

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **October 17, 2016**

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**Harsco Corporation**

(Exact name of registrant as specified in its charter)

**DE**

(State or other jurisdiction  
of incorporation)

**001-03970**

(Commission File Number)

**23-1483991**

(IRS Employer Identification No.)

**350 Poplar Church Road, Camp Hill, Pennsylvania**

(Address of principal executive offices)

**17011**

(Zip Code)

Registrant's telephone number, including area code: **717-763-7064**

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition**

On October 17, 2016, Harsco Corporation (the "Company") issued a press release that included information regarding results for the third quarter ended September 30, 2016. A copy of the press release is attached as Exhibit 99.1

This information is being furnished in this report and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such filing

**Item 8.01 Other Events.**

On October 17, 2016, the Company issued a press release that announced the launch of a new credit facility process. A copy of the press release is attached as Exhibit 99.1.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits. The following exhibit is filed as part of this Form 8-K:

Exhibit No. Description

99.1 Press Release dated October 17, 2016.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

### HARSCO CORPORATION

Date: October 17, 2016

By: /s/ Russell C. Hochman

Russell C. Hochman

Senior Vice President and General Counsel, Chief Compliance Officer &  
Corporate Secretary

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**FOR IMMEDIATE RELEASE**

**HARSCO ANNOUNCES LAUNCH OF NEW CREDIT FACILITIES PROCESS**

**Provides Preliminary Third Quarter Operating Results**

**Third Quarter Results and Conference Call Scheduled for Thursday, November 3, 2016**

CAMP HILL, PA (October 17, 2016) . . . Harsco Corporation (NYSE: HSC) (the "Company") today announced that it is seeking to raise new senior secured credit facilities (the "New Credit Facilities"), comprising a \$400 million revolving credit facility and a \$550 million term loan B facility. Upon the closing of the New Credit Facilities, the Company intends to amend and extend its existing credit facilities, redeem its existing 5.75% Senior Notes due 2018 (the "Notes") in accordance with the indenture governing such Notes and to pay related fees and expenses.

Goldman Sachs and Citigroup are acting as joint bookrunners and joint lead arrangers for the New Credit Facilities.

The consummation and actual terms of the New Credit Facilities are subject to a number of factors, including market conditions, negotiation and execution of definitive documents and satisfaction of customary closing conditions. The terms of the New Credit Facilities could materially differ from those outlined above and there can be no guarantee that the Company will enter into the New Credit Facilities or that the Company will redeem the Notes or refinance its existing credit facilities on favorable terms, or at all.

This press release shall not constitute an offer to sell or a solicitation of an offer to purchase the Notes or any other loans or securities.

**Third Quarter and Full Year Update**

For the third quarter 2016, the Company currently expects U.S. GAAP operating income of \$29 million. This preliminary expectation compares with the Company's previous operating income guidance for the third quarter of 2016 of \$27 million to \$32 million. Positive performance in Metals & Minerals and lower Corporate spending benefited results compared to prior expectations, offsetting the impacts

in Rail from continued demand weakness within the North American market. Additionally, Harsco expects to have generated \$60 million of free cash flow in the quarter, with each operating business contributing positive free cash flow during Q3. As a result, the Company now expects to be near the high-end of its prior guidance range for free cash flow of \$65 million to \$80 million for full year 2016. Adjusted operating income for the full year 2016 is still expected to be within the Company's previous guidance range of \$105 million to \$120 million. Also, the Company's net debt decreased more than \$200 million in the third quarter and its net debt to adjusted EBITDA ratio at quarter-end is expected to approximate 2.2x, according to the Company's credit agreement, as compared with 2.9x at the end of the second quarter.

