HARSCO

Investor Presentation

May-June 2019

SAFE HARBOR STATEMENT

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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, including the acquisition of CEHI Acquisition Corporation and Subsidiaries ("Clean Earth"); (13) risks associated with the acquisition of Clean Earth and the sale of Harsco Industrial Air-X-Changers generally, such as the inability to obtain, or delays in obtaining, regulatory approval; (14) the occurrence of any event, change or other circumstances that could give rise to the termination of the definitive agreements entered into for the acquisition of Clean Earth and the sale of Harsco Industrial Air-X-Changers; (15) potential severe volatility in the capital markets and the impact on the cost of the Company to obtain debt financing as may be necessary to consummate the acquisition of Clean Earth; (16) failure to retain key management and employees of Clean Earth and its subsidiaries; (17) the amount and timing of repurchases of the Company's common stock, if any; (18) the outcome of any disputes with customers, contractors and subcontractors; (19) 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; (20) implementation of environmental remediation matters; (21) risk and uncertainty associated with intangible assets; and (22) 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, 2018. 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.

Explanatory Note Regarding Estimates

This presentation includes certain estimates. These estimates reflect management's best estimates based upon currently available information and certain assumptions we believe to be reasonable. These estimates are inherently uncertain, subject to risks and uncertainties, many of which are not within our control, have not been reviewed by our independent auditors and may be revised as a result of management's further review. In addition, these estimates are not a comprehensive statement of our financial results, and our actual results may differ materially from these estimates due to developments that may arise between now and the time the results are final. There can be no assurance that the estimates will be realized, and our results may vary significantly from the estimates, including as a result of unexpected issues in our business and operations. Accordingly, you should not place undue reliance on such information. See "Forward-Looking Statements".

Non-GAAP Measures

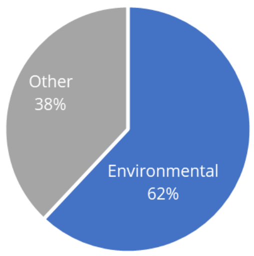
Throughout this presentation, the Company refers to certain non-GAAP measures, including without limitation, adjusted operating income (loss) from continuing operations, adjusted operating income margin, adjusted diluted earnings per share from continuing operations, adjusted return on invested capital, EBITDA, adjusted EBITDA, free cash flow and free cash flow before growth 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.

Acquisition of Clean Earth
Divestiture of Air-X-Changers

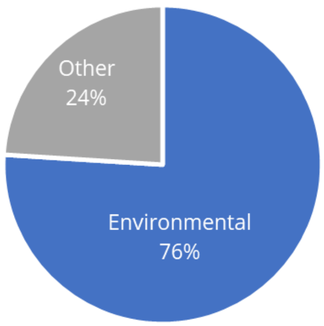
TWO TRANSACTIONS THAT POSITION HARSCO AS LEADING GLOBAL PROVIDER OF ENVIRONMENTAL SOLUTIONS

- Accelerates Harsco's environmental strategy and transformation to single thesis company
- Optimizes the portfolio with a focus on value creation
- Decreases complexity and earnings volatility with focus on high growth and margin businesses
- Maintains Harsco's solid financial profile

2018A Revenue Breakdown



2018A PF Revenue Breakdown



CLEAN EARTH IS A STRONG FIT AND LOGICAL EXPANSION OF HARSCO'S PORTFOLIO

Key Facts and Figures[1]

2019E Revenue ($MM)	~$300	**2019E Synergy Adj. EBITDA ($MM)**	~$75
2014 – 2018 Organic Revenue CAGR	7%	**2014 – 2018 Total Revenue CAGR**	14%
# of Permits	220	**# of Permitted Facilities**	27
# of Commercial TSDF Sites	9	**Beneficial Re-Use of Waste**	

- Provides entry into adjacent, high-margin environmental services markets with significant regulatory barriers of entry
- Diverse industrial customers with recurring and long-term customer relationships
- Focus on innovation with deep organizational process knowledge
- Resilient business model, with attractive financial characteristics
- Growth platform (strong organic growth, acquisitions)
- Strong alignment of values and cultures
- Management team with proven track record of financial, environmental and safety performance
- Opportunity for cross-selling with Environmental and for global expansion over time

1. Clean Earth only financial details. 2019 Synergy Adjusted EBITDA translates to Clean Earth estimated Adjusted EBITDA for 2019 plus estimated synergies of $10 million.

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SUMMARY OF TRANSACTION: CLEAN EARTH ACQUISITION

Purchase Price	• $625 million purchase consideration, all cash • Subject to post-closing adjustments
Expected Full Year 2019 Impact	• Revenue: ~$300 million • Adjusted EBITDA: ~$65 million
Synergies	• Harsco expects to achieve up to $10 million in annual run-rate synergies by 2020
Financial Benefits	• Transaction will be EBITDA margin enhancing as well as adjusted operating income and free cash flow accretive immediately • Anticipated to be accretive to EPS by 2020, the first full-year after closing • Updated guidance to be provided at a later date
Financing	• Committed bank financing • Plan to pursue long-term, unsecured debt financing, as well as upsize and extend revolving credit facility • Harsco will continue to maintain a conservative, flexible and low-cost capital structure
Management	• Existing Clean Earth management team will remain in place
Closing	• Expected to close in the next few months, subject to regulatory approvals and customary closing conditions

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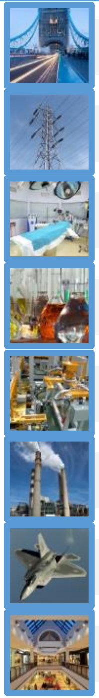
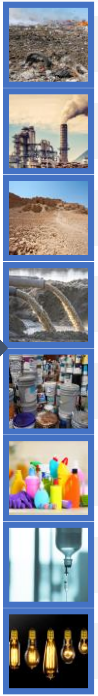
CLEAN EARTH: DIVERSE CUSTOMER BASE AND INDUSTRY EXPOSURE, WITH OPERATIONAL EXPERTISE

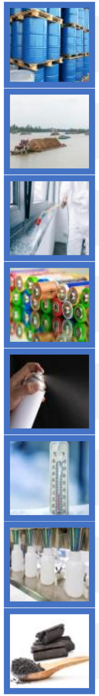
CUSTOMER (WASTE GENERATOR)



- Infrastructure
- Power & Utilities
- Healthcare
- Chemicals
- Manufacturing
- Energy
- Aerospace & Defense
- Retail

WASTE STREAMS





Contaminated Materials	Industrial Solvents
Manufactured Gas Plants	Dredged Material
Clean Fill	Chemicals / Pesticides
Haz. & Ind. Wastewater	Batteries
Latex Paints	Aerosols
Household Chemicals	Mercury Devices
Oncology Drugs	Lab Packs
Lightbulbs	Coal Combustion

CLEAN EARTH TREATMENT CAPABILITIES

- Thermal Desorption
- Stabilization
- Bioremediation
- Solidification
- Lab Packing
- Chemical Fixation
- Fuel Blending
- De-characterization

VALUE PROPOSITION

Recycling / Beneficial Reuse

- ✓ Cost Effective
- ✓ Reliability / Speed
- ✓ Regulatory Compliance
- ✓ Service Capabilities and Capacity
- ✓ Proven ability to Grow the Business

Clean Earth Operations

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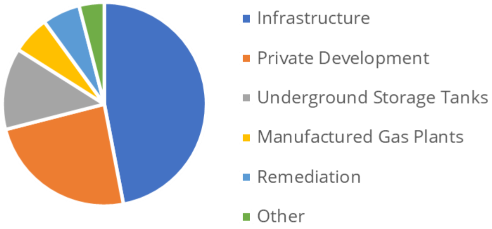
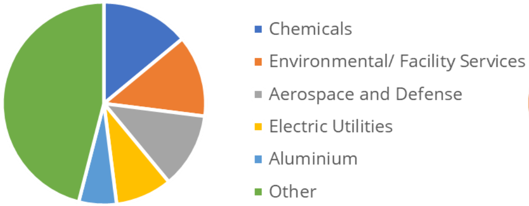
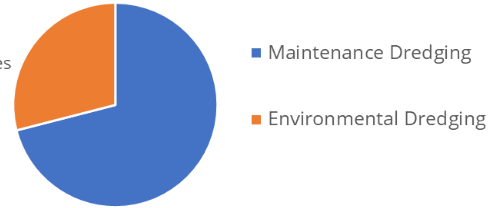
CLEAN EARTH: BUSINESS LINE OVERVIEW

	Contaminated Materials	Hazardous Waste	Dredge
% of Revenue	~50%	~40%	~10%
Description	Treats contaminated soil generated from industrial activities	Provides tracking, testing, processing, recycling, and disposal services for hazardous waste streams	Treats dredge material from both maintenance and environmental-driven projects
Key Industry Exposures			
# of Facilities	14	11	2

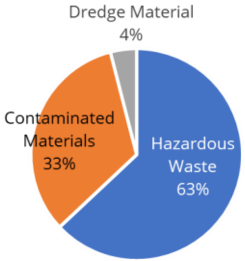
- Clean Earth's business lines are unified by the following:
  - Focus on special wastes with ongoing processing needs
  - Industry leader with strong asset position
  - Processing demand driven by basic industry activity, infrastructure investments, environmental compliance and regular maintenance
  - Strong margin and cash flow business with limited capital requirements

