UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 or 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended June 30, 1997

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-3970

HARSCO CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	23-1483991
(State of incorporation)	(I.R.S. Employer Identification No.)
Camp Hill, Pennsylvania	17001-8888
(Address of principal executive offices)	(Zip Code)
Registrant's Telephone Number	(717) 763-7064

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
YES [X]   NO [ ]

Title of Each Class	Outstanding Shares at June 30, 1997
Common Stock Par Value $1.25	48,848,046
Preferred Stock Purchase Rights	48,848,046

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(In thousands, except per share amounts)	Three Months Ended June 30 1997	1996	Six Months Ended June 30 1997	1996
REVENUES:				
Product sales	$ 220,768	$ 194,030	$ 429,025	$ 376,663
Service sales	205,501	193,703	387,938	377,756
NET SALES OF PRODUCTS AND SERVICES	426,269	387,733	816,963	754,419
Equity in income of unconsolidated entities	16,040	9,946	33,959	32,847
Other	161	178	327	413
TOTAL REVENUES	442,470	397,857	851,249	787,679
COSTS AND EXPENSES:				
Cost of products sold	168,787	148,661	328,157	288,562
Cost of services sold	153,538	142,736	293,374	283,363
Selling, general and administrative expenses	53,951	50,883	106,676	102,270
Research and development expenses	891	868	2,133	1,609
Facilities discontinuance and reorganization costs	600	767	3,055	1,535
Other	(137)	(88)	(569)	(646)
TOTAL COSTS AND EXPENSES	377,630	343,827	732,826	676,693
INCOME BEFORE INTEREST, INCOME TAXES, AND MINORITY INTEREST	64,840	54,030	118,423	110,986
Interest income	1,172	1,764	2,442	3,792
Interest expense	(4,521)	(5,980)	(8,513)	(12,067)
INCOME BEFORE INCOME TAXES AND MINORITY INTEREST	61,491	49,814	112,352	102,711
Provision for income taxes	23,367	19,427	42,694	40,057
INCOME BEFORE MINORITY INTEREST	38,124	30,387	69,658	62,654
Minority interest in net income	1,710	1,127	3,146	2,284
NET INCOME	$ 36,414	$ 29,260	$ 66,512	$ 60,370
Average shares of common stock outstanding	49,075	50,063	49,286	50,118
NET INCOME PER COMMON SHARE	$ 0.74	$ 0.58	$ 1.35	$ 1.20
Cash dividends declared per share	$ 0.20	$ 0.19	$ 0.40	$ 0.38

See accompanying notes to consolidated financial statements.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In thousands)	JUNE 30 1997	DECEMBER 31 1996
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 43,945	$ 45,862
Receivables	287,886	268,230
Inventories:		
Finished goods	32,330	24,743
Work in process	29,104	25,843
Raw material and purchased parts	56,748	57,581
Stores and supplies	19,489	17,851
Total inventories	137,671	126,018
Other current assets	64,331	68,436
TOTAL CURRENT ASSETS	533,833	508,546
Property, plant and equipment, at cost	1,199,798	1,187,452
Allowance for depreciation	(690,946)	(674,340)
	508,852	513,112
Cost in excess of net assets of companies acquired, net ..	184,636	195,387
Investments in unconsolidated entities	59,965	57,719
Other assets	47,707	49,655
	$ 1,334,993	$ 1,324,419
LIABILITIES		
CURRENT LIABILITIES:		
Notes payable and current maturities	$ 37,068	$ 26,182
Accounts payable	100,650	111,912
Accrued compensation	41,811	44,501
Other current liabilities	116,132	111,432
TOTAL CURRENT LIABILITIES	295,661	294,027
Long-term debt	232,404	227,385
Deferred income taxes	32,298	34,182
Other liabilities	90,219	87,538
	650,582	643,132
SHAREHOLDERS' EQUITY		
Common stock and additional paid-in capital	157,562	150,974
Cumulative adjustments for translation & pension liability	(38,631)	(26,095)
Retained earnings	841,394	794,473
Treasury stock	(275,914)	(238,065)
	684,411	681,287
	$ 1,334,993	$ 1,324,419

