HARSCO
Insight onsite.™

Q1 2016 Results & Outlook

Conference Call | May 4, 2016

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Administrative Items

Conference Call and Access to Information

More information on Harsco's quarterly earnings, including the Company's earnings press release issued today and this presentation, is available on the Investor Relations portion of Harsco's website. Company management will discuss the Company's financial performance during a conference call today at 9:00 a.m. (ET). Both the presentation and access to the call are available at http://investors.harsco.com. A replay can also be accessed on the site for up to two weeks after the call.

Safe Harbor

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,“ "target," "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 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) the amount ultimately realized from the Company's exit from the strategic venture between the Company and Clayton, Dubilier & Rice and the timing of such exit; (20) implementation of environmental remediation matters; (21) risk and uncertainty associated with intangible assets; (22) 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 (23) 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.

Non-GAAP Measures

Throughout the Company's call and 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 and free cash flow. 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 Company's earnings press release issued today, and the Appendix in this presentation.

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CEO Perspective

- First quarter adjusted operating income above guidance
- 2016 Outlook unchanged; reflects reversal of Q1 timing impacts and market uncertainties
  - Focused on FCF and debt reduction during year
- Business updates:
  - M&M – Improved operating consistency; Orion project initiatives largely complete with critical processes now embedded within business; recent market momentum positive although uncertainties remain
  - Industrial – Promising opportunities within boiler and grating/fencing markets; AXC performing well in a difficult environment
  - Rail – U.S. market softness persists; focused on delivering against SBB contracts; growth opportunities remain plentiful
  - Brand – PIK payment to JV partner to preserve HSC financial flexibility; outlook mostly unchanged
- Committed to rebalancing portfolio and unlocking value for shareholders

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Q1 2016 Financial Summary – Key Performance Indicators [1]

($ - millions, except EPS)	First Quarter	Change vs. 2015 $	Change vs. 2015 %
Revenues	353	(98)	(22)%
Adjusted Operating Income	18	(21)	(54)%
% of Sales	5.0%		360bps
Adjusted Diluted Earnings Per Share	0.03	(0.17)	(85)%
Free Cash Flow	(17)	(3)	(20)%
ROIC (LTM)	5.3%		(190)bps

(1) Excludes special items.

- **Q1 adjusted operating income above guidance of $6-11 million; attributable to M&M, Rail and Corporate**
- **M&M adjusted operating income and Corporate costs improved compared to prior-year quarter; fully offset by lower income in Rail (impacted by 2015 FX gain) and Industrial**
- **Adjusted EPS includes Brand Energy JV equity income of $3.2 million**
- **Q1 FCF largely unchanged vs prior-year as lower capex offset change in net operating cash; Q1 FCF above internal forecast also due to lower capital investments**

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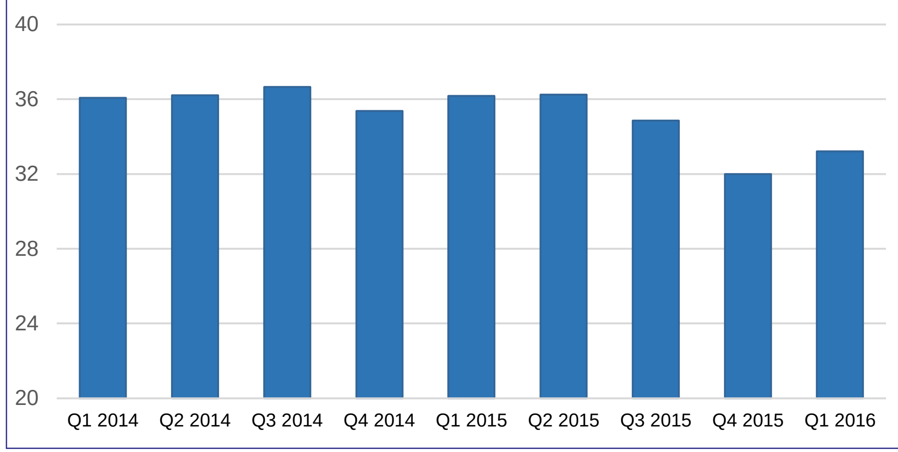
Q1 2016 – Metals & Minerals