ATTRACTIVE MARKET FUNDAMENTALS

Large Addressable Market

- Highly fragmented industry provides ample runway for growth
- Meaningful additional M&A opportunities

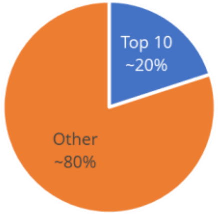
U.S. Addressable Market: ~$8 billion



Diverse Customers and Industry Exposures

- Widely diversified base of customers across a variety of industries
- Provides an avenue for Harsco to grow with broader industrial customer base

Limited Customer Concentration



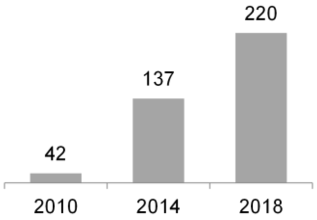
Recurring Revenue Drivers

- Business is typically recession-resistant due to necessity of services and extensive regulatory framework
- Regulatory requirements drive high demand for service — customers must manage wastes in timely and compliant manner
- Years of improper disposal and treatment support future growth

High Barriers to Entry

- Permits are scarce and very valuable — no new commercial Resource Conservation Recovery Act (RCRA) Part B permits for processing hazardous waste have been issued in over 30 years
- Maintains internal team dedicated to regulatory compliance — a key differentiator and core competency that drives quality processes

Active Permits



Source: Company information and estimates

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GROWTH OPPORTUNITIES

Growing list of materials designated as Hazardous and Contaminated

Continued market penetration through new permits and treatments as well as market expansion

Permit modifications and expansions

Geographic expansion

Increased maintenance and environment dredging in core and new markets

Large, actionable M&A pipeline

Recent Examples by Business Line

Hazardous Materials	**Permit Modifications:** 220 active permits with 14+ permit modifications pending approval and a 100% success rate on permit renewals historically
Contaminated Materials	**Mobile Units:** Expands and strengthens customer base by providing treatment services onsite
Dredging	**Environmental Dredging:** identified sizable upcoming projects to clean up contaminated waterways that will contribute to current business line backlog

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SUMMARY OF TRANSACTION: AIR-X-CHANGERS DIVESTITURE

Purchase Price	• $592 million all cash, subject to post-closing adjustments • Translates to 12x TTM EBITDA, including value for acquired tax attributes
Use of Proceeds	• Proceeds will be used to repay debt to maintain a conservative, flexible and low-cost capital structure and support further investment in the core environmental solutions business and the Harsco Rail Segment.
Expected Full Year 2019 Impact	• Revenue: ~$275 million • EBITDA: ~$60 million
Financial Considerations	• Sizable book and tax gain; tax impact of approximately $120 million • Divestiture is well-timed and valuation attractive in relation to the mature industry cycle • While dilutive to EPS, provides for stronger balance sheet
Closing	• Expected to close in the next few months, subject to regulatory approvals and customary closing conditions

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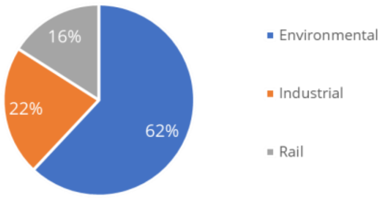
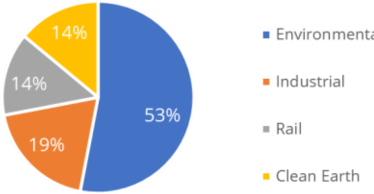
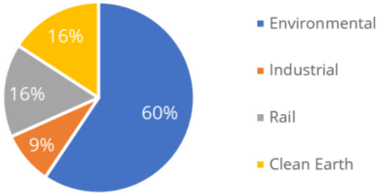
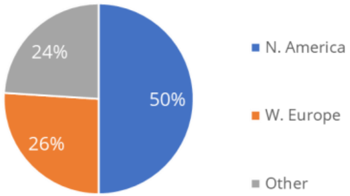
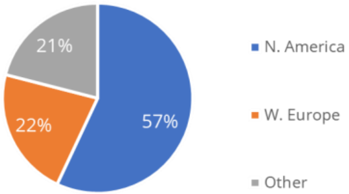
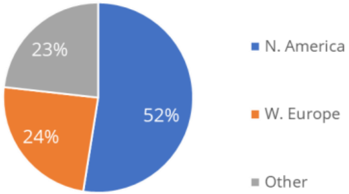
PRO FORMA FINANCIAL OVERVIEW

	Harsco	Harsco + Clean Earth	Harsco + Clean Earth - Air-X-Changers
2018A Sales by Segment			
2018A Sales by Geography			
2019E Sales	\$1.9 bn	\$2.2 bn	\$2.0 bn
2019E Adj. EBITDA	\$350 mm[(1)]	\$425 mm[(2)]	\$365 mm
2019E Net Leverage[(3)]	1.5x	2.7x	1.9x

2018A Sales by Segment – Harsco:

2018A Sales by Segment – Harsco + Clean Earth:

2018A Sales by Segment – Harsco + Clean Earth - Air-X-Changers:

2018A Sales by Geography – Harsco:

2018A Sales by Geography – Harsco + Clean Earth:

2018A Sales by Geography – Harsco + Clean Earth - Air-X-Changers:

1. Reflects midpoint of most recent operating income guidance + estimated FY 2019 D&A.
2. Includes \$10 mm of synergies.
3. Based on bank leverage calculation in accordance with credit facility.

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Q1 2019 Results & Outlook

Q1 2019 FINANCIAL SUMMARY

KEY PERFORMANCE INDICATORS

- Q1 adjusted operating income at high-end of guidance range ($36-43 million)
- Industrial and Rail segments achieved strong earnings growth relative to prior-year quarter
- Environmental adjusted income declined, as expected, given growth investments, FX and commodity prices
- Adjusted EPS exceeded guidance range of $0.20 to $0.26, mainly due to tax rate
- Q1 FCF improved due to higher cash earnings and working capital

		CHANGE VS. 2018	
$ in millions except EPS	Q1 2019	$	% or bps
Revenues	447	39	10%
GAAP Operating Income	38	2	5%
% of Sales	*8.6%*		*(40)bps*
Adjusted Operating Income[1]	42	5	14%
% of Sales[1]	*9.3%*		30bps
GAAP Diluted Earnings Per Share	0.26	0.04	18%
Adjusted Diluted Earnings Per Share[1]	0.29	0.07	32%
Free Cash Flow[2]	(20)	15	nmf
ROIC (TTM)[1]	16.2%		370bps

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.

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2019 OUTLOOK – CONSOLIDATED

	2019 Outlook	2019 Prior	2018 Actual
ADJUSTED OPERATING INCOME[1]	$207 to $222M	$200 to $220M	$187M
ADJUSTED OPERATING INCOME MARGIN[1]	11.0% to 11.5%	10.5% to 11.5%	10.8%
ADJUSTED DILUTED EARNINGS PER SHARE[1]	$1.35 to $1.53	$1.29 to $1.47	$1.31
FREE CASH FLOW BEFORE GROWTH CAPITAL[2]	$135 to $150M	$130 to $150M	$104M
FREE CASH FLOW[2]	$55 to $70M	$50 to $70M	$73M
ROIC[1]	16.0% to 17.0%	16.0% to 17.0%	16.1%

(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.

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Q2 2019 OUTLOOK

Adjusted operating income[1] is expected to be between

$53M–$58M versus $52M in Q2 2018

Adjusted diluted earnings per share[1] of

$0.35–$0.40 versus $0.36 in Q2 2018

Corporate costs

higher than the prior-year quarter

YEAR-OVER-YEAR CONSIDERATIONS INCLUDE:

HARSCO ENVIRONMENTAL

Increased services demand and site growth, offset by SG&A investments, FX translation, exits and commodity prices

HARSCO INDUSTRIAL

Increased demand across business, partially offset by product mix and SG&A costs

HARSCO RAIL Enabling TECHNOLOGY IN MOTION

Higher equipment, after-market and Protran contributions, partially offset by R&D and SG&A investments and lower Contracting services

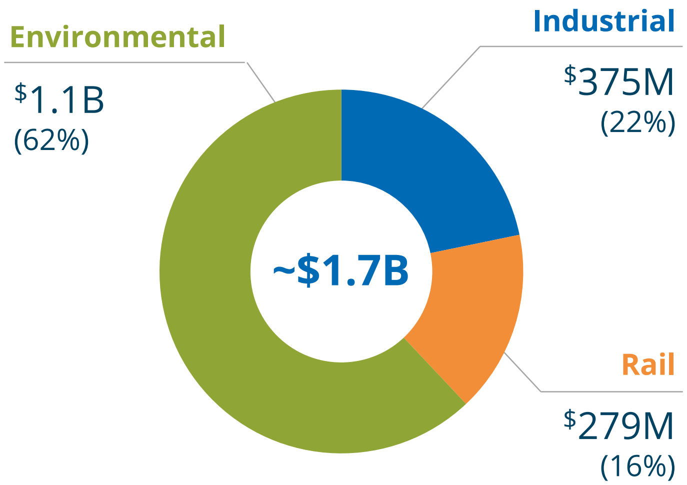
(1) Adjusted operating income and adjusted diluted earnings per share are non-GAAP numbers. See tables at end of presentation for GAAP to non-GAAP reconciliations.

