HARSCO

Q3 2019

Results & Outlook Conference Call

October 29, 2019

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.

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.

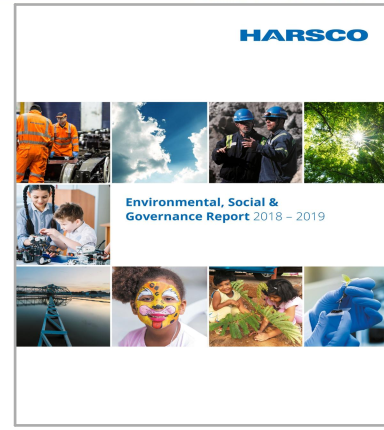
Factors that could cause actual results to differ, perhaps materially, from those implied by forward-looking statements include, but are not limited to: (1) changes in the worldwide business environment in which the Company operates, including general economic conditions; (2) changes in currency exchange 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 and amounts; (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) potential severe volatility in the capital markets; (14) failure to retain key management and employees; (15) the amount and timing of repurchases of the Company's common stock, if any; (16) the outcome of any disputes with customers, contractors and subcontractors; (17) 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; (18) implementation of environmental remediation matters; (19) risk and uncertainty associated with intangible assets; and (20) other risk factors listed from time to time in the Company's SEC reports. A further discussion of these, along with other potential risk factors, can be found in Part I, Item 1A, "Risk Factors," of the Company's Annual Report on Form 10-K for the year ended December 31, 2018, together with those described in Item 1A, "Risk Factors," of the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2019. 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.

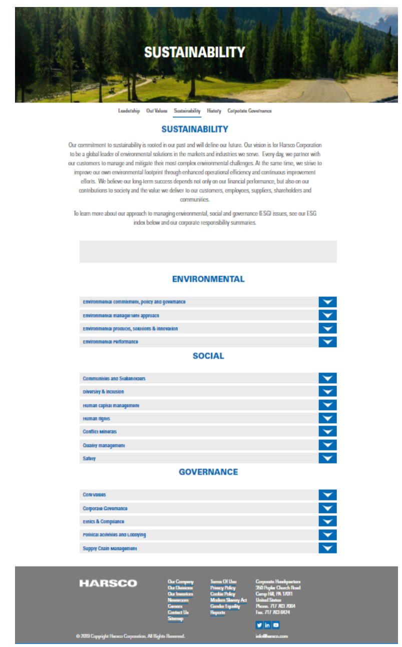
Non-GAAP Measures
Throughout this presentation, the Company refers to certain non-GAAP measures, including without limitation, adjusted operating income (loss) from continuing operations, adjusted operating income including discontinued operations, adjusted operating income before acquisition amortization expense and including discontinued operations, adjusted operating income margin, adjusted diluted earnings per share from continuing operations, adjusted diluted earnings per share including discontinued operations, adjusted diluted earnings per share before acquisition amortization expense and including discontinued operations, adjusted 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

ENHANCING OUR ENVIRONMENTAL, SOCIAL & GOVERNANCE DISCLOSURES

- Published our **2018-2019 ESG Report** in October
  - Our most comprehensive sustainability report to date
  - 18-month timespan of the Report coincides with Harsco's ongoing portfolio shift toward an environmental solutions platform
  - Provides highlights of our progress across our 4 focus areas: Environmental solutions for our customers, Environmental stewardship, Safety and Investing in our people & communities
- Launched new **corporate sustainability website** with an ESG index summarizing our management approach across key ESG topics
- Released our new **corporate environmental policy** to formalize our commitment to environmental leadership
- Established **Board ESG oversight** through Harsco's Nominating & Corporate Governance Committee





HARSCO

CASE STUDIES OF ENVIRONMENTAL SOLUTIONS WE ARE DELIVERING TO OUR GLOBAL CUSTOMERS

HARSCO ENVIRONMENTAL

- Our innovative **micro-pelletizing and briquetting solution** is delivering 200,000 tons of briquettes annually to the JSW Bellary steel plant in India

- Over **5 million** tons of **value-added products** marketed in 2018

CLEANEARTH A HARSCO COMPANY

- We recycled over **1.4 million** pounds of **electronic waste** resulting from Hurricane Maria damages in Puerto Rico

- Recycled **7.5 million** pounds of **electronic waste** in 2018

HARSCO RAIL Enabling TECHNOLOGY IN MOTION

- Delivering **hybrid rail maintenance vehicles** for SBB, the national railway company of Switzerland
- Our hybrid diesel-electric drive trains enable **cleaner, low emission** vehicles for track maintenance