See accompanying notes to consolidated financial statements.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In thousands)	Six Months Ended June 30 1997	1996
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 66,512	$ 60,370
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	54,312	49,131
Amortization	4,587	4,820
Equity in income of unconsolidated entities	(33,959)	(32,847)
Dividends or distributions from unconsolidated entities	31,636	15,917
Deferred income taxes	(360)	388
Other, net	1,293	3,740
Changes in assets and liabilities, net of acquisitions and dispositions of businesses:		
Accounts receivable	(27,792)	(14,467)
Inventories	(13,580)	(6,290)
Accounts payable	(3,951)	(6,914)
Other assets and liabilities	3,221	(13,663)
NET CASH PROVIDED BY OPERATING ACTIVITIES	81,919	60,185
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditures for property, plant and equipment	(71,961)	(69,611)
Purchase of business, net of cash acquired	--	(18,141)
Investments held-to-maturity, net of purchases	10,120	9,685
Proceeds from sale of a business	1,236	1,793
Other investing activities	4,967	1,671
NET CASH (USED) BY INVESTING ACTIVITIES	(55,638)	(74,603)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term borrowings, net	16,235	10,036
Current maturities and long-term debt		
Additions	29,974	101,372
Reductions	(21,983)	(98,085)
Cash dividends paid on common stock	(19,747)	(19,037)
Common stock issued-options	3,174	3,753
Common stock acquired for treasury	(35,323)	(15,999)
Other financing activities	5	500
NET CASH (USED) BY FINANCING ACTIVITIES	(27,665)	(17,460)
Effect of exchange rate changes on cash	(533)	(1,542)
Net (decrease) in cash and cash equivalents	(1,917)	(33,420)
Cash and cash equivalents at beginning of period	45,862	76,669
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 43,945	$ 43,249

See accompanying notes to consolidated financial statements.

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

Notes to Consolidated Financial Statements

Commitments and Contingencies:

Federal Excise Tax and Other Matters Related to the Five-ton Truck Contract:

In the third quarter of 1995, the Company, the United States Army, and the United States Department of Justice concluded a settlement of the Company's previously reported claims against the Army relating to Federal Excise Tax ("FET") arising under a completed 1986 contract for the sale of five-ton trucks to the Army. On September 27, 1995, the Army paid the Company $49 million in accordance with the settlement terms. The Company released the Army from any further liability for those claims, and the Department of Justice released the Company from a threatened action for damages and civil penalties based on an investigation conducted by the Department's Commercial Litigation Branch that had been pending for several years. During the performance of the five-ton truck contract, the Company recorded an account receivable of $62.5 million for its claims against the Army relating to Federal Excise Tax. As a result of accepting the $49 million in settlement, the Company recorded a non-recurring, pre-tax, non-cash charge of $13.5 million (after-tax charge of $8.2 million, $.16 per share), in the third quarter of 1995.

The settlement preserves the rights of the parties to assert claims and defenses under the Internal Revenue Code, and rights of the Army and the Company to claim certain amounts that may be owed by either party to reconcile possible underpayments or overpayments on the truck contract as part of the formal contract close-out process.

The settlement does not resolve the claim by the Internal Revenue Service that, contrary to the Company's position, certain cargo truck models sold by the Company should be considered to have gross vehicle weights in excess of the 33,000 pound threshold under the Federal Excise Tax law, are not entitled to an exemption from the Federal Excise Tax under any other theory, and therefore are taxable. On December 19, 1996, the District Director of the Internal Revenue Service issued a 30-day letter and examination report (the "Report") that proposed an increase in Federal Excise Tax of $33.7 million plus penalties of $6.9 million and applicable interest currently estimated by the Company to be $31.7 million, primarily on the grounds that those cargo truck models are subject to the Federal Excise Tax. This proposed increase in Federal Excise Tax takes into account offsetting credits of $9.2 million, based on a partial allowance of the Company's $23.4 million claim that certain truck components are exempt from the Federal Excise Tax. The Report disallowed in full the Company's additional claim that it is entitled to the entire $52 million of Federal Excise Tax (plus applicable interest currently estimated by the Company to be $28.5 million) the Company has paid on the five-ton trucks, on the grounds that such trucks qualify for the Federal Excise Tax exemption applicable to certain vehicles specially designed for the primary function of off-highway transportation. In the event that the Company ultimately receives from the Internal Revenue Service a refund of tax (including applicable interest) with respect to which the Company has already received reimbursement from the Army, the refund would be allocated between the Company and the Army. The Company plans to vigorously contest the findings of the District Director. On March 19, 1997, the Company filed its formal written protest to these findings with the Internal Revenue Service

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

Office of the Regional Director of Appeals. Although there is risk of an adverse outcome, the Company believes that the cargo trucks are not taxable. No recognition has been given in the accompanying financial statements for the Company's claim or the dispute with the Internal Revenue Service.