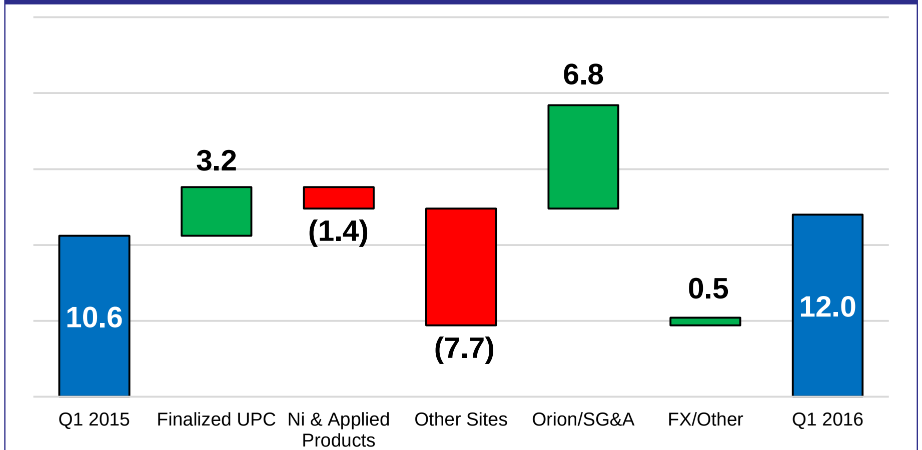
Summary Results

($ in millions)	Q1 2016	Q1 2015	% change
Revenues, as reported	230	291	(21)%
Adjusted operating income	12	11	14%
Adjusted operating margin	5.2%	3.6%	
Free cash flow (YTD)	22	6	nmf
ROIC (TTM)	3.9%	4.3%	(40)bps

LST Continuing Sites (thousand tons)



Adjusted Operating Income Bridge



Business Highlights

- Revenues impacted by site exits, lower LSTs, FX and lower nickel-related sales
- Adjusted OI increased as a result of cost reductions and UPC improvements from Orion and lower operating & admin. costs
- FCF increased versus prior-year quarter due to working capital and lower capital spending

nmf = not meaningful.

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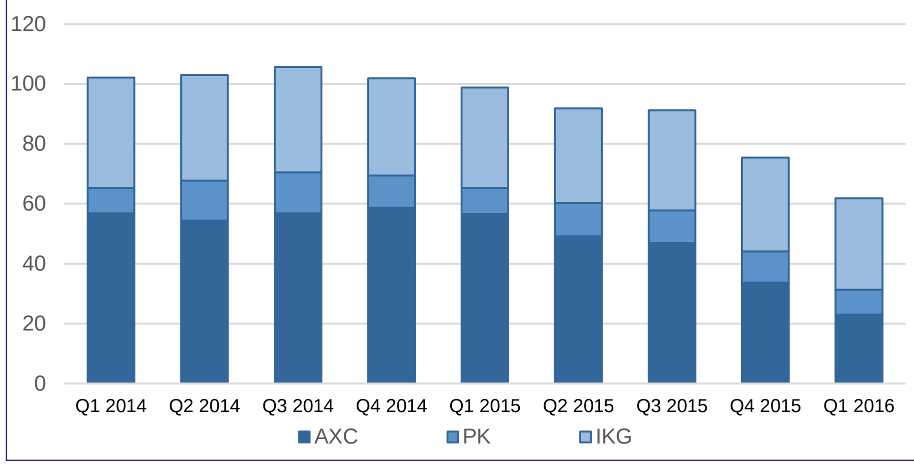
Q1 2016 - Industrial

