Interim report 2009

1 January 2009 - 31 March 2009
(Company announcement No. 8-2009)

FLSmidth

Interim report
1 January 2009 - 31 March 2009



The Board of Directors and the Group Management of FLSmidth & Co. A/S have today reviewed and approved this interim report for the FLSmidth & Co. Group for the period stated above.

Main conclusions

Earnings and cash flow as expected, but low order intake in the first quarter of 2009

- The order intake amounted to DKK 3,111m, which is 66% lower than last year (first quarter 2008: DKK 9,054m)
- The order backlog has decreased by 5% to DKK 28,945m since the turn of the year (end of 2008: DKK 30,460m)
- The revenue amounted to DKK 5,173m, which is 3% lower than last year (first quarter 2008: DKK 5,322m)
- Earnings before interest, tax, depreciation and amortisation (EBITDA) fell 3% to DKK 578m from DKK 598m last year, corresponding to an unchanged EBITDA ratio of 11.2%
- Earnings before interest and tax (EBIT) rose 9% to DKK 474m (first quarter 2008: DKK 436m), corresponding to an EBIT ratio of 9.2% (first quarter 2008: 8.2%)
- Earnings before tax (EBT) fell by 21% to DKK 372m from DKK 469m last year
- Profit/loss for the period rose 42% to DKK 467m from DKK 330m last year
- Cash flow from operating activities amounted to DKK 192m against DKK 717m last year
- Net interest-bearing debt amounted to DKK 622m at the end of the first quarter of 2009 (end of 2008: DKK 574m)

Prospects for 2009

The expectations for the cement market in 2009 remain unchanged at 25-50m tonnes per year new contracted cement kiln capacity worldwide (exclusive of China).

- In 2009, FLSmidth & Co. expects a consolidated revenue of DKK 20-23bn and a satisfactory EBIT ratio of approximately 8-9% *(previous expectation: consolidated revenue DKK 20-25bn and satisfactory earnings)*
- The prospects of the individual business areas in 2009 are as follows:

Cement:	Slight decline in revenue compared to 2008 and satisfactory earnings
Minerals:	Slight decline in revenue compared to 2008 and satisfactory earnings
Cembrit:	Decline in revenue compared to 2008 and modest negative earnings *(previous expectation: slight decline in revenue compared to 2008 and modest positive earnings)*

- The effect of purchase price allocations regarding GL&V Process is expected to amount to approximately DKK -100m in 2009 in the form of amortisation of intangible assets
- In 2009 the effective tax rate is expected to be around 20%
- Cash flow from investing activities (exclusive of acquisitions) is expected to amount to approximately DKK -350m in 2009

Please address any questions to this announcement to Mr Jørgen Huno Rasmussen, Group CEO, telephone +45 36 18 18 00. A telephone conference regarding the interim report will be held today at 15.00 hours. For further details, please visit www.flsmidth.com.

Group financial highlights

DKKm	Q1 2009	Q1 2008	Year 2008
INCOME STATEMENT			
Revenue	5,173	5,322	25,285
Gross profit	1,210	1,196	5,621
Earnings before non-recurring items, depreciation and amortisation (EBITDA)	578	598	2,911
Earnings before interest and tax (EBIT)	474	436	2,409
Earnings before tax (EBT)	372	469	2,123
Profit/loss for the period, continuing activities	**491**	**328**	**1,456**
Profit/loss for the period, discontinuing activities	(24)	2	59
Profit/loss for the period	**467**	**330**	**1,515**
CASH FLOW			
Cash flow from operating activities	192	717	2,324
Acquisition and disposal of enterprises and activities	(54)	-	(210)
Acquisition of tangible assets	(77)	(105)	(627)
Other investments, net	3	(17)	(34)
Cash flow from investing activities	(128)	(122)	(871)
Cash flow from operating and investing activities, continuing activities	47	668	1,492
Cash flow from operating and investing activities, discontinuing activities	17	(73)	(39)
WORKING CAPITAL	**637**	**167**	**207**
NET INTEREST-BEARING RECEIVABLES/(DEBT)	**(622)**	**(923)**	**(574)**
ORDER INTAKE, CONTINUING ACTIVITIES (GROSS)	**3,111**	**9,054**	**30,176**
ORDER BACKLOG, CONTINUING ACTIVITIES	**28,945**	**28,601**	**30,460**
BALANCE SHEET			
Non-current assets	8,647	7,721	8,255
Current assets	12,817	11,783	12,474
Assets held for sale	8	7	8
Total assets	**21,472**	**19,511**	**20,737**
Consolidated equity	5,536	4,436	5,035
Non-current liabilities	4,125	4,653	4,103
Current liabilities	11,811	10,422	11,599
Total equity and liabilities	**21,472**	**19,511**	**20,737**
PROPOSED DIVIDEND TO SHAREHOLDERS	**-**	**-**	**-**
FINANCIAL RATIOS			
Continuing activities			
Contribution ratio	23.4%	22.5%	22.2%
EBITDA ratio	11.2%	11.2%	11.5%
EBIT ratio	9.2%	8.2%	9.5%
EBIT ratio before the effect of purchase price allocations regarding GL&V Process	9.6%	10.1%	10.6%
EBT ratio	7.2%	8.8%	8.4%
Return on equity	35%	31%	33%
Equity ratio	26%	23%	24%
Number of employees at end of period, Group	**11,352**	**9,656**	**11,510**
Number of employees in Denmark	1,846	1,694	1,871
Share and dividend figures, Group			
CFPS (cash flow of operating activities per share), DKK (diluted)	3.7	13.6	44.2
EPS (earnings per share), DKK (diluted)	8.9	6.3	28.8
EPS (earnings per share), DKK (diluted) before the effect of purchase price allocations regarding GL&V Process	9.2	7.6	32.5
FLSmidth & Co. share price, DKK	142.5	467.5	181
Number of shares (000s), end of period	53,200	53,200	53,200
Average number of shares (000s) (diluted)	52,385	52,592	52,544
Market capitalisation DKKm	7,581	24,871	9,629

The financial ratios have been computed in accordance with the Guidelines of the Danish Society of Financial Analysts.