HARSCO

Q3 2019 FINANCIAL SUMMARY

KEY PERFORMANCE INDICATORS

- Q3 adjusted operating income of $57 million was within prior guidance range
- Environmental delivered Y/Y improvement despite weakening end-markets
- Clean Earth realized strong growth relative to prior-year quarter
- Rail lower Y/Y as anticipated due to difficult 2018 comparison period
- Adjusted EPS was 36c; compares to guidance range of 35-41c
- Q3 FCF consistent with expectation
- Repurchased 1.4 million shares
- Net leverage ratio = 2.2x

		CHANGE VS. 2018	
$ in millions except EPS	Q3 2019	$	% or bps
Revenues	423	72	20%
GAAP Operating Income	47	5	12%
% of Sales	*11.0%*		*(90)bps*
Adjusted Operating Income excluding acquisition amortization expense[1]	57	13	29%
% of Sales[1]	*13.5%*		100bps
GAAP Diluted Earnings Per Share	0.22	(0.07)	(24)%
Adjusted Diluted Earnings Per Share excluding acquisition amortization expense[1]	0.36	0.04	13%
Free Cash Flow[2]	5	(15)	nmf
ROIC (TTM)[1]	12.5%		

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.

HARSCO

Q3 2019 ENVIRONMENTAL

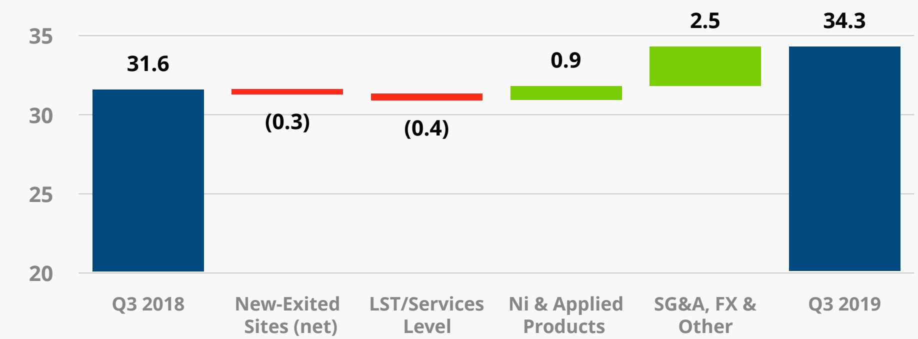
SUMMARY RESULTS

$ in millions

	Q3 2019	Q3 2018	% or bps
Revenues, as reported	261	269	(3)%
Operating Income – GAAP	33	29	12%
Adjusted Operating Income excluding acquisition amortization expense[1]	34	32	8%
Adjusted Operating Margin[1]	13.1%	11.8%	
Free Cash Flow (YTD)	10	49	(80)%
ROIC (TTM)[1]	11.4%	12.6%	(120)bps

ADJUSTED OPERATING INCOME BRIDGE[1]

$ in millions



- Revenues change mainly attributable to FX translation impacts
- Adjusted OI before acquisition amortization change reflects new site and applied product contributions and lower SG&A spending; partially offset by FX impacts and site exits
- YTD FCF change reflects increase in growth-related capital spending

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

HARSCO

Q3 2019 CLEAN EARTH

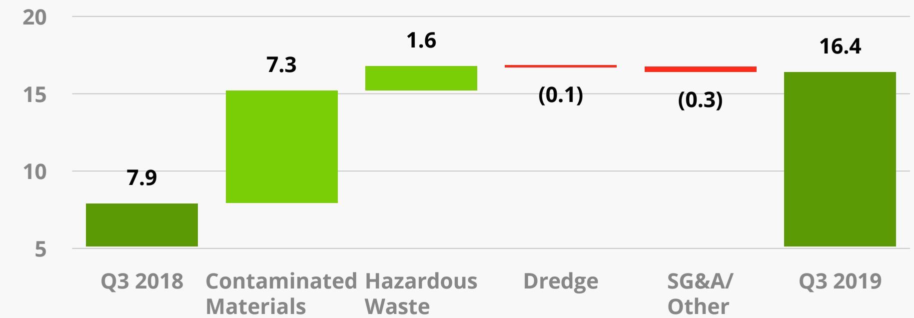
SUMMARY RESULTS

$ in millions

	Q3 2019	Q3 2018	% or bps
Revenues, as reported	88	71	23%
Operating Income – GAAP	11	4	173%
Adjusted Operating Income excluding acquisition amortization expense[1]	16	8	107%
Adjusted Operating Margin[1]	18.7%	11.1%	
Free Cash Flow (YTD)	12	N/A	nmf

ADJUSTED OPERATING INCOME BRIDGE

$ in millions



- Revenues increase as the result of strong volume growth and price-mix benefits in contaminated and hazardous material processing as well as acquisitions
- Adjusted operating income improvement driven by the above factors

