HARSCO

INVESTOR PRESENTATION

May 2018

FORWARD LOOKING STATEMENTS

Forward-Looking Statements

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

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

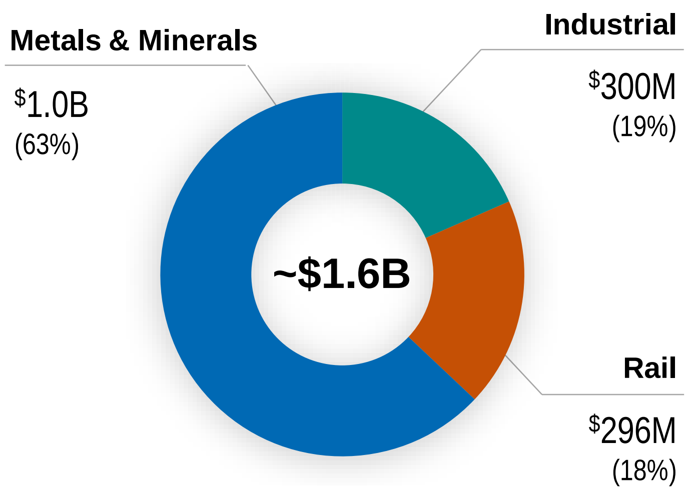
Non-GAAP Measures

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

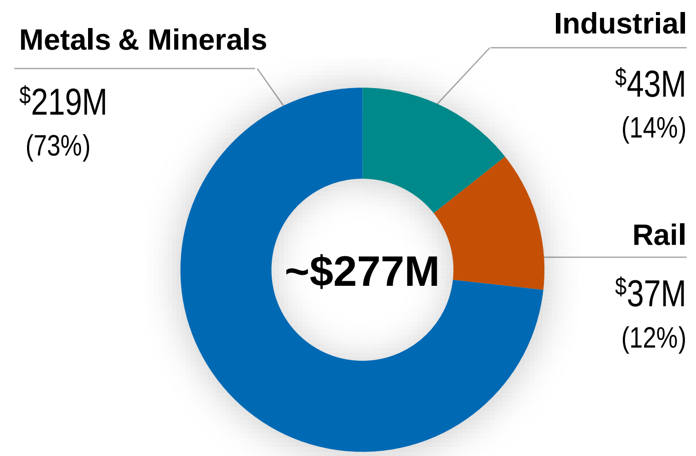
HARSCO TODAY

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

FY 2017 Revenue



2017 EBITDA (Adjusted)[1]



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

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INVESTMENT HIGHLIGHTS

STRONG FOUNDATION

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

ATTRACTIVE MARKET ENVIRONMENT

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

POSITIONED FOR GROWTH

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

ROIC-FOCUSED PORTFOLIO DEVELOPMENT

GROWTH TO OUTPACE SERVED MARKETS

STRATEGY ALIGNED WITH CREATING SHAREHOLDER VALUE

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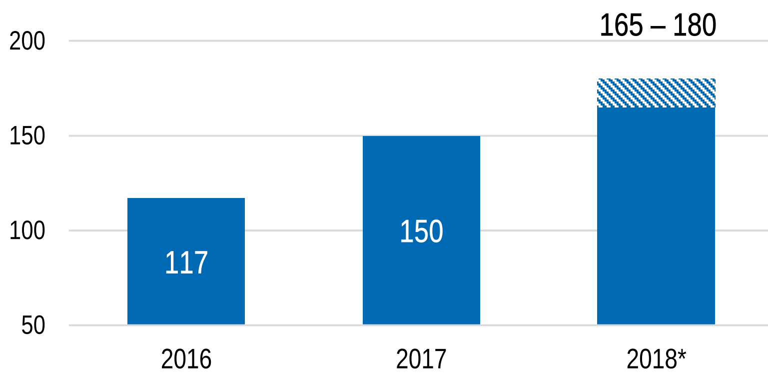
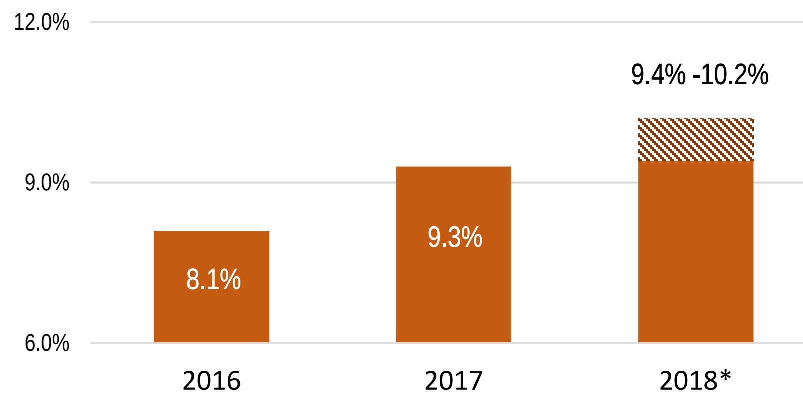
POISED FOR LONG-TERM GROWTH WITH IMPROVING PERFORMANCE

ADJUSTED OPERATING INCOME[1]

($ Millions)

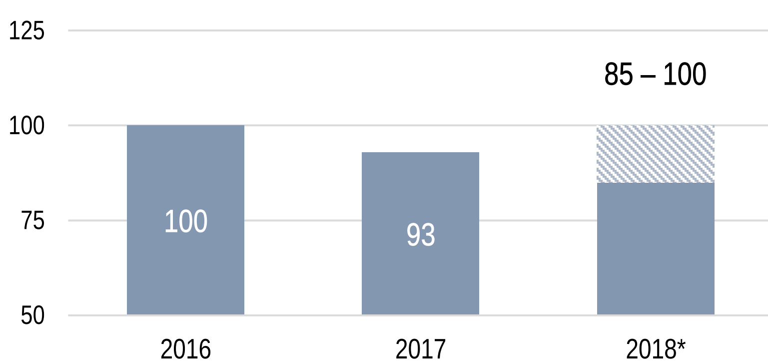


ADJUSTED OPERATING INCOME MARGIN[1]

