



HARSCO
Insight onsite.™

Investor Presentation

February, 2018

Administrative Items

Forward-Looking Statements

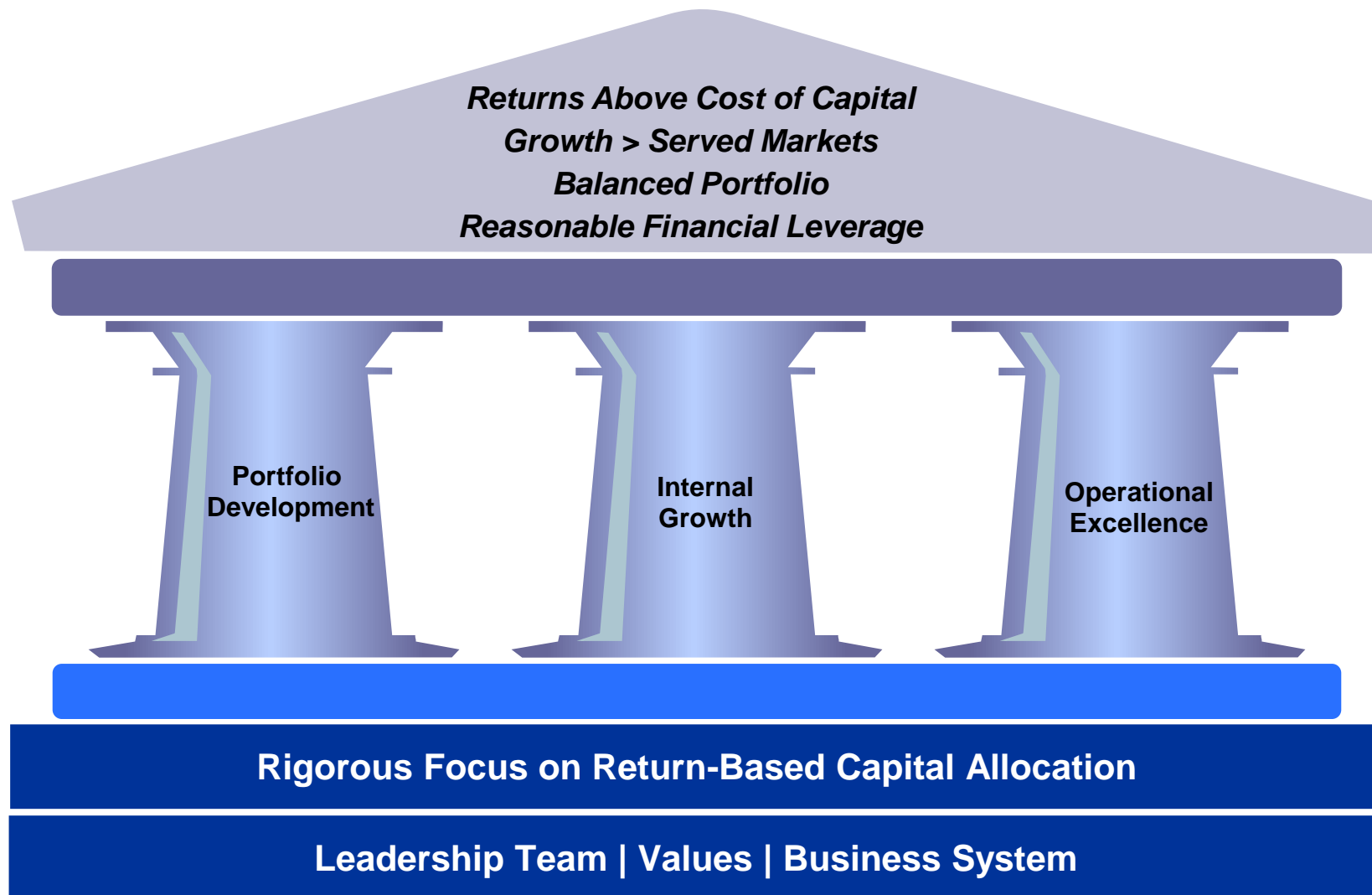
The Company's presentation contains forward-looking statements based on management's current expectations, estimates and projections. The nature of the Company's business and the many countries in which it operates subject it to changing economic, competitive, regulatory and technological conditions,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

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

Non-GAAP Measures

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

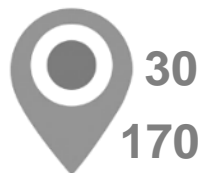
Harsco – Focused on Growth and ROIC



Harsco – Focused on Growth and ROIC

NYSE: HSC

Diversified global engineered products and services company



30 Countries
170 Operating Sites



9,000+ Employee



METALS & MINERALS

Revenue: ~\$1B

Global market leader in mill services



INDUSTRIAL

Revenue: ~\$300M

Highly engineered OEM to industrial and energy markets

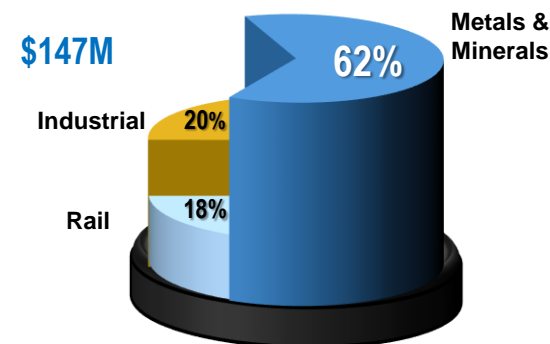


RAIL

Revenue: ~\$300M

Customized provider of maintenance equipment and spare parts

Adjusted Operating Income⁽¹⁾



Note: Adjusted operating income and all revenues for Harsco Metals & Minerals, Rail, and Industrial Segments are 2017 actual amounts.

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

Metals & Minerals

A Leading Provider of Mission Critical Services



Global **market leader**, serving **15%** of ex-China LST

Environmental and cost saving solutions



Exposure diversity:
30+ countries | ~70 customers | ~145 Sites

Long term contracts & multi-decade relationships



Flexible operating structure

High renewal rates on contracts,
with fixed-variable pricing



Differentiated operational expertise and technology

Transformation initiatives improved return profile



Services and Products Portfolio

Resource Recovery



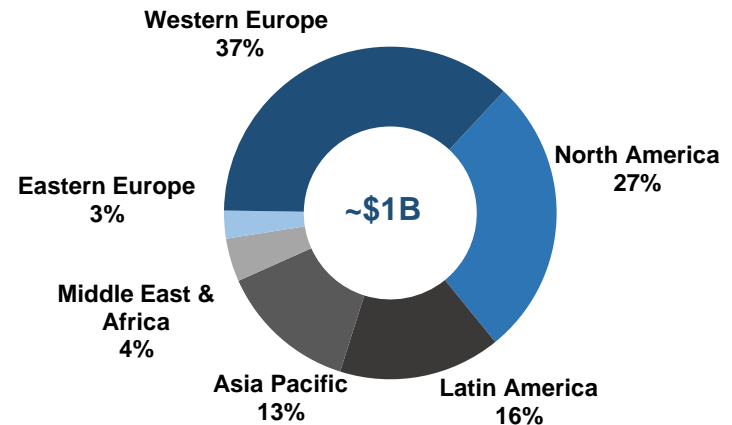
Materials Management
& Melt Shop
Services