Harsco Overview

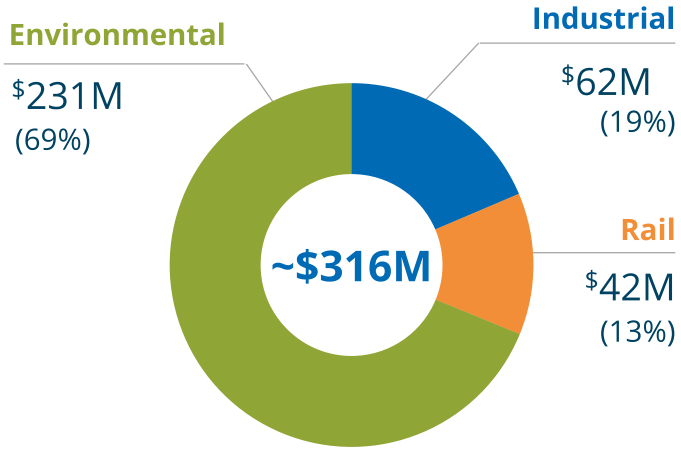
HARSCO TODAY

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

FY 2018 Revenue



2018 EBITDA (Adjusted)[1]



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

MEGA TRENDS PLAY TO OUR STRENGTHS

1 NATURAL RESOURCE CONSERVATION

2 ENERGY INDEPENDENCE

3 SAFETY

4 GLOBAL INFRASTRUCTURE INVESTMENTS

5 TRADE POLICY

6 ENVIRONMENTAL POLICY CHANGES

7 NATURAL GAS GLOBALIZATION

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INVESTMENTS 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
- Positive secular trends: environmental solutions, sustainability, rail safety and analytics and energy resource development
- Market outlook favorable

POSITIONED FOR GROWTH

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

ROIC-FOCUSED PORTFOLIO DEVELOPMENT

GROWTH TO OUTPACE SERVED MARKETS

STRATEGY ALIGNED WITH CREATING SHAREHOLDER VALUE

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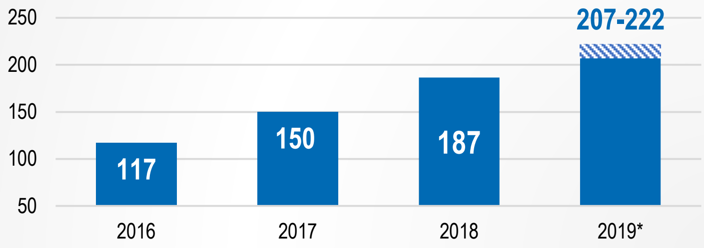
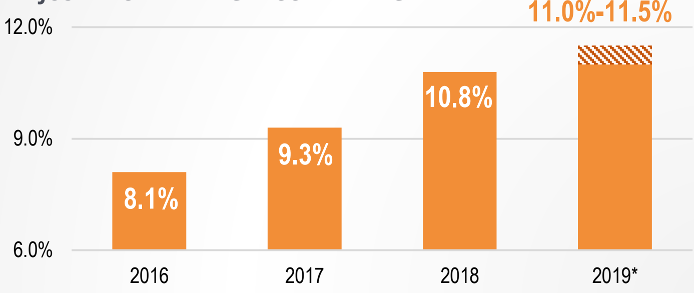
POISED FOR LONG-TERM GROWTH WITH IMPROVING PERFORMANCE

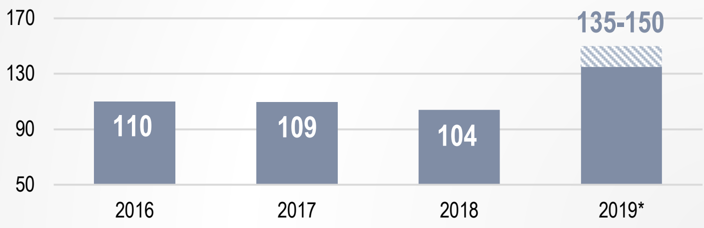
ADJUSTED OPERATING INCOME[1]
($ Millions)



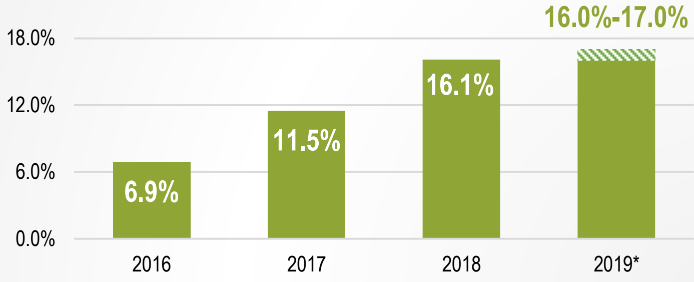
ADJUSTED OPERATING INCOME MARGIN[1]



FREE CASH FLOW BEFORE GROWTH CAPEX[1]
($ Millions)



ROIC[1]



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

* 2019 guidance as reported on 05.09.19

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HARSCO ENVIRONMENTAL

$1.1B

2018 Revenue

70 Customers

30+ Countries

~145 Sites

Serving 30% of global LST[1]

MAKING A WORLD OF DIFFERENCE™

(1) Excludes China, CIS, Iran, Japan, South Korea, Taiwan and Vietnam steel output.

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HARSCO ENVIRONMENTAL – A GLOBAL MARKET LEADER

Transformation Initiatives
SIGNIFICANTLY IMPROVED
Return Profile

VALUE DRIVERS

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

RESOURCE RECOVERY

MATERIALS MANAGEMENT & SERVICES

ENVIRONMENTAL &
(ZERO WASTE) PRODUCT SOLUTIONS

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HARSCO ENVIRONMENTAL – APPLIED PRODUCTS

- ADVANCED MATERIAL TECHNOLOGIES DELIVERING ZERO WASTE SOLUTIONS

20%

OF ENVIRONMENTAL'S REVENUES

ATTRACTIVE MARGIN PROFILE

ABRASIVES


FERTILIZER


ASPHALT


ROOFING GRANULES


ROAD CONSTRUCTION


METALLURGICAL ADDITIVES

SOIL CONDITIONER


CEMENT PRODUCTION


SLAG CONDITIONERS

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HARSCO ENVIRONMENTAL – APPLIED PRODUCTS

GLOBAL PRESENCE WITH EXPANSION POTENTIAL

Performix, US
- Specialty additives used by steelmakers in ladle refining

Steelphalt, UK
- Asphalt for road construction

ALTEK Group, UK
- Productivity and environmental solutions, mainly for the aluminum industry

Excell, US
- Soil conditioner / fertilizer / acid mine drainage

THT, China
- Road construction
- Fertilizer
- Cement substitute

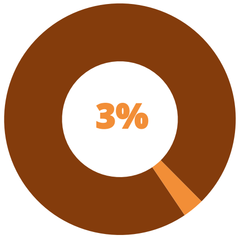
Reed Minerals, US
- Abrasives
- Roofing granules

Excell, Brazil
- Soil conditioner / fertilizer

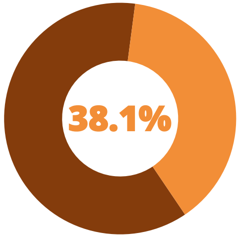
India
- Steel and ferrochrome slag based products
- Road construction
- Fertilizer

HARSCO RAIL

A CAPITAL-LIGHT BUSINESS WITH HIGH RETURNS

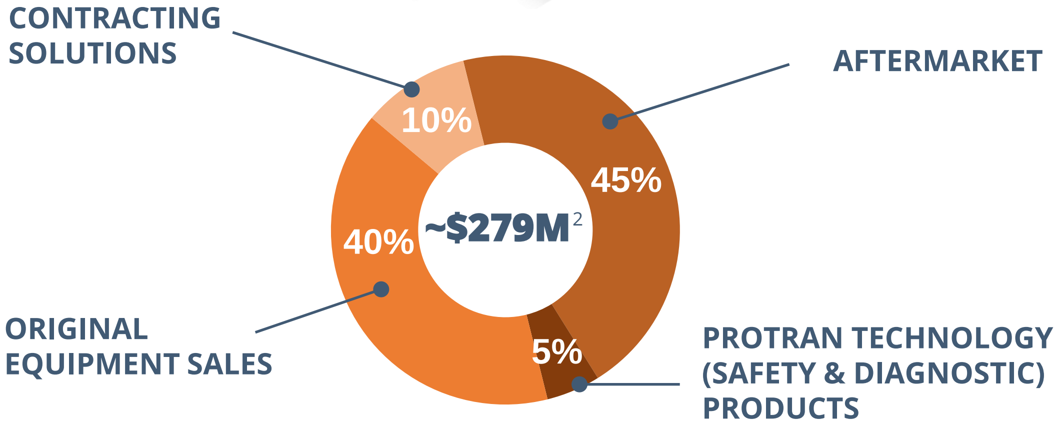


Yearly CapEx
3% of revenue (2018)[1]



ROIC ~ 38.1% (2018)[1]

REVENUE MIX BY BUSINESS



(1) Segment ROIC for 2018 = segment net operating profit after tax (NOPAT) divided by net operating assets.

(2) Revenue breakdown from 2018.