The settlement agreement with the Army preserves the Company's right to seek reimbursement of after-imposed tax from the Army in the event that the cargo trucks are determined to be taxable, but the agreement limits the reimbursement to a maximum of $21 million. Additionally, in an earlier contract modification, the Army accepted responsibility for $3.6 million of the potential tax, bringing its total potential responsibility up to $24.6 million.

Under the settlement, the Army agreed that if the cargo trucks are determined to be taxable, the 1993 decision of the Armed Services Board of Contract Appeals (which ruled that the Company is entitled to a price adjustment to the contract for reimbursement of FET paid on vehicles that were to be delivered after October 1, 1988) will apply to the question of the Company's right to reimbursement from the Army for after-imposed taxes on the cargo trucks. In the Company's view, application of the 1993 decision will favorably resolve the principal issues regarding any such future claim by the Company. Therefore, the Company believes that even if the cargo trucks are ultimately held to be taxable, the Army would be obligated to reimburse the Company for a majority of the tax, (but not interest or penalty, if any), resulting in a net maximum liability for the Company of $9.1 million plus penalties of $6.9 million and applicable interest currently estimated by the Company to be $31.7 million. The Company believes it is unlikely that resolution of this matter will have a material adverse effect on the Company's financial position, however, it could have a material effect on quarterly or annual results of operations.

M9 Armored Combat Earthmover Claim:

The Company and its legal counsel are of the opinion that the U.S. Government did not exercise option three under the M9 Armored Combat Earthmover (ACE) contract in a timely manner, with the result that the unit prices for options three, four and five are subject to renegotiation. Claims reflecting the Company's position have been filed with respect to all options purported to be exercised, totaling in excess of $60 million plus interest. No recognition has been given in the accompanying financial statements for any recovery on these claims. In July 1995, the Armed Services Board of Contract Appeals denied the motions for summary judgment which had been filed by both the Company and the Government. The Company is continuing to pursue its claim before the Armed Services Board of Contract Appeals.

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

Other Litigation:

In 1992, the U.S. Government filed a counterclaim against the Company in a civil suit alleging violations of the False Claims Act and breach of a contract to supply M109A2 Self-Propelled Howitzers. The counterclaim was filed in the United States Claims Court in response to the Company's claim of approximately $5 million against the Government for costs incurred on this contract relating to the same issue. In May 1997, the Court issued a decision in the first phase of the case, denying the Company's claim for reimbursement and granting the Government's counterclaim for breach of contract and penalties under the False Claims Act. The Court denied the Government's demand for claim forfeiture sanctions against the Company. The Court will consider the amount of damages and penalties in the next phase of the case, and the decision will then be subject to the right of appeal. The Government has filed a brief seeking penalties and treble damages totaling $26 million. The Company intends to vigorously oppose this claim. The Company and its counsel believe that resolution of these claims will not have a material adverse effect on the Company's financial position, however, it could have a material effect on quarterly or annual results of operations.

Iran's Ministry of Defense initiated arbitration procedures against the Company in 1991 under the rules of the International Chamber of Commerce for damages allegedly resulting from breach of various contracts executed by the Company and the Ministry of Defense between 1970 and 1978. The contracts were terminated in 1978 and 1979 during the period of civil unrest in Iran that preceded the Iranian revolution. Iran asserted a claim under one contract for repayment of a $7.5 million advance payment it made to the Company, plus interest at 12% through June 27, 1991 in the amount of $25.3 million. Iran also asserted a claim for damages under other contracts for $76.3 million. The Company asserted various defenses and also filed counterclaims against Iran for damages in excess of $7.5 million which it sustained as a result of Iran's breach of contract, plus interest. At an arbitration hearing held in January 1996, Iran reduced the $76.3 million portion of its claim to approximately $34.4 million. The International Court of Arbitration took the case under advisement and in September 1996, awarded Iran a net amount of approximately $1.2 million. This represents an award of $7.5 million to Iran for the advance payment, offset by an award of $6.3 million to the Company for damages and legal costs and the denial of all pre-award interest claims for both parties. The Company and Iran have each filed appeals in the Supreme Court of Switzerland. The Company's management and its counsel believe it is unlikely that resolution of these claims will have a material adverse effect on the Company's financial position or results of operations.