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

HARSCO

Q3 2019 RAIL

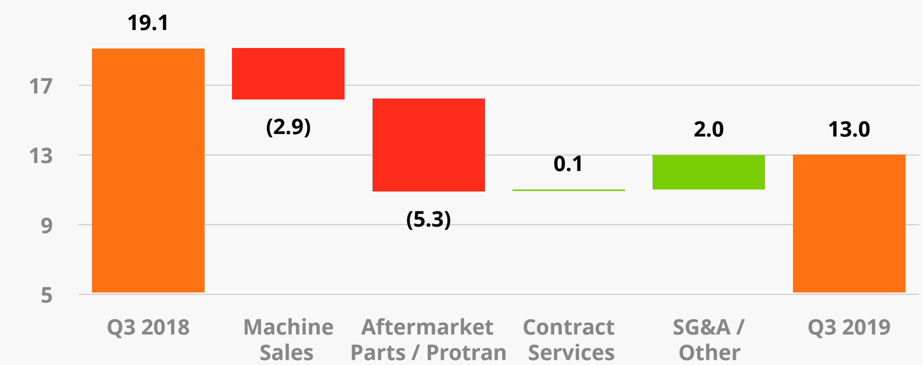
SUMMARY RESULTS

$ in millions

	Q3 2019	Q3 2018	% or bps
Revenues, as reported	75	83	(10)%
Operating Income – GAAP	12	19	(36)%
Adjusted Operating Income excluding acquisition amortization expense[1]	13	19	(32)%
Adjusted Operating Margin[1]	17.5%	23.1%	
Free Cash Flow (YTD)	(45)	(2)	nmf
ROIC (TTM)[1]	36.3%	42.3%	(600)bps

ADJUSTED OPERATING INCOME BRIDGE[1]

$ in millions



- Revenue change driven by lower equipment and after-market parts volumes compared to strong prior year period
- Adjusted operating income decrease attributable to above and a less favorable sales mix; partially offset by manufacturing cost gains
- YTD FCF impacted by higher capital spending and change in working capital

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

2019 OUTLOOK - CONSOLIDATED

	2019 Outlook[3]	2019 Prior	2018 Actual (previously reported)[4]
PROJECTED OPERATING INCOME	$171 - 176M	$181 - 191M	$191M
ADJUSTED OPERATING INCOME BEFORE ACQUISITION AMORTIZATION[1]	$209 - 214M	$215 - 225M	$194M
PROJECTED DILUTED EARNINGS PER SHARE	$0.86 - 0.92	$0.89 - 1.02	$1.64
ADJUSTED DILUTED EARNINGS PER SHARE (BEFORE ACQUISITION AMORTIZATION)[1]	$1.36 to $1.42	$1.38 to $1.51	$1.40
FREE CASH FLOW BEFORE GROWTH CAPITAL[1]	$120 - 130M	$125 - 135M	$104M
FREE CASH FLOW[2]	$40 - 50M	$55 - 65M	$73M
ROIC (TTM)[1]	12 - 13%	N/A	N/A

(1) Excludes unusual items. Adjusted operating income and Adjusted diluted earnings per share exclude acquisition amortization expense. 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.
(3) Includes Harsco Industrial for H1 2019 and Clean Earth for H2 2019.
(4) Restated 2018 financial information to reflect Harsco Industrial as Discontinued Operations is included in the supporting schedules.

HARSCO

Q4 2019 OUTLOOK

Adjusted operating income before acquisition amortization expense[1] is expected to be between

$53M – $58M

Adjusted diluted earnings per share before acquisition amortization expense[1] of

$0.30 – $0.36

Corporate costs

comparable to the prior-year quarter as reported

YEAR-OVER-YEAR CONSIDERATIONS INCLUDE:

HARSCO ENVIRONMENTAL

New site contributions and lower administrative spending, partially offset by lower customer output and site exits

HARSCO RAIL

Higher volumes and improved product-sales mix for equipment, after-market parts and Protran Technology products

CLEANEARTH A HARSCO COMPANY

Improved processing volume and margins in contaminated and dredge material processing

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

Q&A

Appendix

2019 SEGMENT OUTLOOK

Excluding unusual items and acquisition amortization expense			2019 VERSUS 2018
	**REVENUES**		Low-single digits %, before FX translation impacts
	OPERATING INCOME		Unchanged to up low-single digits % compared with 2018, before FX impacts
	DRIVERS	+	New contracts, operational savings
		-	Exited sites, LST/service demand, investments, FX translation
	**REVENUES**	▲	30% to 35%
	OPERATING INCOME	▲	30% to 35%
	DRIVERS	+	Backlog, global demand for MOW equipment and after-market parts, Protran Technology growth, productivity initiatives
		-	R&D and SG&A investments, Contracting services
	**REVENUES**		H2 revenues of approximately $160 million
	OPERATING INCOME		H2 range of $32 to $35 million
	DRIVERS	+	Acquisitions, organic growth including new facilities and waste-streams, operating / logistics savings, Dredge projects
		-	Modest SG&A growth
CORPORATE COSTS			$24 to $25 million for the full-year