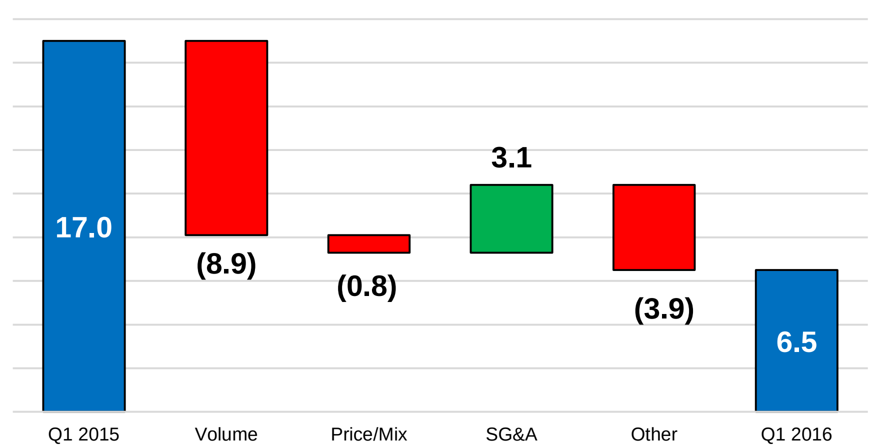
Summary Results

($ in millions)	Q1 2016	Q1 2015	% change
Revenues, as reported	62	99	(37)%
Operating income	6	17	(62)%
Operating margin	10.5%	17.2%	
Free cash flow (YTD)	1	6	nmf
ROIC (TTM)	32.2%	47.1%	nmf

Revenue Mix



Operating Income Bridge



Business Highlights

- **Revenues impacted by lower demand for heat exchangers compared with prior-year quarter**
- **Operating income impacted by the above item and fewer asset sales; partially offset by SG&A cost reductions in the quarter**
- **FCF change compared with prior-year quarter reflects lower cash earnings, partially offset by lower capital expenditures**

nmf = not meaningful

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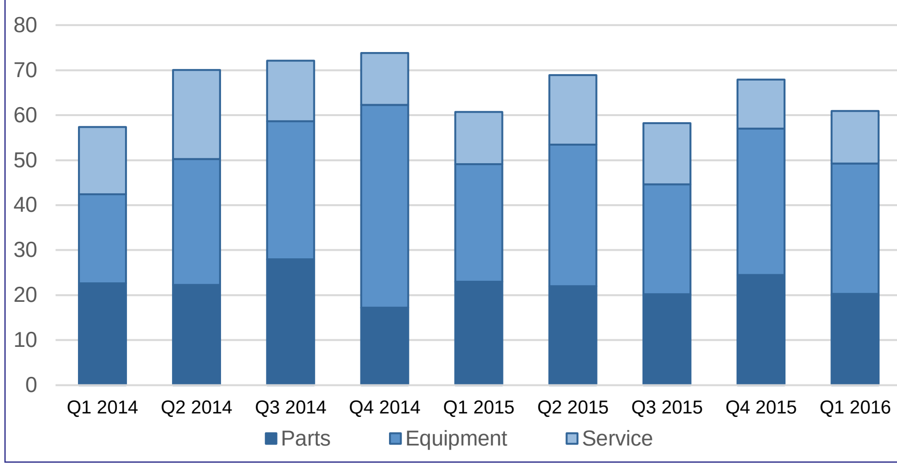
Q1 2016 - Rail

