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 September 30, 1996

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 September 30, 1996
Common Stock Par Value $1.25	24,776,569
Preferred Stock Purchase Rights	24,776,569

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(In thousands, except per share amounts)	THREE MONTHS ENDED SEPTEMBER 30 1996	1995	NINE MONTHS ENDED SEPTEMBER 30 1996	1995
REVENUES:				
Net sales	$ 395,776	$ 374,147	$ 1,150,195	$ 1,108,308
Equity in income of unconsolidated entities	9,059	10,939	41,906	38,682
Other	169	411	582	1,162
TOTAL REVENUES	405,004	385,497	1,192,683	1,148,152
COSTS AND EXPENSES:				
Cost of sales	300,337	284,326	872,262	852,504
Selling, general and administrative expenses	51,151	47,147	153,421	145,555
Research and development expenses	1,896	1,088	3,505	3,431
Facilities discontinuance and reorganization costs	176	16,827	1,711	19,322
Other	199	(451)	(447)	(4,831)
TOTAL COSTS AND EXPENSES	353,759	348,937	1,030,452	1,015,981
INCOME BEFORE INTEREST, TAXES, AND MINORITY INTEREST	51,245	36,560	162,231	132,171
Interest income	1,483	1,647	5,275	5,020
Interest expense	(4,814)	(7,356)	(16,881)	(22,376)
INCOME BEFORE TAXES AND MINORITY INTEREST	47,914	30,851	150,625	114,815
Provision for income taxes	17,180	12,032	57,237	44,778
INCOME BEFORE MINORITY INTEREST	30,734	18,819	93,388	70,037
Minority interest in net income	1,625	419	3,909	1,618
NET INCOME	$ 29,109	$ 18,400	$ 89,479	$ 68,419
Average shares of common stock outstanding	24,865	25,313	24,994	25,262
NET INCOME PER SHARE	$ 1.17	$ .73	$ 3.58	$ 2.71
Cash dividends declared per share	$ .38	$ .37	$ 1.14	$ 1.11

See accompanying notes to consolidated financial statements.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Continued)

CONSOLIDATED BALANCE SHEETS
(Unaudited)

(In thousands)	SEPTEMBER 30 1996	DECEMBER 31 1995
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 55,179	$ 76,669
Receivables	283,192	272,858
Inventories:		
Finished goods	30,741	25,996
Work in process	31,864	24,640
Raw material and purchased parts	52,518	54,151
Stores and supplies	18,941	18,498
Total inventories	134,064	123,285
Other current assets	62,901	60,954
TOTAL CURRENT ASSETS	535,336	533,766
Property, plant and equipment, at cost	1,153,106	1,080,267
Allowance for depreciation	(661,595)	(620,458)
	491,511	459,809
Cost in excess of net assets of businesses acquired, net	197,368	205,801
Investments in unconsolidated entities	60,165	45,604
Other assets	55,033	65,682
TOTAL ASSETS	$ 1,339,413	$ 1,310,662
LIABILITIES		
CURRENT LIABILITIES:		
Notes payable and current maturities	$ 27,142	$ 108,747
Accounts payable	102,184	112,736
Accrued compensation	42,164	41,304
Other current liabilities	106,353	125,725
TOTAL CURRENT LIABILITIES	277,843	388,512
Long-term debt	282,362	179,926
Deferred income taxes	30,897	36,061
Other liabilities	88,403	80,172
TOTAL LIABILITIES	679,505	684,671
SHAREHOLDERS' EQUITY		
Common stock and additional paid-in capital	149,203	141,855
Cumulative adjustments for translation and pension liability	(27,387)	(20,265)
Retained earnings	774,849	713,774
Treasury stock	(236,757)	(209,373)
TOTAL SHAREHOLDERS' EQUITY	659,908	625,991
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 1,339,413	$ 1,310,662

See accompanying notes to consolidated financial statements.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Continued)

CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

(In thousands)	NINE MONTHS ENDED SEPTEMBER 30 1996	1995
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 89,479	$ 68,419
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	74,720	70,721
Amortization	6,975	7,456
Equity in income of unconsolidated entities	(41,906)	(38,682)
Dividends or distributions from unconsolidated entities	27,363	27,245
Deferred income taxes	2,612	5,268
Write-off of federal excise tax receivable	--	13,455
Other, net	2,200	(9,932)
Changes in assets and liabilities, net of acquisitions and dispositions of businesses:		
Notes and accounts receivable	(13,600)	68,697
Inventories	(5,140)	(14,004)
Accounts payable	(4,776)	(9,851)
Other assets and liabilities	(13,146)	10,039
NET CASH PROVIDED BY OPERATING ACTIVITIES	124,781	198,831
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditures for property, plant and equipment	(105,465)	(85,754)
Purchase of businesses, net of cash acquired	(21,030)	(4,143)
Investments held-to-maturity, net of purchases	6,685	572
Proceeds from sale of businesses	1,793	839
Other investing activities	3,510	7,812
NET CASH (USED) BY INVESTING ACTIVITIES	(114,507)	(80,674)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term borrowings, net	12,977	(9,718)
Current maturities and long-term debt		
Additions	185,900	47,134
Reductions	(175,695)	(119,112)
Cash dividends paid on common stock	(28,520)	(28,024)
Common stock issued-options	4,581	5,015
Common stock acquired for treasury	(29,973)	--
Other financing activities	500	1,107
NET CASH (USED) BY FINANCING ACTIVITIES	(30,230)	(103,598)
Effect of exchange rate changes on cash	(1,534)	164
Net increase (decrease) in cash and cash equivalents	(21,490)	14,723
Cash and cash equivalents at beginning of period	76,669	43,550
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 55,179	$ 58,273

See accompanying notes to consolidated financial statements.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Continued)

REVIEW OF OPERATIONS BY GROUP
(Unaudited)

(In millions)	THREE MONTHS ENDED SEPTEMBER 30 1996	1995	NINE MONTHS ENDED SEPTEMBER 30 1996	1995
NET SALES				
Metal Reclamation and Mill Services	$ 150.1	$ 153.1	$ 452.3	$ 446.0
Infrastructure and Construction (a)	107.6	100.6	307.2	302.7
Process Industry Products	138.1	120.4	390.7	359.6
Total	$ 395.8	$ 374.1	$1,150.2	$1,108.3
INCOME BEFORE TAXES AND MINORITY INTEREST				
Metal Reclamation and Mill Services (b) ...	$ 19.9	$ 22.9	$ 62.9	$ 60.2
Infrastructure and Construction (a)	11.7	12.3	33.7	25.5
Process Industry Products	14.2	10.9	37.2	32.0
	45.8	46.1	133.8	117.7
Facilities discontinuance and reorganization costs (c)	(.1)	(16.7)	(.7)	(18.4)
Total group operating profit	45.7	29.4	133.1	99.3
Equity in income of unconsolidated entities	9.1	11.0	41.9	38.7
Interest expense	(4.8)	(7.4)	(16.9)	(22.4)
General corporate expenses (d)	(2.1)	(2.2)	(7.5)	(.8)
TOTAL PRE-TAX INCOME	$ 47.9	$ 30.8	$ 150.6	$ 114.8

(a) Under the Infrastructure and Construction Group, the Company ceased all bus operations in June, 1995. For the nine months of 1995, the school bus operation had $15.7 million in sales and an operating loss of $6.2 million.