Environmental &
Product
Solutions



Revenue Mix by Geography



Zero Waste Solutions through Leading Advanced Material Technologies and Applications

20%

Applied Products makes up ~20% of M&M revenues

Performix, US

- Specialty additives used by steelmakers in the ladle refining

Steelphalt, UK

- Stainless and carbon steel slag based products
- Asphalt for road construction

Excell, US

- Stainless steel slag based products
- Soil conditioner / fertilizer / acid mine drainage

Reed Minerals, US

- Coal-slag based products
- Abrasives
- Roofing granules

Excell, Brazil

- Stainless steel slag based products
- Soil conditioner / fertilizer

India

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

THT, China

- Stainless and carbon steel slag based products
- Road construction
- Fertilizer
- Cement substitute

Applied Products Overview



Roofing Granules



Fertilizer



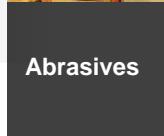
Cement Production



Metallurgical Additives



Slag Conditioners



Abrasives



Soil Conditioner



Road Construction



Asphalt



M&M - Positioned to Capture Growth Opportunities

Increased Penetration of Existing Sites with Targeted Pursuit of New Sites

Renewed emphasis on entrepreneurial focus at site level for site managers to grow relationships & services



- New sites identified in select markets globally
 - Assessment of areas of incremental value M&M can provide



Recent M&M Contract wins*



| | |
|----------------------------------|-----|
| # of Contract wins | 13 |
| Additional revenue backlog (\$M) | 467 |
| Growth capital commitment | 40 |
| Average new contract term (Yr) | 11 |

Firm wide Commercialization of Applied Products Technology

- Applied product "successes" to be rolled out across the site portfolio
- Additional value creation / upside through the development of a global, coordinated Applied Products strategy

Current Platform

Abrasives
and
Roof
Granules

Specialty
Metallics
Recovery
/ Fertilizer

Road
Construction

Metallurgical
Additives

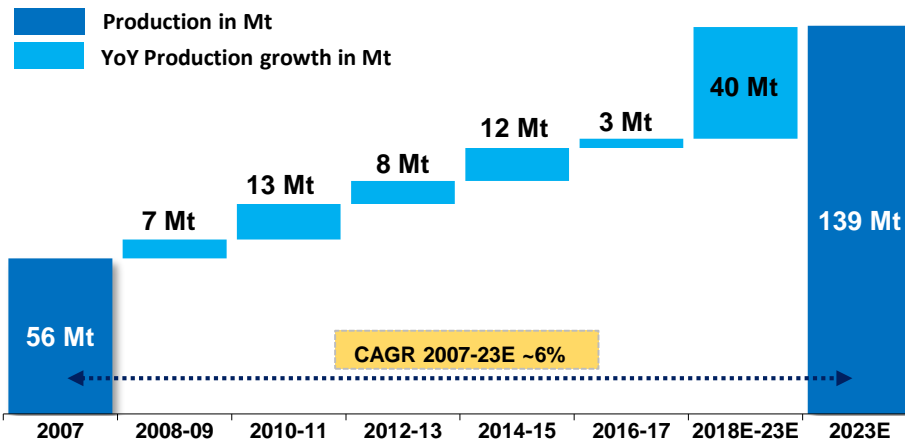
Note:* Contract wins since 2016

Capitalizing on Opportunities and Outlook in Growing Services Markets

India

- **Strong market position –**
only global steel mill services company with full-scale operations in India providing a comprehensive service offering
- **In-house engineering capabilities, operating track record, and local presence are differentiating factors'**

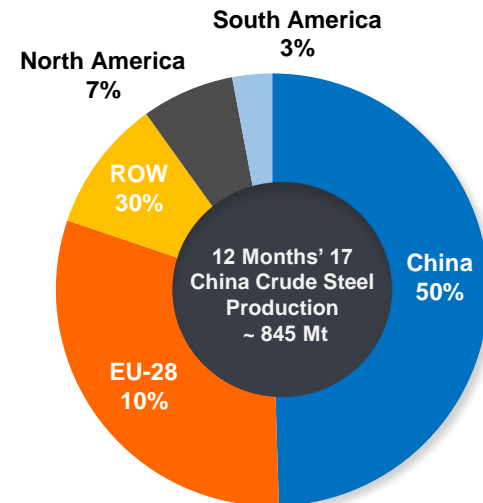
India Steel Production Expected to Increase Significantly



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

China

China is the Largest Steel Producer in the World...



Source: World Steel Association

- **China's adoption of a new environmental standards**
- **Underpenetrated steel mill service market**
- **Significant opportunities from potential outsourcing of steel mill services**

Industrial - Highly Attractive Return Business

- Three businesses with premium quality products and powerful 100+ year brand heritage

HARSCO INDUSTRIAL
Air-X-Changers

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

HARSCO INDUSTRIAL
IKG Industries

Leading producer of industrial metal grating products & security fencing

HARSCO INDUSTRIAL
Patterson-Kelley

Innovative commercial boilers & water heaters

- Broad attractive end-markets



Growth in natural gas & oil production



Chemical & Oil processing expansions



Industrial capacity additions



Improvement in US construction

- Unique design, engineering and service support
- Focus on Continuous Improvement principles
- Attractive margins
- Capital-light business with high returns

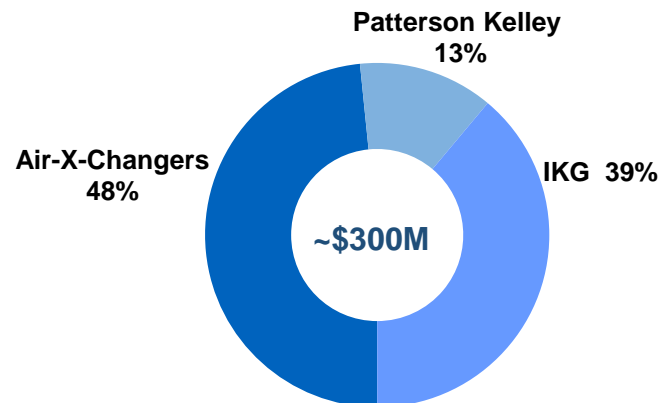


Yearly CapEx: ~2% of revenue (2017 excluding MX property sale)