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION
RECONCILIATION OF ADJUSTED DILUTED EARNINGS PER SHARE BEFORE ACQUISITION AMORTIZATION EXPENSE TO DILUTED EARNINGS (LOSS) PER SHARE FROM CONTINUING OPERATIONS AS REPORTED (Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2019	**2018**	**2019**	**2018**
Diluted earnings per share from continuing operations as reported	**$ 0.22**	$ 0.29	**$ 0.31**	$ 0.79
Corporate strategic costs (a)	**0.03**	—	**0.22**	—
Corporate unused debt commitment and amendment fees (b)	**—**	—	**0.09**	0.01
Harsco Environmental Segment provision for doubtful accounts (c)	**0.01**	—	**0.08**	—
Harsco Rail Segment improvement initiative costs (d)	**0.01**	—	**0.06**	—
Harsco Environmental Segment change in fair value to contingent consideration liability (e)	**(0.01)**	—	**(0.05)**	—
Harsco Environmental Segment site exit related (f)	**—**	—	**(0.03)**	—
Harsco Clean Earth Segment severance costs (g)	**0.02**	—	**0.02**	—
Harsco Environmental Segment adjustment to slag disposal accrual (h)	**—**	—	**—**	(0.04)
Altek acquisition costs (i)	**—**	—	**—**	0.01
Deferred tax asset valuation allowance adjustment (j)	**0.03**	—	**0.03**	(0.10)
Taxes on above unusual items (k)	**—**	—	**(0.04)**	—
Adjusted diluted earnings per share from continuing operations	**0.31**	0.30 (l)	**0.67 (l)**	0.68 (l)
Acquisition amortization expense, net of tax	**0.06**	0.02	**0.10**	0.05
Adjusted diluted earnings per share before acquisition amortization expense	**$ 0.36 (l)**	$ 0.32	**$ 0.78 (l)**	$ 0.73

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

(a) Consultant costs at Corporate associated with supporting and executing the Company's growth strategy (Q3 2019 $2.7 million pre-tax; nine months 2019 $17.9 million pre-tax).
(b) Costs at Corporate related to the unused bridge financing commitment and Term Loan B amendment (nine months 2019 $7.4 million pre-tax) and the amendment of the Company's existing Senior Secured Credit Facility in order to reduce the interest rate applicable to the Term Loan Facility (nine months 2018 $1.0 million pre-tax).
(c) Harsco Environmental Segment provision for doubtful accounts related to a customer in the U.K. entering administration (Q3 $0.8 million pre-tax; nine months 2019 $6.2 million pre-tax).
(d) Costs associated with a productivity improvement initiative in the Harsco Rail Segment (Q3 2019 $0.8 million pre-tax; nine months 2019 $4.6 million pre-tax).
(e) Fair value adjustment to contingent consideration liability related to the acquisition of Altek (Q3 2019 $0.9 million pre-tax; nine months 2019 $4.4 million pre-tax; Q3 2018 and nine months 2018 $0.4 million pre-tax). The Company adjusts Operating income and Diluted earnings per share from continuing operations to exclude the impact of the change in fair value to the acquisition-related contingent consideration liability for the Altek acquisition because it believes that the adjustment for this item more closely correlates the reported financial measures with the ordinary and ongoing course of the Company's operations.
(f) Harsco Environmental Segment site exit related (Q3 2019 $0.2 million pre-tax; nine months 2019 $2.4 million pre-tax).
(g) Harsco Clean Earth Segment severance recognized (Q3 and nine month 2019 $1.3 million pre-tax).
(h) Harsco Environmental Segment adjustment to previously accrued amounts related to the disposal of certain slag material in Latin America (nine months 2018 $3.2 million pre-tax).
(i) Costs associated with the acquisition of Altek recorded in the Harsco Environmental Segment (nine months 2018 $0.8 million pre-tax) and at Corporate (nine months 2018 $0.4 million pre-tax).
(j) Adjustment of certain existing deferred tax asset valuation allowances as a result of a site exit in a certain jurisdiction in 2019 and the Altek acquisition in 2018 (Q3 and nine months 2019 $2.8 million; nine months 2018 $8.3 million).
(k) 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.
(l) Does not total due to rounding.