(b) For the third quarter and the nine months of 1995, Group income before tax included a $0.2 million foreign currency translation exchange gain and a $2.9 million foreign currency translation exchange loss, respectively. Included in the $2.9 million loss, is a $3.5 million foreign currency translation exchange loss due to the devaluation of the Mexican peso. For the 1996 comparable periods, foreign currency translation exchange losses were $0.4 million for both the third quarter and nine months.

(c) The third quarter and nine months ended September 30, 1995 includes a non-cash charge of $13.5 million relating to the settlement of the Federal Excise Tax reimbursement on the completed five-ton truck contract, and a $2.1 million provision for asset impairment relating to the remaining fixed assets of the school bus business. The nine months of 1995 also includes $2.6 million relating to the discontinuance of certain international facilities related to the Metal Reclamation and Mill Services Group.

(d) General corporate expenses for the third quarter and the nine months of 1995, respectively, included a $0.3 million foreign currency translation exchange loss and a $5.9 million foreign currency translation exchange gain. For the 1996 comparable periods, foreign currency translation exchange losses were immaterial.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

Cash payments for interest on all debt, net of amounts capitalized were $19,812,000 for the nine months of 1996 and $21,963,000 for the nine months of 1995. Cash payments for income taxes were $62,987,000 for the nine months of 1996 and $36,915,000 for the nine months of 1995.

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 Harsco's previously reported claims against the Army relating to Federal Excise Tax arising under a completed 1986 contract for the sale of five-ton trucks to the Army. On September 27, 1995, the Army paid Harsco $49 million in accordance with the settlement terms. Harsco released the Army from any further liability for those claims, and the Department of Justice released Harsco 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, Harsco recorded a non-recurring, pre-tax, non-cash charge of $13.5 million (after-tax charge of $8.2 million, $.32 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 Harsco 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 potential for a claim from the Internal Revenue Service that, contrary to the Company's position, certain cargo truck models have gross vehicle weights in excess of the 33,000 pound threshold under the Federal Excise Tax law, and therefore are taxable. As previously reported, the Internal Revenue Service is reviewing Harsco's position and has tentatively concluded that those cargo truck models are taxable. Assuming the Internal Revenue Service asserts that tax is due on these vehicles, the total claim could be approximately $42 million plus interest and penalty, if any. The Company plans to vigorously contest any such tax deficiency. Although there is risk of an adverse outcome, the Company believes that these trucks are not taxable. The settlement agreement 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

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

be delivered after October 1, 1988) will apply to the question of Harsco's right to reimbursement from the Army for after-imposed taxes on the cargo trucks. In Harsco's view, application of the 1993 decision will favorably resolve the principal issues regarding any such future claim by Harsco. Therefore, the Company believes that even if the cargo trucks are 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 Harsco of approximately $18 million plus interest and penalty, if any. 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.

The Company has advised the Internal Revenue Service that it is in the process of preparing tax refund claims which will challenge the applicability of the Federal Excise Tax to any of the five-ton trucks based on a provision of the law which exempts certain vehicles specially designed for the primary function of off-highway transportation. An alternative claim for partial refund of the tax is also being prepared based on the exemption of certain of the truck components from tax. The Company has paid a total of $52 million of Federal Excise Tax on the five-ton trucks. Any such refund of tax and payment of interest by the Internal Revenue Service would be shared by the Army and the Company in amounts to be determined.

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.

Other Litigation

On March 13, 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 October 1995, Government counsel informed the Company's counsel that at trial it would claim breach of contract damages of $4.8 million plus damages and civil penalties under the False Claims Act totaling $6.8 million. This is a reduction from the previously asserted Government claim of $7.3 million in damages, trebled plus False Claims Act penalties. The trial commenced in July 1996 and a decision is expected in 1997. The Company and its counsel believe it is unlikely that resolution of these claims 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.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

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.

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. 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. $16 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 is unlikely that these claims will have a material adverse effect on the Company's financial position or results of operations.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

On August 29, 1994, the Company filed a legal action in the United States District Court for the Southern District of New York against certain former shareholders of MultiServ International, N.V. seeking recovery of damages arising from misrepresentations which the Company claims were made to it in connection with its purchase of the MultiServ International, N.V. stock on August 31, 1993. The Complaint seeks damages in an amount to be determined. On April 4, 1995, the Court dismissed various elements of the Company's claims and allowed the Company to amend its complaint with respect to other elements. At the Company's request, the Court dismissed the remaining claims which then allowed the Company to file an appeal in the United States Court of Appeals for the Second Circuit. The Company has settled its claims with certain defendants, and continued to pursue its appeal with respect to claims against the other defendants. In August 1996, the Court of Appeals affirmed the lower court decision dismissing the Company's complaint. The Company is considering various options for further pursuit of its claim.

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 September 30, 1996 and December 31, 1995, include an accrual of $4.7 million and $5.3 million respectively for environmental matters. The amounts charged to earnings on a pre-tax basis related to environmental matters totaled $243,000 and $164,000 for the nine months of 1996 and 1995, respectively.

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.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Cont'd.)

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

Net cash provided by operating activities was $124.8 million in the nine months of 1996 compared to $198.8 million in 1995. 1995 included the receipt of $20.4 million from a claim settlement with the U.S. Government and the $49 million Federal Excise Tax reimbursement on the completed five-ton truck contract. During the nine months of 1996, distributions of $27.4 million were received from unconsolidated entities, compared with $27.2 million during the same period last year.

Capital expenditures for the nine months of 1996 were a record $105.5 million, compared with $85.8 million in 1995, reflecting the Company's program to achieve business growth and to improve productivity and quality. Cash used by investing activities included $19 million for the acquisition of substantially all of the assets and the assumption of certain liabilities of the Coyne Cylinder Business (Coyne) and $2 million for the acquisition of certain assets of a railway maintenance of way company. Total consideration for Coyne was $22.3 million with the assumption of certain liabilities. Proceeds from the sale of property, plant and equipment in the nine months of 1996 provided $2.5 million in cash compared to $6.3 million in 1995.

Cash used for financing activities included $28.5 million of cash dividends paid on common stock and $30 million in stock acquired for treasury. These uses were partially offset by a $13 million increase in short term debt and an increase of $10.2 million in long term debt. Cash and cash equivalents decreased $21.5 million to $55.2 million at September 30, 1996.

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 1996, the Board of Directors authorized the purchase, over a one-year period, of up to 1,000,000 shares of the Company's common stock. The total number of shares purchased under this program for the nine months ended September 30, 1996 was 436,600 shares of common stock at an average cost of $63.06 per share. Financing activities included $27.5 million in cash used to repurchase these shares, plus approximately $2.5 million which was payable at year end for shares purchased in 1995 and settled in 1996.

Other matters which could affect cash flows in the future are discussed under Part I, Item 1 Notes to Consolidated Financial Statements "Commitments and Contingencies."

