1 January - 30 June 2016 (Company announcement No. 15-2016)

Interim Report

ROCE	EBITA margin	Order intake	CFFO
8%	6.6%	DKKm 4,345	DKKm 155
Down from 11%	Down from 8.6%	Down from DKK 5,208m	Up from DKK -61m

Main conclusions

Revenue improved sequentially from Q1 but was nevertheless lower than expected. Margins were negatively impacted by the revenue decline as well as negative results in the Minerals Division. Corrective actions are being implemented across the Group. The free cash flow was positive and improved on last year. Order intake related to total service activities showed organic growth. Based on the half-year results and the outlook for the remainder of 2016, the guidance for 2016 is narrowed to the lower end of the guided range.

Guidance for 2016

Guidance for 2016 [1]

DKK	Realised 2015	Realised Q1-Q2 2016	Guidance 2016
Revenue	DKK 19.7bn	DKK 7.9bn	DKK 17-18bn *(previously DKK 17-20bn)*
EBITA margin	8.0%	6.6%	7-8% *(previously 7-9%)*
ROCE	10%	8%	8-9% *(previously 8-10%)*
Effective tax rate	32%	31%	29-31%
CFFI [2]	DKK -0.1bn	DKK -0.1bn	DKK -0.3bn *(previously DKK -0.4bn)*

[1] The-full-year guidance is based on the assumption that execution of the order backlog will not be negatively impacted by further market-driven delays.
[2] Excluding acquisitions and divestments of enterprises and activities.

Long-term financial targets

Long-term financial goals for FLSmidth subject to normalised market conditions:

Annual growth in revenue	Above market average
EBITA margin	10-13%
ROCE *)	>20%
Tax rate	32-34%
Financial gearing	(NIBD/EBITDA) <2
Equity ratio	>30%
Pay-out ratio	30-50% of the profit for the year

*) ROCE: Return on Capital Employed calculated on a before-tax basis as EBITA divided by average Capital Employed including goodwill.

Divisional long-term financial targets:

	Growth	EBITA%	Net working capital
	(over the cycle)		(as pct. of revenue)
Customer Services	5-10%	>15%	15-20%
Product Companies	5-10%	12-15%	~15%
Minerals	5-6%	3-8%	Negative
Cement	3-5%	3-8%	Negative

FLSmidth at a glance

Financial result Q2 2016

FLSmidth

Revenue DKKm
4,135

EBITA margin
6.6%

Order intake DKKm
4,345

	Customer Services	Product Companies	Minerals	Cement
Revenue DKKm	1,531	1,268	680	916
EBITA margin	13.4%	11.0%	-13.4%	1.5%
Order intake DKKm	1,597	1,165	972	805

Total service business

Customer Services
Customised cement and minerals equipment aftermarket

Cement
Operation & Maintenance

Product Companies
Products aftermarket

59% of revenue
56% of order intake
Revenue growth -14% vs. Q2 2015
Order intake growth -5% vs. Q2 2015

Total capital business

Minerals
Projects / customised equipment

Cement
Projects / customised equipment

Product Companies
Products

41% of revenue
44% of order intake
Revenue growth -24% vs. Q2 2015
Order intake growth -28% vs. Q2 2015

FLSmidth Q2 2016 in numbers

(vs. Q2 2015)

Return on Capital Employed
8%
Down from 11%

Revenue (DKKm)
4,135
Down from 5,093

EBITA (DKKm)
273
Down from 440

EBITA margin
6.6%
Down from 8.6%

CFFO (DKKm)
155
Up from -61

Order intake (DKKm)
4,345
Down from 5,208

(vs. Q1 2016)

Order backlog (DKKm)
15,914
Up from 15,792

Net interest-bearing debt (DKKm)
3,844
Up from 3,567

Net working capital (DKKm)
2,610
Up from 2,410

Group financial highlights

DKKm	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015	Year 2015
INCOME STATEMENT					
Revenue	4,135	5,093	7,893	9,776	19,682
Gross profit	1,078	1,327	2,116	2,517	4,946
EBITDA	340	512	652	984	1,878
EBITA	273	440	519	840	1,582
EBIT	177	321	330	617	1,141
Earnings from financial items, net	(32)	30	(70)	12	(256)
EBT	145	351	260	629	885
Profit/(loss) for the period, continuing activities	**100**	**238**	**179**	**434**	**603**
Profit/(loss) for the period, discontinued activities	(3)	(24)	(9)	52	(178)
Profit/(loss) for the period	**97**	**214**	**170**	**486**	**425**
CASH FLOW					
Cash flow from operating activities (CFFO)	155	(61)	95	(106)	538
Acquisition of tangible assets	(118)	(45)	(137)	(84)	(139)
Cash flow from investing activities (CFFI)	(95)	(44)	(107)	716	750
Free cash flow	60	(105)	(12)	610	1,288
Free cash flow adjusted for acquisitions and disposals of enterprises and activities	60	(107)	(12)	(222)	415
Net working capital			**2,610**	**2,900**	**2,583**
Net interest-bearing debt			**(3,844)**	**(4,251)**	**(3,674)**
ORDERS					
Order intake, continuing activities	4,345	5,208	9,626	9,648	18,490
Order backlog, continuing activities			15,914	16,932	14,858
BALANCE SHEET					
Total assets			24,148	26,362	24,362
Equity			7,896	8,207	7,982
Dividend to shareholders, paid	196		196	439	439
FINANCIAL RATIOS					
Gross margin	26.1%	26.1%	26.8%	25.7%	25.1%
EBITDA margin	8.2%	10.1%	8.3%	10.1%	9.5%
EBITA margin	6.6%	8.6%	6.6%	8.6%	8.0%
EBIT margin	4.3%	6.3%	4.2%	6.3%	5.8%
EBT margin	3.5%	6.9%	3.3%	6.4%	4.5%
CFFO / Revenue	3.7%	-1.2%	1.2%	-1.1%	2.7%
Cash conversion	33.9%	-33.3%	-3.6%	-36.0%	36.4%
Book-to-bill	105.1%	102.3%	122.0%	98.7%	93.9%
Order backlog / Revenue			89.4%	83.1%	75.5%
Return on equity			4%	12%	5%
Equity ratio			33%	31%	33%
ROCE (return on capital employed), average			8%	11%	10%
Net working capital ratio, end			14.7%	14.2%	13.1%
Financial gearing			2.5	2.1	2.0
Capital employed, average			15,672	15,578	15,162
Number of employees at 30 June, Group			**12,706**	**13,334**	**12,969**
SHARE RATIOS					
CFPS (cash flow per share), (diluted)	3.2	(1.2)	1.9	(2.2)	11.0
EPS (earnings per share), (diluted)	2.0	4.2	3.5	9.8	8.6
FLSmidth & Co. A/S´ share price			237.9	322.0	240.0
Number of shares (1,000), end of period			51,250	51,250	51,250
Market capitalisation			12,192	16,503	12,300

The financial ratios have been computed in accordance with the guidelines of the Danish Society of Financial Analysts from 2015.

Please refer to note 14 for definitions of terms.

Group

Revenue improved sequentially from Q1 but was nevertheless lower than expected. Margins were negatively impacted by the revenue decline as well as negative results in the Minerals Division. Corrective actions are being implemented across the Group. The free cash flow was positive and improved on last year. Order intake related to total service activities showed organic growth. Based on the half-year results and the outlook for the remainder of 2016, the guidance for 2016 is narrowed to the lower end of the guided range.

Market trends

Despite recent increases in commodity prices and a slightly less negative outlook for mining capex, customer behaviour and market conditions have not yet improved in any meaningful way. The prevalence of widespread geopolitical crises continues to be detrimental to capital investments.

In general, mining companies and most cement producers are postponing large investments and discretionary spend.

Investments are limited to equipment and critical spare parts that are directly linked to operations as well as services that can help solve immediate problems and improve productivity. This is clearly reflected in the order intake developments, where the capital business was down 28% on last year and the service business only 5%.

In Minerals, gold and copper continue to lead the activities but opportunities outside the five key commodities, represent a significant part of the project pipeline as well.

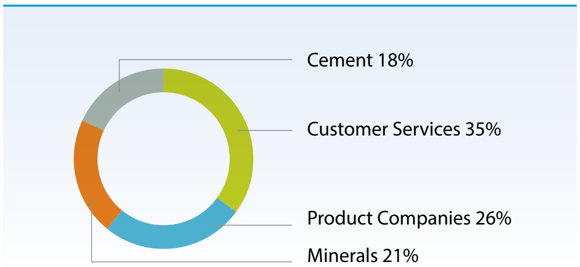
Group (continuing activities)

DKKm	Q2 2016	Q2 2015	Change (%)	Q1-Q2 2016	Q1-Q2 2015	Change (%)
Order intake (Gross)	**4,345**	**5,208**	-17%	**9,626**	**9,648**	0%
Order backlog	**15,914**	**16,932**	-6%	**15,914**	**16,932**	-6%
Revenue	**4,135**	**5,093**	-19%	**7,893**	**9,776**	-19%
Gross profit	**1,078**	**1,327**	-19%	**2,116**	**2,517**	-16%
Gross profit margin	*26.1%*	*26.1%*		*26.8%*	*25.7%*	
EBITDA	**340**	**512**	-34%	**652**	**984**	-34%
EBITDA margin	*8.2%*	*10.1%*		*8.3%*	*10.1%*	
EBITA	**273**	**440**	-38%	**519**	**840**	-38%
EBITA margin	*6.6%*	*8.6%*		*6.6%*	*8.6%*	
EBIT	**177**	**321**	-45%	**330**	**617**	-47%
EBIT margin	*4.3%*	*6.3%*		*4.2%*	*6.3%*	
Number of employees	12,558	13,075	-4%	12,558	13,075	-4%

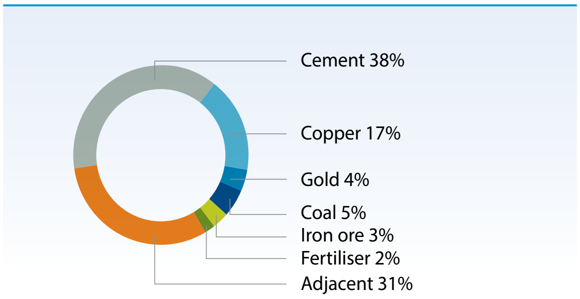
Bulk materials (coal and iron ore) remain weak, and especially, the US and Chinese coal markets are challenged. Although there has been an increase in the inquiry level from EPCM firms (Engineering, Procurement, and Construction Management), acting on behalf of the mining companies, from a historical perspective, it remains slow and indicates that larger projects are still some time away.