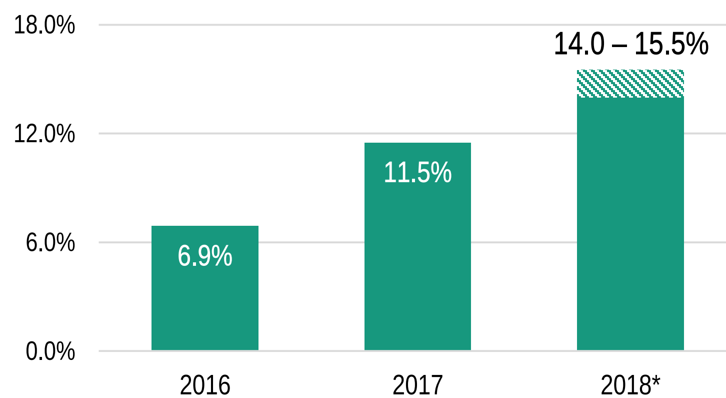


FREE CASH FLOW[1]

($ Millions)



ROIC[1]



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(1) See tables at end of presentation for GAAP to non-GAAP reconciliations.
* 2018 guidance as reported on 5.2.18

METALS & MINERALS

A GLOBAL MARKET LEADER

Transformation Initiatives Significantly IMPROVED Return Profile

VALUE DRIVERS

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

RESOURCE RECOVERY

MATERIALS MANAGEMENT & MELT SHOP SERVICES

ENVIRONMENTAL & PRODUCT SOLUTIONS

~$1B
2017 Revenue

30+
Countries

~70
Customers

~145
Sites

Serving
15%
of ex-China LST

M&M APPLIED PRODUCTS

ADVANCED MATERIAL TECHNOLOGIES DELIVERING ZERO WASTE SOLUTIONS

~20%
OF M&M REVENUES

ATTRACTIVE MARGIN PROFILE


ABRASIVES


FERTILIZER

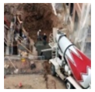

ASPHALT


ROOFING GRANULES


ROAD CONSTRUCTION


METALLURGICAL ADDITIVES


SOIL CONDITIONER


CEMENT PRODUCTION


SLAG CONDITIONERS

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

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

Reed Minerals, US
- Abrasives
- Roofing granules

Steelphalt, UK
- Asphalt for road construction

Excell, Brazil
- Soil conditioner / fertilizer

THT, China
- Road construction
- Fertilizer
- Cement substitute

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

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INDUSTRIAL

PREMIUM QUALITY PRODUCTS AND TRUSTED BRANDS

CAPITAL-LIGHT BUSINESS WITH HIGH RETURNS

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

VALUE DRIVERS

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

REVENUE MIX BY BUSINESS

HARSCO INDUSTRIAL

Air-X-Changers

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

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Patterson-Kelley

Innovative commercial boilers & water heaters

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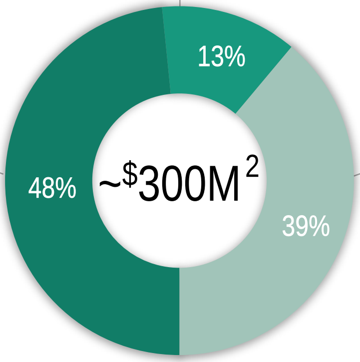
IKG Industries

