

Message No.

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Danish Financial Supervisory Authority
Århusgade 110
2100 København Ø

Company Announcement No. 29-2012:

FLSmidth acquisition of Australian Ludowici now closed

FLSmidth's Board of Directors and Group Executive Management are very pleased to report that following the approval by Ludowici's shareholders on 31 May 2012 and the necessary regulatory and court approvals, FLSmidth's acquisition of the Australian engineering and equipment supply company Ludowici Limited was completed today, 3 July 2012. The acquisition has been closed at a value of AUD 11.00 per Ludowici share corresponding to an enterprise value of approximately AUD 388m on a cash and debt free basis and equalling an implicit EV/EBITDA multiple in 2011 of 13.4x, based on FLSmidth's estimate of pro forma 2011 EBITDA of AUD 29m.

Ludowici is the world's leading provider of coal centrifuges, vibrating screens and complementary wear resistant products and services for the minerals industries. Headquartered in Brisbane, Australia, and with some 450 of its about 1,100 employees, and approximately 65% of its revenue being generated in Australia, the acquisition of Ludowici will significantly expand FLSmidth's presence in this important mining region. Furthermore, the acquisition will support FLSmidth's aspiration to expand its Customer Services offering as approximately 60% of Ludowici's revenue is related to services activities, spare parts and consumables.

It is FLSmidth's strategy to become a market leader in six focus industries; coal, iron ore, fertilizer minerals, copper, gold and cement. The acquisition of Ludowici will allow FLSmidth to substantially complete its coal processing flow sheet and complement its copper and iron ore processing offerings with leading technologies and brands.

For the twelve months ended on 31 December 2011, Ludowici reported turnover of AUD 220m. FLSmidth estimates, based on publically available information, Ludowici to have generated proforma EBITDA of approximately AUD 29m and proforma EBIT of approximately AUD 22m, including the full year effect of the two acquisitions in 2011, Meshcape and Amseal.

FLSmidth will adjust its full-year expectations to include the acquisition of Ludowici in connection with the FLSmidth & Co. Interim Report 1 January - 30 June 2012 to be released on 15 August 2012.

During the integration process, Ludowici will do business under the name FLSmidth Ludowici.

Claims for compensation according to the Australian Takeovers Panel's orders were minimal and have all been settled.

Please address any questions regarding this announcement to Group Executive Vice President Peter Flanagan, FLSmidth & Co. A/S at +45 36 18 18 61.

For further information about FLSmidth, please visit www.flsmidth.com.

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Yours faithfully

Pernille Friis Andersen
Corporate Communications & Investor Relations