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

HARSCO RAIL
Enabling TECHNOLOGY IN MOTION

-Original Equipment

-Aftermarket

-Protran Technology Products

-Contracting Solutions

VALUE DRIVERS

- Growing demand for increased safety and track condition awareness
- Large and growing aftermarket opportunity
- Breadth of products and services, that support global infrastructure and rail investments
- Innovative technology and next generation equipment solutions
- Productivity improvements for customers
- Increased rail safety

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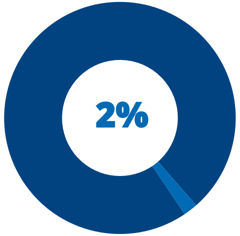
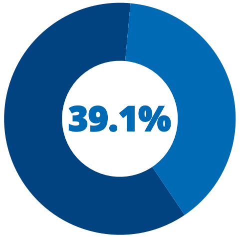
HARSCO INDUSTRIAL

A CAPITAL-LIGHT BUSINESS WITH HIGH RETURNS

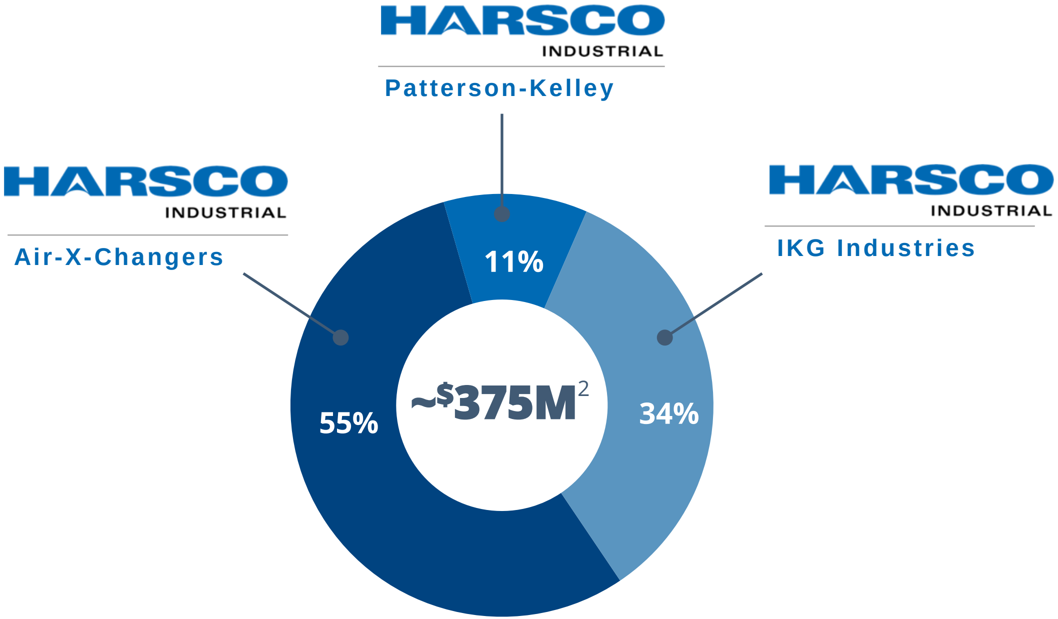


Yearly CapEx
2% of revenue (2018)[1]



ROIC ~ 39.1% (2018)[1]

REVENUE MIX BY BUSINESS



(1) Segment ROIC for 2018 = segment net operating profit after tax (NOPAT) divided by net operating assets.

(2) Revenue breakdown from 2018.

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HARSCO INDUSTRIAL – PREMIUM QUALITY PRODUCTS AND TRUSTED BRANDS

HARSCO INDUSTRIAL

Air-X-Changers

A **leader** in high quality air-cooled heat exchangers, sold to energy markets

HARSCO INDUSTRIAL

Patterson-Kelley

Innovative commercial boilers & water heaters

HARSCO INDUSTRIAL

IKG Industries

Leading producer of industrial metal grating products & security fencing

VALUE DRIVERS

- Broad, attractive and strengthening end-markets
- Unique design, engineering and service support
- Products support:
  - Energy reliability and independence
  - Globalization of natural gas
  - Industrial worker safety
  - Energy efficiency, via efficient conversion of natural resources to heat and hot water
- Growth through innovation, market penetration and new products delivery

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INNOVATION DRIVEN GROWTH

A CULTURE GROUNDED IN SOLVING CUSTOMER NEED SUPPORTED BY BUSINESS DEVELOPMENT AND HOME-GROWN TECHNOLOGIES

INSIGHT → IDEA → FILTERING & EVALUATION → DEVELOPMENT → EXECUTION

- Solving environmental challenges & preserving natural resources
- Achieving productivity & cost improvements
- Strengthening safety performance
- Supporting infrastructure rail investments & performance
- Supporting energy reliability & independence

SOME OF OUR INNOVATIVE SOLUTIONS

STEAM BOXES
MOBILE SCRAP SHEAR
FALCON METAL RECOVERY

GRATEGUARD SECURITY FENCING
INTEGRATED COOLER SILENCER
NURO CONTROL SOFTWARE

CALLISTO TRACK GEOMETRY SOLUTIONS
STONEBLOWING
FUTURE SMALL EQUIPMENT SOLUTION

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GROWTH OPPORTUNITIES – ENVIRONMENTAL

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

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

New and Expanded Environmental Product Solutions

(1) Contract wins since 2016

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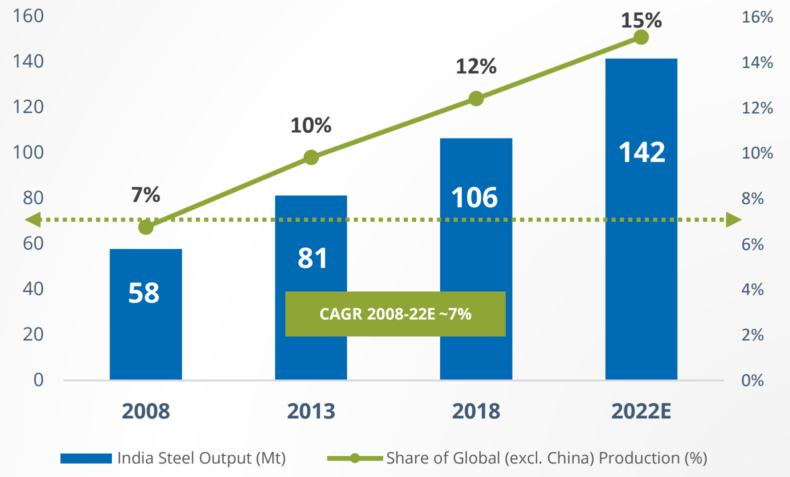
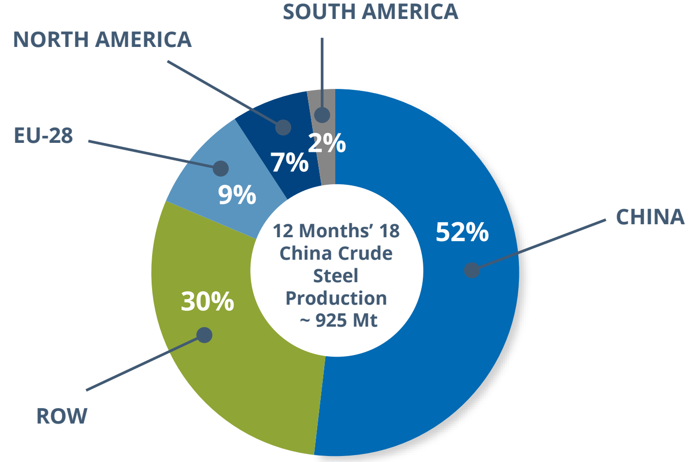
GROWTH OPPORTUNITIES – ENVIRONMENTAL

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



CHINA: SIGNIFICANT OPPORTUNITIES FROM OUTSOURCING STEEL MILL SERVICES



Source: World Steel Association, Oxford economics, World Steel Association , Goldman Sachs, Credit Suisse, Deutsche Bank

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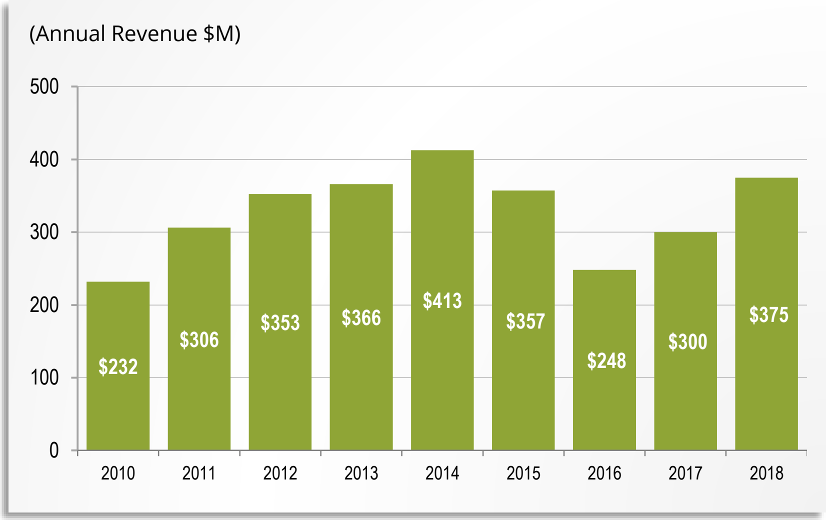
GROWTH OPPORTUNITIES – INDUSTRIAL

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



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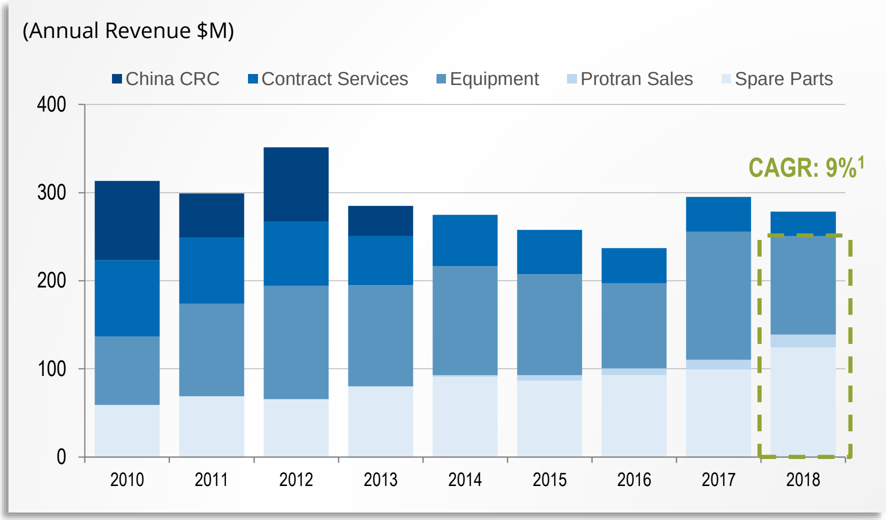
STRONG REVENUE GROWTH IN CORE PRODUCTS

- **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 attributable to Spare Parts, Protran Sales and Equipment.