Management's review for the first quarter of 2009

Market situation

Due to the international financial crisis and the global economic slowdown, the order intake continues to remain low as the cement and minerals producers are currently focusing on optimising their cash flows and balance sheets. This mainly affects the order intake of major projects, but also to some extent product sales and Customer Services. Consequently, the order intake is expected to remain low in the rest of 2009.

The list of potential projects in Minerals remains long, and the company is engaged in a dialogue and substantive negotiations with many customers. The process from negotiation to effective contract, however, is expected to be a lengthy one and depends on a normalisation of the financial markets. There is a particularly great number of potential projects in energy-related and industrial minerals, which supports the expectations of growth within the material handling area.

The Cement business is currently seeing a low intake of new orders as a consequence of significant capacity expansions among the cement producers during the last few years combined with a falling demand for cement which has resulted in surplus capacity in a number of markets. In addition, the tighter access to financing puts a restraint on the implementation of those projects which are currently in the making, primarily in India, Indonesia, South America and Africa. In 2009, the global market for new contracted cement kiln capacity (excl. of China) is still expected to amount to 25-50m tonnes per year (2008: 123m tonnes per year).

Lower order intake and order backlog

In the first quarter of 2009, the total order intake amounted to DKK 3,111m, representing a drop of 66% compared to the same period last year, when the quarterly order intake was historically high (first quarter 2008: DKK 9,054m). The order intake in the first quarter of 2009 fell 29% compared to the previous quarter (fourth quarter of 2008: DKK 4,394m). The level of activity in March was higher than in January and February.

The order backlog totalled DKK 28,945m at the end of the first quarter of 2009 (end of 2008: DKK 30,460m). In the first quarter of 2009 there have been no further cancellations of orders, and approximately 10% of the order backlog still remains on hold. We expect that the number of cancelled orders and orders on hold has now peaked. Some customers continue to wish to defer supplies of machinery and equipment in connection with already obtained orders.

Income statement developments

Revenue marginally below the level of last year

The revenue amounted to DKK 5,173m in the first quarter of 2009, representing a 3% decline on the same period last year (first quarter 2008: DKK 5,322m). The revenue in Cement is on a par with the same period last year, whilst revenue has decreased by 5% in Minerals and by 26% in Cembrit.

Positive profit margin developments in Cement and Minerals

The gross profit amounted to DKK 1,210m in the first quarter of 2009 (first quarter 2008: DKK 1,196m), corresponding to a contribution ratio of 23.4% (first quarter 2008: 22.5%). The growing contribution ratio compared to last year stems from a combination of product mix and better margins in the order backlog.

The total investments in research and development in the first quarter of 2009 amounted to DKK 92m (first quarter of 2008: DKK 52m), corresponding to 1.8% of the revenue (first quarter 2008: 1.0%). In addition, project financed development is taking place in cooperation with customers.

Sales, distribution and administrative costs, etc. amounted to DKK 632m in the first quarter of 2009 (first quarter 2008: DKK 598m) or 12.2% of the revenue (first quarter 2008: 11.2%), and a 6% increase on the same period last year. However, this represents a 29% decrease compared to the previous quarter (fourth quarter 2008: DKK 894m).

Earnings before special non-recurring items, depreciation, amortisation and write-downs (EBITDA) amounted to DKK 578m (first quarter 2008: DKK 598m), corresponding to an unchanged EBITDA ratio of 11.2%. The EBITDA ratio decreased in Minerals and Cembrit, but increased in Cement compared to the same period last year.

Total depreciation, amortisation and write-downs amounted to DKK 104m in the first quarter of 2009 (first quarter 2008: DKK 122m).

The total effect of purchase price allocations regarding GL&V Process (including depreciation, amortisation, write-downs and special non-recurring items) amounted to DKK -24m (first quarter 2008: DKK -103m).

Earnings before interest and tax (EBIT) amounted to DKK 474m in the first quarter of 2009 (first quarter 2008: DKK 436m), corresponding to an EBIT ratio of 9.2% (first quarter 2008: 8.2%). The EBIT result is negative in Cembrit, whereas the EBIT ratio in both Cement and Minerals is higher compared to the same period last year. The higher EBIT ratio in Minerals is primarily due to lower effect of purchase price allocations regarding GL&V Process.

In the first quarter of 2009, financial net costs amounted to DKK -102m (first quarter 2008: Net income DKK 33m) reflecting primarily timing differences in connection with foreign exchange adjustment of hedge transactions in EUR/USD and CHF/PLN, respectively.

Earnings before tax (EBT) amounted to DKK 372m (first quarter 2008: DKK 469m), corresponding to an EBT ratio of 7.2% (first quarter 2008: 8.8%).

Tax for the period under review represents an income of DKK 119m (first quarter 2008: DKK -141m). This includes income recognition of a DKK 230m tax asset as a result of the National Tax Tribunal on 30 April 2009 deciding in favour of FLSmidth & Co. A/S and agreeing that the company's permanent establisment in the UK ceased before 31 December 2004. This means that a tax loss of some DKK 900m can be carried forward under Danish joint taxation with a tax value of DKK 230m (see FLSmidth & Co. A/S Consolidated financial statement 2008, note 20). The effective tax rate in the first quarter exclusive of this tax income was 30% (first quarter 2008: 30%).