In Cement, priorities vary across geographies. In North America, it is all about maximising production, whereas cost savings is the primary focus in South America.

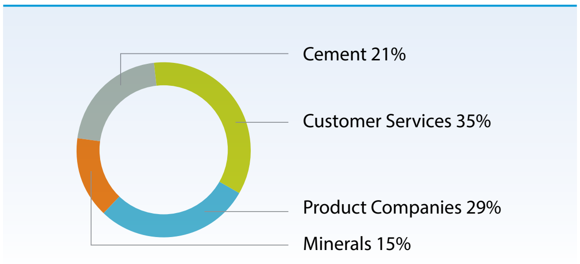
Order intake – by segment (Q2 2016)



Order intake – by industry (Q2 2016)



Revenue – by segment (Q2 2016)



In most of the Middle East, Sub-Saharan Africa and the southern part of India, excess capacity is driving focus on cost efficiency. The focus in other countries and regions, like Pakistan, Algeria, Kenya, Northern India and Northern Europe, is shifting towards minimising downtime and/or increasing production.

Financial developments in Q2 2016

Growth efficiency

Revenue growth is now expected to be negative in 2016 as a result of subdued investments in the cement and minerals industries. Although revenue is expected to be higher in the second half of 2016, it will not be sufficient to compensate for the low activity in the first half of the year. However, total service activities, accounting for more than half of both revenue and order intake, have been more stable and resilient due to high production rates and low inventory levels among customers.

Developments in total service activities

Total service activities in FLSmidth embrace the entire Customer Services Division, Operation & Maintenance contracts (part of the Cement Division), and the whole service and aftermarket part of the Product Companies Division.

Order intake related to total service activities decreased 5%, entirely explained by a currency translation impact of -9%, to DKK 2,432m in Q2 (Q2 2015: DKK 2,551m), equivalent to 56% of the total order intake (Q2 2015: 49%). Sequentially, order intake increased 4% vs. Q1 2016. Revenue related to total service activities decreased 14% to DKK 2,445m in Q2 (Q2 2015: DKK 2,855m), equivalent to 59% of the total revenue (Q2 2015: 57%).

Order intake and order backlog

The order intake decreased 17% to DKK 4,345m (Q2 2015: DKK 5,208m). Foreign exchange translation effects had a negative impact of 7%. Organic growth was -10%, which is mainly explained by a decline in the Cement and Product Companies Divisions.

The order intake in Q2 2016 included a large announced order worth DKK 255m for the supply of main equipment to a greenfield cement plant in Vietnam.

The level of unannounced orders was around DKK 4.1bn which is slightly above the average quarterly unannounced order intake over the past couple of years.
The order backlog for the Group increased 1% in Q2 to DKK 15,914m (end of Q1 2016: DKK 15,792m). 42% of the backlog is expected to be converted to revenue in the remainder of 2016, 36% in 2017, and 22% in 2018 and beyond.

Order intake developments in Q2 2016

Order intake (vs. Q2 2015)	**Customer Services**	**Product Companies**	**Minerals**	**Cement**	**FLSmidth Group**
Organic growth	+1%	-14%	-4%	-33%	-10%
Currency	-9%	-5%	-4%	-5%	-7%
Total growth	**-8%**	**-19%**	**-8%**	**-38%**	**-17%**

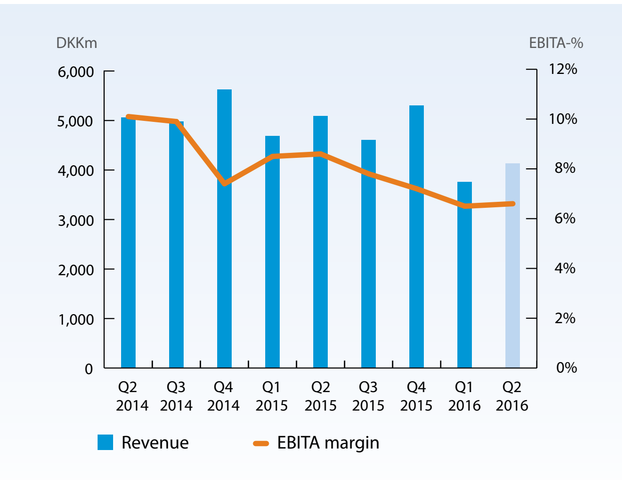
Revenue

Revenue decreased 19% to DKK 4,135m in Q2 2016 (Q2 2015: DKK 5,093m). Foreign exchange translation effects had a -5% impact on revenue in Q2. Organic growth was -14%, related to lower activity in all divisions. Although activity was lower than anticipated, it improved versus the very low level experienced at the beginning of the year, particularly in the Cement and Product Companies divisions.

Revenue developments in Q2 2016

Revenue (vs. Q2 2015)	**Customer Services**	**Product Companies**	**Minerals**	**Cement**	**FLSmidth Group**
Organic growth	-11%	-13%	-9%	-18%	-14%
Currency	-5%	-4%	-7%	-5%	-5%
Total growth	**-16%**	**-17%**	**-16%**	**-23%**	**-19%**

Quarterly revenue and EBITA margin



Quarterly order intake

Profit efficiency

The EBITA margin has been negatively impacted by the lower than expected revenue, and hence, lower operational leverage. However, gross margins are holding up in the two service-heavy divisions, Customer Services and Product Companies, whereas challenging market conditions and lack of visibility has impacted contribution margins and capacity utilisation in the two project divisions, Cement and Minerals. Although corrective actions are being implemented, they have had no short term positive impact.

Implementation of profit improvement initiatives

As a consequence of the continued challenging market conditions and the lower than expected revenue, additional corrective actions are being implemented. This includes further business right-sizing, more site closures, management delayering as well as supply chain optimisation and procurement savings. Apart from initiatives to reduce costs, investments are being made in value engineering, new sales offices in 'white spots' and more sales people. In the second quarter, more than 300 people were given notice, however most of them were still on the payroll at the end of June.

The gross profit in Q2 decreased to DKK 1,078m (Q2 2015: DKK 1,327m), corresponding to a gross margin of 26.1% (Q2 2015: 26.1%). The gross margin is still holding up despite pricing pressure and under-absorption due to the lower than anticipated revenue.

Q2 2016 saw total research and development expenses of DKK 47m (Q2 2015: DKK 68m), representing 1.1% of revenue (Q2 2015: 1.3%), of which DKK 1m was capitalised (Q2 2015: DKK 11m) and the balance reported as production costs. In addition, project-financed developments are taking place in cooperation with customers.

An increasing share of the total research and development expenses are related to the Customer Services and Product Companies divisions.

Sales, distribution and administrative costs and other operating items amounted to DKK 738m in Q2 2016 (Q2 2015: DKK 815m), which represents a cost percentage of 17.8% of revenue (Q2 2015: 16.0%).

Total one-off costs amounted to DKK 14m in Q2 (Q2 2015: DKK 85m) and were primarily related to business right-sizing in Minerals.

Earnings before interest, tax, depreciation and amortisation (EBITDA) decreased to DKK 340m (Q2 2015: DKK 512m), corresponding to an EBITDA margin of 8.2% (Q2 2015: 10.1%).

Depreciation of tangible assets amounted to DKK -67m (Q2 2015: DKK -74m).

Earnings before interest, tax and amortisation (EBITA) decreased to DKK 273m (Q2 2015: DKK 440m), corresponding to an EBITA margin of 6.6% (Q2 2015: 8.6%).

Amortisation of intangible assets amounted to DKK -96m (Q2 2015: DKK -119m). The effect of purchase price allocations amounted to DKK -60m (Q2 2015: DKK -71m) and other amortisations to DKK -36m (Q2 2015: DKK -48m).

Earnings before interest and tax (EBIT) amounted to DKK 177m (Q2 2015: DKK 321m), corresponding to an EBIT margin of 4.3% (Q2 2015: 6.3%).

Net financial items amounted to DKK -32m (Q2 2015: DKK 30m), of which foreign exchange and fair value adjustments amounted to DKK -11m (Q2 2015: DKK 42m). Net interest costs amounted to DKK -21m (Q2 2015: DKK -12m).

Earnings before tax (EBT) was DKK 145m (Q2 2015: DKK 351m).