GROWTH OPPORTUNITIES – SHIFTING FOCUS TO PORTFOLIO CHANGING M&A

INVESTMENT CRITERIA

- Profitable business model strategically aligned with Harsco's growth objectives
- Value-enhancing and earnings accretive in the short-term
- Opportunity to deliver cost and/or revenue synergies
- Attractive characteristics (e.g. reduced cyclicality, unique technology or access to attractive market)
- Meets risk-adjusted IRR hurdle rates through the cycle
- Maintains reasonable leverage ratios

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

- Market leader with unique technologies
- Platform into the aluminum industry
- AluSalt™ is a breakthrough environmental innovation that creates value from salt slag waste
- Large market opportunity; targeting revenues of $100M within 5 years with further growth potential beyond that period

MAY 2019: ENTERED DEFINITIVE AGREEMENT TO ACQUIRE CLEAN EARTH INC. FOR $625 MILLION IN CASH

- Leader in processing and beneficially re-using specialty waste
- Attractive secular growth trends within industry
- Multiple growth levers including through M&A over time
- Synergy opportunities with tie-in to legacy environmental business

Growth is Balanced Between Organic and Acquisitions

Greatest Near Term Opportunities are in Environmental Solutions

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DISCIPLINED FINANCIAL STRATEGY

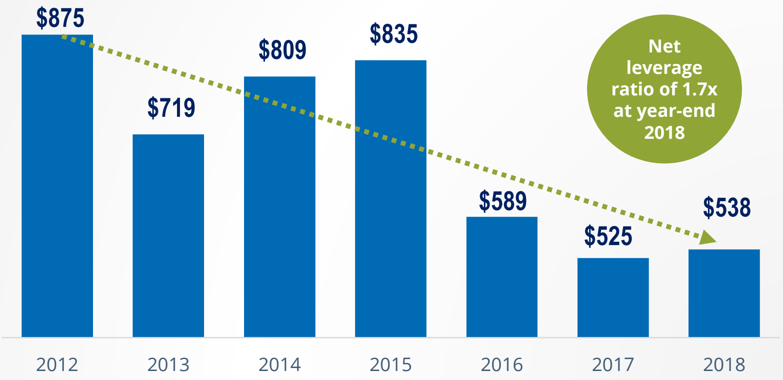
PRINCIPALS

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

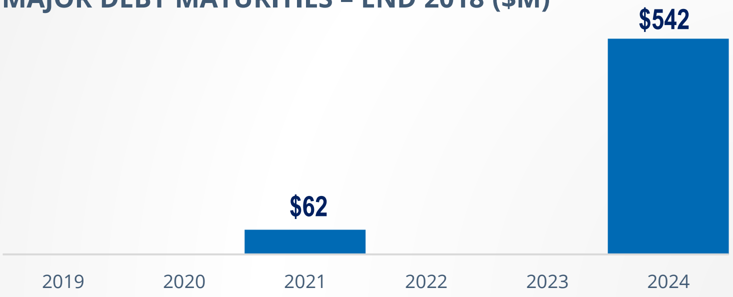
PRIORITIES

- Financially driven capital allocation process
- Return capital to shareholders through $75M share repurchase authorization; $30M utilized in 2018
- ROIC > cost of capital
- Long-term leverage ratio: 2.0x – 2.5x

NET DEBT ($M)[1]



MAJOR DEBT MATURITIES – END 2018 ($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. Q1 2019 net debt totaled $571 million and major debt maturities included $119 million in 2021 and $540 million in 2024.

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2019 OUTLOOK – CONSOLIDATED

	2019 Outlook	2019 Prior	2018 Actual
ADJUSTED OPERATING INCOME[1]	$207 to $222M	$200 to $220M	$187M
ADJUSTED OPERATING INCOME MARGIN[1]	11.0% to 11.5%	10.5% to 11.5%	10.8%
ADJUSTED DILUTED EARNINGS PER SHARE[1]	$1.35 to $1.53	$1.29 to $1.47	$1.31
FREE CASH FLOW BEFORE GROWTH CAPITAL[2]	$135 to $150M	$130 to $150M	$104M
FREE CASH FLOW[2]	$55 to $70M	$50 to $70M	$73M
ROIC[1]	16.0% to 17.0%	16.0% to 17.0%	16.1%

(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.

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POSITIONED FOR LONG-TERM VALUE CREATION

	2018	LT PLAN[1]
REVENUE	$1.7B	$2.3 - 2.5B
ADJUSTED OI	$187M	$305 - 340M
ADJUSTED OI MARGIN %	10.8%	13 - 14%
ADJUSTED EBITDA	$316M	$480 - 515M
ADJUSTED EBITDA LESS NET MAINTENANCE CAPEX	$227M	$370 - 405M
FCF EXCLUDING GROWTH CAPITAL	$104M	$235 - 265M
ROIC	16.1%	18%

KEY ASSUMPTIONS

- Incorporates Altek and one or two other bolt-on acquisitions, with combined total annual revenues of $150-200M (does not reflect Clean Earth and Air-X-Changers transactions)
- 5%+ Environmental revenue CAGR from market and growth investments of $175-200M
- Applied and pure innovation penetration as environmental solutions
- Environmental renewal rates and pricing in-line with historical averages
- Normalized growth rates in Industrial and Rail markets
- Downstream share gains and new products in Industrial
- Meaningful expansion of Rail equipment and Protran product capabilities and continued high growth rates in Rail after-market

(1) LT Plan period is 2021. Excludes unusual items.

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POSITIONED TO DELIVER SUSTAINABLE GROWTH & 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

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Appendix

2019 SEGMENT OUTLOOK

Excluding unusual items		2019 VERSUS 2018	
	REVENUES	▲	Mid-single to high-single digits %
	OPERATING INCOME	▲	High-single digits % at mid-point, excluding unusual items
	DRIVERS	+	LST/services demand, new contracts, operational savings, Altek integration
		−	Exited sites, investments, FX translation
	REVENUES	▲	~20%
	OPERATING INCOME	▲	20% to 25%
	DRIVERS	+	Backlog, demand across product portfolio, market / product expansions
		−	Less favorable product mix, SG&A costs
	REVENUES	▲	30% to 35%
	OPERATING INCOME	▲	30% to 35%, excluding unusual items
	DRIVERS	+	Backlog, global demand for MOW equipment and after-market parts, Protran Technology growth, productivity initiatives
		−	R&D and SG&A investments, less favorable product mix, Contracting services
CORPORATE COSTS			Higher due to professional fees and investments

Q1 2019 ENVIRONMENTAL

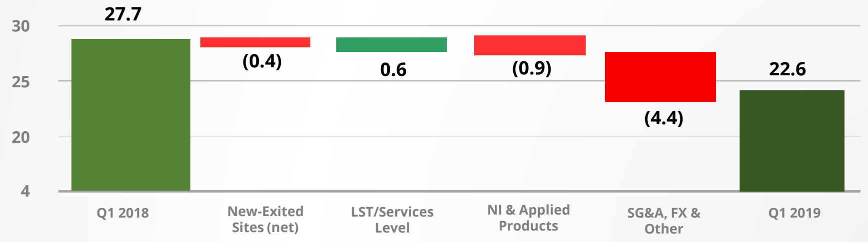
SUMMARY RESULTS

$ in millions

	Q1 2019	Q1 2018	% or bps
Revenues, as reported	261	265	(1)%
Operating Income – GAAP	24	28	(12)%
Adjusted operating income[1]	23	28	(19)%
Adjusted operating margin[1]	8.6%	10.5%	
Free Cash Flow (YTD)	8	(7)	nmf
ROIC (TTM)[1]	11.8%	12.7%	(90)bps

ADJUSTED OPERATING INCOME BRIDGE

$ in millions



- Revenue change reflects FX translation impacts, offset by higher services demand and Altek contributions
- Operating income change attributable to SG&A growth investments, FX and lower Applied Product contributions
- Free cash flow increase resulted from working capital management

nmf = not meaningful.
(1) Excludes unusual items; see tables at end of presentation for GAAP to non-GAAP reconciliations.