The profit/loss for the period of the continuing activities amounted to DKK 491m (first quarter 2008: DKK 328m), corresponding to earnings per share (diluted) of DKK 8.9 (first quarter 2008: DKK 6.3).

Balance sheet developments

The balance sheet total amounted to DKK 21,472m at the end of the first quarter of 2009 (end of 2008: DKK 20,737m). The consolidated equity amounted to DKK 5,536m at the end of the first quarter of 2009 (end of 2008: DKK 5,035m) corresponding to an equity ratio of 26% (end of 2008: 24%). In the first quarter of 2009, the return on equity (on an annual basis) amounted to 35% (first quarter 2008: 31%).

Working capital

The working capital amounted to DKK 637m at the end of the first quarter of 2009, representing an increase of DKK 430m since the end of 2008 (end of 2008: DKK 207m). Prepayments from customers fell by DKK 0.1bn to DKK 3.9bn (end of 2008: DKK 4.0bn), reflecting the lower order intake. Inventories rose by DKK 0.1bn in the first quarter to DKK 1.9bn, reflecting timing differences in the adjustment to a lower level of activity which is expected to take place during 2009. Work-in-progress for third

Management's review for the first quarter of 2009



parties (net) rose by DKK 0.8bn to 0.9bn which to a large extent stems from the fact that customers are asking for deliveries on projects in progress to be deferred. Trade payables fell by DKK 0.3bn to DKK 2,467m due to the execution of the order backlog. Meanwhile, trade debtors fell by DKK 0.7bn to DKK 4,333, reflecting a particularly focused follow up on payments from customers.

Positive cash flow from operating activities

Cash flow from operating activities amounted to DKK 192m in the first quarter (first quarter 2008: DKK 717m) which is positive in the current situation where both customers and suppliers are focusing strongly on capital employed and liquidity.

Cash flow from investing activities amounted to DKK -128m in the first quarter of 2009 (first quarter of 2008: DKK -122m) of which DKK -54m derives from acquisition of enterprises and activities. Cash flow from investing activities is expected to decrease in the second half of 2009 and is expected to amount to approximately DKK -350m in 2009 exclusive of acquisitions.

Cash flow from operating and investing activities totalled DKK 64m in the first quarter of 2009, DKK 47m of which derive from continuing activities and DKK 17m from discontinuing activities (first quarter 2008: DKK 595m of which 668m derive from continuing activities and DKK -73m derive from discontinuing activities).

Segment information

As a result of the closer integration between Cement and Minerals and the merger of a number of legal units, the extent of segment reporting of balance sheet and cash flow items is reduced.

Changed product mix

The current order intake in Cement and Minerals reflects an underlying change in the product mix, since, as expected, the order intake regarding Customer Services and Products has proved more resistant to lower global growth than Projects. Projects account for more than half of the current revenue in Cement and Minerals but less than a third of the order intake. This means, all other things being equal, a higher average contribution ratio for new orders, as Projects in general have a lower contribution ratio than both Products and Customer Services.

Breakdown of revenue and order intake on projects, products and Customer Services in the first quarter of 2009:

Cement & Minerals	Order intake	Revenue
Projects	31%	53%
Products	32%	20%
Customer Services	37%	27%

Cement

The total order intake within the cement segment amounted to DKK 1,406m in the first quarter of 2009, down 69% on the same period last year (first quarter of 2008: DKK 4,502m). In general, the cement producers have been very cautious about making investments in the first quarter, and this has primarily affected major projects, but also product sales and Customer Services. The order intake in Customer Services amounted to DKK 714m in the first quarter of 2009, which is 25% lower than in the same period last year (first quarter 2008: DKK 951m). Sales of wear and spare parts saw positive development, whereas the demand for minor upgrading projects was lower. The order backlog has decreased by 9% since the turn of the year and amounted to DKK 16,991m at the end of the first quarter of 2009 (end of 2008: DKK 18,565m).

Total revenue in Cement amounted to DKK 2,959m in the first quarter of 2009 which is on a par with the same period last year (first quarter 2008: DKK 2,921m). The revenue in Customer Services amounted to DKK 795m in the first quarter of 2009, representing a 17% increase on the same period last year (first quarter 2008: DKK 679m).

The EBIT result in the first quarter of 2009 amounted to DKK 331m (first quarter of 2008: DKK 275m), which is a 20% increase on the same period last year. The first quarter of 2009 saw an EBIT ratio of 11.2% (first quarter of 2008: 9.4%), resulting from a changed product mix and improved order processing and continuously high capacity utilisation.

Minerals

The total order intake in Minerals amounted to DKK 1,736m in the first quarter of 2009 (first quarter of 2008: DKK 4,643m) corresponding to a drop of 63% compared to the same period last year. The order backlog amounted to DKK 12,106m at the end of the first quarter of 2009, corresponding to a 4% decrease since the turn of the year (end of 2008: DKK 12,606m).

In Customer Services, the order intake in the first quarter of 2009 amounted to DKK 538m, representing a 15% decrease on the same period last year (first quarter of 2008: DKK 630m). The decrease primarily stems from the fact that many customers have focused on reducing spare parts inventories in the first quarter.

The total revenue in Minerals amounted to DKK 2,009m in the first quarter of 2009, representing a 5% decrease on the same period last year (first quarter 2008: DKK 2,105m). The decrease in revenue compared to the same period last year is primarily due to the fact that a number of existing orders have been deferred. The revenue in Customer Services amounted to DKK 649m in the first quarter of 2009, representing a 18% increase on the same period last year (first quarter 2008: DKK 552m).

The EBIT result amounted to DKK 176m in the first quarter of 2009 (first quarter 2008: DKK 133m), corresponding to an EBIT ratio of 8.8% (first quarter 2008: 6.3%). The increasing EBIT ratio is primarily due to the effect of lower purchase price allocations regarding GL&V Process compared to the same period last year. Exclusive of purchase price allocations, the EBIT ratio fell to 10.0% down from 11.2% in the same period last year which is due to slightly increasing capacity costs combined with marginally lower revenue.