Tax for the period amounted to DKK -45m (Q2 2015: DKK -113m), corresponding to an effective tax rate of 31% (Q2 2015: 32%).

Profit from continuing activities amounted to DKK 100m (Q2 2015: DKK 238m).

Profit/loss from discontinued activities amounted to DKK -3m (Q2 2015: DKK -24m) and was related to the bulk material handling activities. In connection with the interim report for the third quarter of 2015, it was announced that the Group's activities within bulk material handling would be put up for sale. The current status is that, after having prepared the business for sale, an actual sales process was started up during Q2 and is progressing according to plan.

The large order announced in May 2016 to supply material handling equipment to a Russian port was related to discontinued activities and the contract value of more than EUR 160m is therefore not included in the total reported order intake.

Profit for the period decreased to DKK 97m (Q2 2015: DKK 214m).

Capital efficiency

Capital employed and ROCE

Average Capital employed increased to DKK 15.7bn in Q2 2016 (Q1 2016: DKK 15.6bn), and 12-months trailing EBITA decreased to DKK 1,261m (Q1 2016: DKK 1,428m). As a consequence, ROCE decreased to 8% (Q2 2015: 11%).

Total Capital employed increased to DKK 15.2bn at the end of Q2 2016 and consists primarily of intangible assets amounting to DKK 10.1bn, which is mostly historical goodwill as well as patents and rights, and customer relations. Tangible assets amounted to DKK 2.5bn and net working capital to DKK 2.6bn at the end of Q2.

Cash flow developments and working capital

Cash flow from operating activities amounted to DKK 155m in Q2 2016 (Q2 2015: DKK -61m). The operating cash flow was negatively impacted by the low operational earnings in the quarter, whereas change in working capital contributed marginally positive to cash flow from operating activities as opposed to last year, where change in working capital had a significant negative cash impact.

Net working capital increased to DKK 2,610m at the end of Q2 2016 (end of Q1 2016: DKK 2,410m), representing 14.7% of 12-months trailing revenue (end of Q1 2016: 12.8% of revenue). The increase in net working capital in Q2 is primarily explained by higher net work-in-progress assets as a result of work being performed without reaching invoicing stage.

Capital investments

Cash flow from investing activities amounted to DKK -95m (Q2 2015: DKK -44m), primarily related to investment in an office building in the US, replacing a lease agreement. This investment was only partly offset by the sale of an old production facility in China.

The free cash flow (cash flow from operating and investing activities) in Q2 amounted to DKK 60m (Q2 2015: DKK -105m).

Balance sheet and capital structure

The balance sheet total amounted to DKK 24,148m at the end of Q2 2016 (end 2015: DKK 24,362m).

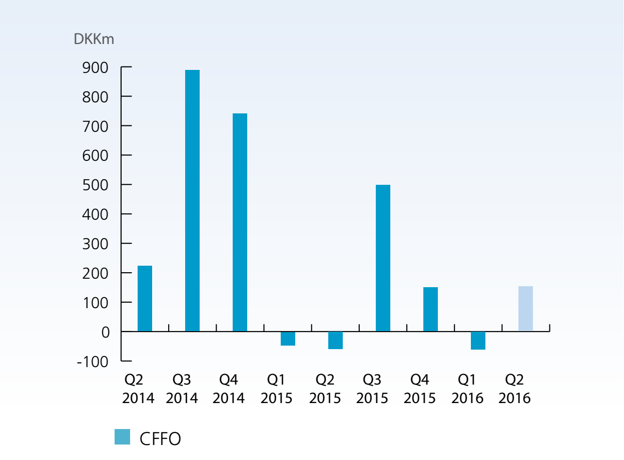
Equity at the end of Q2 2016 decreased to DKK 7,896m (end of 2015: DKK 7,982m) as a result of currency adjustments to enterprises abroad and distribution of dividend of DKK 196m. The equity ratio was 33% at the end of the quarter (end of 2015: 33%), which is within the long-term target of minimum 30%.

Net interest-bearing debt by the end of Q2 2016 increased to DKK 3,844m (end of 2015: DKK 3,674m) due to dividend payout. As a result, the Group's financial gearing (calculated as NIBD divided by 12-months trailing EBITDA) was just below 2.5 at the end of Q2 2016 (end of 2015: 2.0). The financial gearing is expected to improve in the second half of 2016 in direction of the long term target of maximum two times EBITDA.

At the end of Q2 2016, the Group's capital resources consisted of committed credit facilities of DKK 8.5bn (including mortgage) with a weighted average time to maturity of 3.8 years.

Quarterly net working capital

Cash flow from operating activities



Treasury shares
FLSmidth's treasury shares amounted to 2,329,675 shares at the end of Q2 2016 (end of 2015: 2,327,928 shares), representing 4.5% of the total share capital (end of 2015: 4.5%). The holding of treasury shares is used to hedge FLSmidth's long-term incentive plans.

Long term incentive plans (LTIP)
Share option plans (being phased out)
At the end of Q2 2016, there were a total of 2,855,876 unexercised share options under FLSmidth's incentive plan and their fair value was DKK 85m. The fair value is calculated by means of a Black & Scholes model based on a current share price of 237.9, a volatility of 34.72% and future annual dividend of DKK 9 per share. The effect of the plan on the income statement for Q2 2016 was DKK -9m (Q2 2015: DKK -11m).

Performance shares (replacing Share option plans)
At the end of Q2 2016, FLSmidth had granted a maximum of 179,215 performance share units to 140 key employees. Full vesting after three years will depend on achievement of stretched financial targets related to the EBITA margin and the net working capital ratio. The effect of the plan on the income statement for Q2 2016 was DKK -4m (Q2 2015: DKK 0m).

Employees
The number of employees amounted to 12,706 at the end of Q2 2016 (including discontinued activities, employing 148 people) (Q2 2015: 13,334). In Q2 2016, more than 300 employees were given notice as a result of business right-sizing related to the lower activity than expected. The employees impacted will be leaving the company over the next couple of quarters.

Guidance for 2016
As a result of the lower than expected revenue delivered in the first half of 2016, combined with a continued soft outlook for the remainder of 2016, the guidance for 2016 is narrowed to the lower end of the range.

It is now expected that revenue will be DKK 17-18bn (previously DKK 17-20bn) and that the EBITA margin will be 7-8% (previously 7-9%). The return on capital employed is expected to be 8-9% (previously 8-10%). The effective tax rate is expected to be 29-31% (2015: 32%) and cash flow from investments is expected to be around DKK -0.3bn excluding acquisitions and divestments (previously DKK -0.4bn).

Revenue expectations have been revised down to the lower end of the guidance based on the results delivered in the first half of the year. The lack of revenue has had a negative impact on operational leverage and hence, on the EBITA margin in all divisions. It is also clear that in particular the Minerals Division is challenged by the current market conditions, and although corrective actions have been taken, they are not able to mitigate the short term effects. As a result, the EBITA margin expectations have also been adjusted to the lower end of the guidance.

The full-year guidance is based on the assumption that execution of the order backlog will not be negatively impacted by further market-driven delays.

Events occurring after the balance sheet date
As announced on 7 July 2016, FLSmidth has adjusted its communication policy regarding new orders following the new EU Market Abuse Regulation.

In the future, there will no longer be a specific monetary threshold for disclosing orders via company announcements. Only orders of strategic importance and orders with a significant impact on the financial results of the current financial year will be disclosed as company announcements. Also, disclosure will no longer be contingent on receipt of down payment but on contract signing only. In the future, FLSmidth will make an individual assessment of the potential impact on the share price of any new contract and hence the need for disclosure based on a combination of size, strategic aspects and long-term potential.

FLSmidth will continue to publish information on other selected orders via its press release distribution service.

As announced on 28 July 2016, FLSmidth has been informed that Templeton Global Advisors Limited has reduced their holding of FLSmidth shares to 4.91% of the total nominal share capital in FLSmidth & Co. A/S.

Financial Calendar
9 November 2016 1st-3rd Quarter Interim Report 2016.

Forward-looking statement

FLSmidth & Co. A/S' financial reports, whether in the form of annual reports or interim reports, filed with the Danish Business Authority and/or announced via the company's website and/or NASDAQ OMX Copenhagen, as well as any presentations based on such financial reports, and any other written information released, or oral statements made, to the public based on this interim report in the future on behalf of FLSmidth & Co. A/S, may contain forward-looking statements.

Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'project', 'anticipate', 'can', 'intend', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Examples of such forward-looking statements include, but are not limited to:

- statements of plans, objectives or goals for future operations, including those related to FLSmidth & Co. A/S markets, products, product research and product development
- statements containing projections of or targets for revenues, profit (or loss), capital expenditures, dividends, capital structure or other net financial items
- statements regarding future economic performance, future actions and outcome of contingencies such as legal proceedings and statements regarding the underlying assumptions or relating to such statements
- statements regarding potential merger & acquisition activities

These forward-looking statements are based on current plans, estimates and projections. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, which may be outside FLSmidth & Co. A/S´ influence, and which could materially affect such forward-looking statements. FLSmidth & Co. A/S cautions that a number of important factors, including those described in this report, could cause actual results to differ materially from those contemplated in any forward-looking statements.

Factors that may affect future results include, but are not limited to, global as well as local political and economic conditions, including interest rate and exchange rate fluctuations, delays or faults in project execution, fluctuations in raw material prices, delays in research and/ or development of new products or service concepts, interruptions of supplies and production, unexpected breach or termination of contracts, market-driven price reductions for FLSmidth & Co. A/S' products and/or services, introduction of competing products, reliance on information technology.