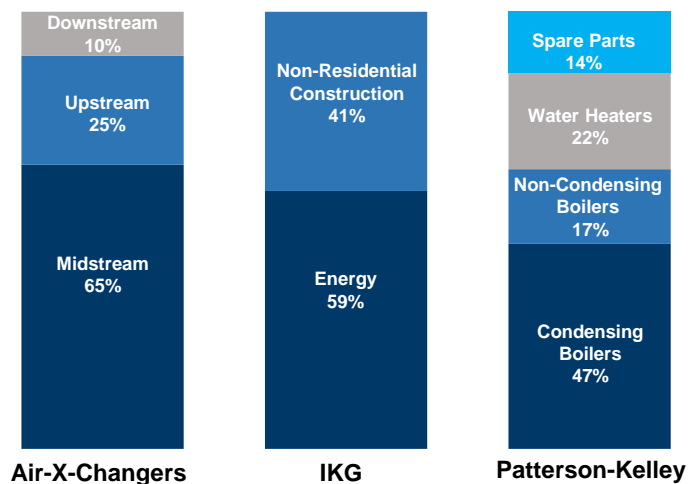


ROIC: 29% (2017)

Revenue Mix by Business



Business Exposures¹



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

(1) Company estimates or 2017 information

Industrial Platform For Growth



Product innovation and technology support growth

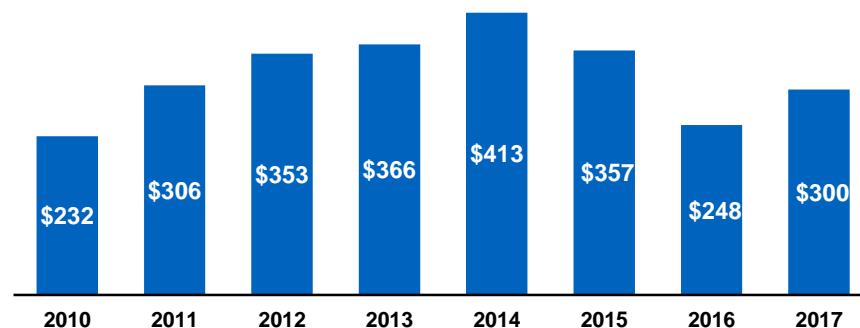


Significant investment recently in manufacturing capabilities



Meaningful growth potential from end-market recovery

Top-Line Leverage to Recovery & Product Innovations¹



Specific Growth Drivers and Differentiation within Industrial Operating Businesses



- New CenterGate facility (550,000 sq.ft.) supports shorter lead times and master agreements with large customers and lowers manufacturing costs



Gas Compression Process Cooling Lube Oil Cooling



- Capital improvements in Channelview, TX facility yielding low-cost, accelerated manufacturing and industry-leading product quality
- New West Coast location



Fabricated Stock Panels GrateGuard



- Innovative NURO controls provide best-in-class performance monitoring
- Penetrate stainless market through expanded SONIC product-line
- Entering commercial instantaneous water heater market with new HiDra offering



Condensing & Non-Condensing Boilers

Water Heaters

Control Systems

Scaling Rail To Drive Growth



Leader in **North American rail maintenance** with developing foothold in Asia & Europe

Integrated, total track solutions



Customized OEM of track maintenance and construction equipment, with innovative controls

Differentiated technology solutions, capitalizing on next generation equipment, increased safety & track awareness and productivity improvements



Large aftermarket opportunity supported by installed base of equipment and non-OEM strategy

▪ Capital-light business with high returns



Yearly CapEx:
~1% of revenue (2017)

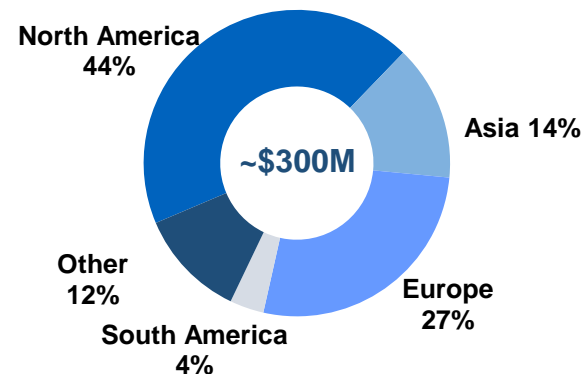


ROIC: **33%**
(2017)

Products / Services



Revenue Mix by Geography



Targeting Growth & Share Gain in \$6B MOW Market

Aftermarket Parts

- Increase penetration of large installed base of Harsco equipment in North America
- Develop non-OEM strategy in North America and Europe



Equipment

- International opportunities are significant
- Focus on higher spending regions such as Europe and Emerging Markets

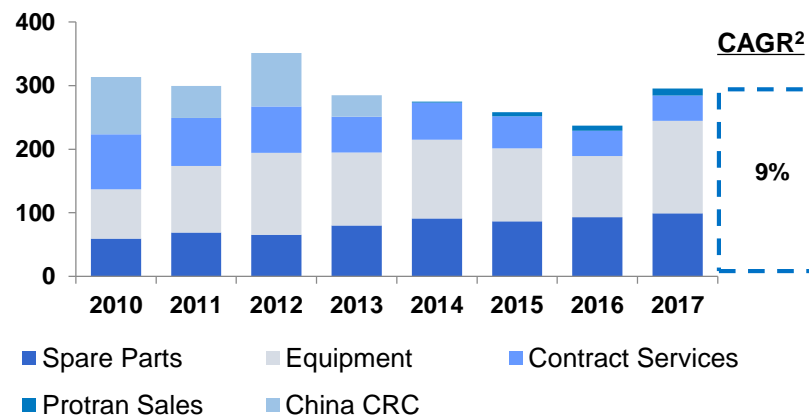


Protran Technology

- Leverage market attention on safety; suite of collision avoidance and warning systems
- Measurement & inspection technologies to monitor track conditions and plan maintenance practices
- Asset awareness and productivity software



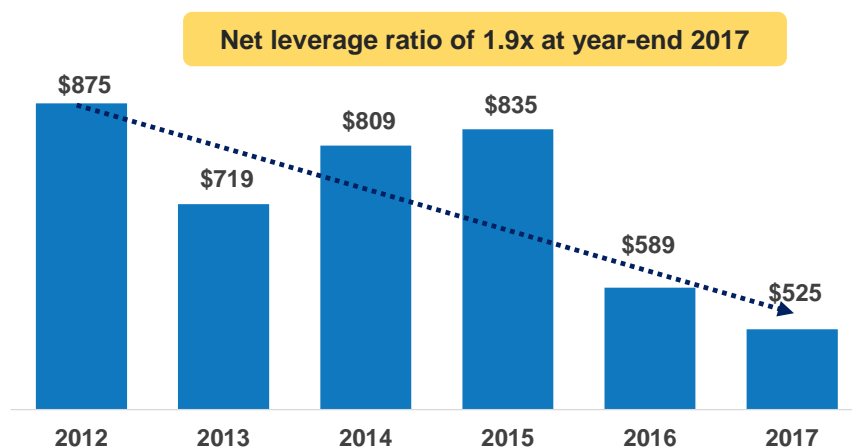
Strong Revenue Growth in Core Products (\$M)¹