Leading producer of industrial metal grating products & security fencing



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

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RAIL

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

CAPITAL-LIGHT BUSINESS WITH HIGH RETURNS

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

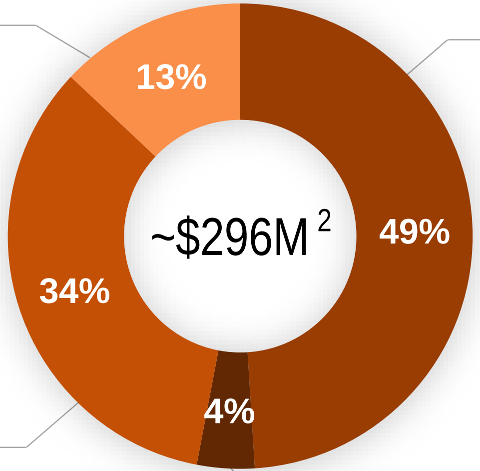
VALUE DRIVERS

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

REVENUE MIX BY BUSINESS

CONTRACTING SOLUTIONS

ORIGINAL EQUIPMENT SALES



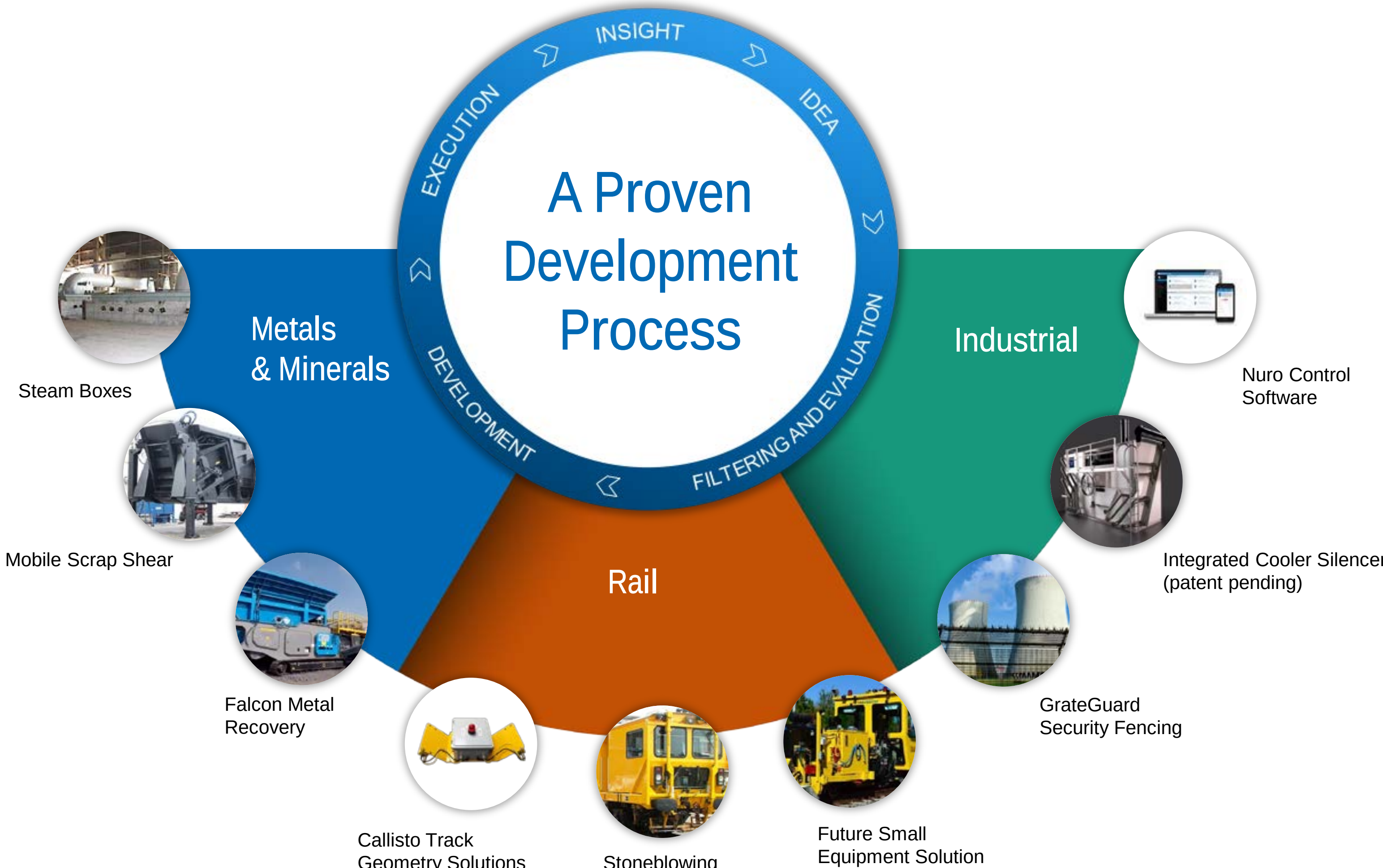
AFTERMARKET

PROTRAN TECHNOLOGY (SAFETY & DIAGNOSTIC) PRODUCTS

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

INNOVATION DRIVEN GROWTH

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



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GROWTH OPPORTUNITIES

METALS & MINERALS

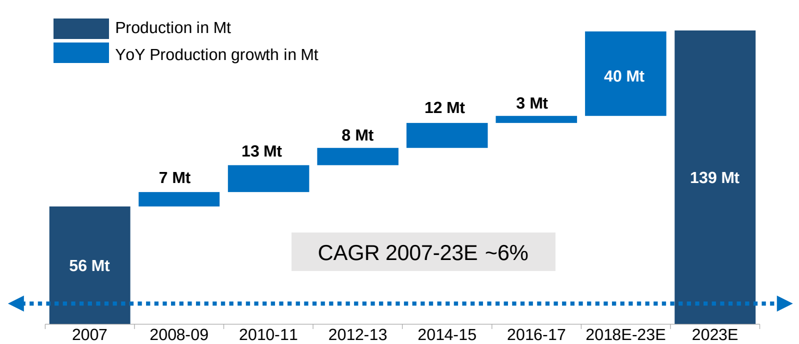
Considerable Opportunities at Existing Sites (average less than 5 services per site relative to 40+ service offerings)

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

New Environmental Product Solutions

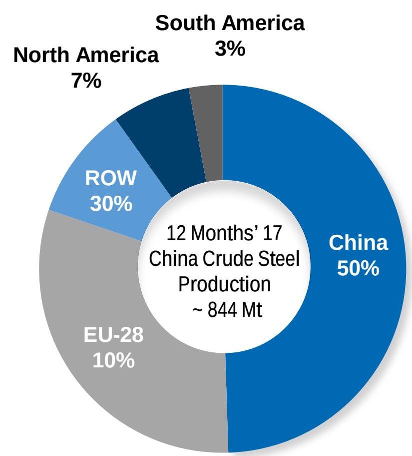
RECENT CONTRACT WINS[1]	
# of Contract wins	18
Additional revenue backlog ($M)	533
Growth capital commitment	41
Average new contract term (Yr)	10

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



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

CHINA: SIGNIFICANT OPPORTUNITIES FROM OUTSOURCING STEEL MILL SERVICES



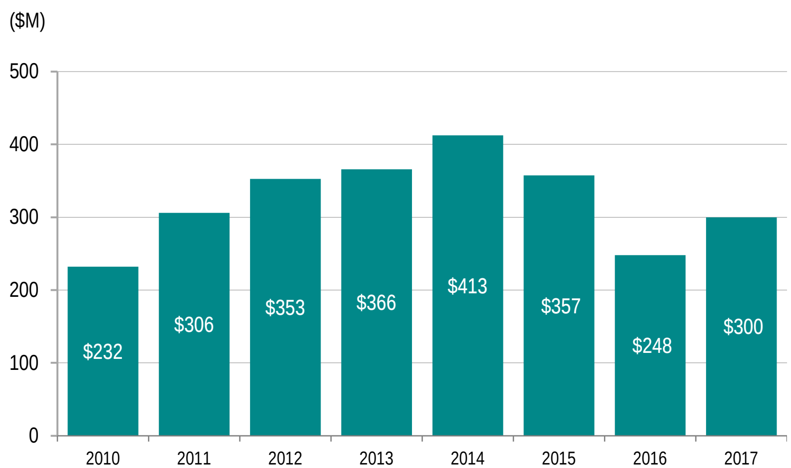
Source: World Steel Association
(1) Contract wins since 2016