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

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

Harsco continues to maintain a good financial position, with net working capital of $257.5 million, up from the $145.3 million at December 31, 1995. The improvement is primarily due to the repayment of the $89,500,000 of 8.75% 10-year notes that matured in May 1996 which was financed through the issuance of commercial paper. Such borrowings are classified as long term debt due to the Company's intent and ability to refinance it on a long term basis through existing long term credit facilities. Current assets amounted to $535.3 million, and current liabilities were $277.8 million, resulting in a current ratio of 1.9 to 1, up from 1.4 at December 31, 1995. With total debt at $309.5 million and equity at $659.9 million at September 30, 1996, total debt as a percent of total capital was 31.9%, up slightly from 31.6% at December 31, 1995.

The stock price range during the nine months was $69 7/8 - 58. Harsco's book value per share at September 30, 1996, was $26.63, compared with $24.99 at year-end 1995. The Company's annualized return on average equity for the nine months of 1996 was 18.0%, compared with 15.9% for the year 1995. The annualized return on average assets for the nine months of 1996 was 16.5%, compared with the 14.6% for the year 1995. The annualized return on capital for the nine months of 1996 was 13.9%, compared with 12.2% for year 1995.

The Company in July 1996 renegotiated and increased to $400 million from $300 million its October 1993 credit facility with a syndicate of 18 banks led by Chase Manhattan Bank. The five-year facility, as amended, extends maturity to July 2001, provides for greater financial flexibility and reflects current favorable syndicated credit pricing. This renegotiated credit facility will serve as backup to Harsco's $300 million commercial paper program, which was increased from $150 million. In addition, the Company in September 1996 initiated a Belgian commercial paper program. The 3 billion Belgian Franc program is equivalent to approximately US $100 million. The Belgian program will be used to borrow a variety of Euro-currencies in order to fund the Company's European operations more efficiently and in appropriate currencies. The Company limits the aggregate commercial paper and credit facility borrowings at any one time to a maximum of $400 million. The credit facility has been increased to provide financing for general corporate needs and future growth opportunities.

Harsco's outstanding long-term notes are rated A by Standard & Poor's, A by Fitch Investors Service and A-3 by Moody's. Harsco'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.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

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

RESULTS OF OPERATIONS
THIRD QUARTER OF 1996 COMPARED
WITH THIRD QUARTER OF 1995

Third quarter revenues of $405.0 million were 5% higher than last year's comparable period. The increase was due principally to higher sales for gas control and containment equipment, which included an acquisition made in April 1996. Other product classes with increases included railway maintenance equipment, pipe fittings, roofing granules and slag abrasives and scaffolding, shoring and forming equipment. Metal Reclamation and Mill Services, which includes the consolidation of a subsidiary in South Africa that had previously been reflected as an equity investment, incurred a decrease in revenues due to divestitures. Sales also decreased, but to a lesser extent, due to the strengthening of the U.S. dollar against certain European currencies. The Company acquired a majority ownership of the South African subsidiary in the fourth quarter of 1995. The South African revenues were more than offset by the divesting of certain non-core European businesses of the Metal Reclamation and Mill Services Group in the fourth quarter of 1995 and April 1996. Revenues were also affected by decreased earnings from the Company's equity investment in United Defense L.P.

Selling, general and administrative expenses increased due to higher compensation costs and the inclusion of the acquisition made in April 1996.

Income before taxes and minority interest increased 55% principally due to the decrease in facilities discontinuance and reorganization costs. For the comparative period in 1995, the Company incurred a non-cash charge of $13.5 million relating to the settlement of the Federal Excise Tax reimbursement on the completed five-ton truck contract (in which the Company accepted $49 million for the related $62.5 million receivable), and a $2.1 million provision for asset impairment relating to the remaining fixed assets of the school bus operation. Higher earnings were recorded by gas control and containment, roofing granules and slag abrasives, and process equipment. Interest expense decreased as a result of the reduction of the Company's average outstanding debt and average interest rate.

Net income of $29.1 million, a record third quarter, was up 58% from the comparable period in 1995. The third quarter of 1995 included the after tax charge of $8.2 million ($.32 per share) related to the settlement of the Federal Excise Tax reimbursement on the completed five-ton truck contract. The effective income tax rate for the third quarter decreased from 39% in 1995 to 35.9% in 1996. The revised lower tax rate of 38% for the nine months of 1996, which was applied in the third quarter, is principally due to a reduction in losses sustained in certain international operations for which there is no tax benefit.

Sales of the Metal Reclamation and Mill Services Group, were 2% below 1995's third quarter, as divestitures in the fourth quarter of 1995 and April 1996 amounting to $11.2 million more than offset the $8.0 million of sales from consolidating a subsidiary in South Africa, previously reflected as an equity investment. Sales for the Infrastructure and Construction Group, at $107.6 million were up 7% from last year's similar period. Higher sales were recorded for railway maintenance equipment, roofing granules and slag abrasives, and scaffolding, shoring and forming equipment. Sales for the Process Industry Products Group, at $138.1 million were up 14.7% principally due to an acquisition made in April of 1996 and higher demand for pipe fittings.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

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

RESULTS OF OPERATIONS THIRD QUARTER OF 1996 COMPARED WITH THIRD QUARTER OF 1995 (Cont'd.)

Operating profit for the Metal Reclamation and Mill Services Group was $19.9 million compared to $22.9 in 1995. This decrease reflects the divestiture of certain non-core European businesses in the fourth quarter of 1995 and April 1996 which would normally be at their peak in the third quarter, lower activity particularly in France and Belgium, and foreign currency translation exchange losses, as compared to gains in 1995.

The Infrastructure and Construction Group operating profit of $11.7 million was 5% lower than in the third quarter of 1995, excluding the impact of expense items relating to facilities discontinuance and reorganization costs. Profit margins were affected by higher research and development expenses, and costs associated with bringing new products and services to the market place. After including the impact of facilities discontinuance and reorganization costs (which included the $13.5 million pre-tax charge for the Federal Excise Tax settlement and the $2.1 million pre-tax charge for the school bus operation) incurred in 1995, the Group comparison would be a $11.7 million operating profit in 1996 to a $3.2 million loss in 1995. Operating profit for the Process Industry Products Group, at $14.2 million, was up significantly from the $10.9 million in 1995. The gas control and containment product line was the major contributor to the operating profit improvement.

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 $190.0 million in the third quarter of 1996 and $189.5 million in 1995, or approximately 48% and 51% of net sales, respectively. The total manufacturing sales for 1996 were $205.8 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 third quarter of 1995 were $184.6 million or approximately 49% of net sales.

The operating profit including the effect of expense items relating to facilities discontinuance and reorganization costs for industrial services for 1996 was $23.2 million compared with $26.8 million in 1995, or approximately 51% and 91%, respectively, of total Group operating profit. The operating profit of manufacturing including the effect of expense items relating to facilities discontinuance and reorganization costs for 1996 was $22.5 million compared to $2.6 million in 1995, which is approximately 49% and 9%, respectively, of total Group operating profit.