FLSmidth & Co. A/S' ability to successfully market current and new products, exposure to product liability and legal proceedings and investigations, changes in legislation or regulation and interpretation thereof, intellectual property protection, perceived or actual failure to adhere to ethical marketing practices, investments in and divestitures of domestic and foreign enterprises, unexpected growth in costs and expenses, failure to recruit and retain the right employees and failure to maintain a culture of compliance. Unless required by law FLSmidth & Co. A/S is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this interim report.

Customer Services

The Customer Services Division provides a full suite of parts, services and maintenance solutions to the global cement and minerals industries.

Market developments in Q2 2016

The market for Customer Services was overall stable in the second quarter, although demand for larger upgrade services and parts for inventory remains challenged as larger purchases are not often treated by customers as capital expenditures. Customers continue to have mixed views on longer term minerals maintenance contracts.

Minerals activity differs by region and industry. The gold industry is maintaining good momentum due to higher prices that support service related spend, for example in Russia and Sub-Saharan Africa, whereas iron ore and coal remains sluggish.

Cement customers remain focused on parts, small retrofits and preventive maintenance, and cement related service activity has been stable with the notable exception of Brazil. In Northern Europe, down time starts to become a critical factor. Throughout India, there is increasing focus on pollution control in the cement industry.

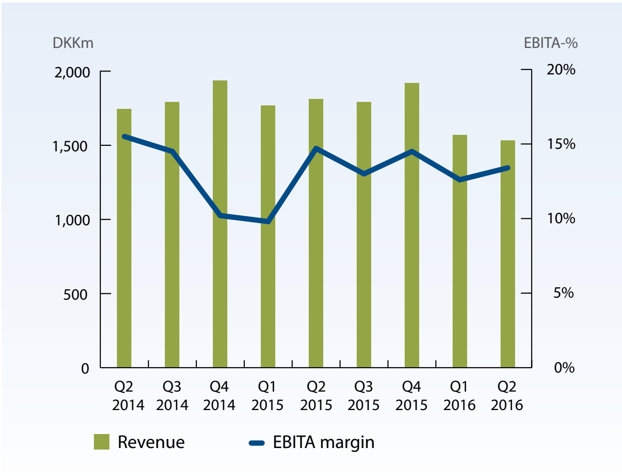
Financial performance in Q2 2016

Order intake in Q2 2016 was DKK 1,597m, representing a decrease of 8% (Q2 2015: DKK 1,733m) but a sequential increase of 2%. Adjusted for currency effects, the order intake increased 1%. As such, the service business was stable overall although discretionary spend for larger services and parts for inventory remains challenged.

Revenue decreased 16% to DKK 1,531m (Q2 2015: DKK 1,813m) and declined 11% adjusted for currency effects as a result of a softer order intake in the past couple of quarters and slightly slower activity in June in the Americas.

EBITA decreased 23% to DKK 205m (Q2 2015: DKK 266m) due to lower operating leverage. The EBITA margin decreased to 13.4% (Q2 2015: 14.7%) but increased sequentially and was in line with the average margin for the past eight quarters.

Quarterly revenue and EBITA margin



Customer Services

DKKm	Q2 2016	Q2 2015	Change (%)	Q1-Q2 2016	Q1-Q2 2015	Change (%)
Order intake (Gross)	**1,597**	**1,733**	-8%	**3,163**	**3,529**	-10%
Order backlog	**2,405**	**3,003**	-20%	**2,405**	**3,003**	-20%
Revenue	**1,531**	**1,813**	-16%	**3,099**	**3,581**	-13%
Gross profit	**478**	**564**	-15%	**954**	**1,020**	-6%
Gross profit margin	*31.2%*	*31.1%*		*30.8%*	*28.5%*	
EBITDA	**232**	**292**	-21%	**455**	**491**	-7%
EBITDA margin	*15.2%*	*16.1%*		14.7%	13.7%	
EBITA	**205**	**266**	-23%	**402**	**439**	-8%
EBITA margin	*13.4%*	*14.7%*		*13.0%*	*12.3%*	
EBIT	**169**	**223**	-24%	**330**	**358**	-8%
EBIT margin	*11.0%*	*12.3%*		*10.6%*	*10.0%*	
Number of employees	4,659	4,789	-3%	4,659	4,789	-3%

Product Companies

The Product Companies Division hosts a diverse portfolio of relatively standardised market leading product brands, applied in cement, minerals and adjacent industries.

Market developments in Q2 2016

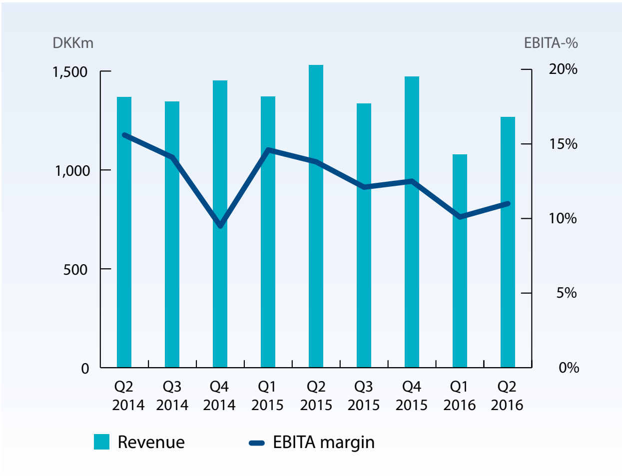
Based on the level of inquiries, the market for Product Companies was largely unchanged in Q2. Capital orders continue to be under pressure, whereas the aftermarket is more resilient. The market for cement products remains subdued and challenged by the aftermath of the declining oil price still. There are significant regional differences in the market for minerals products with softer activity in the US, China and especially Brazil, whereas Africa and South East Asia offer increased opportunities.

Financial performance in Q2 2016

Order intake in Q2 2016 decreased 19% to DKK 1,165m (Q2 2015: DKK 1,431m). Adjusted for currency effects, the order intake decreased 14%. The decrease is mainly a result of larger air pollution control and automation orders received in Q2 last year that did not repeat themselves in Q2 2016 but also a result of slightly lower demand for cement products across the board. Demand for minerals equipment and services was quite stable overall.

Revenue decreased 17% to DKK 1,268m (Q2 2015: DKK 1,531m) but increased 18% sequentially. Adjusted for currency effects, revenue decreased 13%, mainly as a result of lower order intake in the quarter. Further, revenue was impacted by one customer delaying the execution of a large air pollution control project that is currently at high risk of being cancelled, however with no expected further impact on costs. EBITA decreased 34% to DKK 139m in Q2 2016 (Q2 2015: DKK 211m) due to low operating leverage. As a result, the EBITA margin decreased to 11.0% (Q2 2015: 13.8%).

Quarterly revenue and EBITA margin



Product Companies

DKKm	Q2 2016	Q2 2015	Change (%)	Q1-Q2 2016	Q1-Q2 2015	Change (%)
Order intake (Gross)	**1,165**	**1,431**	-19%	**2,571**	**3,011**	-15%
Order backlog	**2,729**	**2,887**	-5%	**2,729**	**2,887**	-5%
Revenue	**1,268**	**1,531**	-17%	**2,346**	**2,902**	-19%
Gross profit	**371**	**438**	-15%	**700**	**860**	-19%
Gross profit margin	*29.2%*	*28.6%*		*29.8%*	*29.6%*	
EBITDA	**162**	**235**	-31%	**294**	**458**	-36%
EBITDA margin	*12.8%*	*15.3%*		12.5%	15.8%	
EBITA	**139**	**211**	-34%	**248**	**411**	-40%
EBITA margin	*11.0%*	*13.8%*		*10.6%*	*14.2%*	
EBIT	**103**	**198**	-48%	**189**	**380**	-50%
EBIT margin	*8.3%*	*12.9%*		*8.1%*	*13.1%*	
Number of employees	3,361	3,300	2%	3,361	3,300	2%

Minerals

The Minerals Division is a leading provider of mineral processing and handling technology and solutions to the global minerals industries.

Market developments in Q2 2016

Following an exceptionally weak Q1, the market for mining equipment stabilised in the second quarter, still with limited demand for larger projects, whereas demand for single equipment remains more robust. The most activity is witnessed in South America, South East Asia, North America and Australia, and there is evidence of increased gold activity on the back of the raising gold price.

Financial performance in Q2 2016

Order intake in Q2 2016 decreased 8% to DKK 972m (Q2 2015: DKK 1,057m) but saw a substantial sequential increase and was above the past eight quarters' average. Adjusted for currency, the order intake decreased 4%. The level of unannounced orders increased against the same quarter last year.

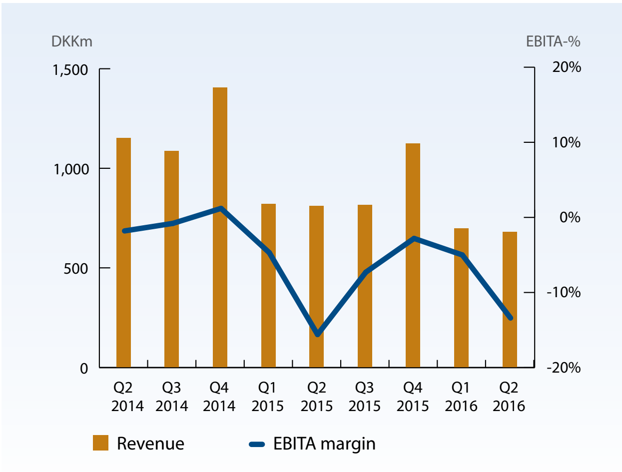
Revenue decreased 16% to DKK 680m (Q2 2015: DKK 812m) and decreased 9% adjusted for currency due to continued slow progress on a number of projects, primarily as a result of customers' focus on short-term cash flow.