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

In 1992, the United States Government through its Defense Contract Audit Agency commenced an audit of certain contracts for sale of tracked vehicles by the Company to foreign governments, which were financed by the United States Government through the Defense Security Assistance Agency. The Company cooperated with the audit and responded to a number of issues raised by the audit. In September 1994, the Company received a subpoena issued by the Department of Defense Inspector General seeking various documents relating to sale contracts between the Company and foreign governments which were funded by the Defense Security Assistance Agency. The Company is continuing to cooperate and is responding to the subpoena. Based on discussions with the agent in charge and the Government auditors, it appears that the investigation focuses on whether the Company made improper certifications to the Defense Security Assistance Agency and other government contract accounting matters. The Government has not asserted any claims at this time and it is too early to know whether a claim will be asserted or what the nature of any such claim would be, however, the Company's management and its counsel believe it is unlikely that this issue will have a material adverse effect on the Company's financial position.

In June 1994, the shareholder of the Ferrari Group, a Belgium holding company involved in steel mill services and other activities, filed a legal action in Belgium against Heckett MultiServ, S.A. and S.E.A.E., subsidiaries of MultiServ International N.V. (a subsidiary of the Company). The action alleges that these two subsidiaries breached contracts arising from letters of intent signed in 1992 and 1993 concerning the possible acquisition of the Ferrari Group, claiming that the subsidiaries were obligated to proceed with the acquisition and failed to do so. The action seeks damages of 504 million Belgian francs (approximately U.S. $14 million). The Company intends to vigorously defend against the action and believes that based on conditions contained in the letters of intent and other defenses it will prevail. The Company and its counsel believe that it is unlikely that these claims will have a material adverse effect on the Company's financial position or results of operations.

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

Environmental

The Company is involved in a number of environmental remediation investigations and clean-ups and, along with other companies, has been identified as a "potentially responsible party" for certain waste disposal sites. While each of these matters is subject to various uncertainties, it is probable that the Company will agree to make payments toward funding certain of these activities and it is possible that some of these matters will be decided unfavorably to the Company. The Company has evaluated its potential liability, and its financial exposure is dependent upon such factors as the continuing evolution of environmental laws and regulatory requirements, the availability and application of technology, the allocation of cost among potentially responsible parties, the years of remedial activity required and the remediation methods selected. The Consolidated Balance Sheets at June 30, 1997 and December 31, 1996, include an accrual of $3.4 million and $3.9 million respectively for environmental matters. The amounts charged to earnings on a pre-tax basis related to environmental matters totaled $0.2 million for each of the six months of 1997 and 1996.

The liability for future remediation costs is evaluated on a quarterly basis. Actual costs to be incurred at identified sites in future periods may vary from the estimates, given inherent uncertainties in evaluating environmental exposures. Subject to the imprecision in estimating future environmental costs, the Company does not expect that any sum it may have to pay in connection with environmental matters in excess of the amounts recorded or disclosed above would have a material adverse effect on its financial position or results of operations.

Other

The Company is subject to various other claims, legal proceedings and investigations covering a wide range of matters that arose in the ordinary course of business. In the opinion of management, all such matters are adequately covered by insurance or by accruals, and if not so covered, are without merit or are of such kind, or involve such amounts, as would not have a material adverse effect on the financial position or results of operations of the Company.

Financial Instruments and Hedging

The Company has subsidiaries principally operating in North and South America, Europe and the Pacific region. These operations are exposed to fluctuations in related foreign currencies, in the normal course of business. The Company seeks to reduce exposure to foreign currency fluctuations, primarily the European currencies, through the use of forward exchange contracts. The Company does not hold or issue financial instruments for trading purposes, and it is the Company's policy to prohibit the use of derivatives for speculative purposes. The Company has a Foreign Currency Risk Management Committee that meets periodically to monitor foreign currency risks.

The Company enters into forward foreign exchange contracts to hedge transactions on its non-U.S. subsidiaries, for firm commitments to purchase equipment and for export sales denominated in foreign currencies. These contracts generally are for 90 to 180 days or less. For those contracts that hedge an identifiable transaction, gains or losses are deferred and accounted for as part of the underlying transactions. The cash flows from forward exchange contracts accounted for as hedges of

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

identifiable transactions are classified consistent with the cash flows from the transaction being hedged. The Company also enters into forward foreign exchange contracts for intercompany foreign currency commitments. These foreign exchange contracts do not qualify as hedges for financial reporting purposes, and any related gain or loss is included in income on a current basis. As of June 30, 1997, the total of all forward exchange contracts amounted to $6.1 million with a favorable marked to market fluctuation of $0.2 million.