As at 1 March 2009, FLSmidth acquired Conveyor Engineering, USA. Conveyor Engineering designs and supplies major installations for the handling of bulk material at cement plants, mining operations and heavy industry plants worldwide. The purchase price will depend on the earnings development over the coming years. The competencies and technical resources of Conveyor Engineering strengthen FLSmidth's position as the world's leading supplier of specialist solutions in material handling.

Cembrit

In the first quarter of 2009, Cembrit achieved a revenue of DKK 247m representing a 26% decrease compared to the same period last year (first quarter 2008: DKK 334m). The EBIT result in the first quarter amounted to DKK -18m (first quarter of 2008: DKK 12m) corresponding to an EBIT ratio of -7.3% (first quarter 2008: 3.6%). The negative earnings compared to last year are mainly due to the adverse effects of exchange rates and a receding market. Cembrit has made ongoing adjustments in the capacity of its various production plants in step with the decline in market activity.

Prospects for 2009

The expectations for the cement market in 2009 remain unchanged at 25-50m tonnes per year new contracted cement kiln capacity worldwide (exclusive of China) (2008: 123m tonnes per year).

- In 2009, FLSmidth & Co. expects a consolidated revenue of DKK 20-23bn and a satisfactory EBIT ratio of about 8-9% *(previous expectation: consolidated revenue DKK 20-25bn and satisfactory earnings)*
- For the individual business areas, the prospects for 2009 are as follows:

Cement	Slight decline in revenue compared to 2008 and satisfactory earnings
Minerals	Slight decline in revenue compared to 2008 and satisfactory earnings
Cembrit	Decline in revenue compared to 2008 and modest negative earnings *(previous expectation: slight decline in revenue compared to 2008 and modest positive earnings)*

- The effect of purchase price allocations regarding GL&V Process are expected to amount to approximately DKK -100m in 2009 in the form of amortisation of intangible assets
- In 2009, the effective tax rate is expected to be around 20%
- Cash flow from investing activities (exclusive of acquisitions) is expected to be around DKK 350m in 2009.

Management's review for the first quarter of 2009

FLSmidth is continuously adjusting the costs and the staffing to the current and expected order backlog. In January 2009, approximately 600 employees were laid off. Based on the current market situation it is considered necessary to make an additional staff reduction of around 700 employees. National, statutory negotiations will be initiated with the relevant labour market parties. The number of employees amounted to 11,352 by the end of the first quarter of 2009 (end of 2008: 11,510).

Long-term growth and earnings prospects

In the longer term, it is still expected that the structural market conditions will remain intact and that particularly urbanisation and industrialisation in developing countries will generate increasing demand for cement and minerals. Earnings from Minerals and Customer Services are expected in the coming years to account for a larger share of the Group's total earnings, which will reduce the effect of cyclical market fluctuations in Cement. Against this background, the Group expects its EBIT ratio to be 10-12% in periods of high activity and slightly below that level (8-9%) in periods of low activity. Adjusted for purchase price allocations in connection with the acquisition of GL&V Process, the consolidated EBIT ratio was 9.9% in 2007 and 10.6% in 2008. The long-term average sustainable level for addition of new global cement kiln capacity (exclusive of China) is expected to be 60-75m tonnes per year.

Capital structure and dividend

It is the FLSmidth Group's aim at all times to have a sufficiently sound balance sheet in relation to the underlying operating results so that it is always possible to obtain the necessary and sufficient credit and guarantee facilities to support the commercial operations. In the longer term, the aim is to achieve an equity ratio in the range of 30% (end of first quarter 2009: 26%).

At the end of the first quarter of 2009, the Group's net interest-bearing debt amounted to DKK 622m (end of 2008: DKK 574m), corresponding to a gearing of 0.2 (end of 2008: 0.2) calculated as net interest-bearing debt compared to EBITDA for the last 12 months (DKK 2,890m). At the end of the first quarter of 2009, FLSmidth & Co.'s performance bonds and payment guarantees amounted to DKK 7.2bn (end of 2008: DKK 7.3bn) accounting for most of the Group's contingent liabilities totalling DKK 7.5bn.

Treasury shares

FLSmidth & Co. A/S holding of treasury shares amounted to 822,329 at the end of the first quarter corresponding to 1.5% of the share capital which is largely unchanged compared to the end of 2008.

Incentive plan

At the end of the first quarter of 2009, there were a total of 572,800 unexercised share options under the Group's incentive plan and the fair value of them was DKK 24m. The fair value is calculated by means of a Black-Scholes model based on a current share price of 142.5 and a volatility of 66.91%. The earnings impact amounted to DKK 5m in the first quarter of 2009 (first quarter 2008: DKK 2m). Please see the Annual Report for 2008 for further information.

Accounting policies

The Interim Report for the first quarter of 2009 has been presented in accordance with IAS 34 "Interim Financial Reporting" as approved by the EU and additional Danish disclosure requirements regarding interim reporting by listed companies as fixed by NASDAQ OMX Copenhagen ("OMX").

Apart from the below amendments the accounting policies are unchanged from those adopted in the 2008 Annual Report. Reference is made to page 54 in the 2008 Annual Report for further details.

With effect as from 1 January 2009, the Group has implemented the changes to IAS 1 "Presentation of Financial Statements", the changes to IAS 23 "Borrowing Costs", IFRS 8 "Operating Segments", the changes to IFRS 2 "Share-based Payment", parts of "Improvements to IFRSs May 2008" and IFRIC 14 "IAS 19 Plan assets".