Harsco will provide further information on its performance in the third quarter of 2016 and its anticipated outlook for the remainder of year when it reports quarterly financial results on November 3, 2016. Details on its scheduled earnings release and conference call are as follows:

- Earnings Release: Thursday, November 3, 2016 before NYSE market opening via public newswire distribution and the Harsco Corporation website at [www.harsco.com](http://www.harsco.com).
- Teleconference: Thursday, November 3, 2016 at 9:00 am ET. Internet broadcast in listen-only mode at [www.harsco.com](http://www.harsco.com). The call can also be accessed by telephone by dialing (800) 611-4920, or (973) 200-3957 for international callers. Listeners are advised to dial in approximately five minutes prior to the call. Enter Conference ID number 87961546.
- Replay: available after completion of the live call at [www.harsco.com](http://www.harsco.com), and also by telephone through November 17, 2016 by dialing (855) 859-2056, (404) 537-3406 or (800) 585-8367.

### **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, statements regarding the terms of the offering and the Notes and the use of proceeds from the offering, that are subject to risks, uncertainties and other factors that could cause actual results or outcomes to differ materially from those reflected in the forward-looking statements. These forward-looking statements include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in this press release that are not historical facts. There are a number of important factors that could cause the actual results or outcomes to differ materially from those indicated by these forward-looking statements, including, without limitation, those set forth in the risk factors listed from time to time in our reports filed with the SEC. The Company expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein as a result of new information, future events or otherwise.

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 prolonged recovery in global financial and credit markets and economic conditions generally, which could result in the Company's customers curtailing development projects, construction, production and capital expenditures, which, in turn, could reduce the demand for the Company's products and services and, accordingly, the Company's revenues, margins and profitability; (15) the outcome of any disputes with customers, contractors and subcontractors; (16) 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; (17) the Company's ability to successfully implement and receive the expected benefits of cost-reduction and restructuring initiatives, including the achievement of expected cost savings in the expected time frame and the ability to reduce its net debt; (18) the ability to successfully implement the Company's strategic initiatives and portfolio optimization and the impact of such initiatives, such as the Harsco Metals & Minerals Segment's Improvement Plan ("Project Orion"); (19) implementation of environmental remediation matters; (20) risk and uncertainty associated with intangible assets; (21) the impact of a transaction, if any, resulting from the Company's determination to explore strategic options for the separation of the Harsco Metals & Minerals Segment; and (22) other risk factors listed from time to time in the Company's SEC reports. A further discussion of these, along with other potential risk factors, can be found in Part I, Item 1A, "Risk Factors," of the Company's Annual Report on Form 10-K for the year ended December 31, 2015. 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.

**About Harsco Corporation**

Harsco Corporation is a diversified industrial company providing a range of onsite services and engineered products to the global steel, energy and railway sectors. Harsco's common stock is a component of the S&P SmallCap 600 Index and the Russell 2000 Index. Additional information can be found at [www.harsco.com](http://www.harsco.com).

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**HARSCO CORPORATION**  
**REVIEW OF OPERATIONS BY SEGMENT (unaudited)**

(In thousands)	Three Months Ended	
	September 30, 2016	
	(Preliminary Results)	
	Revenues	Operating Income (Loss)
Harsco Metals & Minerals	\$ 247,691	\$ 24,066
Harsco Industrial	63,422	6,312
Harsco Rail	56,674	4,599
General Corporate	—	(6,401)
Consolidated Totals	<u>\$ 367,787</u>	<u>\$ 28,576</u>



**HARSCO CORPORATION****RECONCILIATION OF FREE CASH FLOW TO NET CASH PROVIDED BY OPERATING ACTIVITIES (unaudited)**

	<b>Three Months Ended</b>
	<b>September 30, 2016</b>
<b>(In thousands)</b>	<b>(Preliminary Results)</b>
Net cash provided by operating activities	<b>\$ 76,173</b>
Less maintenance capital expenditures (a)	<b>(15,806)</b>
Less growth capital expenditures (b)	<b>(1,964)</b>
Plus capital expenditures for strategic ventures (c)	<b>17</b>
Plus total proceeds from sales of assets (d)	<b>2,063</b>
Free cash flow	<b>\$ 60,483</b>