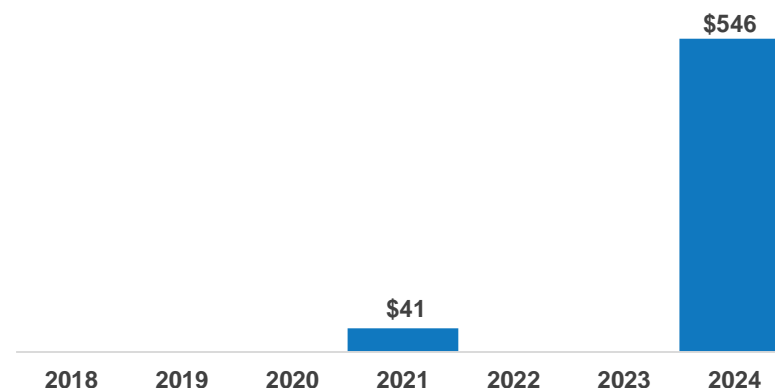
Balanced Capital Allocation & Financial Strategy

- **Primary focus is Return on Invested Capital; ROIC target is 10%**
 - ▢ Capital allocation efficiency & pursue accretive growth opportunities
- **Notable improvement in cash flow**
 - ▢ M&M capital spending limited to maintenance & targeted growth investments
 - ▢ Sustainable working capital improvements in each business segment
- **Priority is to maintain reasonable capital structure and flexibility to pursue strategic initiatives**
 - ▢ Long term target leverage ratio is 2.0x to 2.5x

Net Debt (\$M)



Major Debt Maturities (\$M)



Note: Figures in millions. 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.

2018 Summary Outlook

| | 2018 Outlook ⁽²⁾ | 2017 Actual |
|--|-------------------------------|---------------|
| GAAP Operating Income | \$150 to \$170 million | \$143 million |
| Adjusted Operating Income⁽¹⁾ | \$150 to \$170 million | \$147 million |
| GAAP Diluted Earnings/(Loss) Per Share | \$0.97 to \$1.14 | \$0.09 |
| Adjusted Diluted Earnings Per Share⁽¹⁾ | \$0.97 to \$1.14 | \$0.74 |
| Free Cash Flow Before Growth Capital | \$125 to \$150 million | \$109 million |
| Free Cash Flow | \$80 million to \$100 million | \$93 million |
| ROIC⁽¹⁾ | 12.0% to 13.5% | 11.5% |

(1) Excludes unusual items. (2) 2018 GAAP figures do not account for any unusual items in 2018. Also, the 2018 Outlook includes anticipated impacts from new pension reporting and revenue recognition standards as well as US tax reform.

2018 Business Outlook

| <i>Excluding unusual items</i> | | 2018 versus 2017* |
|--------------------------------|------------------|---|
| Metals & Minerals | Revenues | ↑ mid-single digits |
| | Operating Income | ↑ low single digits at mid-point, excluding unusual items |
| | Drivers | + LST, new sites/services, cost/operational savings, commodities prices, Applied Products, FX - Exited sites, services mix, investments, pension |
| Industrial | Revenues | ↑ low double digits |
| | Operating Income | ↑ ~25% 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 | + After-market parts and Protran volumes - Equipment sales mix and Contracting services |
| Corporate Costs | | Similar to 2017, as favorable pension impact to be offset by investments and professional fees |

*The 2018 Outlook includes anticipated impacts from new pension reporting and revenue recognition standards.

Summary Highlights and Major Priorities

- **Three industry leading businesses providing innovative solutions**
- **Sustaining internal momentum and target business growth**
 - Operate disciplined Metals & Minerals business
 - Secure additional growth opportunities
 - Advance “Continuous Improvement” culture
- **Meaningful earnings improvement potential from a recovery**
- **Significant financial flexibility following 2016-17 debt reduction**
 - Sustain free cash flow improvement; FCF after growth investments to reduce leverage further
 - Committed to maintaining strong capital structure
- **Pursue opportunities to develop portfolio**
- **Achieve ROIC at/above cost of capital on consistent basis**



Appendix

Experienced Management Team

Nicholas Grasberger
President, CEO & Head of
Metals & Minerals



Nicholas Grasberger was appointed President and Chief Executive Officer in July 2014. He also is a member of the Harsco Board of Directors and serves as the leader of the Metals & Minerals segment. Mr. Grasberger previously served as Harsco's Chief Operating Officer and Chief Financial Officer. Before that, he was Managing Director of the multinational Precision Polymers Division of Fenner Plc. Prior to joining Fenner, he served as the Chief Financial Officer of Armstrong Holdings, Inc., the parent company of Armstrong World Industries, and later as CEO of Armstrong's Building Products division. He has also held positions as VP and Chief Financial Officer for Kennametal, Inc. and as Corporate Treasurer and director of the corporate planning process at H. J. Heinz Company.

Peter F. Minan
SVP & CFO



Peter F. Minan was appointed Senior Vice President and Chief Financial Officer of the Company in November 2014. He has an extensive background in global financial management acquired through a nearly 30-year career with KPMG. He became a partner in 1993 and served as global lead partner for several multi-national Fortune 500 industrial and consumer audits. His roles included National Managing Partner, U.S. Audit practice, and Partner in Charge, Washington/Baltimore Audit practice. His more recent role was with Computer Sciences Corporation, where he served as Vice President of Enterprise Risk Management and Internal Audit. Mr. Minan has a degree in commerce from the University of Virginia's McIntire School of Commerce and is a Certified Public Accountant.

Russell Hochman
SVP, General Counsel, CCO
& Corporate Secretary



Russell Hochman serves as Senior Vice President, General Counsel, Chief Compliance Officer and Corporate Secretary. Mr. Hochman served in senior legal roles with Pitney Bowes Inc. and leading law firms based in New York prior to joining Harsco in 2013. He holds a J.D. from Albany Law School of Union University and a B.A. from Cornell University.

Tracey McKenzie
SVP & Chief HR Officer



Tracey McKenzie serves as Senior Vice President and Chief Human Resources Officer. Prior to joining Harsco in September 2014, Ms. McKenzie served as Global HR Vice President for JLG Industries, a leader in the manufacturing sector for advanced aerial lift systems. While at JLG, she initiated and implemented global processes and procedures to foster employee engagement and development, while also advancing the company's objectives for Lean operational efficiency and continuous process improvement. Ms. McKenzie previously held executive level HR positions in her native Australia, and worked at Pacific Scientific Aerospace (a division of Danaher). She moved to the US in 2003, and holds an MBA from University of New England and a bachelor's in business administration from Royal Melbourne Institute of Technology (RMIT).