GROWTH OPPORTUNITIES

INDUSTRIAL

MARKET RECOVERY, INVESTMENTS & INNOVATIONS TO GROW REVENUE

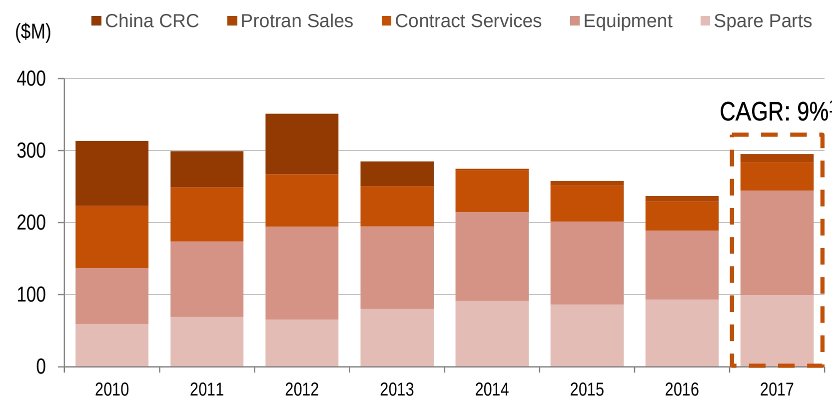
- AirX: Penetration downstream and market adjacencies; new CenterGate facility provides industry-leading manufacturing capacity and efficiencies
- IKG: New West Coast facility and improved welding capabilities at Channelview, TX; strong brand recognition in Mexico
- PK: Expanded SONIC product line; introduction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



RAIL

STRONG REVENUE GROWTH IN CORE PRODUCTS

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



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

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GROWTH OPPORTUNITIES

SHIFTING FOCUS TO M&A

M&A INVESTMENT CRITERIA

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

Growth is Balanced Between Organic and Acquisitions

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

DISCIPLINED FINANCIAL STRATEGY

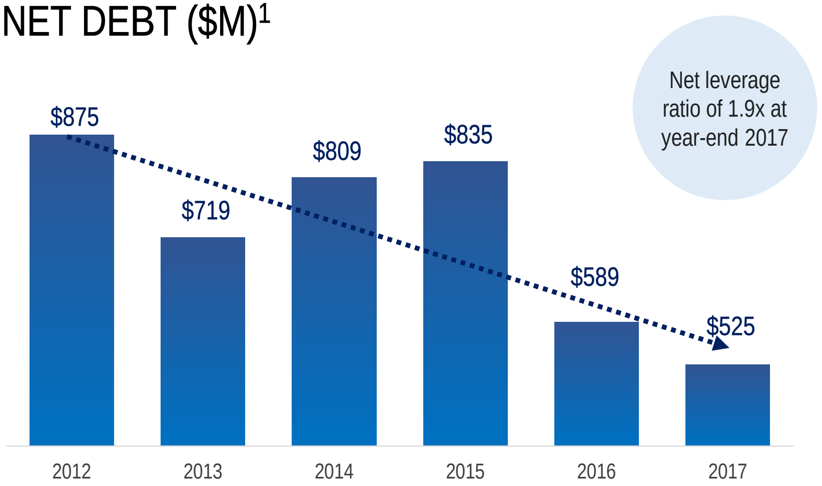
PRINCIPALS

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

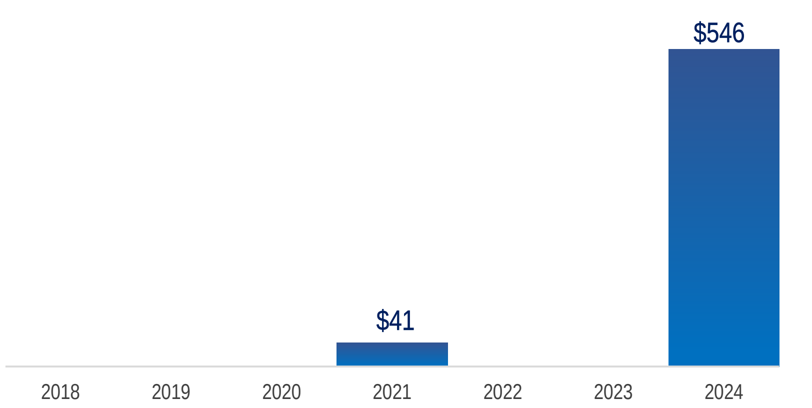
PRIORITIES

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

NET DEBT ($M)[1]



MAJOR DEBT MATURITIES – END 2017 ($M)[1]



(1) Net debt equals long term debt + short term borrowing + current maturities of long term debt – cash and cash equivalents. Net leverage ratio calculation in accordance with credit agreement. 1Q 2018 net debt totaled $562M and major debt maturities included $87M in 2021 and $545M in 2024.

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2018 OUTLOOK - CONSOLIDATED

	2018	2017
ADJUSTED OPERATING INCOME[1]	$165 to $180M	$150M
ADJUSTED OPERATING INCOME MARGIN[1]	9.5% to 10.0%	9.3%
ADJUSTED DILUTED EARNINGS PER SHARE[1]	$1.11 to $1.24	$0.74
FREE CASH FLOW BEFORE GROWTH CAPITAL[1]	$130 to $150M	$109M
FREE CASH FLOW[1]	$85M to $100M	$93M
ROIC[1]	14.0% to 15.5%	11.5%

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

POSITIONED FOR LONG-TERM VALUE CREATION

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

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

KEY ASSUMPTIONS

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

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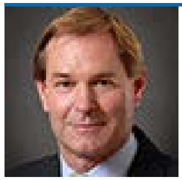
POSITIONED TO DELIVER SUSTAINABLE GROWTH AND VALUE

- High-performing businesses well-positioned to deliver earnings growth
- Significant financial flexibility and FCF to pursue growth opportunities and enhance shareholder returns
- ROIC-focused approach
- Positioned to capitalize on favorable market and industry trends