Q1 2019 INDUSTRIAL

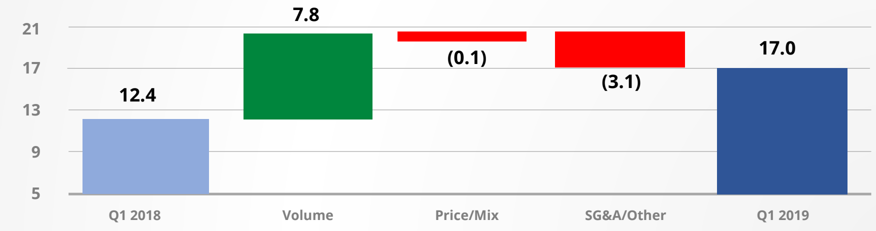
SUMMARY RESULTS

$ in millions

	Q1 2019	Q1 2018	% or bps
Revenues, as reported	117	84	40%
Operating Income – GAAP	17	12	37%
Operating Margin – GAAP	14.5%	14.9%	
Free Cash Flow (YTD)	10	4	136%
ROIC (TTM)	41.6%	36.5%	520bps

OPERATING INCOME BRIDGE

$ in millions



- Revenue increase reflects continued strong demand and higher product prices
- Operating income increase as a result of improved demand, partially offset by related SG&A expenses
- Free cash flow higher compared to prior-year period due mainly to cash earnings

nmf = not meaningful.
See tables at end of presentation for GAAP to non-GAAP reconciliations.

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Q1 2019 RAIL

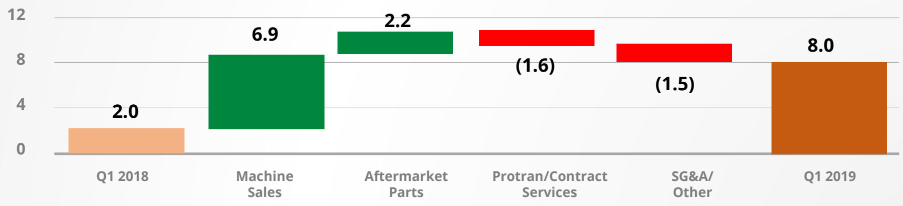
SUMMARY RESULTS

$ in millions

	Q1 2019	Q1 2018	% or bps
Revenues, as reported	69	60	15%
Operating Income – GAAP	5.4	2.0	176%
Adjusted operating income[1]	8.0	2.0	312%
Adjusted operating margin[1]	11.7%	3.3%	
Free Cash Flow (YTD)	(12)	(5)	nmf
ROIC (TTM)	43.9%	27.9%	nmf

OPERATING INCOME BRIDGE

$ in millions



- Revenues increased due to higher domestic equipment sales and international after-market parts demand
- Operating income change attributable to above factors and a more favorable product-sales mix
- Free cash flow change attributable to working capital changes

nmf = not meaningful.
(1) Excludes unusual items; see tables at end of presentation for GAAP to non-GAAP reconciliations.

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EXPERIENCED MANAGEMENT TEAM

NICHOLAS GRASBERGER
Chairman and
Chief Executive Officer

TRACEY MCKENZIE
SVP & Chief HR Officer

SCOTT GERSON
President of Industrial

JESWANT GILL
President of Rail

PETER MINAN
SVP & Chief Financial Officer

RUSS MITCHELL
VP & Chief Operating Officer
of Environmental

RUSSELL HOCHMAN
SVP, General Counsel, Chief Compliance Officer
& Corporate Secretary

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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

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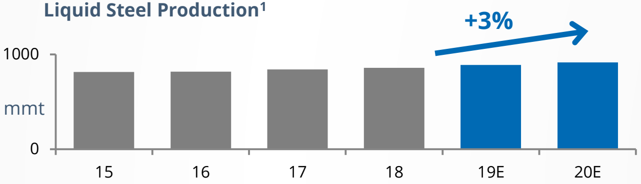
BUSINESS SENSITIVE TO MACRO DRIVERS

MANY BUSINESS DRIVERS		BUSINESS VARIABLES	IMPACT TO BOTTOM LINE

MATERIALS MANAGEMENT AND MELTSHOP SERVICES

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

Liquid Steel Production[1]



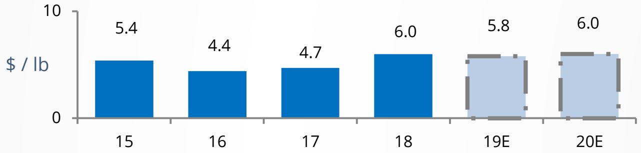
Within current scope of operations...

~1% liquid steel production change equals **~$2.2M** segment OI improvement

RESOURCE RECOVERY

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

Nickel Price

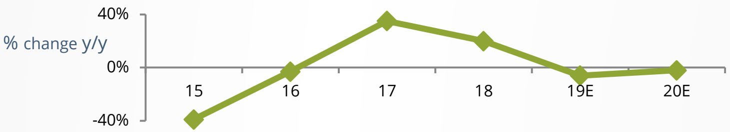


$1 nickel price change equals **~$4M** segment OI improvement

ENVIRONMENTAL PRODUCTS

- Abrasive demand and price
- Roofing demand & price

Scrap Price[2]



10% scrap price change equals **~$2.0M** segment OI improvement

(1) Global Liquid Steel Production excluding China Production

(2) (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

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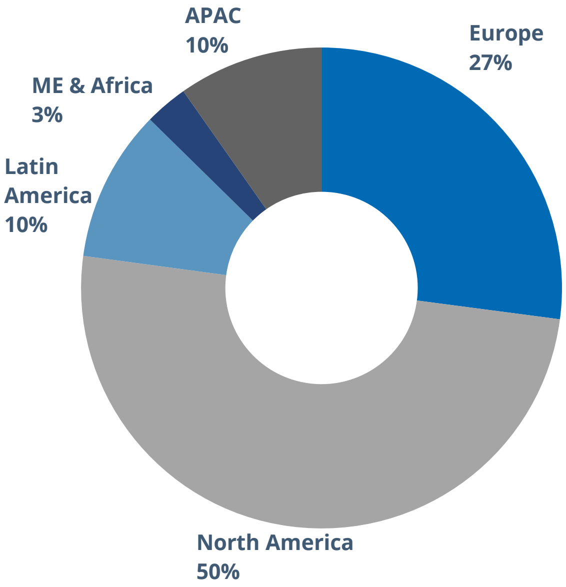
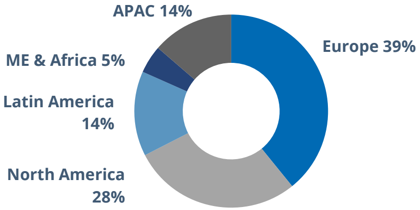
REVENUE MIX BY GEOGRAPHY

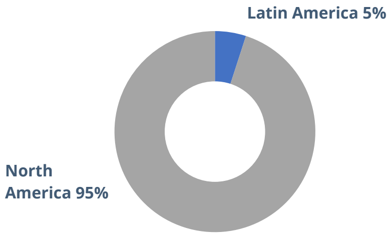
COMPANY



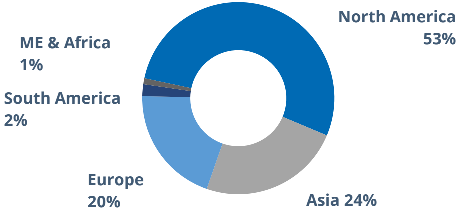
HARSCO ENVIRONMENTAL



HARSCO INDUSTRIAL



HARSCO RAIL
Enabling TECHNOLOGY IN MOTION



(1) Revenue mix by location of origin for Company, Environmental and Industrial. Rail revenue mix is by location of customer.

(2) Company 2018 Information.

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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 Mar 31		
	2019		2018 (a)
Diluted earnings per share from continuing operations as reported	$ 0.26		$ 0.22
Harsco Rail Segment improvement initiative costs (b)	0.03		—
Corporate strategic costs (c)	0.03		—
Harsco Environmental Segment cumulative translation adjustment liquidation (d)	(0.03)		—
Harsco Environmental Segment change in fair value to contingent consideration liability (e)	—		—
Taxes on above unusual items (f)	(0.01)		—
Adjusted diluted earnings per share from continuing operations excluding unusual items	**$ 0.29**	(g)	$ 0.22

(a) No unusual items were excluded in the three months ended March 31, 2018.
(b) Costs associated with a productivity improvement initiative in the Harsco Rail Segment (Q1 2019 $2.6 million pre-tax).
(c) Costs at Corporate associated with supporting and executing the Company's growth strategy (Q1 2019 $2.7 million pre-tax).
(d) Harsco Environmental Segment gain related to the liquidation of cumulated translation adjustment related to an exited country (Q1 2019 $2.3 million pre-tax).
(e) Fair value adjustment to contingent consideration liability related to the acquisition of Altek (Q1 2019 $0.4 million pretax). 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 adjustment for this item more closely correlates the reported financial measures with the ordinary and ongoing course of the Company's operations.
(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) 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 June 30 2018
Diluted earnings per share from continuing operations as reported	$ 0.48
Harsco Environmental Segment adjustment to slag disposal accrual (a)	(0.04)
Altek acquisition costs (b)	0.01
Loss on early extinguishment of debt (c)	0.01
Taxes on above unusual items (e)	—
Deferred tax asset valuation allowance adjustment (e)	(0.10)
Adjusted diluted earnings per share from continuing operations excluding unusual items	$ 0.36

(a) Harsco Environmental adjustment to previously accrued amounts related to the disposal of certain slag material in Latin America ($3.2 million pre-tax).
(b) Costs associated with the acquisition of Altek Europe Holdings Limited and its affiliated entities recorded in the Harsco Environmental Segment ($0.8 million pretax) and at Corporate ($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 ($1.0 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) Adjustment of certain existing deferred tax asset valuation allowances as a result of the Altek acquisition ($8.3 million).