EBITA amounted to DKK -92m (Q2 2015: DKK -127m), and the EBITA margin was -13.4% (Q2 2015: -15.6%). EBITA in the comparison quarter was impacted by one-off costs of DKK -83m. As such, the EBITA margin deteriorated both sequentially and against the same quarter last year.

The negative EBITA is a result of low operating leverage and intensified pricing pressure which negates the positive effects of the extensive business right-sizing which was ongoing last year and is continuing.

Additionally, the second quarter result was negatively impacted by provisions related to a minor arbitration case and losses related to product pruning and disposal of old inventory items. In total, the negative impact was DKK 29m. Additionally, one-off costs amounted to DKK 12m in the quarter and were related to business right-sizing. If adjusted for these items, the gross margin would have been marginally higher than last year.

Quarterly revenue and EBITA margin



Minerals

DKKm	Q2 2016	Q2 2015	Change (%)	Q1-Q2 2016	Q1-Q2 2015	Change (%)
Order intake (Gross)	**972**	**1,057**	-8%	**1,415**	**1,908**	-26%
Order backlog	**4,478**	**4,806**	-7%	**4,478**	**4,806**	-7%
Revenue	**680**	**812**	-16%	**1,378**	**1,634**	-16%
Gross profit	**88**	**130**	-32%	**218**	**270**	-19%
Gross profit margin	*13.0%*	*16.0%*		*15.8%*	*16.5%*	
EBITDA	**(79)**	**(112)**	N/A	**(102)**	**(137)**	N/A
EBITDA margin	*-11.6%*	*-13.8%*		*-7.4%*	*-8.4%*	
EBITA	**(92)**	**(127)**	N/A	**(127)**	**(166)**	N/A
EBITA margin	*-13.4%*	*-15.6%*		*-9.1%*	*-10.2%*	
EBIT	**(108)**	**(174)**	N/A	**(170)**	**(252)**	N/A
EBIT margin	*-15.8%*	*-21.4%*		*-12.3%*	*-15.4%*	
Number of employees	1,594	2,033	-22%	1,594	2,033	-21%

Cement

The Cement Division is the market leader of premium technology, process solutions and Operation & Maintenance services to the global cement industry.

Market developments in Q2 2016

Although the Cement Division has secured a satisfactory level of order intake year-to-date, there are no real signs of a recovery for the industry, and the market for new cement capacity was overall unchanged in Q2. Overcapacity persists on a global scale with few large orders available for tender. On the positive side, the market has not collapsed as a result of the lower oil price, and there is evidence of some increased activity in regions like North Africa. Other active markets include the Middle East, Asia, Latin America and the USA.

Financial performance in Q2 2016

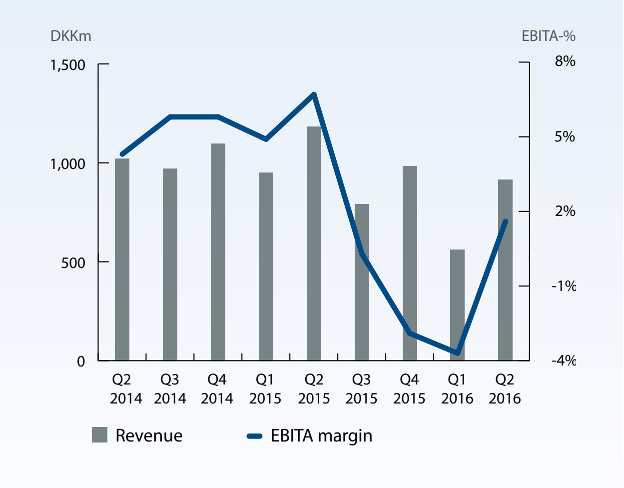
Order intake in Q2 2016 decreased 38% to DKK 805m (Q2 2015: DKK 1,289m) and decreased 33% adjusted for currency. Although Q2 2016 was down year-on-year, the year-to-date order intake for 2016 has exceeded the full-year order intake in 2015, due to a large order that was received in the first quarter.

Q2 2016 included one large announced order of DKK 255m for the supply of main equipment to a greenfield cement plant in Vietnam. The comparison quarter included announced orders of DKK 750m.

Revenue decreased 23% to DKK 916m compared to a strong quarter last year (Q2 2015: DKK 1,183m) and decreased 18% adjusted for currency. The lower revenue is mainly a timing issue but also a result of the lower backlog at the beginning of the year.

EBITA amounted to DKK 15m which is significantly below last year (Q2 2015: DKK 79m), corresponding to an EBITA margin of 1.5% (Q2 2015: 6.7%). EBITA continues to be negatively impacted by intense competition and low operating leverage. Also, one O&M contract is still challenged, but for the first time in a number of quarters, the combined O&M business contributed positively to EBITA.

Quarterly revenue and EBITA margin



Cement

DKKm	Q2 2016	Q2 2015	Change (%)	Q1-Q2 2016	Q1-Q2 2015	Change (%)
Order intake (Gross)	**805**	**1,289**	-38%	**2,887**	**1,727**	67%
Order backlog	**6,962**	**6,883**	1%	**6,962**	**6,883**	1%
Revenue	**916**	**1,183**	-23%	**1,478**	**2,134**	-31%
Gross profit	**141**	**192**	-27%	**244**	**358**	-32%
Gross profit margin	*15.4%*	*16.2%*		*16.5%*	*16.8%*	
EBITDA	**18**	**85**	-79%	**1**	**139**	-99%
EBITDA margin	*2.0%*	*7.2%*		*0.1%*	*6.5%*	
EBITA	**15**	**79**	-81%	**(6)**	**126**	-105%
EBITA margin	*1.5%*	*6.7%*		*-0.5%*	*5.9%*	
EBIT	**7**	**63**	-89%	**(21)**	**101**	-121%
EBIT margin	*0.7%*	*5.3%*		*-1.4%*	*4.7%*	
Number of employees	2,943	2,953	0%	2,943	2,953	0%

Statement by Management

The Board of Directors and Executive Management have today considered and approved the interim report of FLSmidth & Co. A/S for the period 1 January - 30 June 2016.

The interim report is prepared in accordance with IAS 34, *Interim Financial Reporting,* as adopted by the EU and Danish disclosure requirements for interim reports of listed companies. The interim report has not been audited or reviewed by the Group´s independent auditors.

In our opinion, the interim report gives a true and fair view of the Group's financial position at 30 June 2016 as well as of its financial performance and its cash flow for the period 1 January - 30 June 2016.

We believe that the management commentary contains a fair review of the development of the Group's business and financial affairs, the result for the period and the financial position of the Group, together with a description of the principal risks and uncertainties that the Group faces.

Copenhagen, 11 August 2016

Group Executive Management

Thomas Schulz
Group Chief Executive Officer

Lars Vestergaard
Group Executive Vice President and CFO

Board of Directors

Vagn Ove Sørensen
Chairman

Torkil Bentzen
Vice chairman

Marius Jacques Kloppers

Sten Jakobsson

Tom Knutzen

Caroline Grégoire Sainte Marie

Richard Robinson Smith

Mette Dobel

Søren Quistgaard Larsen

Jens Peter Koch

Consolidated income statement

Notes	DKKm	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015
	Revenue	4,135	5,093	7,893	9,776
	Production costs	(3,057)	(3,766)	(5,777)	(7,259)
	Gross profit	**1,078**	**1,327**	**2,116**	**2,517**
	Sales and distribution costs	(351)	(364)	(701)	(717)
	Administrative costs	(391)	(469)	(774)	(847)
	Other operating items	4	18	11	31
	EBITDA	**340**	**512**	**652**	**984**
	Special non-recurring items	0	2	0	2
	Depreciation of tangible assets	(67)	(74)	(133)	(146)
	EBITA	**273**	**440**	**519**	**840**
	Amortisation of intangible assets	(96)	(119)	(189)	(223)
	EBIT	**177**	**321**	**330**	**617**
	Financial income	124	293	672	1,054
	Financial costs	(156)	(263)	(742)	(1,042)
	EBT	**145**	**351**	**260**	**629**
	Tax for the period	(45)	(113)	(81)	(195)
	Profit/(loss) for the period, continuing activities	**100**	**238**	**179**	**434**
	Profit/(loss) for the period, discontinued activities	(3)	(24)	(9)	52
	Profit/(loss) for the period	**97**	**214**	**170**	**486**
	To be distributed as follows:				
	FLSmidth & Co, A/S' shareholders' share of profit/(loss) for the period	97	207	170	482
	Minority shareholders' share of profit/(loss) for the period	0	7	0	4
		97	**214**	**170**	**486**
2	Earnings per share (EPS):				
	Continuing and discontinued activities	2.0	4.2	3.5	9.8
	Continuing and discontinued activities, diluted	2.0	4.2	3.5	9.8
	Continuing activities	2.0	4.7	3.7	8.8
	Continuing activities, diluted	2.0	4.7	3.7	8.7