The Company's management believes Adjusted diluted earnings per share before acquisition amortization expense, 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. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION
RECONCILIATION OF ADJUSTED DILUTED EARNINGS PER SHARE BEFORE ACQUISITION AMORTIZATION EXPENSE AND INCLUDING DISCONTINUED OPERATIONS TO DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS AS REPORTED (Unaudited)

	Twelve Months Ended December 31, 2018	
Diluted earnings per share from continuing operations as reported (a)	$ 1.20	
Harsco Environmental adjustment to slag disposal accrual (b)	(0.04)	
Harsco Environmental Segment change in fair value to contingent consideration liability (c)	(0.04)	
Altek acquisition costs (d)	0.01	
Loss on early extinguishment of debt (e)	0.01	
Harsco Rail Segment improvement initiative costs (f)	0.01	
Taxes on above unusual items (g)	(0.01)	
Impact of U.S. tax reform on income tax benefit (expense) (h)	(0.18)	
Deferred tax asset valuation allowance adjustment (i)	(0.10)	
Adjusted diluted earnings per share from continuing operations	0.88	(j)
Acquisition amortization expense, net of tax	0.07	
Adjusted diluted earnings per share from continuing operations excluding acquisition amortization expense	0.94	(j)
Diluted earnings per share from the former Harsco Industrial Segment, excluding acquisition amortization expense	0.45	
Adjusted diluted earnings per share before acquisition amortization expense and including discontinued operations	$ 1.40	(j)

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

(a) Prior period amounts have been updated to reflect the former Harsco Industrial Segment as discontinued operations.
(b) Harsco Environmental adjustment to previously accrued amounts related to the disposal of certain slag material in Latin America ($3.2 million pre-tax).
(c) Fair value adjustment to contingent consideration liability related to the acquisition of Altek ($2.9 million pre-tax). The Company adjusts Operating income and Diluted earnings per share from continuing operations to exclude the impact of the change in fair value to the acquisition-related contingent consideration liability for the Altek acquisition because it believes that the adjustment for this item more closely correlates the reported financial measures with the ordinary and ongoing course of the Company's operations.
(d) Costs associated with the acquisition of Altek recorded in the Harsco Environmental Segment ($0.8 million pre-tax) and at Corporate ($0.4 million pre-tax).
(e) Loss on early extinguishment of debt associated with amending the Company's existing Senior Secured Credit Facility in order to reduce the interest rate applicable to the Term Loan Facility ($1.0 million pre-tax).
(f) Costs associated with a productivity improvement initiative in the Harsco Rail Segment ($0.6 million pre-tax).
(g) 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.
(h) The Company recorded a benefit (expense) as a result of revaluing net deferred tax assets and liabilities as a result of U.S. tax reform ($15.4 million benefit).
(i) Adjustment of certain existing deferred tax asset valuation allowances as a result of the Altek acquisition ($8.3 million).
(j) Does not total due to rounding.

The Company's management believes Adjusted diluted earnings per share before acquisition amortization expense and including discontinued operations, 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. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Inclusion of discontinued operations, which relate principally to the Harsco Industrial Segment, provides comparability to prior periods. 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 PROJECTED DILUTED EARNINGS PER SHARE AND ADJUSTED DILUTED EARNINGS PER SHARE BEFORE ESTIMATED ACQUISITION AMORTIZATION EXPENSE TO DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (Unaudited)

	Projected Three Months Ending December 31		Projected Twelve Months Ending December 31	
	2019		2019	
	Low	High	Low	High
Diluted earnings per share from continuing operations (a)(b)	$ 0.25	$ 0.31	$ 0.60	$ 0.66
Diluted earnings per share from discontinued operations before acquisition amortization expense (c)	—	—	0.26	0.26
Project diluted earnings per share	0.25	0.31	0.86	0.92
Corporate strategic and transaction related costs	—	—	0.22	0.22
Corporate unused debt commitment and amendment fees	—	—	0.09	0.09
Harsco Environmental Segment provision for doubtful accounts	—	—	0.08	0.08
Harsco Environmental Segment site exit cost related	—	—	(0.03)	(0.03)
Harsco Clean Earth Segment severance costs	—	—	0.02	0.02
Deferred tax asset valuation allowance adjustment	—	—	0.03	0.03
Harsco Rail Segment improvement initiative costs	—	—	0.06	0.06
Harsco Environmental Segment change in fair value to contingent consideration liability	—	—	(0.05)	(0.05)
Taxes on above unusual items	—	—	(0.04)	(0.04)
Adjusted diluted earnings per share	0.25	0.31	1.23 (d)	1.29 (d)
Estimated acquisition amortization expense, net of tax	0.05	0.05	0.13	0.13
Adjusted diluted earnings per share before estimated acquisition amortization expense	$ 0.30	$ 0.36	$ 1.36	$ 1.42

(a) Includes results for the Harsco Clean Earth Segment for the period from July 1, 2019 to December 31, 2019.
(b) Excludes results for the former Harsco Industrial Segment.
(c) Includes results for the former Harsco Industrial Segment for the period from January 1, 2019 to June 30, 2019.
(d) Does not total due to rounding.