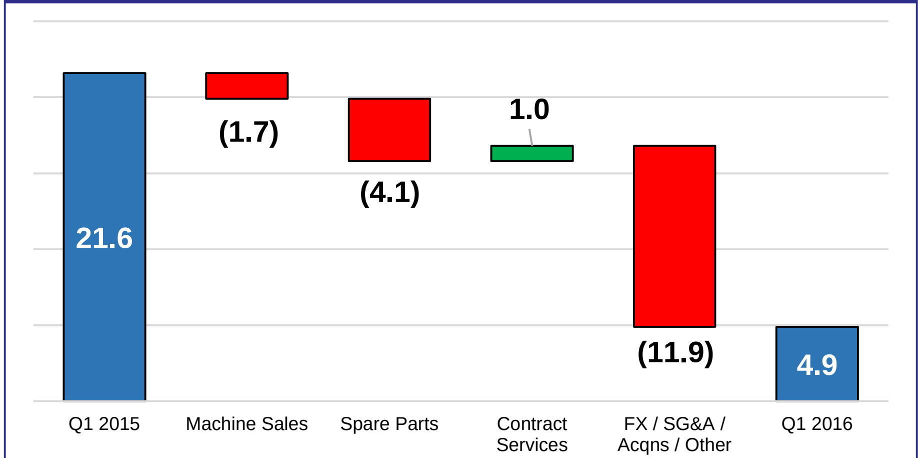
Summary Results

($ in millions)	Q1 2016	Q1 2015	% change
Revenues, as reported	62	62	nmf
Operating income	5	22	(77)%
Operating margin	7.9%	35.1%	
Free cash flow (YTD)	(27)	1	nmf
ROIC (TTM)	35.8%	90.9%	nmf

Revenue Mix



Operating Income Bridge



Business Highlights

- **Revenues unchanged as lower after-market parts sales offset higher equipment sales**
- **Operating income decreased as $11 million FX gain in prior-year quarter was not repeated; also lower spare parts contributions and equipment sales mix**
- **Free cash flow change attributable to lower cash earnings and fewer advances**

nmf = not meaningful

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2016 Summary Outlook - Unchanged

	2016 Outlook*	2015 Actual*
Adjusted Operating Income	**$80 to $100 million**	$135 million
Free Cash Flow	**$50 million to $70 million**	$24 million
ROIC	**4.0% to 4.5%**	6.3%
Adjusted Diluted Earnings per Share	**$0.13 to $0.33**	$0.56

*Excludes special items.

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Q2 2016 Outlook

- Adjusted operating income is expected to be between $22 to $27 million versus $36 million in Q2 2015
- Adjusted diluted earnings per share of $0.02 to $0.07
- Year-over-year considerations include:
  - M&M: Lower LST, commodities and exits to offset cost and operational improvements
  - Industrial: Weak demand from U.S. energy market, partially offset by lower selling and administrative costs
  - Rail: Lower equipment sales and less favorable overall mix
  - Corporate costs comparable to prior-year quarter

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Q&A

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Appendix

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2016 Business Outlook

Excluding special items		2016 versus 2015
Metals & Minerals	Revenues	↓ 15-20%
	Operating Income	Unchanged to ↓ double digits
	Drivers	+ Cost / operational savings, site triage, new sites - Site exits, LST, commodities demand
Industrial	Revenues	↓ 30-35%
	Operating Income	~40-50% of 2015 Adjusted OI
	Drivers	+ Efficiency improvements, SG&A reductions, new products - Underlying market demand
Rail	Revenues	↑ 10-15%
	Operating Income	Unchanged to ↓ single digits, excluding 2015 FX gain
	Drivers	+ Machine / spare parts volumes - 2015 FX gain not repeated ($11M), U.S. rail spending, contract services, global build-out costs
Corporate Costs		Lower due to efficiency measures and professional fees
Brand Energy JV		Equity income forecasted to be $3-6 million

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Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

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

	Three Months Ended March 31	
	2016	**2015**
Diluted earnings (loss) per share from continuing operations as reported (a)	**$ (0.13)**	$ 0.20
Net loss on dilution of equity method investment (b)	**0.08**	—
Harsco Metals & Minerals Segment site exit charges (c)	**0.05**	—
Harsco Metals & Minerals Segment separation costs (d)	**0.03**	—
Adjusted diluted earnings per share from continuing operations excluding special items	**$ 0.03**	$ 0.20

(a) No special items were excluded in the first quarter of 2015.