The operating profit for industrial services, excluding the effect of expense items relating to facilities discontinuance and reorganization costs, for 1996 was $25.0 million compared with $29.7 million in 1995, or approximately 55% and 64%, respectively, of total Group operating profit. The operating profit from manufacturing, excluding the effect of expense items relating to facilities discontinuance and reorganization costs, for 1996 was $20.8 million compared with $16.4 million in 1995, which is approximately 45% and 36%, respectively, of total Group operating profit.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

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

RESULTS OF OPERATIONS
FIRST NINE MONTHS OF 1996 COMPARED
WITH FIRST NINE MONTHS OF 1995

Revenues for the first nine months of $1.19 billion were 4% above last year's comparable period. The increase was due principally to higher sales for scaffolding, shoring and forming equipment, gas control and containment equipment, as well as metal reclamation and mill services, which included the consolidation of a subsidiary in South Africa that had previously been reflected as an equity investment. The Company acquired a majority ownership of the subsidiary in the fourth quarter of 1995. Fully offsetting the South Africa consolidation was the divesting of certain non-core European businesses in the Metal Reclamation and Mill Services Group, during the fourth quarter of 1995 and April 1996. In addition, higher sales were recorded for process equipment, railway maintenance of way equipment and services, and to a lesser extent, roofing granules and slag abrasives, pipe fittings and grating. Increased sales were also due in part to an acquisition made in 1996. Higher revenues included better than expected income from the Company's equity investment in United Defense, L.P. These increases were partially offset by the effect of ceasing school bus operations in June 1995. Sales also decreased, but to a lesser extent, due to the strengthening of the U.S. dollar against certain European currencies.

Cost of sales increased primarily due to higher volume, but at a rate less than the increase in sales. Selling, general and administrative expenses increased, principally as a result of higher compensation costs and professional fees associated with certain previously disclosed legal matters.

Income before income taxes and minority interest was up 31% from the comparable period last year. Higher earnings in the nine months of 1996 were due principally to higher operating results for pipe fittings, metal reclamation and mill services, process equipment and roofing granules and abrasives. Also contributing to the improvement in earnings, was the Company's share of income in its equity investment in United Defense, L. P. The Partnership's earnings include substantial dividend income from its investments in two international operations, which was more than twice the amount of dividend income that was received during the same period in 1995. Lower earnings were recorded for gas control and containment equipment, grating and scaffolding, shoring and forming equipment in 1996. On a comparative basis, unfavorably affecting 1995's nine months results were losses arising from ceasing the school bus business, as well as a $13.5 million non-cash pre-tax charge ($0.32 after tax earnings per share) arising from the settlement of a Federal Excise Tax claim with the U.S. Government. Income benefited in 1995 from the effect of a pre-tax $6.5 million net foreign currency translation exchange gain arising from the decline in the U.S. dollar against certain European currencies, which more than offset a pre-tax $3.5 million foreign currency translation exchange loss due to the devaluation of the Mexican peso. Interest expense decreased as a result of the continued reduction of the Company's outstanding debt and average interest rate. The effective income tax rate for 1996 at 38% was lower than the 1995 rate at 39%.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

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

RESULTS OF OPERATIONS FIRST NINE MONTHS OF 1996 COMPARED WITH FIRST NINE MONTHS OF 1995 (Cont'd.)

Net income of $89.5 million, was up 31% from the comparable period in 1995. This net income was the highest first nine months performance in the history of the Company.

Sales of the Metal Reclamation and Mill Services Group, at $452.3 million, were slightly above 1995's nine months. The rate of increase was unfavorably affected by the strengthening of the U.S. dollar against certain European currencies. Sales for the Infrastructure and Construction Group, at $307.2 million, were also slightly above last year's similar period, which included $15.7 million for the school bus business that ceased operation in June 1995. Higher sales were recorded for all other product classes, particularly scaffolding in 1996. Sales for the Process Industry Products Group, at $390.7 million, were higher than the prior year's comparable period and were led by gas control and containment equipment and process equipment. The increased Process Industry Products Group's sales in 1996 included the effect of an acquisition made in April 1996.

Operating profit, excluding the effect of expense items relating to facilities discontinuance and reorganization costs for the Metal Reclamation and Mill Services Group, was ahead of 1995's nine months, which included $3.5 million of foreign currency translation exchange losses due to the devaluation of the Mexican peso. The increase also includes higher income in 1996 due to the consolidation of a subsidiary in South Africa. After including the effect of facilities discontinuance and reorganization costs, operating profit of $62.7 million for the Group was up 9% from the first nine months of 1995. The Infrastructure and Construction Group posted an operating profit of $33.7 million, excluding the effect of expense items relating to facilities discontinuance and reorganization costs. This was significantly more than 1995's first nine months, which included losses arising from the school bus operation. Additionally, improved results for roofing granules and slag abrasives, as well as railroad equipment contributed to the higher operating profit of the Group. After including the effect of facilities discontinuance and reorganization costs, operating profit of $33.5 million was more than three times the amount recorded in the first nine months of 1995, which included $16.8 million of pre-tax facilities discontinuance and reorganization cost charges due principally to a $13.5 million non-cash pre-tax charge arising from the settlement of a Federal Excise Tax claim with the U.S. Government. Operating profit for the Process Industry Products Group, at $37.2 million, was up 16% from the prior year's nine months, and reflected higher earning for pipe fittings and process equipment, which more than offset lower earnings for gas control and containment equipment, principally due to a five month strike at one plant that was settled in August 1996.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART I - FINANCIAL INFORMATION

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

RESULTS OF OPERATIONS
FIRST NINE MONTHS OF 1996 COMPARED
WITH FIRST NINE MONTHS OF 1995 (Cont'd.)

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 $567.7 million in 1996 and $547.3 million in 1995, or approximately 49% of net sales in each of the periods. The total manufacturing sales for 1996 were $582.5 million or approximately 51% of net sales, which includes sales from the Infrastructure and Construction Group and the Process Industry Products Group. The total manufacturing sales for 1995 were $561.0 million, also approximately 51% of net sales.

The operating profit excluding the effect of expense items relating to facilities discontinuance and reorganization costs for industrial services for 1996 was $74.6 million compared with $71.3 million in 1995, or approximately 56% and 61%, respectively, of total Group operating profit. The operating profit excluding the effect of expense items relating to facilities discontinuance and reorganization costs from manufacturing for 1996 was $59.2 million compared with $46.4 million in 1995, which is approximately 44% and 39%, respectively, of total Group operating profit.

The operating profit including the effect of expense items relating to facilities discontinuance and reorganization costs for industrial services for 1996 was $74.2 million compared with $68.7 million in 1995, or approximately 56% and 69%, respectively, of total Group operating profit. The operating profit including the effect of expense items relating to facilities discontinuance and reorganization costs from manufacturing for 1996 was $58.9 million compared with $30.6 million in 1995, which is approximately 44% and 31%, respectively, of total Group operating profit.

HARSCO CORPORATION AND SUBSIDIARY COMPANIES
PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information on legal proceedings is included under Part I, Item 1., the section labeled "Commitments and Contingencies."

ITEM 5. OTHER INFORMATION

DIVIDEND ACTION:

On September 24, 1996, Harsco Corporation announced that the Board of Directors declared a quarterly cash dividend of 38 cents per share, payable November 15, to shareholders of record on October 15, 1996.

ITEM 6(a.) EXHIBITS

The following exhibits are attached:

a.) Exhibit No. 10 Material Contracts - Commercial Paper Agreement with Banque Bruxelles Lambert S.A./Bank Brussel Lambert N.V. dated September 25, 1996.

b.) Exhibit No. 11 Computation of Net Income Per Common Share.

c.) Exhibit No. 12 Computation of Ratios of Earnings to Fixed Charges.

d.) 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 third quarter ending September 30, 1996.