The new and revised standards and interpretations have not had any impact on recognition and measurement in the interim report. The changes to IAS 1 and IFRS 8 will only affect the disclosures in the notes and the formats.

The changes to IAS 1 mean that the consolidated statement of comprehensive income will in future appear in immediate continuation of the income statement as against previously as part of the equity.

The implementation of IFRS 8 will not change the Group's segmentation of the business areas, as the previous segmentation is in compliance with IFRS 8. However, the segmentation of balance sheet and cash flow items will be reduced due to internal restructurings, including closer integration between Cement and Minerals

Estimates by Board and Management

The measurement of a few recognised assets and liabilities, as well as contingent assets and liabilities, derives from estimates by the Board and Management which are based on historical experience and relevant assumptions. Actual results may deviate from these estimates. Reference is made to page 55 in the 2008 Annual Report for further details regarding the items for which estimates by Board and Management are primarily applicable when presenting the consolidated financial statements.

Financial calendar

20 August 2009:	Half-yearly Report
17 November 2009:	3rd quarter Interim Report

Events occurring after the balance sheet date

Tax dispute settled

As announced on 1 May 2009, the National Tax Tribunal has decided in favour of FLSmidth & Co. A/S, agreeing that the company's permanent establishment in the UK ceased before 31 December 2004. This means that a tax loss of approximately DKK 900m can be carried forward under the Danish joint taxation. The tax value of the unutilised losses amounts to some DKK 230m and will consequently be recognised as a tax asset in the 1st quarter interim report (see FLSmidth & Co. A/S Consolidated financial statements 2008, note 20). In accordance with Section 49 of the Danish Tax Administration Act, the Minister for Taxation may appeal cases settled by the National Tax Tribunal to the courts within three months after the Tribunal settled the case.

Statement by the Board and Management on the Interim Report

We have today reviewed and adopted the Interim Report of FLSmidth & Co. A/S for the period 1 January to 31 March 2009.

The Interim Report is presented in accordance with IAS 34, Interim Financial Reporting, as approved by the EU and additional Danish disclosure requirements for interim reports of listed companies. The Interim Report is not audited nor reviewed by the Group auditor.

We consider the accounting policies appropriate in order to give a true and fair view of the Group's assets, liabilities and financial standing as at 31 March 2009 and of the financial results of the Group's activities and cash flow in the period from 1 January to 31 March 2009.

We also consider the Management's review to give a true and fair account of the developments of the activities and financial affairs of the Group, the results for the period under review and the Group's financial position as a whole and to contain a true and fair description of the major risks and uncertainties facing the Group.

Copenhagen, 28 May 2009

Group Management	Jørgen Huno Rasmussen *Group CEO*	Poul Erik Tofte *Group Executive Vice President (CFO)*	Bjarne Moltke Hansen *Group Executive Vice President*	Christian Jepsen *Group Executive Vice President*
Board of Directors	Jørgen Worning *Chairman*	Jens S. Stephensen *Vice Chairman*	Jens Palle Andersen	Torkil Bentzen
	Mette Dobel	Martin Ivert	Frank Lund	Jesper Ovesen
	Vagn Ove Sørensen			

Consolidated income statement

Notes	DKKm	Q1 2009	Q1 2008
	Revenue	5,173	5,322
	Production costs	3,963	4,126
	Gross profit	**1,210**	**1,196**
	Sales and distribution costs	288	286
	Administrative costs	352	330
	Other operating income and costs	8	18
	Earnings before special non-recurring items, depreciation and amortisation (EBITDA)	**578**	**598**
	Special non-recurring costs	-	40
	Depreciation and write-downs of tangible assets	58	45
	Amortisation and write-downs of intangible assets	46	77
	Earnings before interest and tax (EBIT)	**474**	**436**
	Financial income	579	317
	Financial costs	681	284
	Earnings before tax (EBT) of continuing activities	**372**	**469**
	Tax for the period, continuing activities	(119)	141
	Profit/loss for the period, continuing activities	**491**	**328**
	Profit/loss for the period, discontinuing activities	(24)	2
	Profit/loss for the period	**467**	**330**
	Profit/loss for the period attributable to:		
	Minority shareholders' share of profit/loss for the period	0	0
	FLSmidth & Co. A/S shareholders' share of profit/loss for the period	467	330
		467	**330**
2	Earnings per share (EPS):		
	Continuing and discontinuing activities	8.9	6.3
	Continuing and discontinuing activities, diluted	8.9	6.3
	Continuing activities	9.4	6.3
	Continuing activities, diluted	9.4	6.3
1	Income statement classified by function		

Consolidated statement of comprehensive income

DKKm	Q1 2009	Q1 2008
Notes		
Profit/loss for the period	467	330
Other comprehensive income		
Foreign exchange adjustment regarding enterprises abroad	32	(152)
Value adjustment of hedging instruments:		
Value adjustments for the period	(5)	(1)
Value adjustment transferred to revenue	1	0
Value adjustment transferred to balance sheet items	(2)	0
Other adjustments of value in use	1	5
Tax on other comprehensive income	2	33
Other comprehensive income after tax	**29**	**(115)**
Comprehensive income for the period	**496**	**215**
Comprehensive income for the period attributable to:		
Minority shareholders' share of comprehensive income for the period	0	0
FLSmidth & Co. A/S shareholders' share of comprehensive income for the period	496	215
	496	215