(b) Loss on the dilution of the Company's investment in Brand recorded at Corporate (Q1 2016 $10.3 million pre-tax).

(c) Harsco Metals & Minerals Segment charges primarily attributable to site exit costs (Q1 2016 $5.1 million pre-tax).

(d) Costs associated with Harsco Metals & Minerals Segment separation recorded at Corporate (Q1 2016 $3.3 million pre-tax).

The Company's management believes Adjusted diluted earnings per share from continuing operations excluding special 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 special items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

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Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

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

	Twelve Months Ended December 31 2015	
Diluted earnings per share from continuing operations as reported	$ 0.09	
Harsco Metals & Minerals Segment contract termination charges, net (a)	0.17	
Harsco Metals & Minerals Segment separation costs (b)	0.09	
Harsco Metals & Minerals Segment salt cake processing and disposal charges (c)	0.06	
Harsco Metals & Minerals Segment site exit and underperforming contract charges, net (d)	0.05	
Harsco Metals & Minerals Segment Project Orion charges (e)	0.05	
Harsco Metals & Minerals Segment subcontractor settlement charge (f)	0.04	
Harsco Metals & Minerals Segment multi-employer pension plan charge (g)	0.01	
Harsco Infrastructure Segment loss on disposal (h)	0.01	
Adjusted diluted earnings per share from continuing operations excluding special items	$ 0.56	(i)

(a) Harsco Metals & Minerals Segment charges related to a contract terminations (Full year 2015 $13.5 million pre-tax).

(b) Costs associated with Harsco Metals & Minerals Segment separation costs recorded as Corporate (Full year 2015 $9.9 million pre-tax).

(c) Harsco Metals & Minerals Segment charges incurred in connection with the processing and disposal of salt cakes (Full year 2015 $7.0 million pre-tax). The Company's Bahrain operations are operated under a strategic venture for which its strategic venture partner has a 35% minority interest. Accordingly, the net impact of the charge to the Company's Net income (loss) attributable to Harsco Corporation was $4.6 million.

(d) Harsco Metals & Minerals Segment charges primarily attributable to site exit costs and non-cash long lived asset impairment charges associated with strategic actions from Project Orion's focus on underperforming contracts (Full year 2015 $5.0 million pre-tax).

(e) Harsco Metals & Minerals Segment Project Orion restructuring charges (Full year 2015 $5.1 million pre-tax).

(f) Harsco Metals & Minerals Segment charges related to a settlement with a subcontractor (Full year 2015 $4.2 million pre-tax).

(g) Harsco Metals & Minerals Segment charges related to a multi-employer pension plan (Full year 2015 $1.1 million pre-tax).

(h) Loss resulting from the Harsco Infrastructure Transaction, which was consummated in the fourth quarter of 2013 (Full year 2015 $1.0 million pre-tax).

(i) Does not total due to rounding.

The Company's management believes Adjusted diluted earnings per share from continuing operations excluding special 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 special items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

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Reconciliation of Non-GAAP Measures

HARSCO CORPORATION
REVIEW OF OPERATIONS BY SEGMENT EXCLUDING SPECIAL ITEMS (Unaudited)

(In thousands)	Harsco Metals & Minerals	Harsco Industrial	Harsco Rail	Corporate	Consolidated Totals
Three Months Ended March 31, 2016:					
Adjusted operating income (loss) excluding special items	**$ 12,041**	**$ 6,471**	**$ 4,906**	**$ (5,600)**	**$ 17,818**
Revenues as reported	**$ 229,672**	**$ 61,869**	**$ 61,740**	**$ —**	**$ 353,281**
Adjusted operating margin (%) excluding special items	**5.2%**	**10.5%**	**7.9%**		**5.0%**
Three Months Ended March 31, 2015:					
Adjusted operating income (loss) excluding special items	$ 10,583	$ 17,027	$ 21,633	$ (10,362)	$ 38,881
Revenues as reported	$ 291,198	$ 98,803	$ 61,578	$ —	$ 451,579
Adjusted operating margin (%) excluding special items	3.6%	17.2%	35.1%		8.6%

