 | \$ 1,607,062 |
| Adjusted operating margin (%) excluding unusual items | 10.6% | 11.9% | 11.1% | | 9.3% |

- (a) On January 1, 2018, the Company adopted changes issued by the Financial Accounting Standards Board related to how employers that sponsor defined benefit pension plans and other postretirement plans present net periodic pension cost ("NPPC") in the statement of operations. Employers are required to report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. Other components of NPPC are required to be presented in the statement of operations separately from the service cost component and outside of the subtotal of income from operations. The amounts presented reflect the adoption of these changes.

The Company's management believes Adjusted operating income (loss) excluding unusual items, which is a non-U.S. GAAP financial measure, is useful to investors because it provides an overall understanding of the Company's historical and future prospects. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF FREE CASH FLOW TO NET CASH PROVIDED BY OPERATING ACTIVITIES (Unaudited)

| (In thousands) | Three Months Ended Sept 30 | | Nine Months Ended Sept 30 | |
|--|-------------------------------|-----------|------------------------------|-----------|
| | 2018 | 2017 | 2018 | 2017 |
| Net cash used by operating activities | \$ 48,315 | \$ 36,126 | \$ 95,014 | \$ 82,905 |
| Less capital expenditures | (34,806) | (23,431) | (91,302) | (64,131) |
| Plus capital expenditures for strategic ventures (a) | 437 | 36 | 972 | 432 |
| Plus total proceeds from sales of assets (b) | 5,943 | 9,212 | 9,096 | 10,746 |
| Free cash flow | \$ 19,889 | \$ 21,943 | \$ 13,780 | \$ 29,952 |

(a) Capital expenditures for strategic ventures represent the partner's share of capital expenditures in certain ventures consolidated in the Company's financial statements.

(b) Asset sales are a normal part of the business model, primarily for the Harsco Metals & Minerals Segment.

The Company's management believes that free cash flow, which is a non-U.S. GAAP financial measure, is meaningful to investors because management reviews cash flows generated from operations less capital expenditures net of asset sales proceeds for planning and performance evaluation purposes. It is important to note that free cash flow does not represent the total residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements and settlements of foreign currency forward exchange contracts, are not deducted from the measure. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF FREE CASH FLOW AND FREE CASH FLOW BEFORE GROWTH CAPITAL EXPENDITURES TO NET CASH PROVIDED BY OPERATING ACTIVITIES (Unaudited)

| (In thousands) | Twelve Months Ended December 31 | |
|--|------------------------------------|------------|
| | 2017 | 2016 |
| Net cash provided by operating activities | \$ 176,892 | \$ 159,876 |
| Less capital expenditures | (98,314) | (69,340) |
| Plus capital expenditures for strategic ventures (a) | 865 | 170 |
| Plus total proceeds from sales of assets (b) | 13,418 | 9,305 |
| Free cash flow | 92,861 | 100,011 |
| Add growth capital expenditures | 16,465 | 9,868 |
| Free cash flow before growth capital expenditures | \$ 109,326 | \$ 109,879 |

- (a) Capital expenditures for strategic ventures represent the partner's share of capital expenditures in certain ventures consolidated in the Company's financial statements.
(b) Asset sales are a normal part of the business model, primarily for the Harsco Metals & Minerals Segment.

The Company's management believes that free cash flow, which is a non-U.S. GAAP financial measure, is meaningful to investors because management reviews cash flows generated from operations less capital expenditures net of asset sales proceeds for planning and performance evaluation purposes. The Company's management also believes that free cash flow before growth capital expenditures, which is a non-U.S. GAAP financial measure, is meaningful to investors because management uses this as a key factor in the deployment of capital for strategic planning purposes. It is important to note that free cash flow and free cash flow before growth capital expenditures do not represent the total residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements and settlements of foreign currency forward exchange contracts, are not deducted from these measures. These measures should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF FREE CASH FLOW TO NET CASH PROVIDED BY OPERATING ACTIVITIES (Unaudited)

| (In millions) | Projected Twelve Months Ending December 31 | | | |
|--|--|-------|------|-------|
| | 2018 | | | |
| | Low | | High | |
| Net cash provided by operating activities | \$ | 205 | \$ | 225 |
| Less capital expenditures | | (125) | | (133) |
| Plus total proceeds from asset sales and capital expenditures for strategic ventures | | 10 | | 8 |
| Free cash flow | \$ | 90 | \$ | 100 |