Consolidated statement of comprehensive income

DKKm	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015
Notes				
Profit/(loss) for the period	97	214	170	486
Other comprehensive income for the period				
Items that will not be reclassified to profit or loss				
Actuarial gains/(losses) on defined benefit plans	-	-	-	(1)
Tax on items that will not be reclassified to profit or loss	-	-	-	-
Items that are or may be reclassified subsequently to profit or loss				
Foreign exchange adjustments regarding enterprises abroad	63	(187)	(90)	268
Foreign exchange adjustments of loans classified as equity in enterprises abroad	-	(68)	-	166
Foreign exchange adjustment regarding liquidation of company	-	-	-	27
Value adjustments of hedging instruments:				
Value adjustment for the period	(23)	138	99	(41)
Value adjustments transferred to work-in-progress	5	-	(87)	-
Value adjustments transferred to financial income and costs	-	(70)	-	(32)
Tax on items that are or may be reclassified subsequently to profit or loss	1	(1)	(4)	(25)
Other comprehensive income for the period after tax	**46**	**(188)**	**(82)**	**362**
Comprehensive income for the period	**143**	**26**	**88**	**848**
Comprehensive income for the period attributable to:				
FLSmidth & Co. A/S' shareholders' share of comprehensive income for the period	143	21	88	842
Minority shareholders' share of comprehensive income for the period	0	5	0	6
	143	**26**	**88**	**848**

Consolidated cash flow statement

Notes	DKKm	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015
	EBITDA, continuing activities	340	512	652	984
	EBITDA, discontinued activities	(3)	(44)	(14)	(75)
	EBITDA	**337**	**468**	**638**	**909**
	Adjustment for gain/(losses) on sale of tangible and intangible assets and special non-recurring items etc.	11	6	21	16
	Adjusted EBITDA	**348**	**474**	**659**	**925**
	Change in provisions	(46)	(16)	(156)	104
	Change in net working capital	20	(398)	(84)	(943)
	Cash flow from operating activities before financial items and tax	**322**	**60**	**419**	**86**
	Financial items received and paid	(30)	(11)	(40)	(21)
	Taxes paid	(137)	(110)	(284)	(171)
	Cash flow from operating activities	**155**	**(61)**	**95**	**(106)**
4	Acquisition of enterprises and activities	-	-	-	-
	Acquisition of intangible assets	(5)	(9)	(14)	(42)
	Acquisition of tangible assets	(118)	(45)	(137)	(84)
	Acquisition of financial assets	(1)	(1)	(1)	(2)
5	Disposal of enterprises and activities	0	2	0	832
	Disposal of tangible assets	29	9	45	12
	Cash flow from investing activities	**(95)**	**(44)**	**(107)**	**716**
	Dividend paid	(196)	-	(196)	(439)
	Acquisition of treasury shares	-	(6)	-	(6)
	Disposal of treasury shares	-	20	-	22
	Change in net interest-bearing debt	219	186	346	18
	Cash flow from financing activities	**23**	**200**	**150**	**(405)**
	Change in cash and cash equivalents	**83**	**95**	**138**	**205**
	Beginning of period	1,176	1,225	1,157	1,021
	Foreign exchange adjustment	13	(45)	(23)	49
	Cash and cash equivalents at 30 June	**1,272**	**1,275**	**1,272**	**1,275**

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

Consolidated balance sheet

Assets

Notes	DKKm	End of Q2 2016	End of 2015
	Goodwill	4,365	4,362
	Patents and rights	1,284	1,335
	Customer relations	1,034	1,102
	Other intangible assets	60	53
	Completed development projects	223	281
	Intangible assets under development	331	345
	Intangible assets	**7,297**	**7,478**
	Land and buildings	1,757	1,723
	Plant and machinery	606	678
	Operating equipment, fixtures and fittings	150	169
	Tangible assets in course of construction	32	52
	Tangible assets	**2,545**	**2,622**
	Other securities and investments	125	125
	Deferred tax assets	1,006	1,096
	Financial assets	**1,131**	**1,221**
	Total non-current assets	**10,973**	**11,321**
	Inventories	**2,411**	**2,445**
	Trade receivables	4,108	4,884
9	Work-in-progress for third parties	2,676	2,526
	Prepayments to subcontractors	651	347
	Other receivables	1,351	1,076
	Receivables	**8,786**	**8,833**
	Cash and cash equivalents	**1,198**	**1,123**
	Assets classified as held for sale	**780**	**640**
	Total current assets	**13,175**	**13,041**
	TOTAL ASSETS	**24,148**	**24,362**

Consolidated balance sheet

Equity and liabilities

Notes	DKKm	End of Q2 2016	End of 2015
	Share capital	1,025	1,025
	Foreign exchange adjustments	(140)	(50)
	Value adjustments of hedging transactions	(94)	(106)
	Retained earnings	7,070	6,873
	Proposed dividend	-	205
	FLSmidth & Co. A/S' shareholders' share of equity	**7,861**	**7,947**
	Minority shareholders' share of equity	35	35
	Total equity	**7,896**	**7,982**
	Deferred tax liabilities	415	380
	Pension liabilities	275	278
6	Other provisions	498	509
	Bank loans and mortgage debt	4,975	4,791
	Prepayments from customers	187	120
	Other liabilities	130	150
	Long-term liabilities	**6,480**	**6,228**
	Pension liabilities	5	5
6	Other provisions	932	1,047
	Bank loans	63	87
	Prepayments from customers	1,613	1,147
9	Work-in-progress for third parties	2,159	2,453
	Trade payables	2,292	2,546
	Current tax liabilities	305	411
	Other liabilities	1,705	1,915
	Short-term liabilities	**9,074**	**9,611**
	Liabilities directly associated with assets classified as held for sale	**698**	**541**
	Total liabilities	**16,252**	**16,380**
	TOTAL EQUITY AND LIABILITIES	**24,148**	**24,362**

Consolidated equity

DKKm	Share capital	Foreign exchange adjustments	Value adjustments of hedging transactions	Retained earnings	Proposed dividend	FLSmidth & Co. A/S' shareholders' share of equity	Minority shareholders' share of equity	Total
Equity at 1 January 2016	**1,025**	**(50)**	**(106)**	**6,873**	**205**	**7,947**	**35**	**7,982**
Comprehensive income for the period								
Profit/(loss) for the period				170		170		170
Other comprehensive income								
Foreign exchange adjustments regarding enterprises abroad		(90)				(90)		(90)
Value adjustments of hedging instruments:								
Value adjustments for the period			99			99		99
Value adjustments transferred to work-in-progress			(87)			(87)		(87)
Tax on other comprehensive income				(4)		(4)		(4)
Other comprehensive income total	**0**	**(90)**	**12**	**(4)**	**0**	**(82)**	**0**	**(82)**
Comprehensive income for the period	**0**	**(90)**	**12**	**166**	**0**	**88**	**0**	**88**
Dividend distributed					(196)	(196)		(196)
Dividend treasury share				9	(9)	0		0
Share-based payment, share options				23		23		23
Acquisition of treasury shares				(1)		(1)		(1)
Equity at 30 June 2016	**1,025**	**(140)**	**(94)**	**7,070**	**0**	**7,861**	**35**	**7,896**

The period´s movements in holding of treasury shares (1,000)	**Q2 2016**	**Q2 2015**
Treasury shares at 1 January	2,328 shares	2,413 shares
Acquisition of treasury shares	2 shares	17 shares
Share options settled	0 shares	(98) shares
Treasury shares at 30 June	**2,330 shares**	**2,332 shares**

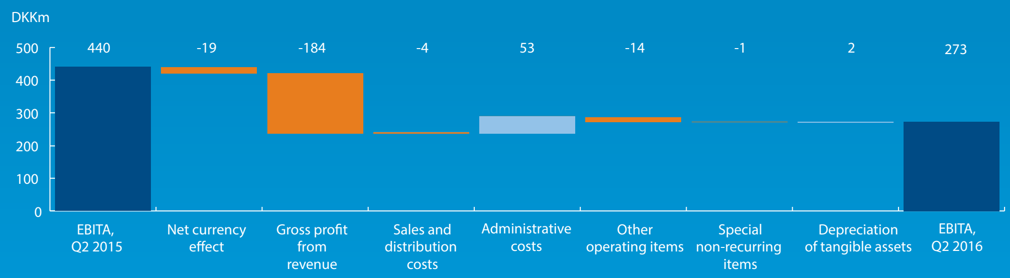
Representing 4.5% in Q2 2016 (Q2 2015: 4.6%) of the share capital