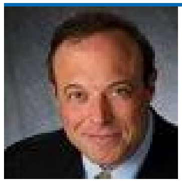

APPENDIX

EXPERIENCED MANAGEMENT TEAM



NICHOLAS GRASBERGER

President and Chief Executive Officer

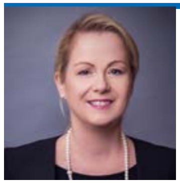


RUSSELL HOCHMAN

SVP, General Counsel, Chief Compliance Officer & Corporate Secretary

SCOTT GERSON

President of Industrial

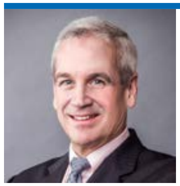


TRACEY MCKENZIE

SVP & Chief HR Officer

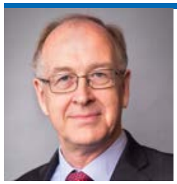
JESWANT GILL

President of Rail



PETER MINAN

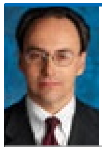
SVP & Chief Financial Officer



CHRIS WHISTLER

Chief Operating Officer of Metals & Mineral

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

- Non-Executive Chairman
- 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

- President 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

ELAINE LA ROCHE

- CEO of China International Capital Corporation US
- Former Vice Chairman, JP Morgan China Securities

PHILLIP C. WIDMAN

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

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BUSINESS SENSITIVE TO MACRO DRIVERS

MANY BUSINESS DRIVERS

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

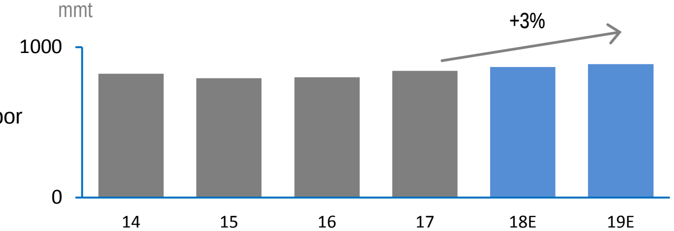
- Scrap price
- Nickel price
- Chrome price
- Iron price

- Abrasive demand & price
- Roofing demand & price

BUSINESS VARIABLES

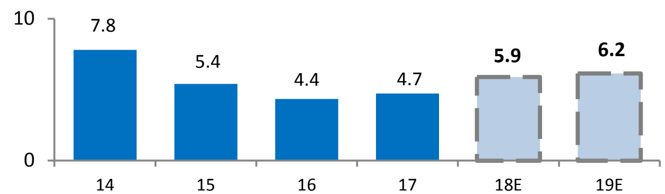
Liquid Steel Production[1]

mmt



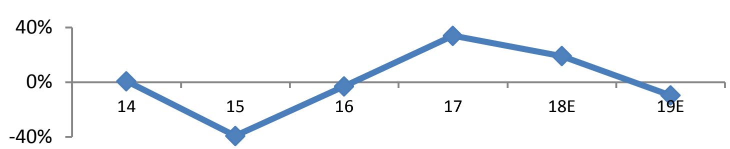
Nickel Price

$ / lb



Scrap Price[2]

% change y/y



IMPACT TO BOTTOM LINE

Within current scope of operations...

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

$1 nickel price change equals **~$5.0M** segment OI improvement

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

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

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Q2 2018 OUTLOOK

Adjusted operating income[1] is expected to be between

$45M–$50M versus $43M in Q2 2017

Adjusted diluted earnings per share of

$0.30–$0.35

Corporate costs

above prior-year quarter

YEAR-OVER-YEAR CONSIDERATIONS INCLUDE:

METALS & MINERALS

Higher LST and commodities, new contracts and operating benefits, partially offset by exits and growth-related investments

INDUSTRIAL

Increased demand and more favorable sales mix across product businesses

RAIL

Less favorable product sales mix, partially offset by increased demand for after-market parts and Protran Technology products

(1) See tables at end of presentation for GAAP to non-GAAP reconciliations.
Note: 2018 GAAP figures do not account for any unusual items in 2018. Also, comparisons reflect new pension reporting for both 2018 and 2017.

2018 SEGMENT OUTLOOK

Excluding unusual items			2018 VERSUS 2017[1]
Metals & Minerals	**Revenues**	▲	Mid-single to high-single digits
	Operating Income	▲	~10% at mid-point, excluding unusual items
	Drivers	+	LST, new sites/services, cost/operational savings, commodities prices, Applied Products, FX
		-	Exited sites, investments
Industrial	**Revenues**	▲	Double digits
	Operating Income	▲	~35% at mid-point
	Drivers	+	Demand for all three major product groups More favorable product mix, manufacturing savings
Rail	**Revenues**	▲	Mid-single digits (▲ ~10% excluding SBB revenue)
	Operating Income	▲	Low single digits at mid-point, excluding unusual items
	Drivers	+	Aftermarket parts and Protran volumes
		-	Equipment sales mix and Contracting services
Corporate Costs			Modestly higher than 2017, due to investments and professional fees

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

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Q1 2018 FINANCIAL SUMMARY

KEY PERFORMANCE INDICATORS

- Q1 operating income above guidance range of $30-35 million
- Results exceeded guidance due to M&M and Industrial performance, as well as lower Corporate spending
- M&M and Industrial realized earnings increase compared to prior-year quarter; reflecting internal execution and market momentum
- Rail earnings declined year-on-year as anticipated
- GAAP EPS increase includes benefits from lower interest costs and effective tax rate
- Q1 FCF reflects normal seasonality; year-over-year change reflects higher capital spending, as anticipated

		Change vs. 2017	
$ in millions except EPS	Q1 2018	$	% or bps
Revenues	408	35	10%
GAAP Operating Income	37	8	28%
% of Sales	*9.0%*	-	*130bps*
GAAP Diluted Earnings Per Share	0.22	0.11	100%
Free Cash Flow[1]	(35)	(12)	(57)%
ROIC (TTM)[1]	12.5%	-	430bps

2017 figures reflect pension reclassification.
(1) See tables at end of presentation for GAAP to non-GAAP reconciliations.