The Company's management believes that free cash flow, which is a non-U.S. GAAP financial measure, is meaningful to investors because management reviews cash flows generated from operations less capital expenditures net of asset sales proceeds for planning and performance evaluation purposes. It is important to note that free cash flow does not represent the total residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements and settlements of foreign currency forward exchange contracts, are not deducted from the measure. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF RETURN ON INVESTED CAPITAL EXCLUDING UNUSUAL ITEMS TO NET INCOME (LOSS) FROM CONTINUING OPERATIONS AS REPORTED (a) (Unaudited)

| (In thousands) | Trailing Twelve Months for Period Ended September 30 | |
|---|--|------------|
| | 2018 | 2017 |
| Income from continuing operations | \$ 64,791 | \$ 30,151 |
| Unusual items: | | |
| Impact of U.S. tax reform on income tax benefit | 48,680 | — |
| Harsco Metals & Minerals Segment bad debt expense | — | 4,589 |
| Loss on early extinguishment of debt | 3,299 | 35,337 |
| Harsco Metals & Minerals Segment adjustment to slag disposal accrual | (3,223) | — |
| Altek acquisition costs | 1,184 | — |
| Harsco Metals & Minerals Segment change in fair value to contingent consideration liability | 412 | — |
| Harsco Rail Segment forward contract loss provision | — | 5,000 |
| Harsco Metals & Minerals Segment cumulative translation adjustment liquidation | — | (1,157) |
| Taxes on above unusual items (b) | (804) | (12,615) |
| Deferred tax asset valuation allowance adjustment | (8,292) | — |
| Net income from continuing operations, as adjusted | 106,047 | 61,305 |
| After-tax interest expense (c) | 29,679 | 30,140 |
| Net operating profit after tax as adjusted | \$ 135,726 | \$ 91,445 |
| Average equity | \$ 250,595 | \$ 194,242 |
| Plus average debt | 630,474 | 656,437 |
| Average capital | \$ 881,069 | \$ 850,679 |
| Return on invested capital excluding unusual items | 15.4% | 10.7% |

(a) Return on invested capital excluding unusual items is net income (loss) from continuing operations excluding unusual items, and after-tax interest expense, divided by average capital for the year. The Company uses a trailing twelve month average for computing average capital.

(b) Unusual items are tax effected at the global effective tax rate, before discrete items, in effect at the time the unusual item is recorded except for unusual items from countries where no tax benefit can be realized, in which case a zero percent tax rate is used.

(c) The Company's effective tax rate approximated 37% for the trailing twelve months for period ended September 30, 2017 and for the trailing twelve months for period ended September 30, 2018, 37% was used for October 1, 2017 through December 31, 2017 and 23% was used for January 1, 2018 through September 30, 2018, on an adjusted basis, for interest expense. The lower rate for 2018 is due to U.S. Tax reform.

The Company's management believes Return on invested capital excluding unusual items, which is a non-U.S. GAAP financial measure, is meaningful in evaluating the efficiency and effectiveness of the capital invested in the Company's business. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, net income or other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF RETURN ON INVESTED CAPITAL EXCLUDING UNUSUAL ITEMS TO NET INCOME (LOSS) FROM CONTINUING OPERATIONS AS REPORTED (a) (Unaudited)

| (In thousands) | Year Ended December 31 | |
|--|------------------------|--------------|
| | 2017 | 2016 |
| Income (loss) from continuing operations | \$ 11,648 | \$ (80,422) |
| Unusual items: | | |
| Impact of U.S. tax reform on income tax benefit (expense) | 48,680 | — |
| Harsco Metals & Minerals Segment bad debt expense | 4,589 | — |
| Loss on early extinguishment of debt | 2,265 | 35,337 |
| Net loss on dilution and sale of equity investment | — | 53,822 |
| Harsco Rail Segment forward contract loss provision | — | 45,050 |
| Harsco Metals & Minerals Segment site exit and underperforming contract charges, net | — | 5,100 |
| Harsco Metals & Minerals Segment separation costs | — | 3,287 |
| Expense of deferred financing costs | — | 1,125 |
| Harsco Metals & Minerals Segment cumulative translation adjustment liquidation | — | (1,157) |
| Taxes on above unusual items (b) | (2,052) | (17,335) |
| Net income from continuing operations, as adjusted | 65,130 | 44,807 |
| After-tax interest expense (c) | 29,957 | 31,790 |
| Net operating profit after tax as adjusted | \$ 95,087 | \$ 76,597 |
| Average equity | \$ 189,560 | \$ 290,995 |
| Plus average debt | 638,964 | 821,559 |
| Average capital | \$ 828,524 | \$ 1,112,554 |
| Return on invested capital excluding unusual items | 11.5% | 6.9% |

- (a) Return on invested capital excluding unusual items is net income (loss) from continuing operations excluding unusual items, and after-tax interest expense, divided by average capital for the year. The Company uses a trailing twelve month average for computing average capital.
- (b) Unusual items are tax effected at the global effective tax rate, before discrete items, in effect at the time the unusual item is recorded except for unusual items from countries where no tax benefit can be realized, in which case a zero percent tax rate is used.
- (c) The Company's effective tax rate approximated 37% on an adjusted basis for both periods for interest expense.