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 November 5, 1996	/S/ Leonard A. Campanaro
	Leonard A. Campanaro Senior Vice President and Chief Financial Officer
DATE November 5, 1996	/S/ Salvatore D. Fazzolari
	Salvatore D. Fazzolari Vice President and Controller

EXHIBIT INDEX

HARSCO EUROPA BV
as Issuer

and

HARSCO CORPORATION
as Guarantor

and

BANQUE BRUXELLES LAMBERT S.A./BANK BRUSSEL LAMBERT N.V.
as Agent

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DOMICILIARY AGENCY AGREEMENT

September 25, 1996

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PROGRAMME OF BEF 3,000,000,000

BILLETS DE TRESORERIE/THESAURIEBEWIJZEN

unconditionally and irrevocably guaranteed by

HARSCO CORPORATION

DOMICILIARY AGENCY AGREEMENT

Dated as of September 25, 1996

BETWEEN

HARSCO EUROPA BV (the "Issuer") , having its registered office at Wenckebachstraat 1, 1951 JZ Velsen, The Netherlands

and

HARSCO CORPORATION (the "Guarantor"), having its registered office at 350 Poplar Church Road, Camp Hill, PA 17001, U.S.A.

on the one hand,

AND

BANQUE BRUXELLES LAMBERT S.A./BANK BRUSSEL LAMBERT N.V. ("BBL" or the "Agent"), having its registered office at Avenue Marnix 24, B - 1000 Brussels

on the other hand,

WHEREAS,

the Issuer, pursuant to a decision of its Board of Directors dated July 15, 1996, has established a programme for the issue of Billets de Tresorerie dematerialises/gedematerialiseerde Thesaurie-bewijzen denominated in Belgian francs ("BEF"), in any other O.E.C.D. currency or in ECU subject to the terms and conditions of the BTB's, substantially in the form of the Standard Terms and according to the Law of July 22, 1991, as amended and the Royal Decree of October 14, 1991, as amended;

WHEREAS,

Banque Nationale de Belgique S.A./Nationale Bank van Belgie N.V., the Issuer and the Agent will execute an agreement in relation to the clearing of the BTB's to be issued by the Issuer, substantially in the form annexed hereto;

WHEREAS,

the BTB's will be unconditionally and irrevocably guaranteed by Harsco Corporation as to all payments due under the BTB's, pursuant to a decision of its Board of Directors dated June 25, 1996;

IT HAS BEEN AGREED AS FOLLOWS :

1. DEFINITIONS

For the purpose of this Agreement, the following terms shall have the following meanings :

AGENT : the domiciliary agent, BBL.

AGREEMENTS : this Domiciliary Agency Agreement, the Clearing Agreement, the Dealer Agreement and the Standard Terms of the BTB's.

BTB'S : Billets de Tresorerie dematerialises/gedematerialiseerde Thesauriebewijzen issued under the Programme, with terms and conditions substantially set out in the Standard Terms and in accordance with the Law and the Royal Decree.

BUSINESS DAY : any day on which banks, clearing systems and foreign exchange markets are open for business in Brussels where BEF is concerned; where ECU is concerned, a day on which settlement of ECU transactions can be effected on the ECU interbank market and in Brussels; where other currencies are concerned, in Brussels and in the principal financial centre of the country of the currency in which the BTB's are denominated.

CLEARING AGREEMENT : the agreement between the Issuer, the Domiciliary Agent and BNB/NBB relating to the clearing of the BTB's dated September 25, 1996 (the free English translation of which is annexed to this Agreement).

DEALER : BBL.

DEALER AGREEMENT : the agreement between BBL as Dealer, the Issuer and the Guarantor relating to the issue of its BTB's, dated September 25, 1996.

DOMICILIARY AGENCY AGREEMENT : the present domiciliary agency agreement.

DOMICILIARY AGENT : BBL.

GUARANTEE : the unconditional and irrevocable guarantee relating to all payments due under the BTB's, issued by the Guarantor and set out in the Prospectus.

GUARANTOR : Harsco Corporation

ISSUER : Harsco Europa BV

LAW : Belgian law of July 22, 1991 relating to billets de tresorerie et certificats de depot/ thesauriebewijzen en depositobewijzen, as amended.

PROGRAMME : the programme of BEF 3,000,000,000 BTB's set up by the Issuer.

PROSPECTUS : the prospectus of the programme, as approved by the Commission bancaire et financiere/Commissie voor het Bank-en Financiewezen.

ROYAL DECREE : Belgian royal decree of October 14, 1991 relating to billets de tresorerie et certificats de depot/thesauriebewijzen en depositobewijzen, as amended.

SETTLEMENT DATE : date on which an issue of or a transaction on BTB's is settled in the clearing system of BNB/NBB.

STANDARD TERMS : the terms and conditions to which each BTB issued under the Programme will be subject, as set forth in the Prospectus.

2. AGENCY

The Issuer and the Guarantor hereby appoint BBL as domiciliary agent with respect to the BTB's issued under the Programme in accordance with the Clearing Agreement. The undertakings on the part of the Issuer pursuant to the Clearing Agreement are executed directly by the Agent, acting in its capacity as agent, it being understood that, in performing such functions, the Agent acts solely as agent of the Issuer and of the Guarantor and it does not assume any obligation, relationship of agency, trust or other responsibility towards the holders of the BTB's.

All amounts held by the Agent relating to the BTB's shall be held for the benefit of the Issuer.

The Agent shall act in accordance with good banking practices.

The Agent shall incur no liability for or in respect of any action taken, omitted to be taken or anything suffered by it relying upon any transfer, notice, consent, certificate, affidavit, statement or other paper or document, reasonably and according to good banking practices believed by it to be genuine and to have been signed by the authorised parties.

3. MAXIMUM AMOUNT

The aggregate principal amount of the BTB's issued at any time and outstanding under the Programme will not exceed BEF 3,000,000,000.

The Issuer undertakes to respect the maximum amount at all times and shall, for that purpose, keep a record of all outstanding BTB's. Should the maximum amount be exceeded, one or more BTB's shall be cancelled in order to reduce the outstanding amount to less than BEF 3,000,000,000.

4. ISSUE PROCEDURE

Upon receipt of the Issuer's confirmation form, the Agent shall take the necessary measures for the creation of the BTB's and for the payment of the proceeds thereof to the Issuer.

Upon payment of the proceeds of the BTB's, in accordance with the procedure as set out in the Clearing Agreement, the account of the Issuer shall be credited by the Agent in this quality in due time, i.e. in same-day funds value the Settlement Date, according to the instructions given by the Issuer.

5. PROCEDURE FOR REDEMPTION AND PAYMENT OF INTERESTS

The Issuer or, failing the Issuer, the Guarantor hereby agrees that any amount for redemption and/or payment of interests on the BTB's in BEF and in ECU, will be automatically debited by the Agent from the Issuer's account held with the Agent or, failing the Issuer, the Guarantor will transfer the amount on the due date on the Issuer's account.

Accordingly, the Issuer or, failing the Issuer, the Guarantor shall credit its account with the Agent, in due time, i.e. in same-day funds value the maturity date and/or the interest payment date of any BTB's with the amount due.