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Q1 2018 METALS & MINERALS

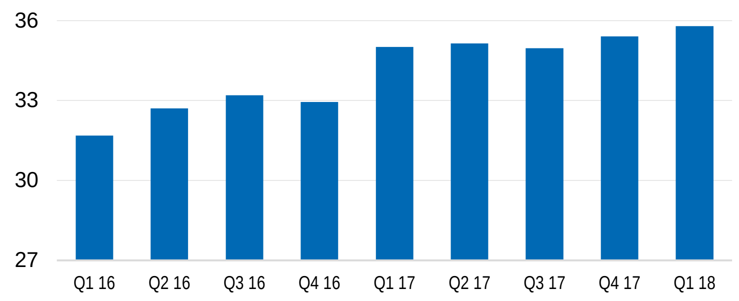
SUMMARY RESULTS

$ in millions

	Q1 2018	Q1 2017	% Change
Revenues, as reported	265	247	7%
Operating Income – GAAP	28	26	8%
Operating Margin – GAAP	10.5%	10.4%	-
Free Cash Flow (YTD)	(7)	10	nmf
ROIC (TTM)	12.7%	10.8%	190bps

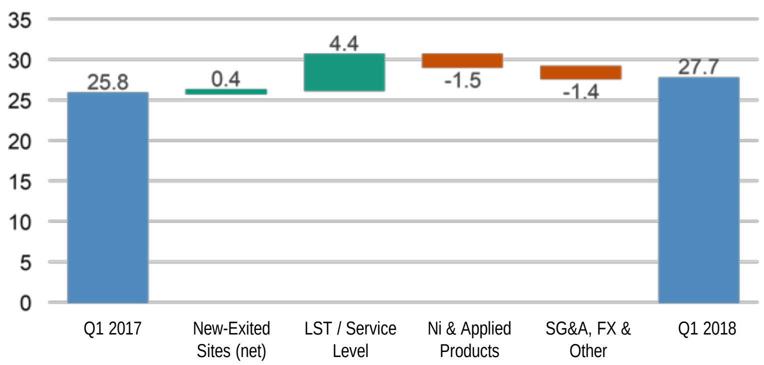
LST CONTINUING SITES

Million tons



ADJUSTED OPERATING INCOME BRIDGE

$ in millions



Business Highlights

- Revenues increased due to higher services demand and foreign exchange translation
- Operating income increase reflects above items, offset by SG&A investments to support growth and lower nickel-related volumes, as expected
- FCF change reflects an increase in capital investment and in working capital

nmf = not meaningful.
2017 figures reflect pension reclassification; See tables at end of presentation for GAAP to non-GAAP reconciliations.

Q1 2018
INDUSTRIAL

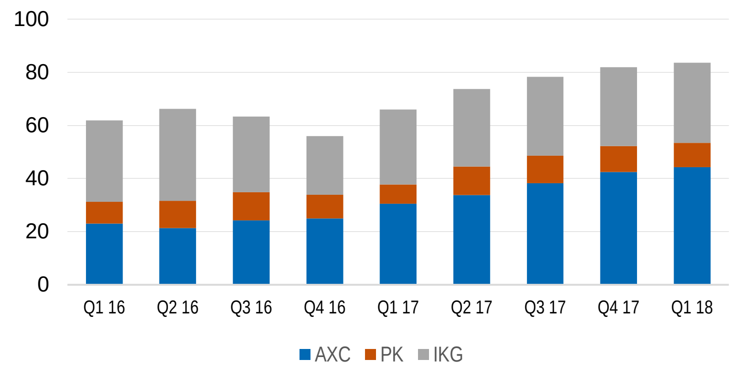
SUMMARY RESULTS

$ in millions

	Q1 2018	Q1 2017	% Change
Revenues, as reported	84	66	27%
Operating Income – GAAP	12	3	nmf
Operating Margin – GAAP	14.9%	4.4%	-
Free Cash Flow (YTD)	4	2	79%
ROIC (TTM)	36.4%	16.3%	nmf

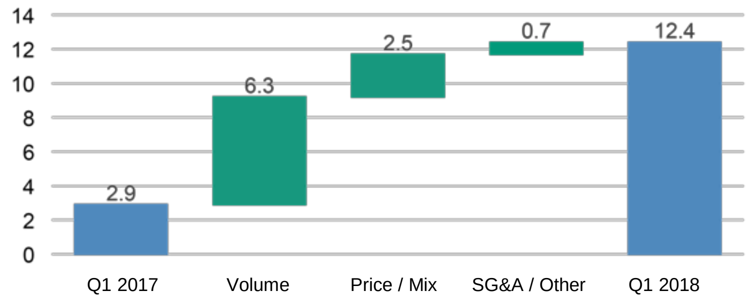
REVENUE MIX

$ in millions



OPERATING INCOME BRIDGE

$ in millions



Business Highlights

- Revenue increase reflects improved demand within the three product businesses
- Significant operating income and margin increase due to the above, manufacturing improvements and a more favorable product sales mix
- Free cash flow change attributable to higher cash earnings, offset by changes in working capital

nmf = not meaningful.
2017 figures reflect pension reclassification; See tables at end of presentation for GAAP to non-GAAP reconciliations.