Consolidated cash flow statement

DKKm	Q1 2009	Q1 2008
Notes		
Earnings before non-recurring items, depreciation, amortisation, write-downs (EBITDA), continuing activities	578	598
Earnings before non-recurring items, depreciation, amortisation, write-downs (EBITDA), discontinuing activities	(23)	(3)
Earnings before non-recurring items, depreciation and amortisation (EBITDA)	**555**	**595**
Adjustment for profits/losses on sale of tangible assets and foreign exchange adjustments, etc.	3	(13)
Adjusted earnings before non-recurring items, depreciation, amortisation, write-downs (EBITDA)	**558**	**582**
Change in provisions	(6)	(18)
Change in working capital	(282)	407
Cash flow from operating activities before financial items and tax	**270**	**971**
Financial payments received and made	3	(120)
Corporation taxes paid	(81)	(134)
Cash flow from operating activities	**192**	**717**
Acquisition and disposal of enterprises and activities	(54)	0
Acquisition of intangible assets	(34)	(16)
Acquisition of tangible assets	(77)	(105)
Acquisition of financial assets	0	(2)
Disposal of financial assets	36	0
Disposal of intangible and tangible assets	1	1
Cash flow from investing activities	**(128)**	**(122)**
Acquisition of treasury shares	0	(1)
Disposal of treasury shares	0	6
Changes in other interest-bearing net receivables/(debt)	(114)	(335)
Cash flow from financing activities	**(114)**	**(330)**
Change in cash and cash equivalents	**(50)**	**265**
Cash and cash equivalents at 1 January	784	957
Foreign exchange adjustment of cash and cash equivalents	73	(75)
Cash and cash equivalents at 31 March	807	1,147

The cash flow statement cannot be inferred from the published financial information only.

Consolidated balance sheet

Assets

DKKm	End of Q1 2009	End of 2008
Notes		
Goodwill	3,375	3,263
Patents and rights acquired	1,045	1,059
Customer relations	894	893
Other intangible assets	282	233
Completed development projects	19	24
Intangible assets in progress	81	50
Intangible assets	**5,696**	**5,522**
Land and buildings	870	858
Plant and machinery	557	547
Operating equipment, fixtures and fittings	225	234
Tangible assets in course of construction	262	256
Tangible assets	**1,914**	**1,895**
Investments in associates	3	3
Other securities and investments	33	38
Other financial assets	2	21
Pension assets	2	2
Deferred tax assets	997	774
Financial assets	**1,037**	**838**
Total non-current assets	**8,647**	**8,255**
Inventories	**1,920**	**1,802**
Trade receivables	4,333	5,063
Work-in-progress for third parties	4,294	3,501
Other receivables	1,145	946
Prepayments	163	236
Receivables	**9,935**	**9,746**
Securities	**155**	**142**
Cash and cash equivalents	**807**	**784**
Assets held for sale	**8**	**8**
Total current assets	**12,825**	**12,482**
TOTAL ASSETS	**21,472**	**20,737**

Consolidated balance sheet

Equity and liabilities

DKKm	End of Q1 2009	End of 2008
Notes		
Share capital	1,064	1,064
Foreign exchange adjustments regarding translation of investments	(239)	(271)
Foreign exchange adjustments regarding hedging transactions	(5)	1
Retained earnings	4,694	4,219
FLSmidth & Co. A/S shareholders' share of equity	**5,514**	**5,013**
Minority shareholders' share of equity	22	22
Total equity	**5,536**	**5,035**
Deferred tax liabilities	615	628
Pension liabilities	210	200
Other provisions	754	710
Mortgage debt	372	376
Bank loans	1,076	1,074
Finance lease commitments	9	8
Prepayments from customers	1,047	1,054
Other liabilities	42	53
Non-current liabilities	**4,125**	**4,103**
Mortgage debt	10	6
Bank loans	227	86
Finance lease commitments	2	2
Prepayments from customers	2,806	2,899
Work-in-progress for third parties	3,363	3,323
Trade payables	2,467	2,748
Corporation tax payable	371	248
Other liabilities	1,369	1,106
Other provisions	1,108	1,142
Deferred income	88	39
Current liabilities	**11,811**	**11,599**
Total liabilities	**15,936**	**15,702**
TOTAL EQUITY AND LIABILITIES	**21,472**	**20,737**

Consolidated equity

DKKm	Share capital	Foreign exchange adjustments re. translation of investments	Foreign exchange adjustments re. hedging transactions	Retained earnings, etc.	Proposed dividend	FLSmidth & Co. A/S shareholders' share	Minority shareholders' share	Total
Equity at 1 January 2008	**1,064**	**(24)**	**14**	**2,778**	**372**	**4,204**	**10**	**4,214**
Comprehensive income for the period		(152)	(1)	368		215		215
Share-based payment, share options				2		2		2
Disposal of treasury shares				7		7		7
Acquisition of treasury shares				(2)		(2)		(2)
Equity at 31 March 2008	**1,064**	**(176)**	**13**	**3,153**	**372**	**4,426**	**10**	**4,436**
Equity at 1 January 2009	**1,064**	**(271)**	**1**	**4,219**	**-**	**5,013**	**22**	**5,035**
Comprehensive income for the period		32	(6)	470		496		496
Share-based payment, share options				5		5		5
Equity at 31 March 2009	**1,064**	**(239)**	**(5)**	**4,694**	**-**	**5,514**	**22**	**5,536**

Share capital movements:	No. of shares.
Share capital at 1 January 2009	53,200,000
Share capital at 31 March 2009	53,200,000

Each share has a nominal value of DKK 20 and carries one vote.

Treasury shares:	No. of shares
Treasury shares at 1 January 2009	822,142
Share options settled	0
Acquired	187
Treasury shares at 31 March 2009	822,329

Represent 1.55% of the share capital.

Notes to the appendices of the interim report

1. Income statement classified by function
2. Earnings per share (EPS)
3. Development in contingent assets and liabilities
4. Breakdown of the Group by segments, continuing activities
5. Quarterly financial highlights of the Group and financial ratios by segment

1. Income statement classified by function

It is Group policy to prepare the income statement based on an adapted classification of the costs by function in order to show the Earnings before non-recurring items, depreciation, amortisation and write-downs (EBITDA). Depreciation, amortisation and write-downs on tangible and intangible assets are thus separated from the individual functions and presented on separate lines.