New Financial Accounting Standards Issued

In February 1997, the Financial Accounting Standards Board issued SFAS No. 128, "Earnings per Share" which is effective for periods ending after December 15, 1997. The overall objective of SFAS 128 is to simplify the calculation of earnings per share (EPS) and achieve comparability with International Accounting Standards. The Company will be required to adopt SFAS No. 128 in the fourth quarter of 1997, but does not expect that the adoption will have a material effect on earnings per share.

Opinion of Management:

Financial information furnished herein, which is unaudited, reflects in the opinion of management all adjustments (all of which are of a recurring nature) that are necessary to present a fair statement of the interim period.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FINANCIAL CONDITION AND LIQUIDITY

Net cash provided by operating activities was $81.9 million in the first six months of 1997 compared with $60.2 million in 1996. During the six months of 1997, distributions of $31.6 million were received from unconsolidated entities compared with $15.9 million in the first six months of 1996. The increase in working capital requirements in the first six months of 1997 compared with the comparable period in 1996 reflects the growth in the business.

Capital expenditures for the first half of 1997 were a record $72.0 million compared with $69.6 million in 1996, reflecting the Company's continuing program to support growth, and to improve productivity and product quality. Proceeds from the sale of property, plant and equipment in the six months 1997 provided $5.8 million in cash compared with $1.8 million during the first six months of 1996. Cash used for financing activities for the six months of 1997 included a net increase in long-term debt of $8.0 million, a $16.2 million increase in short-term debt, and $19.7 million of cash dividends paid on common stock.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Cont'd.)

The Company has maintained a policy of reacquiring its common stock in unsolicited open market or privately-negotiated transactions at prevailing market prices for several years. In January 1997, the Board of Directors authorized the purchase, over a one-year period, of up to 2,000,000 shares of the Company's common stock. The total number of shares purchased under this program for the six months ended June 30, 1997 was 936,100 shares of common stock for approximately $34.3 million. Cash and cash equivalents decreased $1.9 million to $43.9 million at June 30, 1997.

Other matters which could affect cash flows in the future are discussed under Part 1, item 1 "Notes to Consolidated Financial Statements."

The Company continues to maintain a good financial position, with net working capital of $238.2 million, an increase from the $214.5 million at December 31, 1996. Current assets amounted to $533.8 million, and current liabilities were $295.7 million, resulting in a current ratio of 1.8 to 1, up from 1.7 to 1 at December 31, 1996. With total debt of $269.5 million and equity of $684.4 million at June 30, 1997, the total debt as a percent of capital was 28.3%, compared with 27.1% at December 31, 1996.

The stock price range during the first six months was 40 1/2 - 33 1/4. Harsco's book value per share at June 30, 1997 was $14.01, compared with $13.73 at December 31, 1996. The Company's annualized return on average equity for the six months of 1997 was 19.3%, compared with 18.2% for the year 1996. The annualized return on average assets was 18.1%, compared with the 16.8% for the year 1996. The annualized return on average capital for the six months was 15.1%, compared with 14.1% for year 1996.

The Company has available through a syndicate of banks a $400 million multi-currency five-year revolving credit facility, extending through July 2001. This facility serves as back-up to the Company's commercial paper program. As of June 30, 1997, there were no borrowings outstanding under this facility.

The Company has a U.S. commercial paper borrowing program under which it can issue up to $300 million of short-term notes in the U.S. commercial paper market. In addition, the Company has a 3 billion Belgian Franc program, equivalent to approximately US $84 million. The Belgian program will be used to borrow a variety of Eurocurrencies in order to fund the Company's European operations more efficiently and in appropriate currencies. The Company limits the aggregate commercial paper and syndicated credit facility borrowings at any one time to a maximum $400 million. At June 30, 1997, the Company had $88.2 million of commercial paper debt outstanding under the Commercial Paper programs.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Cont'd.)

The Company's outstanding long-term notes are rated A by Standard & Poor's, A by Fitch Investors Service and A-3 by Moody's. The Company's commercial paper is rated A-1 by Standard & Poor's, F-1 by Fitch Investors Service and P-2 by Moody's. The Company also has on file, with the Securities and Exchange Commission a Form S-3 shelf registration for the possible issuance of up to an additional $200 million of new debt securities, preferred stock or common stock.

As indicated by the above, the Company's financial position and debt capacity should enable it to meet its current and future requirements. As additional resources are needed, the Company should be able to obtain funds readily and at competitive costs.