Chris Whistler
Chief Operating Officer of
Metals & Mineral



Chris Whistler serves as Vice President and Chief Operating Officer of the Harsco Metals & Minerals segment, having oversight responsibility for the segment's global operations. Mr. Whistler has played an instrumental role throughout the transformation of the Metals & Minerals business, serving most recently as head of the centralized Bid & Contract Management function. He joined Harsco in 1993 through its acquisition of MultiServ Group Ltd and has held several key management positions within the Company in both operations and finance, including division VP and Controller and regional Operations executive. Mr. Whistler holds a BA in Economics and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Scott H. Gerson
President of Industrial



Scott H. Gerson serves as Senior Vice President and Group President of the Harsco Industrial group. Mr. Gerson joined Harsco in 2005 as Chief Information Officer and was appointed to his current position in 2010. Mr. Gerson previously was with Kulicke & Soffa Industries, Inc., a manufacturer of semiconductor assembly and test equipment, where he served as IT director of their worldwide application services. He has also served in management capacities with Compaq Computers and TRW Inc.

Jeswant Gill
President of Rail



Jeswant Gill serves as Senior Vice President and Group President of Harsco Rail. He joined Harsco in October 2016 from The Arcadia Group International, where he served as Managing Director for its Global Solutions group. Mr. Gill previously was with Kennametal Inc., a global supplier of industrial tooling and material, where he led its \$1.3 billion Industrial Segment as Executive Vice President. Prior to Kennametal, he has served as Vice President, Global Services for the Industrial Technologies Sector of Ingersoll Rand. He also previously held leadership positions with Invensys PLC and Johnson Controls Inc.

Experienced Board of Directors

| | |
|------------------------|--|
| David C. Everitt | <ul style="list-style-type: none"> □ 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 |
| James F. Earl | <ul style="list-style-type: none"> □ Executive Vice President GATX Corporation □ President – GATX Rail International |
| Kathy G. Eddy | <ul style="list-style-type: none"> □ 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 |
| Stuart E. Graham | <ul style="list-style-type: none"> □ Retired Chairman of Skanska AB □ Served as Chairman of the Engineering and Construction Governors Council of the World Economic Forum and founded the Engineering and Construction Risk Institute |
| F. Nicholas Grasberger | <ul style="list-style-type: none"> □ 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 |
| Terry D. Growcock | <ul style="list-style-type: none"> □ Former Chairman of The Manitowoc Company □ Serves on the Board of Directors of Harris Corporation and Carlisle Companies |
| Elaine La Roche | <ul style="list-style-type: none"> □ CEO of China International Capital Corporation US □ Former Vice Chairman, JP Morgan China Securities |
| Mario Longhi | <ul style="list-style-type: none"> □ 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 | <ul style="list-style-type: none"> □ 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 | <ul style="list-style-type: none"> □ Former Senior Vice President and CFO of Terex □ Former Executive Vice President and CFO of Philip Services Corporation |

Business Sensitive to Many Macro Drivers

Many business drivers



Materials Management and Melt Shop Services

- Liquid Steel Production
- Fixed fees
- Equipment / labor rental demand
- Fuel cost
- Inflation



Resource recovery

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

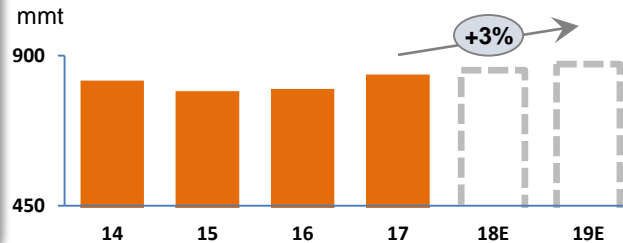


Environmental products

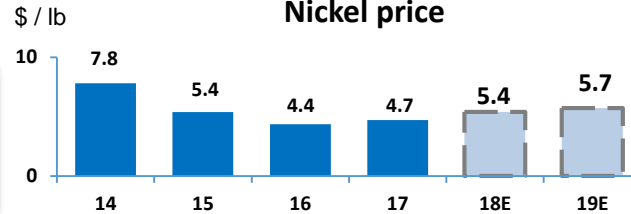
- Abrasive demand & price
- Roofing demand & price

Business variables

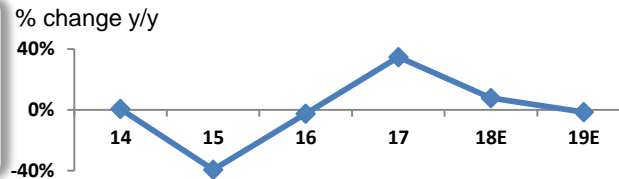
Liquid Steel Production¹



Nickel price



Scrap price²



Impact to bottom line

Within current scope of operations...

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

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

10% scrap price change equals ~\$2.0 million segment OI improvement

Impact to bottom line not linear

1. Global Liquid Steel Production excluding China Production

2. Reflects US and European Shredded, and HMS #1 forecasts

Source: World Steel Association, Deutsche Bank, Bank of America Merrill Lynch, Goldman Sachs, Citi Research, Barclays, Credit Suisse

Q4 2017 Financial Summary –

Key Performance Indicators

| (\$ - millions, except EPS) | | Change vs. 2016 | |
|--|----------------|-----------------|----------|
| | Fourth Quarter | \$ | % or bps |
| Revenues | 455 | 95 | 26% |
| GAAP Operating Income | 38 | 14 | 59% |
| <i>% of Sales</i> | 8.5% | | 180bps |
| Adjusted Operating Income⁽¹⁾ | 38 | 10 | 37% |
| <i>% of Sales</i> | 8.5% | | 70bps |
| GAAP Diluted Earnings Per Share | (0.42) | (0.23) | nmf |
| Adjusted Diluted Earnings Per Share⁽¹⁾ | 0.20 | 0.04 | 25% |
| Free Cash Flow⁽²⁾ | 63 | 25 | 66% |
| ROIC (TTM)⁽²⁾ | 11.5% | | 460bps |

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.

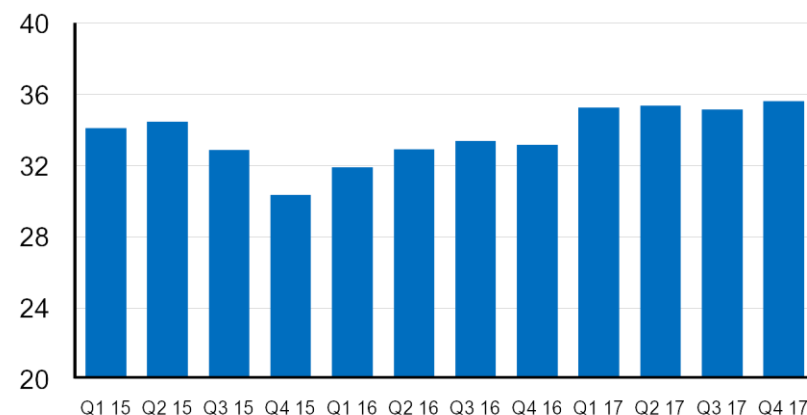
- Q4 operating income above guidance range of \$28-33 million; each business segment contributed to results that exceeded guidance
- Three business segments also realized increase in operating income versus 2016 quarter due to positive market conditions and execution
- GAAP EPS includes unusual items (61c net) related to successful debt repricing and recent U.S. tax reform
- Q4 FCF increased versus prior-year quarter due to higher cash earnings and reduced Rail inventories
- ROIC rose nearly 500 bps