The Company's management believes Adjusted operating margin (%) excluding special 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 special items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

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Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

RECONCILIATION OF ADJUSTED OPERATING INCOME (LOSS) EXCLUDING SPECIAL 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 March 31, 2016:					
Operating income (loss) as reported	$ 6,941	$ 6,471	$ 4,906	$ (8,887)	$ 9,431
Harsco Metals & Minerals Segment site exit charges	5,100	—	—	—	5,100
Harsco Metals & Minerals Segment separation costs	—	—	—	3,287	3,287
Adjusted operating income (loss), excluding special items	$ 12,041	$ 6,471	$ 4,906	$ (5,600)	$ 17,818
Revenues as reported	$ 229,672	$ 61,869	$ 61,740	$ —	$ 353,281
Three Months Ended March 31, 2015:					
Operating income (loss) as reported (a)	$ 10,583	$ 17,027	$ 21,633	$ (10,362)	$ 38,881
Revenues as reported	$ 291,198	$ 98,803	$ 61,578	$ —	$ 451,579

(a) No special items were excluded in the first quarter of 2015.

The Company's management believes Adjusted operating income (loss) excluding special 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 special items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

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Reconciliation of Non-GAAP Measures

HARSCO CORPORATION
RECONCILIATION OF ADJUSTED OPERATING INCOME (LOSS) EXCLUDING SPECIAL 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, 2015:					
Operating income (loss) as reported	$ 26,289	$ 57,020	$ 50,896	$ (45,669)	$ 88,536
Harsco Metals & Minerals Segment contract termination charges, net	13,484	—	—	—	13,484
Harsco Metals & Minerals Segment separation costs	—	—	—	9,922	9,922
Harsco Metals & Minerals Segment salt cake processing and disposal charges	7,000	—	—	—	7,000
Harsco Metals & Minerals Segment Project Orion charges	5,070	—	—	—	5,070
Harsco Metals & Minerals Segment site exit and underperforming contract charges, net	4,977	—	—	—	4,977
Harsco Metals & Minerals Segment subcontractor settlement charge	4,220	—	—	—	4,220
Harsco Metals & Minerals Segment multi-employer pension plan charge	1,122	—	—	—	1,122
Harsco Infrastructure Segment loss on disposal	—	—	—	1,000	1,000
Adjusted operating income (loss), excluding special items	$ 62,162	$ 57,020	$ 50,896	$ (34,747)	$ 135,331
Revenues as reported	$ 1,106,162	$ 357,256	$ 259,674	$ —	$ 1,723,092

The Company's management believes Adjusted operating income (loss) excluding special 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 special items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

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Reconciliation of Non-GAAP Measures

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

	Three Months Ended March 31	
(In thousands)	**2016**	**2015**
Net cash provided (used) by operating activities	**$ (2,975)**	$ 10,473
Less maintenance capital expenditures (a)	**(14,532)**	(19,005)
Less growth capital expenditures (b)	**(2,419)**	(12,625)
Plus capital expenditures for strategic ventures (c)	**16**	80
Plus total proceeds from sales of assets (d)	**2,819**	6,781
Free cash flow	**$ (17,091)**	$ (14,296)

(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.

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Reconciliation of Non-GAAP Measures

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

(In thousands)	**Twelve Months Ended December 31 2015**
Net cash provided by operating activities	$ 121,507
Less maintenance capital expenditures (a)	(92,545)
Less growth capital expenditures (b)	(31,007)
Plus capital expenditures for strategic ventures (c)	439
Plus total proceeds from sales of assets (d)	25,966
Free cash flow	$ 24,360

(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 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.