The Company's management believes Return on invested capital excluding unusual items, which is a non-U.S. GAAP financial measure, is meaningful in evaluating the efficiency and effectiveness of the capital invested in the Company's business. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, net income or other information provided in accordance with U.S. GAAP.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF EBITDA BY SEGMENT AND ADJUSTED EBITDA EXCLUDING UNUSUAL ITEMS BY SEGMENT TO OPERATING INCOME (LOSS) AS PREVIOUSLY REPORTED BY SEGMENT AFTER PENSION RECLASSIFICATION (Unaudited) (a)

| (In thousands) | Harsco Metals & Minerals | Harsco Industrial | Harsco Rail | Corporate | Consolidated Totals |
|---|-----------------------------|----------------------|----------------|-------------|---------------------|
| Twelve Months Ended December 31, 2017: | | | | | |
| Operating income (loss) as previously reported | \$ 105,257 | \$ 35,174 | \$ 32,091 | \$ (29,723) | \$ 142,799 |
| Pension reclassification adjustment | (2,895) | 358 | 863 | 4,268 | 2,594 |
| Operating income (loss), after reclassification | 102,362 | 35,532 | 32,954 | (25,455) | 145,393 |
| Depreciation and amortization | 112,297 | 7,360 | 4,221 | 3,080 | 126,958 |
| EBITDA | 214,659 | 42,892 | 37,175 | (22,375) | 272,351 |
| Harsco Metals & Minerals bad debt expense | 4,589 | — | — | — | 4,589 |
| Adjusted EBITDA, excluding unusual items | \$ 219,248 | \$ 42,892 | \$ 37,175 | \$ (22,375) | \$ 276,940 |

- (a) On January 1, 2018, the Company adopted changes issued by the Financial Accounting Standards Board related to how employers that sponsor defined benefit pension plans and other postretirement plans present net periodic pension cost ("NPPC") in the statement of operations. Employers are required to report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. Other components of NPPC are required to be presented in the statement of operations separately from the service cost component and outside of the subtotal of income from operations.

EBITDA by segment and Adjusted EBITDA by segment are non-GAAP financial measures. EBITDA by segment consists of operating income from continuing operations by segment adjusted to add back depreciation and amortization by segment (excluding amortization of deferred financing costs). Adjusted EBITDA by segment consists of EBITDA adjusted to add back certain unusual items by segment. The Company's management believes EBITDA by segment and Adjusted EBITDA by segment are meaningful to investors because management reviews EBITDA by segment and Adjusted EBITDA by segment in assessing and evaluating performance. However, these measures should be considered in addition to, rather than as substitutes for Operating income from continuing operations by segment and other information provided in accordance with GAAP. The Company's method of calculating EBITDA by segment and Adjusted EBITDA by segment may differ from methods used by other companies and, as a result, EBITDA by segment and Adjusted EBITDA by segment may not be comparable to other similarly titled measures disclosed by other companies.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF EBITDA; AND ADJUSTED EBITDA EXCLUDING UNUSUAL ITEMS AND NET MAINTENANCE CAPITAL EXPENDITURES TO NET INCOME FROM CONTINUING OPERATIONS, AS REPORTED (Unaudited)

| | Twelve Months Ended December 31 2017 |
|---|---|
| (In thousands) | |
| Net income from continuing operations, as reported | \$ 11,648 |
| Add back (Deduct): | |
| Income tax expense | 83,803 |
| Loss on early extinguishment of debt | 2,265 |
| Defined benefit pension expense (a) | 2,594 |
| Interest income | (2,469) |
| Interest Expense | 47,552 |
| Depreciation and amortization | 126,958 |
| EBITDA | 272,351 |
| Harsco Metals & Minerals bad debt expense | 4,589 |
| Adjusted EBITDA | 276,940 |
| Less: Net maintenance capital expenditures (b) | (68,431) |
| Adjusted EBITDA less net maintenance capital expenditures | \$ 208,509 |

(a) On January 1, 2018, the Company adopted changes issued by the Financial Accounting Standards Board related to how employers that sponsor defined benefit pension plans and other postretirement plans present net periodic pension cost ("NPPC") in the statement of operations. Employers are required to report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. Other components of NPPC are required to be presented in the statement of operations separately from the service cost component and outside of the subtotal of income from operations.

(b) Net maintenance capital expenditures are necessary to sustain the Company's current revenue streams and include contract renewal.