Q4 2017 – Metals & Minerals

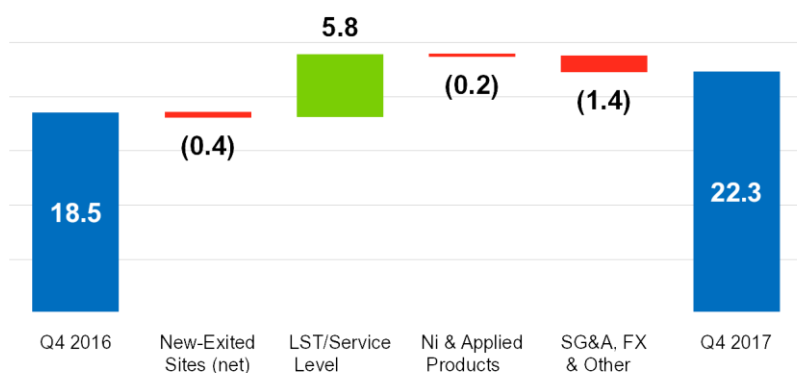
Summary Results

| (\$ in millions) | Q4 2017 | Q4 2016 | % change |
|----------------------------|---------|---------|----------|
| Revenues, as reported | 250 | 235 | 6% |
| Operating income - GAAP | 22 | 20 | 13% |
| Operating margin - GAAP | 8.9% | 8.4% | |
| Adjusted operating income* | 22 | 19 | 20% |
| Adjusted operating margin* | 8.9% | 7.9% | |
| Free cash flow (YTD) | 106 | 152 | (30)% |
| ROIC (TTM) | 12.6% | 9.0% | 360bps |

LST Continuing Sites (million tons)



Adjusted Operating Income Bridge*



Business Highlights

- Revenues increased due to higher steel output and foreign exchange translation
- Adjusted OI increase resulted from an improved steel market, partially offset by higher compensation and professional fees
- FCF change reflects that higher cash earnings were fully offset by growth spending and by the fact that one-time working capital benefits in 2016 were not repeated

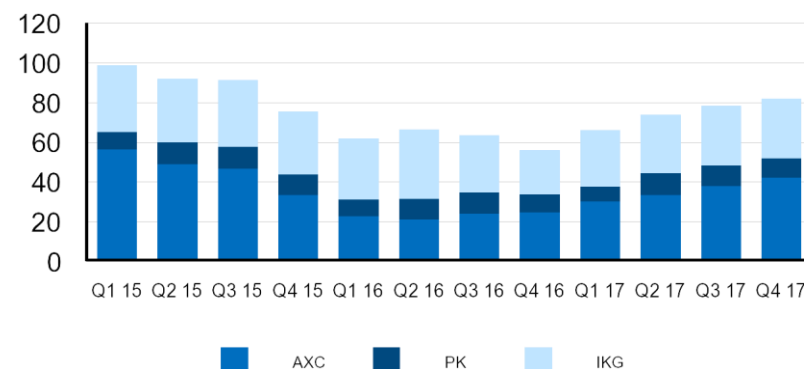
nmf = not meaningful; *excludes unusual items; no usual items in Q4 2017; See tables at end of presentation for GAAP to non-GAAP reconciliations.

Q4 2017 - Industrial

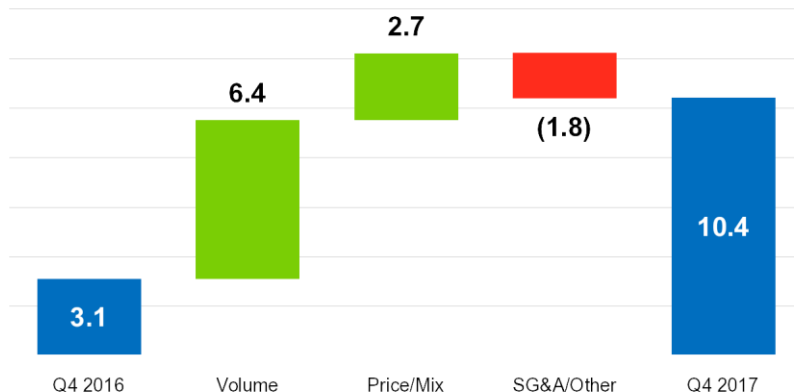
Summary Results

| (\$ in millions) | Q4 2017 | Q4 2016 | % change |
|-------------------------|---------|---------|----------|
| Revenues, as reported | 82 | 56 | 46% |
| Operating income - GAAP | 10 | 3 | nmf |
| Operating margin - GAAP | 12.7% | 5.5% | |
| Free cash flow (YTD) | 34 | 23 | 48% |
| ROIC (TTM) | 29.5% | 18.8% | nmf |

Revenue Mix



Operating Income Bridge



Business Highlights

- Revenue increased due to higher demand within all three product businesses
- Higher operating income is the result of above factors and a more favorable product mix, partially offset by added compensation and sales costs
- Free cash flow increase attributable to higher cash earnings

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

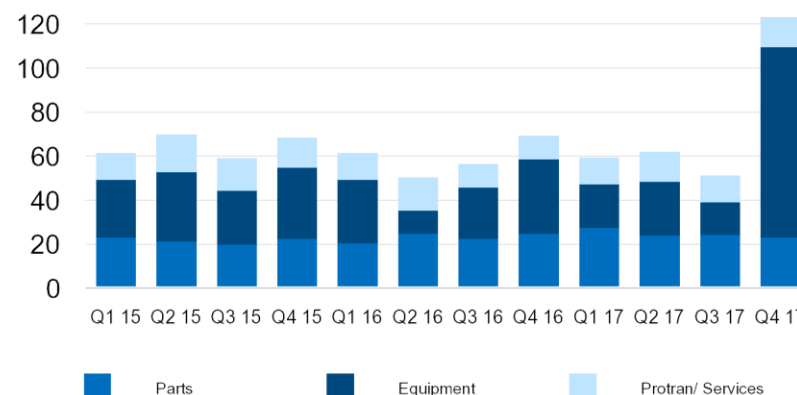
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Q4 2017 - Rail