Not later than noon (Brussels time) one Business Day prior to each maturity date or interest payment date with respect to any BTB's in BEF and in ECU, the Issuer or, as the case may be, the Guarantor shall evidence the transfer of all such funds to the Agent. The Agent shall notify the Issuer or, as the case may be, the Guarantor not later than 2.00 p.m. the same day, if it has not received such evidence.

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For BTB's issued in any other O.E.C.D. currency than BEF and ECU, the above mentioned procedure will apply in relation to currencies for which the Issuer and/or the Guarantor has an account with BBL.

For BTB's issued in any other O.E.C.D. currency than BEF and ECU, the Issuer or, failing the Issuer, the Guarantor shall transfer to the Agent for value not later than each due date the necessary funds in the relevant currency for the redemption of and/or the payment of interest on the BTB's on that due date. Not later than two Business Days prior to each due date with respect to the BTB's, the Issuer or the Guarantor, as the case may be, shall confirm, or cause to be confirmed by its correspondent bank, to the Agent that it has given irrevocable instructions for the transfer of all such funds and the name and account of the bank through which such transfer is being made. The Agent shall promptly notify the Issuer or the Guarantor, as the case may be, if it has not received such confirmation by 2.00 p.m. two Business Days prior to any due date.

Should the latter be the case, the Agent will actively search, with persons designated by the Issuer or, as the case may be, the Guarantor, for any possible corrective measures. If no such corrective measures can be implemented before 4.00 p.m. one Business Day before the due date, the Agent shall be authorised to stop all settlements in the clearing system of BNB/NBB.

6. OBLIGATIONS REGARDING THE PROSPECTUS

The Issuer shall (i) prepare any document which, according to the Law and to the Royal Decree, forms an integral part of the Prospectus and (ii) after having received the prior approval of the Commission bancaire et financiere/Commissie voor het Bank- en Financiewezen, make the Prospectus available to the Agent.

The Agent shall (i) make the Prospectus or these documents available, without delay, to BNB/NBB and (ii) make the Prospectus available without delay to whomsoever may require.

7. NO IMPLIED OBLIGATIONS

The Agent shall not be under any obligation to take any action hereunder which may tend to involve it in any expense or liability, the payment of which is not assured to it within a reasonable time.

The Agent shall not be responsible for the use of the proceeds of the BTB's by the Issuer and/or the Guarantor.

The Agent shall not be liable for any action taken, suffered or omitted to be taken, provided that the Agent has acted in good faith, in accordance with this Agreement and according to good banking practices.

8. PURCHASE

In case of purchase by the Issuer on the secondary market of any issued BTB's, it shall promptly inform the Agent, which shall in turn inform BNB/NBB. Purchased BTB's shall immediately be cancelled by BNB/NBB.

The Agent may purchase, or acquire any interest in, the BTB's, with the same rights that it would have if it were not the Agent hereunder, and may engage or be interested in any financial or other transaction with the Issuer, the Guarantor and the Dealer.

9. FEES AND EXPENSES

(a) The Agent will be entitled to the following fees :

(1) an agency fee of BEF 15,000 payable annually in arrears and for the first time one year after the date of this Domiciliary Agreement. This fee shall be automatically debited from the Issuer's account held with the Agent. The Agent will notify the Issuer at least 5 days preceding such debit.

(2) a transaction fee of 0.065/ooper annum, with a minimum of BEF 1,000. The transaction fee is calculated per issue of BTB's pro rata temporis of the time the BTB is outstanding, with the above minimum per Issuer's drawdown, and includes :

(i) code ISIN (BEF 325, VAT excluded);
(ii) notification to BNB/NBB (BEF 100, VAT excluded);
(iii) cost for the clearing of the BNB/NBB (0.03 /oo for BTB's issued in BEF or in ECU and 0.02 /oo for BTB's issued in other currencies, as specified in article 6 of the Clearing Agreement).

(3) for each interests payment, a fee of BEF 500;

The fees under (2) and (3) will be automatically debited from the Issuer's account on the first Business Day of the month following the redemption of the BTB or the interest payment, respectively. For BTB's issued in any other currency than BEF, the equivalent of the above fees will be calculated as set out in the Clearing Agreement.

(b) BBL, in its capacity as arranger of the Programme, shall be entitled to an arrangement fee as agreed in a separate letter.

(c) The Issuer and/or the Guarantor will bear any other costs or fees charged by any relevant clearing organisation (excluding BNB/NBB) in relation with any issue of BTB's, denominated in currencies other than BEF.

(d) The Issuer and the Guarantor will bear the costs of the notices given in accordance with "Notices" in the Standard Terms.

10. CONDITIONS PRECEDENT

Before the Issuer makes its first request to issue the BTB's, the Agent should have received the following documents :

(a) a copy (certified by an authorised officer of the Issuer) of the Board Resolution of the Issuer approving the issue of the BTB's and authorising its appropriate officers to execute the Prospectus and the other agreements relating thereto together with specimen signatures of such officers;

(b) an original copy of the Guarantee duly executed on behalf of the Guarantor;

(c) a copy (certified by an authorised officer of the Guarantor) of the Board Resolution of the Guarantor approving the issue of the Guarantee to the Programme and authorising its appropriate officers to execute the Guarantee and this Agreement, together with specimen signatures of such officers;

(d) an authorised signatory list of persons entitled to act on behalf of the Issuer and the Guarantor;

(e) the approval of the Prospectus by the Commission bancaire et financiere/Commissie voor het Bank- en Financiewezen;

(f) a copy of the Prospectus and any other agreement relating to the Programme duly executed by the parties thereto.

11. TERMINATION

This Agreement may be terminated by the Issuer or the Agent upon notice of at least 30 Business Days. Upon termination of this Agreement, the Issuer shall appoint another financial institution as successor domiciliary agent, pursuant to article 1.2. of the Clearing Agreement. In such case, this Agreement shall remain in full force and effect with respect to the then outstanding BTB's. Any change of domiciliary agent shall be notified to BTB holders upon at least 15 days' notice.

12. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the Kingdom of Belgium and any dispute in relation therewith will be subject to the jurisdiction of the courts of Brussels, Belgium, to which the Issuer and the Guarantor irrevocably submit.

13. NOTICES

Notices relating to this Agreement will start with the following reference "Billets de Tresorerie/Thesauriebewijzen" and should be addressed to :

- for the Issuer
Harsco Europa BV
Wenckebachstraat 1
1951 JZ Velsen (Netherlands)
Attention : Ralph Mandemaker

- for the Guarantor
Harsco Corporation
350 Poplar Church Road
Camp Hill
PA 17001 (U.S.A.)
Attention : Barry Sullivan

- for the Agent
Banque Bruxelles Lambert S.A./Bank Brussel Lambert N.V.
Avenue Marnix 24
B - 1000 Brussels (Belgium)
Attention : Mr Michel Cassiman - Arbitrage

Each notice or instruction hereunder shall be made in writing, by mail, or by facsimile (thereafter confirmed by mail).

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If the Agent shall receive any notice or demand addressed to the Issuer or the Guarantor by the holder of any BTB's, the Agent shall promptly forward such notice or demand to the Issuer or the Guarantor. The Agent will give notice to the holder of any BTB's to the extent required by the Standard Terms, pursuant to written instructions of the Issuer or the Guarantor.