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.

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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 2018	
Diluted earnings per share from continuing operations as reported	$ 1.64	
Harsco Environmental Segment adjustment to slag disposal accrual (a)	(0.04)	
Harsco Environmental Segment change in fair value to contingent consideration liability (b)	(0.04)	
Altek acquisition costs (c)	0.01	
Loss on early extinguishment of debt (d)	0.01	
Harsco Rail Segment improvement initiative costs (e)	0.01	
Taxes on above unusual items (f)	(0.01)	
Impact of U.S. tax reform on income tax benefit (expense) (g)	(0.18)	
Deferred tax asset valuation allowance adjustment (h)	(0.10)	
Adjusted diluted earnings per share from continuing operations excluding unusual items	$ 1.31	(j)

(a) Harsco Environmental Segment adjustment to previously accrued amounts related to the disposal of certain slag material in Latin America ($3.2 million pre-tax).
(b) Fair value adjustment to contingent consideration liability related to the acquisition of Altek ($2.9 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 adjustment for this item more closely correlates the reported financial measures with the ordinary and ongoing course of the Company's operations.
(c) Costs associated with the acquisition of Altek Europe Holdings Limited and its affiliated entities ("Altek") recorded in the Harsco Environmental Segment ($0.8 million pretax) and at Corporate ($0.4 million pretax).
(d) 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 ($1.0 million pre-tax).
(e) Costs associated with a productivity improvement initiative in the Harsco Rail Segment ($0.6 million pre-tax).
(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) The Company recorded a benefit (expense) as a result of revaluing net deferred tax assets and liabilities as a result of U.S. tax reform ($15.4 million benefit).
(h) Adjustment of certain existing deferred tax asset valuation allowances as a result of the Altek acquisition ($8.3 million).
(i) 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

HARSCO CORPORATIONRECONCILIATION OF PROJECTED ADJUSTED DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS EXCLUDING UNUSUAL ITEMS TO DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Unaudited)

	Projected Three Months Ending June 30 2019		
	Low		High
Diluted earnings per share from continuing operations	$ 0.23		$ 0.29
Corporate strategic and transaction related costs	0.12		0.12
Harsco Rail Segment improvement initiative costs	0.02		0.02
Taxes on above unusual items	(0.03)		(0.03)
Adjusted diluted earnings per share from continuing operations, excluding unusual items	$ 0.35	(a)	$ 0.40

	Projected Twelve Months Ending December 31 2019	
	Low	High
Diluted earnings per share from continuing operations	$ 1.15	$ 1.33
Corporate strategic and transaction related costs	0.15	0.15
Loss on early extinguishment of debt	0.09	0.09
Harsco Rail Segment improvement initiative costs	0.06	0.06
Harsco Environmental Segment cumulative translation adjustment liquidation	(0.03)	(0.03)
Harsco Environmental Segment change in fair value to contingent consideration liability	—	—
Taxes on above unusual items	(0.07)	(0.07)
Adjusted diluted earnings per share from continuing operations, excluding unusual items	$ 1.35	$ 1.53

(a) 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.

HARSCO

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 Environmental	Harsco Industrial	Harsco Rail	Corporate	Consolidated Totals
Three Months Ended March 31, 2019:					
Operating income (loss) as reported	$ 24,497	$ 17,030	$ 5,389	$ (8,670)	$ 38,246
Harsco Rail Segment improvement initiative costs	—	—	2,648	—	2,648
Corporate strategic costs	—	—	—	2,739	2,739
Harsco Environmental Segment cumulative translation adjustment liquidation	(2,271)	—	—	—	(2,271)
Harsco Environmental Segment change in fair value to contingent consideration liability	369	—	—	—	369
Adjusted operating income (loss), excluding unusual items	$ 22,595	$ 17,030	$ 8,037	$ (5,931)	$ 41,731
Revenues as reported	$ 261,312	$ 117,385	$ 68,591	$ —	$ 447,288
Adjusted operating margin (%) excluding unusual items	8.6%	14.5%	11.7%		9.3%
Three Months Ended March 31, 2018:					
Operating income (loss) as reported (a)	$ 27,735	$ 12,421	$ 1,952	$ (5,567)	$ 36,541
Revenues as reported	$ 264,723	$ 83,598	$ 59,678	$ 39	$ 408,038
Adjusted operating margin (%) excluding unusual items	10.5%	14.9%	3.3%		9.0%

(a) No unusual items were excluded in the three months ended March 31, 2018.

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 Environmental	Harsco Industrial	Harsco Rail	Corporate	Consolidated Totals
Three Months Ended June 30, 2018:					
Operating income (loss) as reported	$ 35,661	$ 14,170	$ 8,618	$ (4,824)	$ 53,625
Harsco Environmental Segment adjustment to slag disposal accrual	(3,223)	—	—	—	(3,223)
Altek acquisition costs	753	—	—	431	1,184
Adjusted operating income (loss), excluding unusual items	$ 33,191	$ 14,170	$ 8,618	$ (4,393)	$ 51,586
Revenues as reported	$ 272,320	$ 92,065	$ 67,552	$ 35	$ 431,972
Adjusted operating margin (%) excluding unusual items	12.2%	15.4%	12.8%		11.9%

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 Environmental	Harsco Industrial	Harsco Rail	Corporate	Consolidated Totals
Twelve Months Ended December 31, 2018:					
Operating income (loss) as reported	**$ 121,195**	**$ 54,665**	**$ 37,341**	**$ (22,274)**	**$ 190,927**
Harsco Environmental Segment adjustment to slag disposal accrual	**(3,223)**	**—**	**—**	**—**	**(3,223)**
Harsco Environmental Segment change in fair value to contingent consideration liability	**(2,939)**	**—**	**—**	**—**	**(2,939)**
Altek acquisition costs	**753**	**—**	**—**	**431**	**1,184**
Harsco Rail Segment restructuring costs	**—**	**—**	**640**	**—**	**640**
Adjusted operating income (loss), excluding unusual items	**$ 115,786**	**$ 54,665**	**$ 37,981**	**$ (21,843)**	**$ 186,589**
Revenues as reported	**$ 1,068,304**	**$ 374,708**	**$ 279,294**	**$ 74**	**$ 1,722,380**
Adjusted operating margin (%), excluding unusual items	**10.8%**	**14.6%**	**13.6%**	**—**	**10.8%**
Twelve Months Ended December 31, 2017:					
Operating income (loss) as reported (a)	$ 102,362	$ 35,532	$ 32,953	$ (25,453)	$ 145,394
Harsco Environmental Segment bad debt expense	4,589	—	—	—	4,589
Adjusted operating income (loss), excluding unusual items	$ 106,951	$ 35,532	$ 32,953	$ (25,453)	$ 149,983
Revenue 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 ADJUSTED OPERATING INCOME, EXCLUDING UNUSUAL ITEMS TO OPERATING INCOME AS REPORTED AFTER PENSION RECLASSIFICATION
(Unaudited) (a)

(In thousands)	Twelve Months Ended December 31 2016
Operating income as previously reported	$ 63,469
Pension reclassification adjustment	1,414
Operating income, after reclassification	64,883
Harsco Environmental Segment bad debt expense	—
Harsco Rail Segment forward contract loss provision	45,050
Harsco Environmental Segment site exit charges	5,100
Harsco Environmental Segment separation costs	3,287
Harsco Environmental Segment cumulative translation adjustment liquidation	(1,157)
Adjusted operating income, excluding unusual items, after reclassifications	$ 117,163
Revenues as reported	$ 1,451,223
Operating margin (%)	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.

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)

	Twelve Months Ended Dec 31	
(In thousands)	**2018**	**2017**
Net cash used by operating activities	**$ 192,022**	$ 176,892
Less capital expenditures	**(132,168)**	(98,314)
Plus capital expenditures for strategic ventures (a)	**1,595**	865
Plus total proceeds from sales of assets (b)	**11,887**	13,418
Free cash flow	**73,336**	92,861
Add growth capital expenditures	**30,655**	16,465
Free cash flow before growth capital expenditures	**$ 103,991**	$ 109,326

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

	Twelve Months Ended December 31
(In thousands)	**2016**
Net cash provided by operating activities	$ 159,876
Less capital expenditures	(69,340)
Plus capital expenditures for strategic ventures (a)	170
Plus total proceeds from sales of assets (b)	9,305
Free cash flow	100,011
Add growth capital expenditures	9,868
Free cash flow before growth capital expenditures	$ 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 Environmental 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 RETURN ON INVESTED CAPITAL EXCLUDING UNUSUAL ITEMS TO NET INCOME (LOSS) FROM CONTINUING OPERATIONS AS REPORTED (a)
(Unaudited)

	Year Ended December 31	
(In thousands)	**2018**	**2017**
Income from continuing operations	**$ 144,739**	$ 11,648
Unusual items:		
Harsco Environmental Segment adjustment to slag disposal accrual	**(3,223)**	—
Harsco Environmental Segment change in fair value to contingent consideration liability	**(2,939)**	—
Altek acquisition costs	**1,184**	—
Harsco Environmental Segment bad debt expense	**—**	4,589
Loss on early extinguishment of debt	**1,034**	2,265
Harsco Rail Segment restructuring costs	**640**	—
Taxes on above unusual items (b)	**(361)**	(2,052)
Impact of U.S. tax reform on income tax benefit	**(15,409)**	48,680
Deferred tax asset valuation allowance adjustment	**(8,292)**	—
Net income from continuing operations, as adjusted	**117,373**	65,130
After-tax interest expense (c)	**29,374**	29,957
Net operating profit after tax as adjusted	**$ 146,747**	$ 95,087
Average equity	**$ 274,164**	$ 189,560
Plus average debt	**635,491**	638,964
Average capital	**$ 909,655**	$ 828,524
Return on invested capital excluding unusual items	**16.1%**	11.5%

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 year ended December 31, 2017 and for the year ended December 31, 2018, 23%, 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.