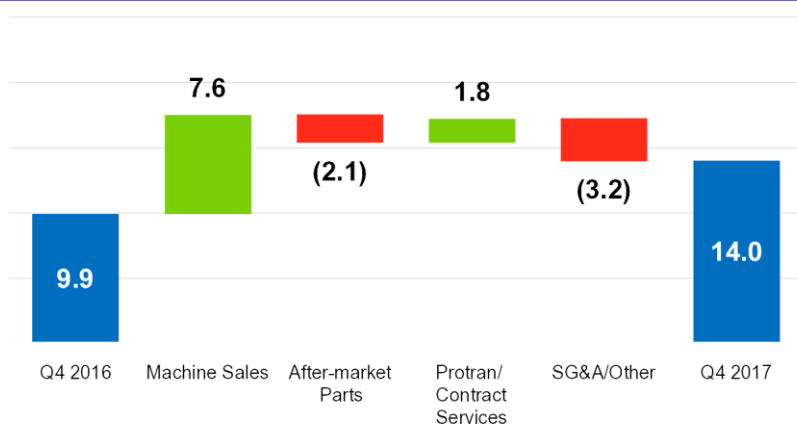
Summary Results

| (\$ in millions) | Q4 2017 | Q4 2016 | % change |
|----------------------------|---------|---------|----------|
| Revenues, as reported | 123 | 70 | 77% |
| Operating income - GAAP | 14 | 5 | 184% |
| Operating margin - GAAP | 11.3% | 7.1% | |
| Adjusted operating income* | 14 | 10 | 41% |
| Adjusted operating margin* | 11.3% | 14.2% | |
| Free cash flow (YTD) | 20 | (9) | nmf |
| ROIC (TTM) | 33.4% | 26.8% | 660bps |

Revenue Mix



Adjusted Operating Income Bridge*



Business Highlights

- Revenues increase attributable to added equipment sales; Q4 included SBB revenues of \$42 million
- Adjusted OI improved due to above factors and services mix; operating margin reached 17% excluding (zero margin) SBB revenue
- 2017 free cash flow increased as a result of cash generated from working capital (inventories)

FY 2017 Financial Summary –

Key Performance Indicators

| (\$ - millions, except EPS) | | Change vs. 2016 | |
|--|-------|-----------------|------------|
| | | \$ | % |
| | 2017 | | |
| Revenues | 1,607 | 156 | 11% |
| GAAP Operating Income | 143 | 79 | 125% |
| <i>% of Sales</i> | 8.9% | | <i>nmf</i> |
| Adjusted Operating Income⁽¹⁾ | 147 | 32 | 27% |
| <i>% of Sales</i> | 9.2% | | |
| GAAP Diluted Earnings Per Share | 0.09 | 1.16 | <i>nmf</i> |
| Adjusted Diluted Earnings Per Share⁽¹⁾ | 0.74 | 0.26 | 54% |
| Free Cash Flow⁽²⁾ | 93 | (7) | (7)% |
| ROIC (TTM)⁽²⁾ | 11.5% | | |

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.

- Annual revenues and operating income increased in each segment, reflecting positive cyclical momentum and implementation of strategic initiatives
- Adjusted operating income +27%
- 2017 GAAP EPS includes Q4 unusual items and bad debt item in Q3
- Adjusted EPS +54%
- Free cash flow remained strong; year-over-year change reflects added growth spending in Metals & Minerals

Q1 2018 Outlook*

- Adjusted operating income is expected to be between \$30 to \$35 million versus \$28 million in Q1 2017
- Adjusted diluted earnings per share of \$0.16 to \$0.21
- Year-over-year considerations include:
 - M&M: Higher LST and commodities, new sites and operating benefits fully offset less favorable services mix, pension and growth-related investments
 - Industrial: Increased demand for heat exchangers and more favorable product sales mix
 - Rail: Less favorable equipment mix and lower services contributions, partially offset by higher contributions from Protran Technology products
 - Corporate costs similar to prior-year quarter

*2018 GAAP figures do not account for any unusual items in 2018. Also, the 2018 Outlook includes anticipated impacts from new pension reporting and revenue recognition standards as well as US tax reform.

Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

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

| | Three Months Ended December 31 | | Twelve Months Ended December 31 | |
|---|-----------------------------------|--------------------|------------------------------------|--------------------|
| | 2017 | 2016 | 2017 | 2016 |
| Diluted earnings (loss) per share from continuing operations as reported | \$ (0.42) | \$ (0.19) | \$ 0.09 | \$ (1.07) |
| Impact of U.S. tax reform on income tax benefit (expense) (a) | 0.59 | — | 0.59 | — |
| Harsco Metals & Minerals Segment bad debt expense (b) | — | — | 0.06 | — |
| Loss on early extinguishment of debt (c) | 0.03 | 0.43 | 0.03 | 0.44 |
| Net loss on dilution and sale of equity method investment (d) | — | — | — | 0.66 |
| Harsco Rail Segment forward contract loss provision (e) | — | 0.06 | — | 0.56 |
| Harsco Metals & Minerals Segment site exit charges and underperforming contract charges (f) | — | — | — | 0.06 |
| Harsco Metals & Minerals Segment separation costs (g) | — | — | — | 0.04 |
| Expense of deferred financing costs (h) | — | — | — | 0.01 |
| Harsco Metals & Minerals Segment cumulative translation adjustment liquidation (i) | — | (0.01) | — | (0.01) |
| Taxes on above unusual items (j) | (0.01) | (0.14) | (0.02) | (0.21) |
| Adjusted diluted earnings per share from continuing operations excluding unusual items | \$ 0.20 | (k) \$ 0.16 | (k) \$ 0.74 | (k) \$ 0.48 |

- (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 (Q4 and Full year 2017 \$48.7 million).
- (b) Bad debt expense incurred in the Harsco Metals & Minerals Segment (Full year 2017 \$4.6 million pre-tax).
- (c) Loss on early extinguishment of debt recorded at Corporate (Q4 and Full year 2017 \$2.3 million pre-tax; Q4 and Full year 2016 \$35.3 million pre-tax).
- (d) Loss on the dilution and sale of the Company's investment in Brand Energy & Infrastructure Services recorded at Corporate (Full year 2016 \$53.8 million pre-tax).
- (e) Harsco Rail Segment forward contract loss provision related to the Company's contracts with the federal railway system of Switzerland (Q4 2016 \$5.0 million pre-tax; Full year 2016 \$45.1 million pre-tax).
- (f) Harsco Metals & Minerals Segment charges primarily attributable to site exit and underperforming contract costs (Full year 2016 \$5.1 million pre-tax).
- (g) Costs associated with Harsco Metals & Minerals Segment separation recorded at Corporate (Full year 2016 \$3.3 million pre-tax).
- (h) Expense of deferred financing costs associated with the Company's repayment of approximately \$85 million on its Term Loan Facility recorded at Corporate (Full year 2016 \$1.1 million pre-tax).
- (i) Harsco Metals & Minerals Segment gain related to the liquidation of cumulated translation adjustment related to an exited country (Q4 and Full year 2016 \$1.2 million pre-tax).
- (j) 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.
- (k) 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 REVIEW OF OPERATIONS BY SEGMENT EXCLUDING UNUSUAL ITEMS (Unaudited)