This present Agreement is executed in 3 original copies, of which each party hereto acknowledges having received one.

For the Issuer
HARSCO EUROPA BV

By : /s/ Graham T. Goulding By : /s/ Barry M. Sullivan

For the Guarantor
HARSCO CORPORATION

By : /s/ Barry M. Sullivan By :

For the Agent
BANQUE BRUXELLES LAMBERT S.A./BANK BRUSSEL LAMBERT N.V.

By : /s/ By : /s/

AGREEMENT FOR CLEARING SERVICES REGARDING DEMATERIALIZED BILLETS DE TRESORERIE/THESAURIEBEWIJZEN AND DEMATERIALIZED CERTIFICATES OF DEPOSIT

(free translation)

Between

Banque Nationale de Belgique S.A./Nationale Bank van Belgie N.V. whose registered office is located at Boulevard de Berlaimont 5, B - 1000 Brussels, represented for the purposes of this agreement by

hereinafter referred to as "the Bank",

and

Harsco Europa BV whose registered office is located at Wenckebachstraat 1, 1951 JZ Velsen, The Netherlands, represented for the purposes of this agreement by

hereinafter referred to as "the Issuer",

and

Banque Bruxelles Lambert S.A./Bank Brussel Lambert N.V. whose registered office is located at Avenue Marnix 24, B - 1000 Brussels, represented for the purposes of this agreement by

hereinafter referred to as "the domiciliary agent",

THE FOLLOWING HAS BEEN AGREED :

1. PURPOSE

(a) The Issuer grants to the Bank, who accepts, the clearing services for the dematerialized depositary certificates or the dematerialized commercial paper (Billets de Tresorerie/ Thesauriebewijzen) denominated in Belgian francs or foreign currencies, with the exception of securities denominated in ECU which it issues and which are governed by the Law of July 22, 1991 (hereinafter referred to as "the law"), as amended by the law of August 6, 1993 pertaining to operations involving certain Securities.

(b) In the case of the issue of Billets de Tresorerie/Thesauriebewijzen, the Issuer shall sign a domiciliary agency agreement with a direct participant in the clearing system of the Bank (hereinafter referred to as "the clearing"). The Domiciliary Agency Agreement shall not be required when the Issuer is itself a direct participant in the clearing.

The domiciliary agent shall expressly undertake to observe the procedure laid down by this agreement.

The commitments on the part of the Issuer, established by this agreement, shall be executed directly by the domiciliary agent in its capacity as authorized agent of the Issuer.

If another domiciliary agent is chosen, the Issuer must inform the Bank in writing of such change. A side letter to this agreement shall then be drawn up with the new domiciliary agent.

In any case, a change of domiciliary agent shall only become effective for issues after the date of notification of the change and for securities that are identified by ISIN codes different from those allocated to securities issued prior to the change of domiciliary agent.

For issues preceding the change of domiciliary agent, the initial domiciliary agent remains entirely bound to his commitments under the present agreement.

The initial domiciliary agent shall remain fully liable for all commitments resulting from this agreement in the case of issues prior to the change of domiciliary agent.

2. DOCUMENTS TO BE FORWARDED TO THE CLEARING

(a) At least two days before the beginning of an issuing Programme, or in the case of the documents referred to under (4) below, as soon as they are made public, the Issuer submits the following documents to the clearing :

(1) the contractual conditions of the issue, and in the case of Billets de Tresorerie/ Thesauriebewijzen, the prospectus together with its additional information, up-dates and annexes, any other documents required by the law and its royal decrees, as well as, in general, any other document intended to investors,

(2) in the case of Billets de Tresorerie/Thesauriebewijzen, the banking and finance Commission's letter approving the issue of the Billets de Tresorerie/Thesaurie-bewijzen,

(3) the specific features of each category of Securities, i.e. :

- the Programme under which the issue shall take place (reference to the date of approval of the prospectus by the banking and finance Commission);

- any other feature of the Securities,

(4) the annexes and up-dates of the prospectus, the reports and charts of activities and the half-yearly results required of Issuers of Billets de Tresorerie/ Thesaurie-bewijzen by article 2 and by article 5 Section 2 of the law and by article 22 of the royal decree of October 14, 1991 pertaining to the implementation of the law of July 22, 1991, or the last half-yearly report published in accordance with the provisions of the Royal Decree of September 18, 1990 concerning obligations linked to the admission of Securities to listing on a public stock exchange of the Kingdom.

(b) The submission of the documents mentioned in 2.1. is intended solely to inform the Bank and its clearing of the issue conditions and the rights attached to the Securities. It does not relieve the Issuer of the duty of informing investors in accordance with the legal and statutory requirements. The clearing shall inform its participants of the entry into its system of each new category of Securities and the rights attached to the Securities.

3. EXECUTION OF THE ISSUE

(a) The Issuer shall inform the clearing by 12.00 noon at the latest on the settlement of subscription for Securities denominated in Belgian Francs, and by 12.00 noon on the business day preceding the settlement date for Securities denominated in foreign currencies, with the exception of Securities denominated in ECU :

- the ISIN code allocated to the Securities and the currency of issue;

- the nominal amount of Securities actually subscribed which is to be registered to the Securities account;

- the subscription price and the redemption price;

- the settlement date and the redemption date;

- the interest rate and, where appropriate, the yield of the Securities in order to determine the income generated by the said Securities in accordance with articles 8 and 9 of the royal decree of May 26, 1994 relating to the levy and payment of the withholding tax in accordance with chapter 1 of the law of August 6, 1993 pertaining to operations involving certain Securities;

- the terms of payment for the interest.

For Securities with floating rate interest the information referred to in the last two items must be communicated not later than at 12.00 noon of the first business day of each interest period.

Upon receipt of the information referred to in paragraph 1, the clearing shall inform, where appropriate, the Issuer or its domiciliary agent that the issue scheduled leads to a surpassing of the authorized amount for the Programme in the issue prospectus. To this end, the exchange value in Belgian francs of the various issues under the multicurrency Programmes shall be calculated on the basis of the latest indicative exchange rates published by the Banque Nationale de Belgique S.A./Nationale Bank van Belgie N.V. for the foreign currencies concerned.

The Bank may in no way be held liable with regard to the Issuer, the domiciliary agent or any other third party as a result of the booking to the account of the securities mentioned in the communication of the clearing referred to in paragraph 2, or as a result of any errors of omissions made by the Issuer in connection with the communications referred to in paragraph 1.

(b) On the settlement date, the clearing shall credit the Issuer's or its domiciliary agent's Securities account in accordance with the procedures established by the regulations of the clearing.

(c) At the latest on the settlement date, the Issuer or its domiciliary agent shall distribute the amount of Securities purchased by all subscribers among the latter in accordance with the customary clearing regulations.

4. PAYMENT OF THE INTEREST UPON MATURITY AND THE REDEEMABLE CAPITAL ON SECURITIES DENOMINATED IN BELGIAN FRANCS

(a) The interest on securities issued shall be payable by the clearing to the participants according to the periodicity determined by the Issuer on the basis of the date of interest and annual interest rate communicated by the Issuer pursuant to article 3 (a).

(b) On the banking day prior to the maturity of the securities or the interest payment date, after the closing of the cash clearing house, the clearing shall automatically generate the notifications for the redemption of the securities or the interest due.

