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Danish Financial Supervisory Authority
Århusgade 110
DK-2100 København Ø

Company Announcement No. 09-2012:

FLSmidth offers AUD 11 per share for Australian company Ludowici

Today, FLSmidth has raised its offer to buy, by way of a scheme of arrangement, all of the shares of Ludowici Limited (Ludowici) to AUD 11.00 per Ludowici share (less any dividend determined, declared or paid by Ludowici before the transaction is completed).

The price corresponds to an enterprise value of approximately AUD 388m on cash and debt free basis. The price offered represents a premium of 214% over the share price on 18 January 2012 of AUD 3.50 and equals an implicit EV/EBITDA multiple in 2011 of 13.9x, based on FLSmidth's expectation of pro forma 2011 EBITDA of AUD 28m.

The proposed increase in the offer price to AUD 11.00 (less any dividend determined, declared or paid by Ludowici before the transaction is completed) would not proceed if The Weir Group PLC's (Weir) application to the Australian Takeovers Panel (see company announcement 07 - 2012) results in the Panel making orders that have the effect that the offer cannot proceed, including because the Panel determines that the statement, which is the subject of the application was a last and final statement and must not be resiled from.

The proposed increase has been notified to Ludowici and FLSmidth is waiting for Ludowici's response. No changes have been proposed to the terms of the Scheme Implementation Agreement entered into by FLSmidth and Ludowici on 16 February 2012, other than to reflect the increased offer price (see company announcement 07-2012).

The background for FLSmidth raising its offer is that Weir announced on 23 February 2012 that it had submitted a binding offer to the board of Ludowici to acquire all of the shares of Ludowici, by way of scheme of arrangement, at an offer price of AUD 10.00 per Ludowici share less dividends (i.e. the same price that FLSmidth had previously offered), subject to FLSmidth not being allowed by the Australian Takeovers Panel to increase its offer above AUD 7.20 per Ludowici share. Weir's offer is open for acceptance by the Ludowici board until 5.00pm (Sydney time) on Friday 24 February 2012.

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

Yours faithfully
Pernille Friis Andersen
Corporate Communications & Investor Relations