The income statement classified by function including allocation of depreciation, amortisation and write-downs appears from the following:

DKKm	Q1 2009	Q1 2008
Revenue	5,173	5,322
Production costs	4,011	4,214
Gross profit	**1,162**	**1,108**
Sales and distribution costs	291	289
Administrative costs	406	361
Other operating income and costs	9	18
Special non-recurring costs	-	40
Earnings before interest and tax (EBIT)	**474**	**436**
Financial income	579	317
Financial costs	681	284
Earnings before tax (EBT)	**372**	**469**
Tax for the period	(119)	141
Profit/loss for the period, continuing activities	**491**	**328**
Profit/loss for the period, discontinuing activities	(24)	2
Profit/loss for the period	**467**	**330**

2. Earnings per share (EPS)

DKKm	Q1 2009	Q1 2008
Earnings		
FLSmidth & Co. A/S shareholders' share of profit/loss for the period	467	330
FLSmidth & Co. Group profit/loss from discontinuing activities	(24)	2
Number of shares, average		
Number of shares issued	53,200,000	53,200.000
Adjustment for treasury shares	(814,551)	(835,683)
Potential increase of shares in circulation, in-the-money options	0	227,452
	52,385,449	**52,591,769**
Earnings per share		
• Continuing and discontinuing activities per share DKK	8.9	6.3
• Continuing and discontinuing activities, diluted, per share DKK	8.9	6.3
• Continuing and discontinuing activities, diluted, before the effect of purchase price allocations regarding GL&V Process, per share DKK	9.2	7.6
• Continuing activities per share DKK	9.4	6.3
• Continuing activities, diluted, per share DKK	9.4	6.3

Non-diluted earnings per share regarding discontinuing activities amount to DKK 0.5. The effect of purchase price allocations regarding GL&V Process before tax amounts to DKK 24m in the first quarter of 2009. After tax, this effect amounts to DKK 16m, and the effect on EPS per share is consequently DKK 0.3.

3. Development in contingent assets and liabilities

Contingent liabilities at 31 March 2009 amounted to DKK 7.5bn (31 December 2008: DKK 7.5bn), which includes performance bonds and payment guarantees at DKK 7.2bn (31 December 2008: DKK 7.3bn). See note 32 in the 2008 Annual Report for a general description of the nature of the Group's contingent liabilities.

Notes to the appendices of the interim report

4. Breakdown of the Group by segments, continuing activities

DKKm	Q1 2009				
	Cement	Minerals	Cembrit	Other companies etc. [1]	Continuing activities total
INCOME STATEMENT					
Revenue	**2,959**	**2,009**	**247**	**(42)**	**5,173**
Production costs	2,287	1,541	175	(40)	3,963
Gross profit	**672**	**468**	**72**	**(2)**	**1,210**
Sales, admin. and distr. costs and other operating items	305	239	76	12	632
Earnings before special non-recurring items, depreciation and amortisation (EBITDA)	**367**	**229**	**(4)**	**(14)**	**578**
Special non-recurring costs	-	2	(2)	-	-
Depreciation, amortisation and write-downs of tangible and intangible assets	36	51	16	1	104
Earnings before interest and tax (EBIT)	**331**	**176**	**(18)**	**(15)**	**474**
Earnings before interest and tax (EBIT) before the effect of purchase price allocations regarding GL&V Process	*331*	*200*	*(18)*	*(15)*	*498*
Order intake (gross)	**1,406**	**1,736**	**N/A**	**(31)**	**3,111**
Order backlog	**16,991**	**12,106**	**N/A**	**(152)**	**28,945**
FINANCIAL RATIOS					
Contribution ratio	22.7%	23.3%	29.1%	N/A	23.4%
EBITDA ratio	12.4%	11.4%	(1.6%)	N/A	11.2%
EBIT ratio	11.2%	8.8%	(7.3%)	N/A	9.2%
EBIT ratio before the effect of purchase price allocations regarding GL&V Process	*11.2%*	*10.0%*	*(7.3%)*	*N/A*	*9.6%*
Number of employees at 31 March	**6,185**	**4,023**	**1,139**	**3**	**11,350**

DKKm	Q1 2008				
	Cement	Minerals	Cembrit	Other companies etc. [1]	Continuing activities total
INCOME STATEMENT					
Revenue	**2,921**	**2,105**	**334**	**(38)**	**5,322**
Production costs	2,337	1,625	223	(59)	4,126
Gross profit	**584**	**480**	**111**	**21**	**1,196**
Sales, admin. and distr. costs and other operating items	280	230	84	4	598
Earnings before special non-recurring items, depreciation and amortisation (EBITDA)	**304**	**250**	**27**	**17**	**598**
Special non-recurring costs	-	40	-	-	40
Depreciation, amortisation and write-downs of tangible and intangible assets	29	77	15	1	122
Earnings before interest and tax (EBIT)	**275**	**133**	**12**	**16**	**436**
Earnings before interest and tax (EBIT) before the effect of purchase price allocations regarding GL&V Process	*275*	*236*	*12*	*16*	*539*
Order intake (gross)	**4,502**	**4,643**	**N/A**	**(91)**	**9,054**
Order backlog	**18,527**	**10,857**	**N/A**	**(783)**	**28,601**
FINANCIAL RATIOS					
Contribution ratio	20.0%	22.8%	33.2%	N/A	22.5%
EBITDA ratio	10.4%	11.9%	8.1%	N/A	11.2%
EBIT ratio	9.4%	6.3%	3.6%	N/A	8.2%
EBIT ratio before the effect of purchase price allocations regarding GL&V Process	*9.4%*	*11.2%*	*3.6%*	*N/A*	*10.1%*
Number of employees at 31 March	**5,147**	**3,408**	**1,098**	**3**	**9,656**

DKKm	Q1 2009	Q1 2008
Reconciliation of the earnings for the period before tax, continuing activities		
Segment earnings before tax of reportable segments	474	436
Financial income	579	317
Financial costs	681	284
Earnings before tax (EBT) of continuing activities for the period	**372**	**469**

[1] Other companies, etc. consist of companies with no activities, real estate companies, eliminations and the parent company.