Q1 2018
RAIL

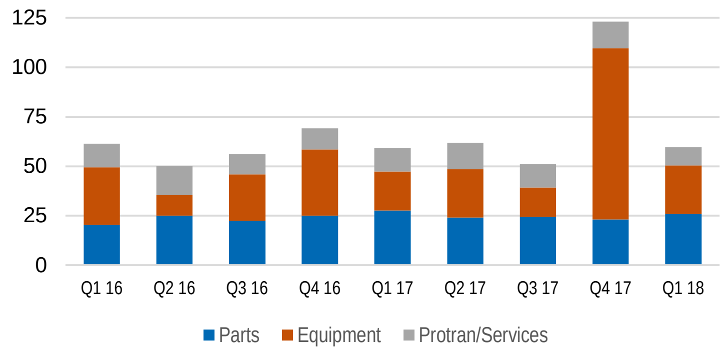
SUMMARY RESULTS

$ in millions

	Q1 2018	Q1 2017	% Change
Revenues, as reported	60	60	--%
Operating Income – GAAP	2	6	(69)%
Operating Margin – GAAP	3.3%	10.4%	-
Free Cash Flow (YTD)	(5)	(14)	nmf
ROIC (TTM)	27.9%	30.5%	(260)bps

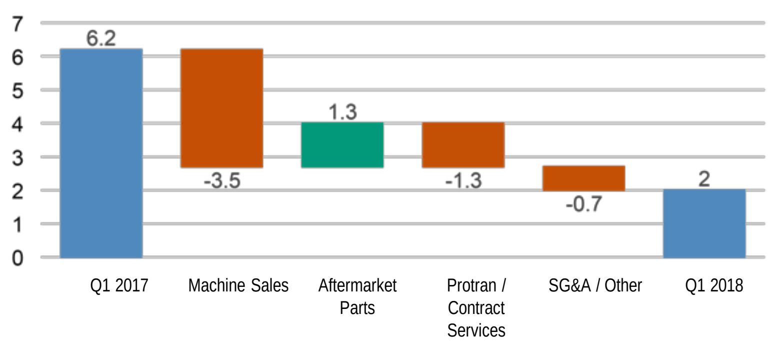
REVENUE MIX

$ in millions



OPERATING INCOME BRIDGE[1]

$ in millions



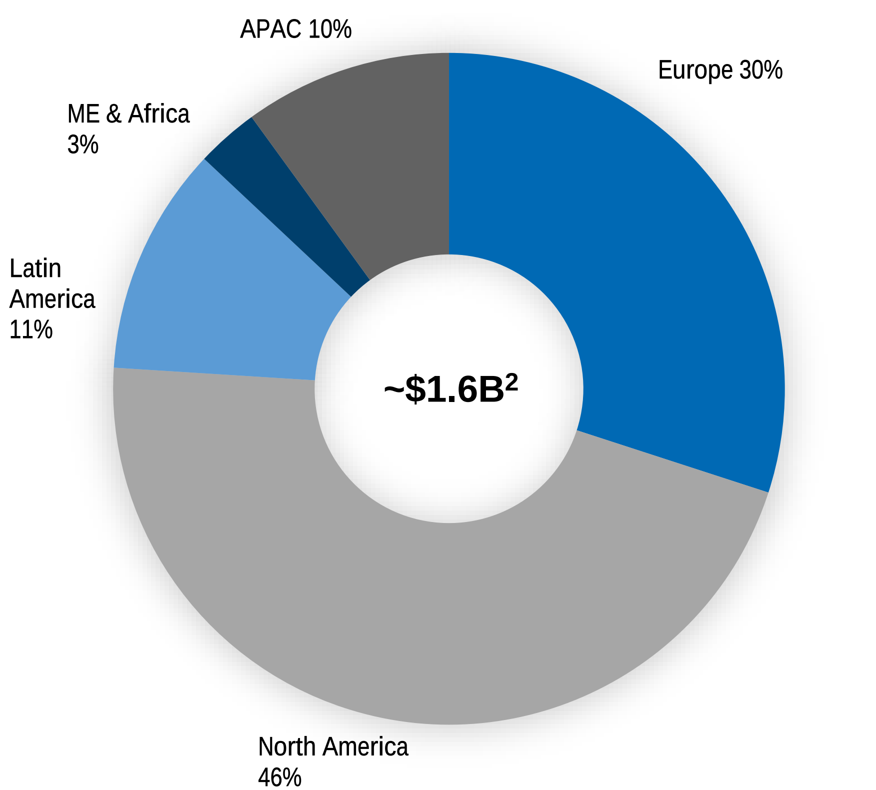
Business Highlights

- Revenues essentially unchanged, including SBB revenue of $8 million in Q1 2018
- Operating income change reflects lower equipment and contract services contributions, which were anticipated
- Free cash flow increased mainly the result of cash generated from working capital

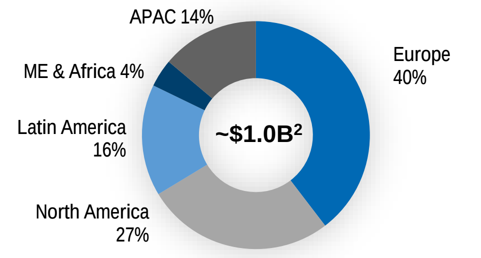
nmf = not meaningful.
2017 figures reflect pension reclassification; See tables at end of presentation for GAAP to non-GAAP reconciliations.

GENERAL INFORMATION
REVENUE MIX BY GEOGRAPHY [1]

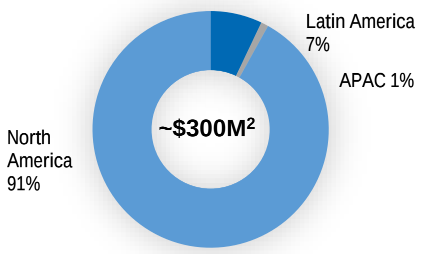
COMPANY



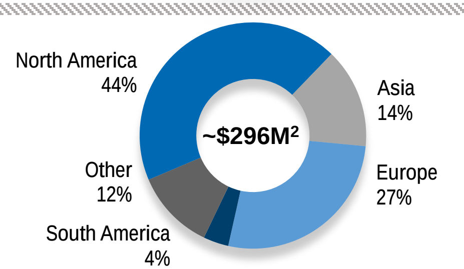
METALS & MINERALS



INDUSTRIAL



RAIL



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

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

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

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

(a) The Company recorded a charge as a result of revaluing net deferred tax assets and liabilities as a result of U.S. tax reform ($48.7 million).
(b) Bad debt expense incurred in the Harsco Metals & Minerals Segment ($4.6 million pre-tax).
(c) Loss on early extinguishment of debt recorded at Corporate ($2.3 million pre-tax).
(d) Unusual items are tax effected at the global effective tax rate, before discrete items, in effect at the time the unusual item is recorded except for unusual items from countries where no tax benefit can be realized, in which case a zero percent tax rate is used.
(e) Does not total due to rounding.