RESULTS OF OPERATIONS
SECOND QUARTER OF 1996 COMPARED
WITH SECOND QUARTER OF 1997

Second quarter revenues of $442.5 million, were 11.2% above last year's comparable period. The increase was due principally to higher sales of gas control and containment equipment, which included an acquisition made in April 1996. Other product sales with increases included railway maintenance of way equipment, pipe fittings and grating. Service sales in metal reclamation and mill services increased, despite being adversely affected by the strengthening of the U.S. dollar, principally against certain European currencies. Higher than expected revenues were recorded for the Company's equity investment in United Defense, L.P.

Cost of products sold increased, principally due to higher volume which included an acquisition in 1996. Cost of services sold also increased as a result of higher sales. Selling, general and administrative expenses increased, as a result of higher compensation costs, commissions and the inclusion of an acquired company.

Income before taxes and minority interest increased 23% due to higher results of the gas control and containment, metal reclamation, and pipe fittings product classes, as well as higher than expected earnings from the equity investment in United Defense, L.P. Interest expense decreased as a result of lower interest rates and the continued reduction of the Company's average outstanding debt.

Net income of $36.4 million, a record second quarter, was up 24% from the comparable period in 1996. The effective income tax rate for the second quarter 1997 decreased to 38% from 39% in 1996, due to lower effective tax rates on international earnings.

Sales of the Metal Reclamation and Mill Services Group, at $159.3 million, were 5% above 1996's second quarter, as current and new contracts more than offset the adverse effect of the strengthening U.S. dollar, principally against certain European currencies. Sales for the Infrastructure and Construction Group, at $119.8 were up 12%, principally due to higher revenues for railway maintenance equipment and services. Sales for the Process Industry Products Group, at $147.2 were up 14% due to increased sales of gas control and containment, which included an acquisition in April 1996, and higher pipe fitting sales.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Cont'd.)

RESULTS OF OPERATIONS
SECOND QUARTER OF 1996 COMPARED
WITH SECOND QUARTER OF 1997 (continued)

Operating profit for the Metal Reclamation and Mill Services Group increased 6% to $24.1 million. The Infrastructure and Construction Group posted an operating profit of $13.7 million; 4% lower than 1996 second quarter. Operating profit for the Process Industry Products Group, at $15.1 million, was up 28% from the prior year's second quarter, reflecting higher results for gas control and containment equipment, which included an acquisition, and pipe fittings.

In addition to the Group reporting noted above, the Company views itself as a diversified industrial services and manufacturing company. Total industrial services sales, which include Metal Reclamation and Mill Services Group and Infrastructure and Construction Group service businesses, principally scaffolding services and railway maintenance of way services, were $205.6 million in the second quarter of 1997 and $193.7 million in 1996, or approximately 48% and 50%; respectively, of net sales. The total manufacturing sales for 1997 were $220.7 million or approximately 52% of net sales, which includes sales from the Infrastructure and Construction Group and the Process Industry Products Group. The total manufacturing sales for the second quarter of 1996 were $194.0 million or approximately 50% of net sales.

The operating profit for industrial services for 1997 was $29.0 million compared with $29.1 million in 1996, or approximately 55% and 60%, respectively, of total Group operating profit. The operating profit from manufacturing for 1997 was $23.9 million compared with $19.6 million in 1996, which is approximately 45% and 40%, respectively, of total Group operating profit.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Cont'd.)

RESULTS OF OPERATIONS
FIRST SIX MONTHS OF 1997 COMPARED
WITH FIRST SIX MONTHS OF 1996

Revenues for the first six months of $851.2 million, were 8% above last year's comparable period. The increase was due principally to higher product sales of gas control and containment equipment, which included an acquisition in April of 1996. Higher product sales were also recorded for railway maintenance of way equipment, process equipment, pipe fittings, roofing granules and slag abrasives, and grating. In addition to the above, service sales in metal reclamation and mill services increased despite being adversely affected by the strengthening of the U.S. dollar, principally against certain European currencies, as well as the divesting of certain non-core businesses in Europe in April of 1996. Service sales for railway maintenance of way equipment, as well as scaffolding, shoring and forming equipment also increased. Higher than expected revenues were recorded for the company's equity investment in United Defense, L.P.

Cost of products sold increased, principally due to higher volume which included an acquisition in 1996. Cost of services sold also increased as a result of increased sales of services. Selling, general and administrative expenses increased, as a result of higher compensation costs and the inclusion of an acquired company.

Income before income taxes and minority interest was up 9% from the comparable period last year due to higher earnings. The effective income tax rate for 1997 was 38%, versus 39% in 1996. The reduction in the income tax rate is primarily due to lower effective tax rates on international earnings.