EBITDA, adjusted EBITDA and Adjusted EBITDA less net maintenance capital expenditures are non-GAAP financial measures. EBITDA consists of net income (loss) from continuing operations, as adjusted to add back (i) income tax expense (benefit), (ii) interest expense/(interest income), (iii) depreciation and amortization, (iv) loss on the early extinguishment of debt, (v) defined benefit pension expense (income) and (vi) equity in loss (income) of unconsolidated entities, net. Adjusted EBITDA consists of EBITDA as adjusted to add back certain unusual items. The Company's management believes that EBITDA, adjusted EBITDA and adjusted EBITDA less net maintenance capital expenditures are meaningful to investors because management reviews EBITDA, adjusted EBITDA, and adjusted EBITDA less net maintenance capital expenditures in assessing and evaluating its performance. However, these measures should be considered in addition to, rather than as substitutes for, net income (loss) from continuing operations and other information provided in accordance with GAAP. Our method of calculating EBITDA, adjusted EBITDA and adjusted EBITDA less net maintenance capital expenditures may differ from the methods used by other companies and, as a result, EBITDA, adjusted EBITDA and adjusted EBITDA less net maintenance capital expenditures may not be comparable to other similarly titled measures disclosed by other companies.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF NET MAINTENANCE CAPITAL EXPENDITURES TO PURCHASES OF PROPERTY, PLANT AND EQUIPMENT (Unaudited)

| | Twelve Months Ended December 31 2017 |
|--|---|
| (In thousands) | |
| Maintenance capital expenditures (a) | \$ 81,849 |
| Growth capital expenditures (b) | 16,465 |
| Purchases of property, plant and equipment | 98,314 |
| Less growth capital expenditures | (16,465) |
| Less total proceeds from sales of assets (c) | (13,418) |
| Net maintenance capital expenditures | \$ 68,431 |

- (a) Maintenance capital expenditures are necessary to sustain the Company's current revenue streams and include contract renewal.
- (b) Growth capital expenditures, for which management has discretion as to amount, timing and geographic placement, expand the Company's revenue base and create additional future cash flow.
- (c) Asset sales are a normal part of the business model, primarily for the Harsco Metals & Minerals Segment.

Net maintenance capital expenditures, a non-GAAP financial measure, consists of (i) purchases of property, plant and equipment less (ii) total proceeds from sales of assets which is then adjusted to (i) subtract growth capital expenditures. The Company's management believes that net maintenance capital expenditures is meaningful to investors because management reviews net maintenance capital expenditures in assessing and evaluating the Company's performance. This measure should be considered in addition to, rather than as a substitute for, Purchases of Property, Plant and Equipment and other information provided in accordance with GAAP. The Company's method of computing net maintenance capital expenditures may differ from the methods used by other companies and, as a result, net maintenance capital expenditures as presented in this lender presentation may not be comparable to other similarly titled measures disclosed by other companies.

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF ADJUSTED OPERATING INCOME, EXCLUDING UNUSUAL ITEMS TO OPERATING INCOME AS REPORTED AFTER PENSION RECLASSIFICATION (Unaudited) (a)

| (In thousands) | Twelve Months Ended December 31 2017 | Twelve Months Ended December 31 2016 |
|--|--|--|
| Operating income as previously reported | \$ 142,799 | \$ 63,469 |
| Pension reclassification adjustment | 2,594 | 1,414 |
| Operating income, after reclassification | 145,393 | 64,883 |
| Harsco Metals & Minerals bad debt expense | 4,589 | — |
| Harsco Rail Segment forward contract loss provision | — | 45,050 |
| Harsco Metals & Minerals Segment site exit charges | — | 5,100 |
| Harsco Metals & Minerals Segment separation costs | — | 3,287 |
| Harsco Metals & Minerals Segment cumulative translation adjustment liquidation | — | (1,157) |
| Adjusted operating income, excluding unusual items, after reclassifications | \$ 149,982 | \$ 117,163 |
| Revenues as reported | \$ 1,607,062 | \$ 1,451,223 |
| Operating margin (%) | 9.3% | 8.1% |

- (a) On January 1, 2018, the Company adopted changes issued by the Financial Accounting Standards Board related to how employers that sponsor defined benefit pension plans and other postretirement plans present net periodic pension cost ("NPPC") in the statement of operations. Employers are required to report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. Other components of NPPC are required to be presented in the statement of operations separately from the service cost component and outside of the subtotal of income from operations.

The Company's management believes Adjusted operating income excluding unusual items, which is a non-U.S. GAAP financial measure, is useful to investors because it provides an overall understanding of the Company's historical and future prospects. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.