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

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 AFTER RECLASSIFICATION (Unaudited) (a)

(In thousands)	Harsco Metals & Minerals	Harsco Industrial	Harsco Rail	Corporate	Consolidated Totals
Twelve Months Ended December 31, 2017:					
Operating income (loss) as previously reported	$ 105,257	$ 35,174	$ 32,091	$ (29,723)	$ 142,799
Pension reclassification adjustment	(2,895)	358	863	4,268	2,594
Operating income (loss), after reclassification	102,362	35,532	32,954	(25,455)	145,393
Harsco Metals & Minerals bad debt expense	4,589	—	—	—	4,589
Adjusted operating income (loss), excluding unusual items, after reclassification	$ 106,951	$ 35,532	$ 32,954	$ (25,455)	$ 149,982

(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 (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.

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 AFTER RECLASSIFICATION (Unaudited) (a)

(In thousands)	Harsco Metals & Minerals	Harsco Industrial	Harsco Rail	Corporate	Consolidated Totals
Three Months Ended March 31, 2017:					
Operating income (loss) as previously reported	$ 26,429	$ 2,804	$ 5,986	$ (7,311)	$ 27,908
Pension reclassification adjustment	(672)	90	231	1,050	699
Operating income (loss), after reclassification	$ 25,757	$ 2,894	$ 6,217	$ (6,261)	$ 28,607
Three Months Ended June 30, 2017:					
Operating income (loss) as previously reported	$ 32,177	$ 9,151	$ 7,961	$ (6,815)	$ 42,474
Pension reclassification adjustment	(713)	89	231	1,068	675
Operating income (loss), after reclassification	$ 31,464	$ 9,240	$ 8,192	$ (5,747)	$ 43,149
Three Months Ended September 30, 2017:					
Operating income (loss) as previously reported	$ 24,327	$ 12,864	$ 4,161	$ (7,402)	$ 33,950
Pension reclassification adjustment	(714)	90	230	1,072	678
Operating income (loss), after reclassification	$ 23,613	$ 12,954	$ 4,391	$ (6,330)	$ 34,628
Harsco Metals & Minerals bad debt expense	4,589	—	—	—	4,589
Adjusted operating income (loss), excluding unusual items, after reclassification	$ 28,202	$ 12,954	$ 4,391	$ (6,330)	$ 39,217
Three Months Ended December 31, 2017:					
Operating income (loss) as previously reported	$ 22,324	$ 10,355	$ 13,983	$ (8,195)	$ 38,467
Pension reclassification adjustment	(796)	89	171	1,078	542
Operating income (loss), after reclassification	$ 21,528	$ 10,444	$ 14,154	$ (7,117)	$ 39,009

(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 (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.

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION

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

	Three Months Ended March 31			
(In thousands)		**2018**		**2017**
Net cash used by operating activities	**$**	**(8,243)**	$	(6,124)
Less capital expenditures		**(26,897)**		(16,989)
Plus capital expenditures for strategic ventures (a)		**240**		59
Plus total proceeds from sales of assets (b)		**377**		1,006
Free cash flow	**$**	**(34,523)**	$	(22,048)

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

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

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

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

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

	Projected Twelve Months Ending December 31	
	2018	
(In millions)	**Low**	**High**
Net cash provided by operating activities	$ 210	$ 245
Less capital expenditures	(130)	(149)
Plus total proceeds from asset sales and capital expenditures for strategic ventures	5	4
Free Cash Flow	85	100
Add growth capital expenditures	45	50
Free cash flow before growth capital expenditures	$ 130	$ 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.

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)

	Trailing Twelve Months for Period Ended March 31	
(In thousands)	**2018**	**2017**
Net income (loss) from continuing operations	**$ 21,163**	$ (60,635)
Unusual items:		
Impact of U.S. tax reform on income tax benefit	**48,680**	—
Harsco Metals & Minerals Segment bad debt expense	**4,589**	—
Loss on early extinguishment of debt	**2,265**	35,337
Net loss on dilution and sale of equity investment	**—**	43,518
Harsco Rail Segment forward contract loss provision	**—**	45,050
Expense of deferred financing costs	**—**	1,125
Harsco Metals & Minerals Segment cumulative translation adjustment liquidation	**—**	(1,157)
Taxes on above unusual items (b)	**(2,052)**	(11,512)
Net income from continuing operations, as adjusted	**74,645**	51,726
After-tax interest expense (c)	**29,995**	31,342
Net operating profit after tax as adjusted	**$ 104,640**	$ 83,068
Average equity	**$ 209,938**	$ 252,178
Plus average debt	**625,337**	759,500
Average capital	**$ 835,275**	$ 1,011,678
Return on invested capital excluding unusual items	**12.5%**	8.2%

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

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

(c) The Company's effective tax rate approximated 37% for the trailing twelve months for period ended March 31, 2017 and for the trailing twelve months for 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 RETURN ON INVESTED CAPITAL EXCLUDING UNUSUAL ITEMS TO NET INCOME (LOSS) FROM CONTINUING OPERATIONS AS REPORTED (a) (Unaudited)

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

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

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

(c) The Company's effective tax rate approximated 37% on an adjusted basis for both periods for interest expense.

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

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

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

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

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

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

RECONCILIATION OF NON-GAAP MEASURES

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

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

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

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

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

HARSCO

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 2017
Maintenance capital expenditures (a)	$ 81,849
Growth capital expenditures (b)	16,465
Purchases of property, plant and equipment	98,314
Less growth capital expenditures	(16,465)
Less total proceeds from sales of assets (c)	(13,418)
Net maintenance capital expenditures	$ 68,431

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

(b) Growth capital expenditures, for which management has discretion as to amount, timing and geographic placement, expand the Company's revenue base and create additional future cash flow.

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

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

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

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

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

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

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

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