Higher earnings in the first six months of 1997 were due principally to higher results for gas control and containment, as well as metal reclamation and mill services. These items were partially offset by lower results for process equipment and scaffolding, shoring and forming equipment, as well as a $1.4 million provision ($.02 earnings per share) for an impairment loss arising from the disposal of the Company's Shell and Tube business. Interest expense decreased as a result of the continued reduction of the Company's outstanding debt and average interest rate.

Net income of $66.5 million, was up 10% from the comparable period in 1996 which was the highest six months ever.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Cont'd.)

RESULTS OF OPERATIONS
FIRST SIX MONTHS OF 1997 COMPARED
WITH FIRST SIX MONTHS OF 1996 (continued)

Sales of the Metal Reclamation and Mill Services Group, at $308.3 million, were above 1996's first six months, despite the strengthening of the U.S. dollar, principally against certain European currencies and the divesting of certain non-core businesses in Europe in April of 1996. Sales for the Infrastructure and Construction Group, at $214.8 million which included significantly higher sales for railway maintenance of way equipment, were above last year's similar period. Sales for the Process Industry Products Group, at $293.9 million, were significantly higher than the prior year's first six months due principally to increased sales of gas control and containment, which included an acquisition in April of 1996.

Operating profit for the Metal Reclamation and Mill Services Group exceeded 1996's first six months. The Infrastructure and Construction Group posted an operating profit of $19.1 million, which was lower than the $22.0 million recorded in 1996's first six months, due principally to lower results for scaffolding, shoring and forming equipment. Operating profit for the Process Industry Products Group, at $30.6 million, was significantly above the prior year's first six months and reflected principally higher results for gas control and containment equipment, which included an acquisition.

In addition to the Group reporting noted above, the Company views itself as a diversified industrial services and manufacturing company. Total industrial service sales, which include Metal Reclamation and Mill Services Group and Infrastructure and Construction Group service businesses, principally scaffolding services and railway maintenance of way services, were $388.0 million in 1997 and $377.7 million in 1996, or approximately 47% and 50% of net sales, respectively. The total manufacturing sales for 1997 were $429.0 million or approximately 53% of net sales, which includes sales from the Infrastructure and Construction Group and the Process Industry Products Group. The total manufacturing sales for 1996 were $376.7 million or approximately 50% of net sales.

The operating profit for industrial services for 1997 was $49.3 million compared with $51.0 million in 1996, or approximately 54% and 58%, respectively, of total Group operating profit. The operating profit from manufacturing for 1997 was $42.6 million compared with $36.3 million in 1996, which is approximately 46% and 42%, respectively, of total Group operating profit.

Safe Harbor Statement

The nature of the Company's operations and the many countries in which it operates subject it to changing economic, competitive, regulatory, and technological conditions, risks, and uncertainties. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company provides the following cautionary remarks regarding important factors which, among others, could cause future results to differ materially from the forward-looking statements, expectations and assumptions expressed or implied herein. These include statements about our

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Cont'd.)

management confidence and strategies for performance; expectations for new and existing products, technologies, and opportunities; and expectations for market segment and industry growth.

These factors include, but are not limited to: (1) changes in the world-wide business environment in which the Company operates, including import, licensing, and trade restrictions, interest rates, and capital costs; (2) changes in government laws and regulations, including taxes; (3) market and competitive changes, including market demand and acceptance for new products, services, and technologies, and (4) effects of unstable governments and business conditions in emerging economies.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART II - FINANCIAL INFORMATION

ITEM 5. OTHER INFORMATION

GENERAL:

On June 24, 1997, the Company adopted a revised Shareholders Rights Plan to replace the Company's 1987 Rights Plan when it expires September 28, 1997. Like the 1987 Plan, the new Shareholder Rights Plan is designed to protect shareholders against abusive and unfair takeover tactics and prevent an acquirer from gaining control of the Company without paying a full and fair price to the shareholders. The new Rights Plan was not adopted in response to any specific effort to acquire control of the Company.

The new Plan will continue the terms of the 1987 Plan for another ten years with several modifications. Under the revised Plan, each share of common stock will be entitled to one Right having an exercise price of $150. The new Plan also lowers from 20% to 15% the stock ownership threshold of an acquiring person at which the Rights become exercisable, and lowers from 25% to 20% the ownership threshold at which all Rights holders except the acquirer can purchase common stock at discounted prices.