Notes to the appendices of the interim report

5. Quarterly financial highlights of the Group and financial ratios by segment

DKKm	2007			2008				2009
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
INCOME STATEMENT								
Revenue	4,504	5,220	6,479	5,322	5,903	6,486	7,574	5,173
Gross profit	978	1,134	1,375	1,196	1,318	1,302	1,805	1,210
Earnings before special non-recurring items, depreciation and amortisation (EBITDA)	480	608	658	598	699	703	911	578
Earnings before interest and tax (EBIT)	433	506	580	436	541	583	849	474
Earnings before interest and tax (EBIT) before the effect of purchase price allocations regarding GL&V Process	*433*	*549*	*680*	*539*	*636*	*639*	*873*	*498*
Earnings before tax (EBT)	481	486	591	469	531	456	667	372
Tax for the period	170	164	154	141	160	134	232	(119)
Profit/loss for the period, continuing activities	**311**	**322**	**437**	**328**	**371**	**322**	**435**	**491**
Profit/loss for the period, discontinuing activities	10	3	(7)	2	1	4	52	(24)
Profit/loss for the period	**321**	**325**	**430**	**330**	**372**	**326**	**487**	**467**
Contribution ratio	*21.7%*	*21.7%*	*21.2%*	*22.5%*	*22.3%*	*20.1%*	*23.8%*	*23.4%*
EBITDA ratio	*10.7%*	*11.6%*	*10.2%*	*11.2%*	*11.8%*	*10.8%*	*12.0%*	*11.2%*
EBIT ratio	*9.6%*	*9.7%*	*9.0%*	*8.2%*	*9.2%*	*9.0%*	*11.2%*	*9.2%*
EBIT ratio before the effect of purchase price allocations regarding GL&V Process	*9.6%*	*10.5%*	*10.5%*	*10.1%*	*10.8%*	*9.9%*	*11.5%*	*9.6%*
CASH FLOW								
Cash flow from operating activities	250	476	499	717	613	1,281	(287)	192
Cash flow from investing activities	(92)	(3,780)	146	(122)	(278)	(217)	(254)	(128)
Order intake, continuing activities (gross)	6,061	7,080	6,728	9,054	8,224	8,504	4,394	3,111
Order backlog, continuing activities	21,055	24,940	25,312	28,601	31,355	33,731	30,460	28,945
SEGMENT INFORMATION								
Cement								
Revenue	2,829	2,992	3,849	2,921	3,379	3,435	3,973	2,959
EBITDA	299	303	399	304	400	362	563	367
EBIT	277	271	346	275	369	327	550	331
Contribution ratio	*20.9%*	*18.3%*	*19.0%*	*20.0%*	*21.3%*	*19.3%*	*24.2%*	*22.7%*
EBITDA ratio	*10.6%*	*10.1%*	*10.4%*	*10.4%*	*11.8%*	*10.5%*	*14.2%*	*12.4%*
EBIT ratio	*9.8%*	*9.1%*	*9.0%*	*9.4%*	*10.9%*	*9.5%*	*13.8%*	*11.2%*
Order intake (gross)	3,813	4,741	4,315	4,502	4,667	4,591	1,961	1,406
Order backlog	15,360	16,942	17,265	18,527	19,715	20,864	18,565	16,991
Minerals								
Revenue	1,287	1,875	2,332	2,105	2,197	2,754	3,414	2,009
EBITDA	142	222	299	250	264	325	473	229
EBIT	132	170	175	133	154	256	417	176
EBIT ratio before the effect of purchase price allocations regarding GL&V Process	132	213	275	236	249	312	441	200
Contribution ratio	*19.0%*	*22.5%*	*22.9%*	*22.8%*	*21.3%*	*20.1%*	*23.1%*	*23.3%*
EBITDA ratio	*11.0%*	*11.8%*	*12.8%*	*11.9%*	*12.0%*	*11.8%*	*13.9%*	*11.4%*
EBIT ratio	*10.3%*	*9.1%*	*7.5%*	*6.3%*	*7.0%*	*9.3%*	*12.2%*	*8.8%*
EBIT ratio before the effect of purchase price allocations regarding GL&V Process	*10.3%*	*11.4%*	*11.8%*	*11.2%*	*11.3%*	*11.3%*	*12.9%*	*10.0%*
Order intake (gross)	2,387	2,426	2,464	4,643	3,583	3,960	2,544	1,736
Order backlog	6,420	8,744	8,777	10,857	12,387	13,588	12,606	12,106
Cembrit								
Revenue	366	367	348	334	389	370	297	247
EBITDA	41	54	5	27	50	16	(35)	(4)
EBIT	28	42	29	12	33	0	(20)	(18)
Contribution ratio	*32.8%*	*36.5%*	*29.9%*	*33.2%*	*34.2%*	*28.6%*	*18.5%*	*29.1%*
EBITDA ratio	*11.2%*	*14.7%*	*1.4%*	*8.1%*	*12.9%*	*4.3%*	*(11.8%)*	*(1.6%)*
EBIT ratio	*7.7%*	*11.4%*	*8.3%*	*3.6%*	*8.5%*	*0.0%*	*(6.7%)*	*(7.3%)*

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