(c) On the interest payment date, the cash account of the Issuer or where appropriate, of its domiciliary agent, shall be debited with the amount of the interest due.

The cash accounts of the participants shall be credited with interest depending on the securities registered in the account with them, subject to the retention of the withholding tax where appropriate.

(d) On the maturity date of the securities, the security accounts of account holders who hold matured securities shall be debited with the amount of the securities which have matured and which have been registered to the account.

At the same time, the cash account of the Issuer or, as the case may be, of its domiciliary agent, shall be debited with the amount of the securities which have matured. The cash accounts of the participants shall be credited with the amount of the securities matured on the basis of the securities which have been registered to the account with them after the withholding tax has been retained where appropriate.

(e) The Issuer undertakes to provide sufficient funds, if necessary through the intervention of its domiciliary agent, to repay in full all amounts due in principal and in interest.

5. PAYMENT OF MATURED INTEREST AND REDEEMABLE CAPITAL ON DEMATERIALIZED SECURITIES DENOMINATED IN FOREIGN CURRENCIES WITH THE EXCEPTION OF SECURITIES DENOMINATED IN ECU

(a) The interest and principal due on dematerialized securities denominated in foreign currencies, with the exception of securities denominated in ECU shall be payable according to the terms and conditions specified in article 4.1. and where appropriate after retention of an amount corresponding to the withholding tax, by the Issuer or its domiciliary agent to the participants who maintain accounts in which these securities have been booked, on the basis of the amounts registered at the end of the third banking day preceding the interest payment date or the maturity date, as communicated to them by the clearing.

On the maturity date, the cash account of the Issuer or of its domiciliary agent shall be debited in Belgian francs in favour of the clearing with the withholding tax amount owed to the Treasury under Article 8 of the law of August 6, 1993 relating to operations on certain securities and under the provisions of executive decrees governing the conversion into Belgian francs of income generated by securities denominated in foreign currencies.

(b) The notifications relating to the redemption of securities shall be issued by the clearing in accordance with Article 4.2.

(c) Article 4.4 alinea 1 is applicable.

6. BANK FEES

For the clearing services for dematerialized securities, the Issuer shall pay the Bank a fee of 0.03 per thousand per annum for the securities denominated in Belgian francs and 0.02 per thousand per annum for the securities denominated in foreign currencies, with the exception of securities denominated in ECU, applied to each category of securities with the same features (same ISIN code), pro rata temporis on the basis of the amounts registered to the accounts.

This fee shall be charged :

(a) in Belgian francs, where appropriate on the basis of the indicative exchange rate published by the Bank for the currency(ies) concerned the last banking day of the month preceding the date of invoice;

(b) in the first days of the month which follows the maturity date or the anniversary date of the subscription, where appropriate of the first tranche, depending on whether the security has a maturity of up to, or of over one year, or on the early redemption date;

(c) by automatically debiting the cash account of the Issuer if it is a participant in the clearing, or by automatically debiting the cash account of its domiciliary agent.

7. DEFAULT OF THE ISSUER

(a) In case of default of the Issuer or of insufficient funds, any redemption at maturity or payment of interest due shall be postponed with full legal effect until a credit balance is provided for sufficient to allow the settlement in full of all cash payments due by the Issuer.

(b) If the Issuer is represented by a domiciliary agent, the latter must be certain to notify the Bank of the Issuer's default or the lack of funds before 12.00 noon on the capital redemption date or the interest payment date.

After this time limit, the settlement of the redemption or interest payment on the maturity date shall be deemed to have been accepted by the domiciliary agent, whose account shall be debited accordingly.

The notice which is to be addressed to the Bank by the domiciliary agent shall be sent by registered mail with acknowledgement of receipt. In the case of an emergency, notification may be sent by Swift of fax, with confirmation to be sent within 24 hours by registered mail with acknowledgement of receipt. The Swift format shall be agreed in advance between the parties.

(c) If an event involving the Issuer as described in article 85 of the clearing regulations occurs, all settlements, security redemptions or payment of interest due shall be automatically postponed without any formal notice.

8. APPLICABLE LAW - JURISDICTION

The present agreement is governed by Belgian law.

The clearing's regulations shall apply to all matters not expressly covered by this agreement.

The courts of Brussels shall have exclusive jurisdiction over any disputes concerning the interpretation or the execution of the present agreement.

Drawn up in Brussels in three original copies.

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For the Issuer

For the Bank

For the domiciliary agent

Part I
Exhibit 11

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

	3 MONTHS ENDED SEPT. 30		9 MONTHS ENDED SEPT. 30	
	1996	1995	1996	1995
Net income	$ 29,109	$ 18,400	$ 89,479	$ 68,419
Average shares of common stock outstanding used to compute earnings per common share ..	24,865,120	25,312,553	24,994,262	25,261,634
Additional common shares to be issued assuming exercise of stock options, net of shares assumed reacquired	190,035	169,001	204,517	186,276
Shares used to compute dilutive effect of stock options	25,055,155	25,481,554	25,198,779	25,447,910
Fully diluted net income per common share	$ 1.16	$ 0.72	$ 3.55	$ 2.69
Net income per common share	$ 1.17	$ 0.73	$ 3.58	$ 2.71

Part I
Exhibit 12

HARSCO CORPORATION

Computation of Ratios of Earnings to Fixed Charges

(In Thousands of Dollars)

	Nine Months Ended 9/30/96	YEARS ENDED DECEMBER 31 1995	1994	1993	1992	1991
Consolidated Earnings:						
Pre-tax income from continuing operations (1)	$ 146,716	$ 161,231	$ 146,089	$ 137,151	$ 140,576	$ 119,647
Add fixed charges computed below	19,952	33,121	37,982	23,879	22,425	23,544
Net adjustments for equity companies	(12,728)	(4,320)	(134)	(363)	(454)	(439)
Net adjustments for capitalized interest	--	--	(274)	(172)	(134)	(469)
Consolidated Earnings Available for Fixed Charges	$ 153,940	$ 190,032	$ 183,663	$ 160,495	$ 162,413	$ 142,283
Consolidated Fixed Charges:						
Interest expense per financial statements (2)	$ 16,881	$ 28,921	$ 34,048	$ 19,974	$ 18,882	$ 18,925
Interest expense capitalized	99	134	338	332	355	574
Portion of rentals (1/3) representing an interest factor	2,972	4,066	3,596	3,573	3,188	4,045
Interest expense for equity companies whose debt is guaranteed (3)	--	--	--	--	--	--
Consolidated Fixed Charges	$ 19,952	$ 33,121	$ 37,982	$ 23,879	$ 22,425	$ 23,544
Consolidated Ratio of Earnings to Fixed Charges	7.72	5.74	4.84	6.72	7.24	6.04

(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 1991 through 1995, and the nine months ended September 30, 1996.

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9-MOS
DEC-31-1996
SEP-30-1996
55,179
0
292,033
(8,841)
134,064
535,336
1,153,106
(661,595)
1,339,413
277,843
282,362
0
0
40,856
619,052
1,339,413
1,150,195
1,192,683
872,262
1,030,452
0
2,971
16,881
150,625
57,237
89,479
0
0
0
89,479
3.58
3.55