HARSCO

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)

	Year Ended December 31	
(In thousands)	**2016**	
Income (loss) from continuing operations	$	(80,422)
Unusual items:		
Impact of U.S. tax reform on income tax benefit (expense)		—
Harsco Environmental Segment bad debt expense		—
Loss on early extinguishment of debt		35,337
Net loss on dilution and sale of equity investment		53,822
Harsco Rail Segment forward contract loss provision		45,050
Harsco Environmental Segment site exit and underperforming contract charges, net		5,100
Harsco Environmental Segment separation costs		3,287
Expense of deferred financing costs		1,125
Harsco Environmental Segment cumulative translation adjustment liquidation		(1,157)
Taxes on above unusual items (b)		(17,335)
Net income from continuing operations, as adjusted		44,807
After-tax interest expense (c)		31,790
Net operating profit after tax as adjusted	$	76,597
Average equity	$	290,995
Plus average debt		821,559
Average capital	$	1,112,554
Return on invested capital excluding unusual items		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 (Unaudited) (a)

(In thousands)	Harsco Environmental	Harsco Industrial	Harsco Rail	Corporate	Consolidated Totals
Twelve Months Ended December 31, 2018:					
Operating income (loss) as reported	$ 121,195	$ 54,665	$ 37,341	$ (22,274)	$ 190,927
Depreciation and amortization	115,047	7,729	4,287	2,737	129,800
EBITDA	236,242	62,394	41,628	(19,537)	320,727
Harsco Environmental Segment adjustment to slag disposal accrual	(3,223)	—	—	—	(3,223)
Harsco Environmental Segment change in fair value to contingent consideration liability	(2,939)	—	—	—	(2,939)
Altek acquisition costs	753	—	—	431	1,184
Harsco Rail Segment restructuring costs	—	—	640	—	640
Adjusted EBITDA, excluding unusual items	$ 230,833	$ 62,394	$ 42,268	$ (19,106)	$ 316,389

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.

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

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

(In thousands)	Twelve Months Ended December 31 2018
Net income from continuing operations, as reported	$ 144,739
Add back (Deduct):	
Equity in income of unconsolidated entities, net	(384)
Income tax expense	12,899
Loss on early extinguishment of debt	1,127
Defined benefit pension expense/(income)	(3,447)
Interest income	(2,155)
Interest Expense	38,148
Depreciation and amortization	129,800
EBITDA	320,727
Harsco Environmental Segment adjustment to slag disposal accrual	(3,223)
Harsco Environmental Segment change in fair value to contingent consideration liability	(2,939)
Altek acquisition costs	1,184
Harsco Rail Segment restructuring costs	640
Adjusted EBITDA	316,389
Less: Net maintenance capital expenditures (a)	(89,626)
Adjusted EBITDA less net maintenance capital expenditures	$ 226,763

(a) 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)

(In thousands)	**Twelve Months Ended December 31 2018**
Maintenance capital expenditures (a)	$ 101,513
Growth capital expenditures (b)	30,655
Purchases of property, plant and equipment	132,168
Less growth capital expenditures	(30,655)
Less total proceeds from sales of assets (c)	(11,887)
Net maintenance capital expenditures	$ 89,626

(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 Environmental 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.

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF PROJECTED ADJUSTED OPERATING INCOME, EXCLUDING UNUSUAL ITEMS TO OPERATING INCOME (Unaudited)

	Projected Three Months Ending June 30 2019	
(In millions)	**Low**	**High**
Operating income	$ 41	$ 46
Corporate strategic and transaction related costs	10	10
Harsco Rail Segment improvement initiative costs	2	2
Adjusted operating income, excluding unusual items	$ 53	$ 58

	Projected Twelve Months Ending December 31 2019	
(In millions)	**Low**	**High**
Operating income	192	207
Corporate strategic and transaction related costs	13	13
Harsco Rail Segment improvement initiative costs	5	5
Harsco Environmental Segment cumulative translation adjustment liquidation	(2)	(2)
Harsco Environmental Segment change in fair value to contingent consideration liability	—	—
Adjusted operating income, excluding unusual items	207 (a)	222 (a)

(a) Does not total due to rounding

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.

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)

	Projected Twelve Months Ending December 31	
	2019	
(In millions)	**Low**	**High**
Net cash provided by operating activities	$ 225	$ 260
Less capital expenditures	(176)	(194)
Plus total proceeds from asset sales and capital expenditures for strategic ventures	6	4
Free cash flow	55	70
Add growth capital expenditures	80	80
Free cash flow before growth capital expenditures	$ 135	$ 150

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

	Three Months Ended Mar 31	
(In thousands)	**2019**	**2018**
Net cash used by operating activities	**$ 14,838**	$ (8,243)
Less capital expenditures	**(36,407)**	(26,897)
Plus capital expenditures for strategic ventures (a)	**843**	240
Plus total proceeds from sales of assets (b)	**1,177**	377
Free cash flow	**(19,549)**	(34,523)
Add growth capital expenditures	**12,517**	7,684
Free cash flow before growth capital expenditures	**$ (7,032)**	**$ (26,839)**

(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 Environmental 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.

HARSCO

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 2018**
Net cash provided by operating activities	$ 192,022
Less capital expenditures	(132,168)
Plus capital expenditures for strategic ventures (a)	1,595
Plus total proceeds from sales of assets (b)	11,887
Free cash flow	73,336
Add growth capital expenditures	30,655
Free cash flow before growth capital expenditures	$ 103,991

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

	Trailing Twelve Months for Period Ended March 31	
(In thousands)	**2019**	**2018**
Income from continuing operations	**$ 147,579**	$ 21,163
Unusual items:		
Harsco Rail Segment improvement initiative costs	**3,288**	—
Harsco Environmental Segment adjustment to slag disposal accrual	**(3,223)**	—
Corporate strategic costs	**2,739**	—
Harsco Environmental Segment change in fair value to contingent consideration liability	**(2,570)**	—
Harsco Environmental Segment cumulative translation adjustment liquidation	**(2,271)**	—
Altek acquisition costs	**1,184**	—
Harsco Environmental Segment bad debt expense	**—**	4,589
Loss on early extinguishment of debt	**1,034**	2,265
Taxes on above unusual items (b)	**(1,525)**	(2,052)
Impact of U.S. tax reform on income tax benefit	**(15,409)**	48,680
Deferred tax asset valuation allowance adjustment	**(8,292)**	—
Net income from continuing operations, as adjusted	**122,534**	74,645
After-tax interest expense (c)	**29,494**	29,995
Net operating profit after tax as adjusted	**$ 152,028**	$ 104,640
Average equity	**$ 296,468**	$ 209,938
Plus average debt	**643,816**	625,337
Average capital	**$ 940,284**	$ 835,275
Return on invested capital excluding unusual items	**16.2%**	12.5%

(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 23% for the trailing twelve months for the period ended March 31, 2019 and for the trailing twelve months for the period ended March 31, 2018, 37% was used for April 1, 2017 through December 31, 2017 and 23% was used for January 1, 2018 through March 31, 2018, on an adjusted basis, 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.

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

RECONCILIATION OF PROJECTED EBITDA AND PROJECTED ADJUSTED EBITDA EXCLUDING UNUSUAL ITEMS TO OPERATING INCOME (LOSS) (Unaudited)

(In millions)	Harsco Corporation	(+) Clean Earth (A)	(-) Harsco Air-X-Changers	Harsco Corporation - After Transactions (B)
Projected Twelve Months Ended December 31, 2019				
Operating income	$ 200	$ 66	$ 55	$ 211
Depreciation and amortization	137	9	5	141
EBITDA	337	75	60	352
Strategic and transaction related costs	13	—	—	13
Harsco Rail Segment improvement initiative costs	5	—	—	5
Harsco Environmental Segment cumulative translation adjustment liquidation	(2)	—	—	(2)
Harsco Environmental Segment change in fair value to contingent consideration liability	—	—	—	—
Adjusted EBITDA, excluding unusual items	$ 353	$ 75	$ 60	$ 368

(A) Estimates derived from Clean Earth unaudited financial information and incorporates estimated synergies of $10 million.
(B) The results of Harsco Corporation after the acquisition of Clean Earth and the divesture of Harsco Air-X-Changers is shown for illustrative purposes. Pro forma results in accordance with Article 11 of Regulation S-X could differ.

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