Consolidated equity

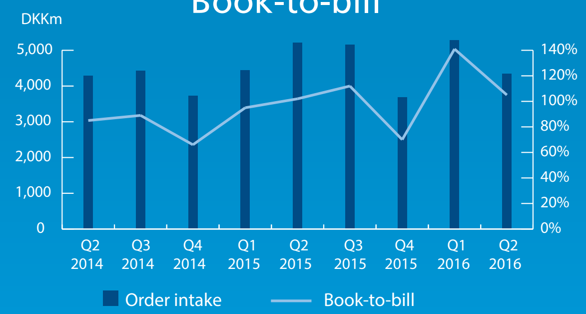
DKKm	Share capital	Foreign exchange adjustments	Value adjustments of hedging transactions	Retained earnings	Proposed dividend	FLSmidth & Co. A/S' shareholders' share of equity	Minority shareholders' share of equity	Total
Equity at 1 January 2015	**1,025**	**(332)**	**(63)**	**6,629**	**461**	**7,720**	**41**	**7,761**
Comprehensive income for the period								
Profit/(loss) for the period				482		482	4	486
Other comprehensive income								
Actuarial gains/losses on defined benefit plans				(1)		(1)		(1)
Foreign exchange adjustments regarding enterprises abroad		266				266	2	268
Foreign exchange adjustments of loans classified as equity in enterprises abroad		166				166		166
Foreign exchange adjustments, liquidation of company		27				27		27
Value adjustments of hedging instruments:								
Value adjustments for the period			(41)			(41)		(41)
Value adjustments transferred to financial income and cost			(32)			(32)		(32)
Tax on other comprehensive income				(25)		(25)		(25)
Other comprehensive income total	**0**	**459**	**(73)**	**(26)**	**0**	**360**	**2**	**362**
Comprehensive income for the period	**0**	**459**	**(73)**	**456**	**0**	**842**	**6**	**848**
Dividend distributed					(439)	(439)		(439)
Dividend treasury share				22	(22)	0		0
Share-based payment, share options				21		21		21
Disposal treasury shares				22		22		22
Acquisition of treasury shares				(6)		(6)		(6)
Equity at 30 June 2015	**1,025**	**127**	**(136)**	**7,144**	**0**	**8,160**	**47**	**8,207**

At a glance

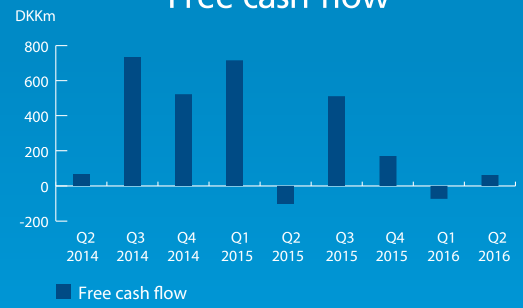
EBITA bridge



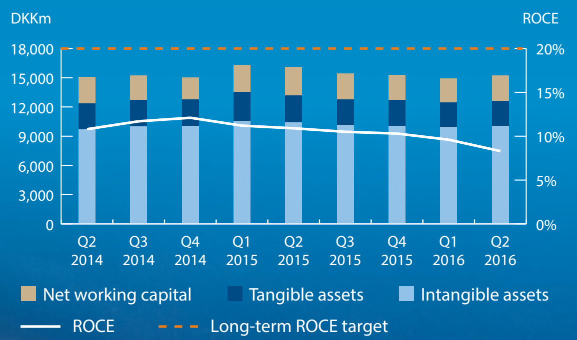
Book-to-bill



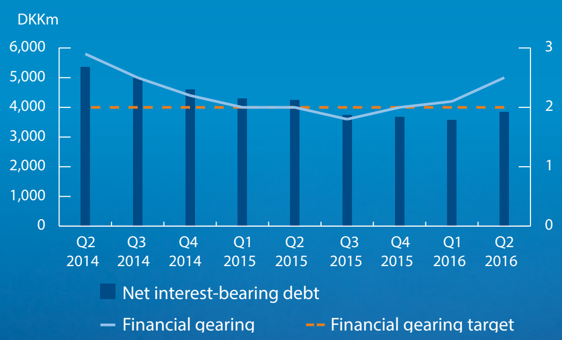
Free cash flow

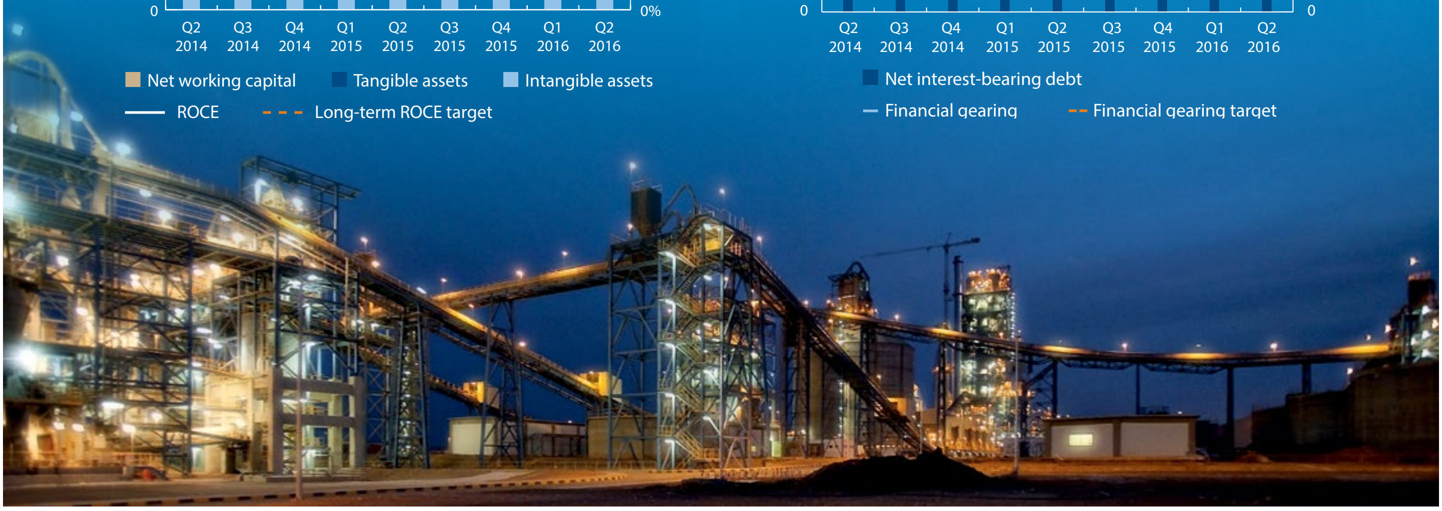


Capital employed and ROCE (end of period)



Net interest-bearing debt





List of notes and notes to the interim report

1. Income statement classified by function
2. Earnings per share
3. Breakdown of the Group by segments
4. Acquisition of enterprises and activities
5. Disposal of enterprises and activities
6. Other provisions
7. ROCE
8. Fair value hierarchy of financial instruments
9. Work-in-progress for third parties
10. Development in contingent liabilities
11. Quarterly key figures
12. Management estimates and assessments
13. Accounting policy
14. Terminology for the Interim Report

1. Income statement classified by function

The Group presents the Income Statement continuing business based on a classification of the costs by function in order to show the earnings before special non-recurring items, depreciation and amortisation (EBITDA). Depreciation, amortisation and impairment of tangible and intangible assets are therefore separated from the individual functions, presented on separate lines.

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

DKKm	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015
Revenue	4,135	5,093	7,893	9,776
Production costs, including depreciation and amortisation	(3,130)	(3,850)	(5,906)	(7,392)
Gross profit	**1,005**	**1,243**	**1,987**	**2,384**
Sales and distribution costs, including depreciation and amortisation	(358)	(364)	(715)	(717)
Administrative costs, including depreciation and amortisation	(474)	(578)	(953)	(1,083)
Other operating items	4	18	11	31
Special non-recurring items	0	2	0	2
EBIT	**177**	**321**	**330**	**617**
Depreciation and amortisation consists of:				
Amortisation of intangible assets	(96)	(119)	(189)	(223)
Depreciation of tangible assets	(67)	(74)	(133)	(146)
	(163)	**(193)**	**(322)**	**(369)**
Depreciation and amortisation are divided into:				
Production costs	(73)	(84)	(129)	(133)
Sales and distribution costs	(7)	0	(14)	0
Administrative costs	(83)	(109)	(179)	(236)
	(163)	**(193)**	**(322)**	**(369)**

2. Earnings per share

DKKm	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015
Earnings				
FLSmidth & Co. A/S´ shareholders' share of profit/(loss) for the period	97	207	170	482
FLSmidth & Co. A/S´ profit/(loss) from discontinued activities	(3)	(24)	(9)	52
Average number of shares (1,000)				
Number of shares issued	51,250	51,250	51,250	51,250
Adjustment for treasury shares	(2,329)	(2,367)	(2,329)	(2,229)
Potential increase of shares in circulation, share options in-the-money	-	170	-	159
	48,921	**49,053**	**48,921**	**49,180**
Earnings per share				
Continuing and discontinued activities per share	2.0	4.2	3.5	9.8
Continuing and discontinued activities, diluted, per share	2.0	4.2	3.5	9.8
Continuing activities per share	2.0	4.7	3.7	8.8
Continuing activities, diluted, per share	2.0	4.7	3.7	8.7

Non-diluted earnings per share in respect of discontinued activities amount to DKK -0.2 (2015: DKK 1.0) and diluted earnings per share in respect of discontinued activities amount do DKK -0.2 (2015: DKK 1.1)