| (In thousands) | Harsco Metals & Minerals | Harsco Industrial | Harsco Rail | Corporate | Consolidated Totals |
|--|--------------------------------|----------------------|----------------|-------------|------------------------|
| Three Months Ended December 31, 2017: | | | | | |
| Operating income (loss) as reported (a) | \$ 22,324 | \$ 10,355 | \$ 13,983 | \$ (8,195) | \$ 38,467 |
| Revenues as reported | \$ 249,825 | \$ 81,826 | \$ 123,283 | \$ 36 | \$ 454,970 |
| Operating margin (%) | 8.9% | 12.7% | 11.3% | | 8.5% |
| Three Months Ended December 31, 2016: | | | | | |
| Adjusted operating income (loss) excluding unusual items | \$ 18,543 | \$ 3,099 | \$ 9,916 | \$ (3,567) | \$ 27,991 |
| Revenues as reported | \$ 234,617 | \$ 55,981 | \$ 69,590 | \$ 34 | \$ 360,222 |
| Operating margin (%) | 7.9% | 5.5% | 14.2% | | 7.8% |
| Twelve Months Ended December 31, 2017: | | | | | |
| Adjusted operating income (loss) excluding unusual items | \$ 109,846 | \$ 35,174 | \$ 32,091 | \$ (29,723) | \$ 147,388 |
| Revenues as reported | \$ 1,011,328 | \$ 299,592 | \$ 295,999 | \$ 143 | \$ 1,607,062 |
| Operating margin (%) | 10.9% | 11.7% | 10.8% | | 9.2% |
| Twelve Months Ended December 31, 2016: | | | | | |
| Adjusted operating income (loss) excluding unusual items | \$ 85,577 | \$ 23,182 | \$ 27,523 | \$ (20,533) | \$ 115,749 |
| Revenues as reported | \$ 965,540 | \$ 247,542 | \$ 238,107 | \$ 34 | \$ 1,451,223 |
| Adjusted operating margin (%) excluding unusual items | 8.9% | 9.4% | 11.6% | | 8.0% |

(a) No unusual items were excluded from operating income in the three months ended December 31, 2017.

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

Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

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

| (In thousands) | Harsco Metals & Minerals | Harsco Industrial | Harsco Rail | Corporate | Consolidated Totals |
|--|--------------------------------|----------------------|----------------|------------|------------------------|
| Three Months Ended December 31, 2017: | | | | | |
| Operating income (loss) as reported (a) | \$ 22,324 | \$ 10,355 | \$ 13,983 | \$ (8,195) | \$ 38,467 |
| Revenues as reported | \$ 249,825 | \$ 81,826 | \$ 123,283 | \$ 36 | \$ 454,970 |
| Three Months Ended December 31, 2016: | | | | | |
| Operating income (loss) as reported | \$ 19,700 | \$ 3,099 | \$ 4,916 | \$ (3,567) | \$ 24,148 |
| Harsco Rail Segment forward contract loss provision | — | — | 5,000 | — | 5,000 |
| Harsco Metals & Minerals Segment cumulative translation adjustment liquidation | (1,157) | — | — | — | (1,157) |
| Adjusted operating income (loss) excluding unusual items | \$ 18,543 | \$ 3,099 | \$ 9,916 | \$ (3,567) | \$ 27,991 |
| Revenues as reported | \$ 234,617 | \$ 55,981 | \$ 69,590 | \$ — | \$ 360,222 |

(a) No unusual items were excluded in the three months ended December 31, 2017.

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

Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

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

| (In thousands) | Harsco Metals & Minerals | Harsco Industrial | Harsco Rail | Corporate | Consolidated Totals |
|--|--------------------------------|----------------------|----------------|-------------|------------------------|
| Twelve Months Ended December 31, 2017: | | | | | |
| Operating income (loss) as reported | \$ 105,257 | \$ 35,174 | \$ 32,091 | \$ (29,723) | \$ 142,799 |
| Harsco Metals & Minerals bad debt expense | 4,589 | — | — | — | 4,589 |
| Adjusted operating income (loss), excluding unusual items | \$ 109,846 | \$ 35,174 | \$ 32,091 | \$ (29,723) | \$ 147,388 |
| Revenues as reported | \$ 1,011,328 | \$ 299,592 | \$ 295,999 | \$ 143 | \$ 1,607,062 |
| Twelve Months Ended December 31, 2016: | | | | | |
| Operating income (loss) as reported | \$ 81,634 | \$ 23,182 | \$ (17,527) | \$ (23,820) | \$ 63,469 |
| Harsco Rail Segment forward contract loss provision | — | — | 45,050 | — | 45,050 |
| Harsco Metals & Minerals Segment site exit charges | 5,100 | — | — | — | 5,100 |
| Harsco Metals & Minerals Segment separation costs | — | — | — | 3,287 | 3,287 |
| Harsco Metals & Minerals Segment cumulative translation adjustment liquidation | (1,157) | — | — | — | (1,157) |
| Adjusted operating income (loss) excluding unusual items | \$ 85,577 | \$ 23,182 | \$ 27,523 | \$ (20,533) | \$ 115,749 |
| Revenues as reported | \$ 965,540 | \$ 247,542 | \$ 238,107 | \$ 34 | \$ 1,451,223 |

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

Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

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

| (In thousands) | Three Months Ended December 31 | | Twelve Months Ended December 31 | |
|--|-----------------------------------|-----------|------------------------------------|------------|
| | 2017 | 2016 | 2017 | 2016 |
| | | | | |
| Net cash provided by operating activities | \$ 93,987 | \$ 55,030 | \$ 176,892 | \$ 159,876 |
| Less capital expenditures | (34,183) | (19,394) | (98,314) | (69,340) |
| Plus capital expenditures for strategic ventures (a) | 433 | 58 | 865 | 170 |
| Plus total proceeds from sales of assets (b) | 2,672 | 2,127 | 13,418 | 9,305 |
| Free cash flow | 62,909 | 37,821 | 92,861 | 100,011 |
| Add growth capital expenditures | 5,885 | 2,845 | 16,465 | 9,868 |
| Free cash flow before growth capital expenditures | \$ 68,794 | \$ 40,666 | \$ 109,326 | \$ 109,879 |

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

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

Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

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

| (In millions) | Projected Twelve Months Ending December 31 | |
|--|--|--------|
| | 2018 | |
| | Low | High |
| Net cash provided by operating activities | \$ 205 | \$ 245 |
| Less capital expenditures | (130) | (149) |
| Plus total proceeds from asset sales and capital expenditures for strategic ventures | 5 | 4 |
| Free Cash Flow | 80 | 100 |
| Add growth capital expenditures | 45 | 50 |
| Free cash flow before growth capital expenditures | \$ 125 | \$ 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 RETURN ON INVESTED CAPITAL EXCLUDING UNUSUAL ITEMS TO NET INCOME (LOSS) FROM CONTINUING OPERATIONS AS REPORTED (a) (Unaudited)

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

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

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