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Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

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

	Projected Twelve Months Ending December 31	
	2016	
(In millions)	Low	High
Net cash provided by operating activities	$ 152	$ 160
Less capital expenditures (a)	(105)	(95)
Plus total proceeds from asset sales and capital expenditures for strategic ventures	3	5
Free Cash Flow	$ 50	$ 70

(a) Capital expenditures encompass two primary elements: maintenance capital expenditures, which are necessary to sustain the Company's current revenue streams and include contract renewals; and growth capital expenditures, for which management has discretion as to amount, timing and geographic placement, and which expand the Company's revenue base and create additional future cash flow.

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. 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.

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Reconciliation of Non-GAAP Measures

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

	Trailing Twelve Months for Period Ended March 31	
(In thousands)	**2016**	**2015**
Net loss from continuing operations	**$ (18,197)**	$ (13,565)
Special items:		
Harsco Metals & Minerals Segment contract termination charges	**13,484**	11,557
Harsco Metals & Minerals Segment separation costs	**13,209**	—
Harsco Metals & Minerals Segment site exit and underperforming contract charges, net	**10,077**	50,111
Harsco Metals & Minerals Segment salt cake processing and disposal charges	**7,000**	—
Net loss on dilution of equity method investment	**10,304**	—
Harsco Metals & Minerals Segment Project Orion charges	**5,070**	11,992
Harsco Metals & Minerals Segment subcontractor settlement charge	**4,220**	—
Harsco Metals & Minerals Segment multi-employer pension plan charge	**1,122**	—
Harsco Infrastructure Segment loss on disposal	**1,000**	2,669
Harsco Metals & Minerals Segment Brazilian labor claim reserves	**—**	5,204
Strategic transaction review costs	**—**	3,531
Harsco Infrastructure transaction costs	**—**	753
Harsco Rail Segment grinder asset impairment charge	**—**	590
Gains associated with exited Harsco Infrastructure operations retained	**—**	(2,205)
Taxes on above special items	**(12,021)**	(2,575)
Net income from continuing operations, as adjusted	**35,268**	68,062
After-tax interest expense (b)	**29,787**	29,974
Net operating profit after tax as adjusted	**$ 65,055**	$ 98,036
Average equity	**$ 301,520**	$ 494,522
Plus average debt	**915,682**	866,926
Average capital	**$ 1,217,202**	$ 1,361,448
Return on invested capital excluding special items	**5.3%**	7.2%

(a) Return on invested capital excluding special items is net loss from continuing operations excluding special 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) 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 special 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 special 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.

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Reconciliation of Non-GAAP Measures

HARSCO CORPORATION

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

(In thousands)	Year Ended December 31 2015
Net income from continuing operations	$ 7,312
Special items:	
Harsco Metals & Minerals Segment contract termination charges, net	13,484
Harsco Metals & Minerals Segment separation costs	9,922
Harsco Metals & Minerals Segment salt cake processing and disposal charges	7,000
Harsco Metals & Minerals Segment Project Orion charges	5,070
Harsco Metals & Minerals Segment site exit and underperforming contract charges, net	4,977
Harsco Metals & Minerals Segment subcontractor settlement charge	4,220
Harsco Metals & Minerals Segment multi-employer pension plan charge	1,122
Harsco Infrastructure Segment loss on disposal	1,000
Taxes on above special items	(6,198)
Net income from continuing operations, as adjusted	47,909
After-tax interest expense (b)	29,486
Net operating profit after tax as adjusted	$ 77,395
Average equity	$ 308,182
Plus average debt	910,955
Average capital	$ 1,219,137
Return on invested capital excluding special items	6.3 %

(a) Return on invested capital excluding special items is net income from continuing operations excluding special 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) The Company's effective tax rate approximated 37% on an adjusted basis for interest expense.

The Company's management believes Return on invested capital excluding special 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 special 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.

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