To implement the new Plan, the Board has declared a dividend to shareholders of record on September 28, 1997, of one Right for each share of common stock, which under certain circumstances entitles the holder to purchase 1/100th of a share of Harsco Junior Participating Cumulative Preferred Stock at an exercise price of $150. Initially, the Rights are attached to the shares of common stock and are not exercisable. The Rights only become exercisable in the event that any person or group acquires beneficial ownership of 15% or more of the Company's common stock or tenders for 20%. The issuance of the Rights has no dilutive effect, will not affect reported earnings per share, and is not taxable to the Company or its shareholders. Details of the 1997 Shareholder Rights Plan were mailed to shareholders with the Second Quarter Report to Shareholders in July 1997.

DIVIDEND ACTION:

On June 24, 1997, Harsco Corporation announced that the Board of Directors declared a quarterly cash dividend of 20 cents per share, payable August 15, 1997, to shareholders of record on July 15, 1997.

ITEM 6(a). EXHIBITS

The following exhibits are attached:

a.) Exhibit No. 11 Computation of Fully Diluted Net Income Per Common Share.
b.) Exhibit No. 12 Computation of Ratios of Earnings to Fixed Charges.
c.) Exhibit No. 27 Financial Data Schedule

ITEM 6(b) REPORTS ON FORM 8-K

a.) There were no reports filed on Form 8-K during the second quarter ending June 30, 1997.

SIGNATURES

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

HARSCO CORPORATION

(Registrant)

DATE August 7, 1997 /S/ Leonard A. Campanaro

Leonard A. Campanaro
Senior Vice President and
Chief Financial Officer

DATE August 7, 1997 /S/ Salvatore D. Fazzolari

Salvatore D. Fazzolari
Vice President and Controller

EXHIBIT INDEX

Part I
Exhibit 11

HARSCO CORPORATION
COMPUTATION OF FULLY DILUTED NET INCOME PER COMMON SHARE
(dollars in thousands except per share)

	3 MONTHS ENDED JUNE 30		6 MONTHS ENDED JUNE 30	
	1997	1996	1997	1996
Net income	$ 36,414	$ 29,260	$ 66,512	$ 60,370
Average shares of common stock outstanding used to compute earnings per common share	49,075,050	50,063,276	49,285,662	50,117,666
Additional common shares to be issued assuming exercise of stock options, net of shares assumed reacquired	403,335	418,120	435,992	451,106
Shares used to compute dilutive effect of stock options	49,478,385	50,481,396	49,721,654	50,568,772
Fully diluted net income per common share	$ 0.74	$ 0.58	$ 1.34	$ 1.19
Net income per common share	$ 0.74	$ 0.58	$ 1.35	$ 1.20

Exhibit 12

HARSCO CORPORATION
Computation of Ratios of Earnings to Fixed Charges

(In Thousands of Dollars)

	Six Months Ended 6/30/97	YEARS ENDED DECEMBER 31 1996	1995	1994	1993	1992
Consolidated Earnings:						
Pre-tax income from continuing operations (1)	$ 109,206	$ 195,345	$ 161,231	$ 146,089	$ 137,151	$ 140,576
Add fixed charges computed below	12,294	26,181	33,121	37,982	23,879	22,425
Net adjustments for equity companies	(1,227)	(9,410)	(4,320)	(134)	(363)	(454)
Net adjustments for capitalized interest	--	--	--	(274)	(172)	(134)
Consolidated Earnings Available for Fixed Charges	$ 120,273	$ 212,116	$ 190,032	$ 183,663	$ 160,495	$ 162,413
Consolidated Fixed Charges:						
Interest expense per financial statements (2)	$ 8,513	$ 21,483	$ 28,921	$ 34,048	$ 19,974	$ 18,882
Interest expense capitalized	64	131	134	338	332	355
Portion of rentals (1/3) representing an interest factor	3,717	4,567	4,066	3,596	3,573	3,188
Interest expense for equity companies whose debt is guaranteed (3)	--	--	--	--	--	--
Consolidated Fixed Charges	$ 12,294	$ 26,181	$ 33,121	$ 37,982	$ 23,879	$ 22,425
Consolidated Ratio of Earnings to Fixed Charges	$ 9.78	8.10	5.74	4.84	6.72	7.24

(1) 1992 excludes the cumulative effect of change in accounting method for postretirement benefits other than pensions.

(2) Includes amortization of debt discount and expense.

(3) No fixed charges were associated with debt of less than fifty percent owned companies guaranteed by the Company during the five year period 1992 through 1996, and the six months ended June 30, 1997.

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6-MOS
DEC-31-1997
JUN-30-1997
43,945
0
295,499
(7,613)
137,671
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112,352
42,694
66,512
0
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0
66,512
1.35
1.34