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

(d) 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 (used in) operations less capital expenditures net of asset sales proceeds. It is important to note that free cash flow does not represent the total residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements, are not deducted from the measure. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

**HARSCO CORPORATION**  
**NET DEBT (unaudited)**

(In thousands)	September 30, 2016 (Preliminary Results)
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Components of Debt:	
Short-term borrowings	\$ 5,279
Current maturities of long-term debt	20,760
Long-term debt	<u>649,511</u>
Total Debt	675,550
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Less: Cash and cash equivalents	(79,911)
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Net Debt	<u>\$ 595,639</u>

## HARSCO CORPORATION

## RECONCILIATION OF OPERATING INCOME FROM CONTINUING OPERATIONS AND ADJUSTED EBITDA (unaudited)

(In thousands)	Three Months Ended September 30, 2016 (Preliminary Results)	
Net loss from continuing operations, as reported (a)	\$	(31,169)
Add back (Deduct):		
Income tax expense		5,079
Equity in income of unconsolidated entities, net		(3,205)
Change in fair value to unit adjustment liability and loss on dilution and sale of equity method investment		44,788
Interest income		(673)
Interest expense		13,756
Depreciation and amortization		34,601
Adjusted EBITDA	\$	63,177
Total Revenues	\$	367,787
Adjusted EBITDA margin		17.2%

(a) There were no unusual items impacting Operating income from continuing operations during the three months ended September 30, 2016.

Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA consists of net income (loss) from continuing operations, as adjusted to add back (i) income tax expense (benefit), (ii) interest income and interest expense, (iii) depreciation and amortization, (iv) change in fair value to unit adjustment liability and loss on the dilution and sale of equity method investment and (iv) equity in income (loss) of unconsolidated entities, net. In addition, Adjusted EBITDA adds back certain non-cash, extraordinary or non-recurring items. We believe that Adjusted EBITDA is meaningful to investors because management reviews Adjusted EBITDA in assessing and evaluating our performance. However, this measure 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 adjusted EBITDA may differ from the methods used by other companies and, as a result, Adjusted EBITDA as presented may not be comparable to other similarly titled measures disclosed by other companies.

## HARSCO CORPORATION

## RECONCILIATION OF OPERATING INCOME FROM CONTINUING OPERATIONS BY SEGMENT AND ADJUSTED EBITDA BY SEGMENT (unaudited)

(In thousands)	Three Months Ended September 30, 2016 (Preliminary Results)
<b>Operating Income from Continuing Operations (a):</b>	
Harsco Metals & Minerals	\$ 24,066
Harsco Industrial	6,312
Harsco Rail	4,599
Corporate	(6,401)
Operating income from continuing operations	<u>\$ 28,576</u>
<b>Depreciation and Amortization:</b>	
Harsco Metals & Minerals	\$ 30,245
Harsco Industrial	1,827
Harsco Rail	1,441
Corporate	1,088
Depreciation and amortization	<u>\$ 34,601</u>
<b>Adjusted EBITDA:</b>	
Harsco Metals & Minerals	\$ 54,311
Harsco Industrial	8,139
Harsco Rail	6,040
Corporate	(5,313)
Adjusted EBITDA	<u>\$ 63,177</u>
<b>Total Revenue</b>	<u>\$ 367,787</u>
<b>Adjusted EBITDA, as % of Total Revenue</b>	<u>17.2%</u>

(a) There were no unusual items impacting Operating income from continuing operations during the three months ended September 30, 2016.

Adjusted EBITDA by segment is a non-GAAP financial measure. Adjusted EBITDA by segment consists of Adjusted operating income from continuing operations by segment adjusted to add back depreciation and amortization by segment (excluding amortization of deferred financing costs). We believe Adjusted EBITDA by segment is meaningful to investors because management reviews Adjusted EBITDA by segment in assessing and evaluating performance. However, this measure 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. Our method of calculating Adjusted EBITDA by segment may differ from methods used by other companies and, as a result, Adjusted EBITDA by segment as presented may not be comparable to other similarly titled measures disclosed by other companies.