The Company's management believes Adjusted diluted earnings per share before estimated acquisition amortization expense, 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. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Inclusion of discontinued operations, which relate principally to the Harsco Industrial Segment, provides comparability to prior periods. 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) BEFORE ACQUISITION AMORTIZATION EXPENSE BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT (Unaudited)

(In thousands)	Harsco Environmental	Harsco Clean Earth	Harsco Rail	Corporate	Consolidated Totals
Three Months Ended September 30, 2019:					
Operating income (loss) as reported	$ 32,794	$ 11,308	$ 12,115	$ (9,472)	$ 46,745
Corporate strategic costs	—	—	—	2,743	2,743
Harsco Clean Earth Segment severance costs	—	1,254	—	—	1,254
Harsco Environmental Segment change in fair value to contingent consideration liability	(906)	—	—	—	(906)
Harsco Rail Segment improvement initiative costs	—	—	845	—	845
Harsco Environmental Segment provision for doubtful accounts	815	—	—	—	815
Harsco Environmental Segment site exit related	(156)	—	—	—	(156)
Adjusted operating income (loss)	32,547	12,562	12,960	(6,729)	51,340
Acquisition amortization expense	1,751	3,834	84	—	5,669
Adjusted operating income (loss) before acquisition amortization expense	$ 34,298	$ 16,396	$ 13,044	$ (6,729)	$ 57,009
Revenues as reported	$ 260,883	$ 87,639	$ 74,633	$ —	$ 423,155
Adjusted operating margin (%)	13.1%	18.7%	17.5%		13.5%

The Company's management believes Adjusted operating income (loss) before acquisition amortization expense, 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. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. 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) BEFORE ACQUISITION AMORTIZATION EXPENSE BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT (Unaudited)

(In thousands)	Harsco Environmental	Harsco Clean Earth	Harsco Rail	Corporate	Consolidated Totals
Three Months Ended September 30, 2018:					
Operating income (loss) as reported	$ 29,338	$ —	$ 19,000	$ (6,579)	$ 41,759
Harsco Environmental Segment change in fair value to contingent consideration liability	412	—	—	—	412
Adjusted operating income (loss)	29,750	—	19,000	(6,579)	42,171
Acquisition amortization expense	1,872	—	71	—	1,943
Adjusted operating income (loss) before acquisition amortization expense	$ 31,622	$ —	$ 19,071	$ (6,579)	$ 44,114
Revenues as reported	$ 268,881	$ —	$ 82,682	—	$ 351,563
Adjusted operating margin (%)	11.8%		23.1%		12.5%

The Company's management believes Adjusted operating income (loss) before acquisition amortization expense, 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. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. 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 HARSCO CLEAN EARTH SEGMENT OPERATING INCOME BEFORE ACQUISITION AMORTIZATION EXPENSE TO HARSCO CLEAN EARTH SEGMENT OPERATING INCOME (Unaudited)

(In millions)	Three Months Ended September 30 2018
Operating income	$ 4,278
Acquisition amortization expense	3,649
Adjusted operating income before acquisition amortization expense	7,929
Revenues as reported	$ 71,117
Adjusted operating margin (%)	11.1%

The Company's management believes Adjusted Harsco Clean Earth Segment operating income before acquisition amortization expense, which is a non-U.S. GAAP financial measure, is useful to investors because it provides an overall understanding of the Clean Earth Segment for comparative purposes. Exclusion of acquisition related amortization expense permits evaluation of comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance.

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION
RECONCILIATION OF ADJUSTED OPERATING INCOME (LOSS) BEFORE ACQUISITION AMORTIZATION EXPENSE AND INCLUDING DISCONTINUED OPERATIONS BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT (Unaudited)

(In thousands)	Harsco Environmental	Harsco Industrial (a)	Harsco Rail	Corporate	Consolidated Totals
Twelve Months Ended December 31, 2018:					
Operating income (loss) as reported	$ 121,195	$ —	$ 37,341	$ (27,839)	$ 130,697
Harsco Environmental adjustment to slag disposal accrual	(3,223)	—	—	—	(3,223)
Harsco Environmental Segment change in fair value to contingent consideration liability	(2,939)	—	—	—	(2,939)
Altek acquisition costs	753	—	—	431	1,184
Harsco Rail Segment improvement initiative costs	—	—	640	—	640
Adjusted operating income (loss)	115,786	—	37,981	(27,408)	126,359
Acquisition amortization expense	5,553	—	306	—	5,859
Adjusted operating income (loss) before acquisition amortization expense	121,339	—	38,287	(27,408)	132,218
Discontinued operations - Harsco Industrial before acquisition amortization expense	—	62,036	—	—	62,036
Adjusted operating income (loss) before acquisition amortization expense and including discontinued operations	$ 121,339	$ 62,036	$ 38,287	$ (27,408)	$ 194,254

(a) The operating results of the former Harsco Industrial Segment have been reflected as discontinued operations in the Company's Condensed Consolidated Statement of Operations for all periods presented.

The Company's management believes Adjusted operating income (loss) before acquisition amortization expense and including discontinued operations, 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. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Inclusion of discontinued operations, which relates principally to the Harsco Industrial Segment, provides comparability to prior periods. 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) BEFORE ACQUISITION AMORTIZATION EXPENSE AND INCLUDING DISCONTINUED OPERATIONS BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT (Unaudited)

	For the Three Months Ended				For the Year Ended
(In thousands)	**March 31, 2018**	**June 30, 2018**	**September 30, 2018**	**December 31, 2018**	**December 31, 2018**
Operating income (a)	$ 22,728	$ 38,064	$ 41,759	$ 28,146	$ 130,697
Harsco Environmental adjustment to slag disposal accrual	—	(3,223)	—	—	(3,223)
Harsco Environmental Segment change in fair value to contingent consideration liability	—	—	412	(3,351)	(2,939)
Altek acquisition costs	—	1,184	—	—	1,184
Harsco Rail Segment improvement initiative costs	—	—	—	640	640
Adjusted operating income	22,728	36,025	42,171	25,435	126,359
Acquisition amortization expense	829	1,197	1,943	1,890	5,859
Adjusted operating income before acquisition amortization expense	23,557	37,222	44,114	27,325	132,218
Discontinued operations - Harsco Industrial before acquisition amortization expense	14,265	16,013	15,802	15,956	62,036
Adjusted operating income before acquisition amortization expense and including discontinued operations	$ 37,822	$ 53,235	$ 59,916	$ 43,281	$ 194,254

(a) The operating results of the former Harsco Industrial Segment have been reflected as discontinued operations in the Company's Condensed Consolidated Statement of Operations for all periods presented.

The Company's management believes Adjusted operating income (loss) before acquisition amortization expense and including discontinued operations, 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. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Inclusion of discontinued operations, which relates principally to the Harsco Industrial Segment, provides comparability to prior periods. 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) BEFORE ACQUISITION AMORTIZATION EXPENSE AND INCLUDING DISCONTINUED OPERATIONS BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT (Unaudited)

	For the Three Months Ended		For the Six Months Ended
(In thousands)	**March 31, 2019**	**June 30, 2019**	**June 30, 2019**
Operating income (a)	$ 19,824	$ 17,799	$ 37,623
Corporate strategic costs	2,739	12,390	15,129
Harsco Environmental Segment provision for doubtful accounts	—	5,359	5,359
Harsco Rail Segment improvement initiative costs	2,648	1,152	3,800
Harsco Environmental Segment change in fair value to contingent consideration liability	369	(3,879)	(3,510)
Harsco Environmental site exit related	(2,271)	—	(2,271)
Adjusted operating income	23,309	32,821	56,130
Acquisition amortization expense	1,939	1,900	3,839
Adjusted operating income before acquisition amortization expense	25,248	34,721	59,969
Discontinued operations - Harsco Industrial before acquisition amortization expense	18,834	20,560	39,394
Adjusted operating income before acquisition amortization expense and including discontinued operations	$ 44,082	$ 55,281	$ 99,363

(a) The operating results of the former Harsco Industrial Segment have been reflected as discontinued operations in the Company's Condensed Consolidated Statement of Operations for all periods presented.

The Company's management believes Adjusted operating income (loss) before acquisition amortization expense and including discontinued operations, 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. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Inclusion of discontinued operations, which relates principally to the Harsco Industrial Segment, provides comparability to prior periods. This measure should be considered in addition to, rather than as a substitute for, other information provided in accordance with U.S. GAAP.

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION
RECONCILIATION OF PROJECTED OPEARTING INCOME AND ADJUSTED OPERATING INCOME BEFORE ACQUISITION AMORTIZATION EXPENSE TO OPERATING INCOME (Unaudited)

	Projected Three Months Ended December 31, 2019		Projected Twelve Months Ended December 31, 2019	
(In millions)	**Low**	**High**	**Low**	**High**
Operating income from continuing operations (a) (b)	$ 47	$ 52	$ 132	$ 137
Operating income from the former Harsco Industrial Segment before acquisition amortization (c)	—	—	39	39
Project operating income	47	52	171	176
Corporate strategic and transaction related costs	—	—	18	18
Harsco Environmental Segment provision for doubtful accounts	—	—	6	6
Harsco Rail Segment improvement initiative costs	—	—	5	5
Harsco Environmental Segment change in fair value to contingent consideration liability	—	—	(4)	(4)
Harsco Environmental Segment site exit related	—	—	(2)	(2)
Adjusted operating income	47	52	194	199
Estimated acquisition amortization expense	6	6	15	15
Adjusted operating income before acquisition amortization expense	$ 53	$ 58	$ 209	$ 214

(a) Includes results for the Harsco Clean Earth Segment for the period from July 1, 2019 to December 31, 2019.
(b) Excludes results for the former Harsco Industrial Segment.
(c) Includes results for the former Harsco Industrial Segment for the period from January 1, 2019 to June 30, 2019.

The Company's management believes Adjusted operating income before acquisition amortization expense, 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. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Inclusion of discontinued operations, which relate principally to the Harsco Industrial Segment, provides comparability to prior periods. 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 BEFORE GROWTH CAPITAL EXPENDITURES TO NET CASH PROVIDED BY OPERATING ACTIVITIES (Unaudited)

	Three Months Ended September 30, 2019	
(In thousands)	**2019**	**2018**
Net cash provided by operating activities	**$ 44,657**	$ 48,315
Less capital expenditures	**(55,870)**	(34,806)
Less purchase of intangible assets	**(721)**	—
Plus capital expenditures for strategic ventures (a)	**1,461**	437
Plus total proceeds from sales of assets (b)	**5,355**	5,943
Plus transaction-related expenditures (c)	**10,390**	—
Free cash flow	**5,272**	19,889
Add growth capital expenditures	**25,587**	6,875
Free cash flow before growth capital expenditures	**$ 30,859**	$ 26,764

(a) Capital expenditures for strategic ventures represent the partner's share of capital expenditures in certain ventures consolidated in the Company's financial statements.
(b) Asset sales are a normal part of the business model, primarily for the Harsco Environmental Segment.
(c) Expenditures directly related to the Company's acquisition and divestiture transactions.

The Company's management believes that Free cash flow before growth capital expenditures, 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 and transaction-related expenditures 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 BEFORE GROWTH CAPITAL EXPENDITURES TO NET CASH PROVIDED BY OPERATING ACTIVITIES (Unaudited)

(In millions)	**Twelve Months Ended December 31, 2018**
Net cash provided by operating activities	$ 192,022
Less capital expenditures	(132,168)
Plus capital expenditures for strategic ventures (a)	1,595
Plus total proceeds from sales of assets (b)	11,887
Free cash flow	73,336
Add growth capital expenditures	30,655
Free cash flow before growth capital expenditures	$ 103,991

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

The Company's management believes that Free cash flow before growth capital expenditures, 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 and transaction-related expenditures 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 CASH FLOW BEFORE GROWTH CAPITAL EXPENDITURES TO NET CASH PROVIDED BY OPERATING ACTIVITIES
(Unaudited)

	Projected Twelve Months Ending December 31	
	2019	
(In thousands)	**Low**	**High**
Net cash provided by operating activities	$ 184	$ 204
Less capital expenditures	(186)	(194)
Plus total proceeds from asset sales and capital expenditures for strategic ventures	16	14
Transaction related expenses	26	26
Free cash flow	40	50
Add growth capital expenditures	80	80
Free cash flow before growth capital expenditures	$ 120	$ 130

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

HARSCO

RECONCILIATION OF NON-GAAP MEASURES

HARSCO CORPORATION
RECONCILIATION OF RETURN ON INVESTED CAPITAL TO NET INCOME AS REPORTED (a) (Unaudited)

(In thousands)	Trailing Twelve Months for Period Ended September 30, 2019
Net income as reported	$ 519,397
Gain on sale of discontinued business	(527,980)
Corporate strategic costs	17,872
Transaction-related costs for discontinued operations	8,263
Harsco Environmental Segment change in fair value to contingent consideration liability	(7,767)
Unused debt commitment and amendment fees; and loss on early extinguishment of debt	7,435
Harsco Environmental Segment provision for doubtful accounts	6,174
Loss on extinguishment of debt in discontinued operations	5,314
Harsco Rail Segment improvement initiative costs	5,285
Harsco Environmental Segment site exit related	(2,427)
Harsco Clean Earth Segment severance costs	1,254
Taxes on above unusual items (b)	102,899
Impact of U.S. tax reform on income tax benefit	(15,409)
Deferred tax asset valuation allowance adjustment	(465)
Net income from continuing operations, as adjusted	119,845
After-tax interest expense (c)	25,669
Net operating profit after tax as adjusted	$ 145,514
Average equity	$ 431,499
Plus average debt	733,341
Average capital	$ 1,164,840
Return on invested capital	12.5%

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

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

(c) The Company's effective tax rate approximated 23% for the trailing twelve months for the period ended September 30, 2019.

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

HARSCO