Notes to the interim report

3. Breakdown of the Group by segments for 2016

Q1-Q2 2016								
DKKm	Customer Services	Product Companies	Minerals	Cement	Other companies etc.[1]	Continuing activities	Discon-tinued activities[2]	FLSmidth Group
INCOME STATEMENT								
External revenue	3,041	2,004	1,370	1,478	0	7,893	400	8,293
Internal revenue	58	342	8	0	(408)	-	-	-
Revenue	**3,099**	**2,346**	**1,378**	**1,478**	**(408)**	**7,893**	**400**	**8,293**
Production costs	(2,145)	(1,646)	(1,160)	(1,234)	408	(5,777)	(382)	(6,159)
Gross profit	**954**	**700**	**218**	**244**	**-**	**2,116**	**18**	**2,134**
Sales, distr. and admin. costs and other operating items	(499)	(406)	(320)	(243)	4	(1,464)	(32)	(1,496)
EBITDA	**455**	**294**	**(102)**	**1**	**4**	**652**	**(14)**	**638**
Special non-recurring items	0	0	0	0	0	0	0	0
Depreciation of tangible assets	(53)	(46)	(25)	(7)	(2)	(133)	0	(133)
EBITA	**402**	**248**	**(127)**	**(6)**	**2**	**519**	**(14)**	**505**
Amortisation of intangible assets	(72)	(59)	(43)	(15)	-	(189)	-	(189)
EBIT	**330**	**189**	**(170)**	**(21)**	**2**	**330**	**(14)**	**316**
ORDER INTAKE (GROSS)	**3,163**	**2,571**	**1,415**	**2,887**	**(410)**	**9,626**	**1,284**	**10,910**
ORDER BACKLOG	**2,405**	**2,729**	**4,478**	**6,962**	**(660)**	**15,914**	**1,753**	**17,667**
FINANCIAL RATIOS								
Gross margin	*30.8%*	*29.8%*	*15.8%*	*16.5%*	*N/A*	*26.8%*	*N/A*	*25.6%*
EBITDA margin	*14.7%*	*12.5%*	*-7.4%*	*0.1%*	*N/A*	*8.3%*	*N/A*	*7.7%*
EBITA margin	*13.0%*	*10.6%*	*-9.1%*	*-0.5%*	*N/A*	*6.6%*	*N/A*	*6.1%*
EBIT margin	*10.6%*	*8.1%*	*-12.3%*	*-1.4%*	*N/A*	*4.2%*	*N/A*	*3.8%*
Number of employees at 30 June	**4,659**	**3,361**	**1,594**	**2,943**	**1**	**12,558**	**148**	**12,706**

Reconciliation of the profit/(loss) for the period before tax		
Segment earnings before tax of reportable segments	330	(14)
Financial income	672	1
Financial costs	(742)	0
EBT	**260**	**(13)**

[1] Other companies etc. consist of companies with no activity, real estate companies, eliminations and the parent company.
[2] Discontinued activities mainly consist of bulk material handling.

3. Breakdown of the Group by segments for 2015

DKKm	Customer Services	Product Companies	Minerals	Cement	Other companies etc.[1]	Continuing activities	Discon-tinued activities[2]	FLSmidth Group
				Q1-Q2 2015				
INCOME STATEMENT								
External revenue	3,510	2,497	1,631	2,138	0	9,776	530	10,306
Internal revenue	71	405	3	(4)	(475)	-	-	-
Revenue	**3,581**	**2,902**	**1,634**	**2,134**	**(475)**	**9,776**	**530**	**10,306**
Production costs	(2,561)	(2,042)	(1,364)	(1,776)	484	(7,259)	(511)	(7,770)
Gross profit	**1,020**	**860**	**270**	**358**	**9**	**2,517**	**19**	**2,536**
Sales, distr. and admin. costs and other operating items	(529)	(402)	(407)	(219)	24	(1,533)	(94)	(1,627)
EBITDA	**491**	**458**	**(137)**	**139**	**33**	**984**	**(75)**	**909**
Special non-recurring items	-	-	-	-	2	2	107	109
Depreciation of tangible assets	(52)	(47)	(29)	(13)	(5)	(146)	(5)	(151)
EBITA	**439**	**411**	**(166)**	**126**	**30**	**840**	**27**	**867**
Amortisation of intangible assets	(81)	(31)	(86)	(25)	-	(223)	-	(223)
EBIT	**358**	**380**	**(252)**	**101**	**30**	**617**	**27**	**644**
ORDER INTAKE (GROSS)	**3,529**	**3,011**	**1,908**	**1,727**	**(527)**	**9,648**	**288**	**9,936**
ORDER BACKLOG	**3,003**	**2,887**	**4,806**	**6,883**	**(647)**	**16,932**	**1,173**	**18,105**
FINANCIAL RATIOS								
Gross margin	*28.5%*	*29.6%*	*16.5%*	*16.8%*	*N/A*	*25.7%*	*N/A*	*24.6%*
EBITDA margin	*13.7%*	*15.8%*	*-8.4%*	*6.5%*	*N/A*	*10.1%*	*N/A*	*8.8%*
EBITA margin	*12.3%*	*14.2%*	*-10.2%*	*5.9%*	*N/A*	*8.6%*	*N/A*	*8.4%*
EBIT margin	*10.0%*	*13.1%*	*-15.4%*	*4.7%*	*N/A*	*6.3%*	*N/A*	*6.2%*
Number of employees at 30 June	**4,789**	**3,300**	**2,033**	**2,953**	**-**	**13,075**	**259**	**13,334**

Reconciliation of the profit/(loss) for the period before tax		
Segment earnings before tax of reportable segments	617	27
Financial income	1,054	23
Financial costs	(1,042)	(20)
EBT	**629**	**30**

[1] Other companies etc. consist of companies with no activity, real estate companies, eliminations and the parent company.
[2] Discontinued activities mainly consist of Cembrit and bulk material handling.

In Q3 2015, it was decided to ring-fence and restructure the bulk material handling activities with a view to divest the activities. Consequently, the impacted activities have been reclassified as discontinued activities. Cembrit was sold as of 30 January 2015. Therefore, Cembrit activities are reported as discontinued. Comparative figures are adjusted accordingly.

4. Acquisition of enterprises and activities

There has been no acquisitions of enterprises and activities in the first half of 2016 or first half of 2015.

5. Disposal of enterprises and activities

Accounting policy

On disposal of enterprises and activities the difference between the selling price and the carrying amount of the net assets at the date of disposal, including remaining goodwill less expected costs of disposals, is recognised in the income statement among special non-recurring items. If the activities prior to the sale were classified as discontinued activities, the difference is recognised as profit/(loss) for the period, discontinued activities.

If the final consideration is dependent on future events (contingent consideration), it is stated at fair value at the time of sale, and classified as financial assets and adjusted directly in the income statement.

Enterprises and activities sold are included in the consolidated financial statements until the date of disposal.

DKKm	Q1-Q2 2016	Q1-Q2 2015	End of 2015
Intangible assets	-	57	66
Tangible assets	-	610	640
Inventories	-	283	290
Trade receivables	-	-	184
Other assets	-	352	167
Cash and cash equivalents	2	82	82
Liabilities	-	(1,035)	(1,035)
Carrying amount of net assets disposed	**2**	**349**	**394**
Net interest-bearing debt	-	455	455
Enterprise value	**2**	**804**	**849**
Selling price	2	1,039	1,078
Enterprise value	(2)	(804)	(849)
Transaction costs	-	(125)	(115)
Profit/loss on disposal of enterprises and activities	**-**	**110**	**114**
Cash received	2	914	999
Deferred payment	-	125	71
Total selling price	**2**	**1,039**	**1,070**
Transaction costs	-	(125)	(115)
Cash and cash equivalents disposed of, see above	(2)	(82)	(82)
Net cash effect	**-**	**832**	**873**

As announced on 12 January 2015, FLSmidth has signed an agreement with a company in the Solix Group AB to sell all shares in Cembrit Holding A/S. The price of the shares has end of January 2015 been adjusted to DKK 1,037m, as a consequence of purchase price adjustments. The sale of Cembrit was closed on 30 January 2015.

6. Other provisions

DKKm	Q1-Q2 2016	Q1-Q2 2015	End of 2015
Provisions at 1 January	1,556	1,598	1,598
Transfer to assets held for sale	-	-	(77)
Exchange rate and other adjustments	(8)	60	35
Disposal of Group enterprises	-	-	9
Provision for the period	212	565	886
Used during the period	(121)	(261)	(413)
Reversals	(173)	(217)	(477)
Discounting of provisions	-	-	1
Reclassification to/from other liabilities	(36)	(7)	(6)
Provisions at 30 June	**1,430**	**1,738**	**1,556**
The maturity of provisions is specified as follows:			
Short-term liabilities	932	1,060	1,047
Long-term liabilities	498	678	509
	1,430	**1,738**	**1,556**

7. ROCE

DKKm	Q2 2016	Q2 2015 [1]	End of 2015 [1]
Intangible assets, cost	10,086	10,409	10,087
Tangible assets, carrying amount	2,546	2,792	2,622
Net working capital	2,610	2,900	2,583
Total capital employed	15,242	16,101	15,292
Total capital employed, average	15,672	15,578	15,162
EBITA, 12 months	1,261	1,752	1,582
ROCE	8%	11%	10%
ROCE, average	8%	11%	10%

[1] Capital employed, 2015 figures are adjusted for capital employed related to Cembrit and bulk material handling.

8. Fair value hierarchy of financial instruments

The carrying amount of financial instruments for each category is specified in the table below:

DKKm	Q2 2016	Q2 2015	End of 2015
Financial assets available for sale	117	92	116
Financial assets measured at fair value through the income statement	124	138	128
Financial liabilities measured at fair value through the income statement	190	303	274

The fair value of financial assets and liabilities measured at fair value through the Income Statement is measured at quoted prices in an active market for similar assets or liabilities or other valuation methods, where all significant inputs are based on observable market data (level 2).

Of financial assets available for sale, DKK 93m (Q2 2015: DKK 67m) are measured at quoted prices in an active market for the same type of instruments (level 1). The remaining financial assets available for sale are measured using valuation methods, where all significant inputs are based on observable market data (level 2).

There have been no significant transfers between level 1 and level 2 in Q2 2016 or Q2 2015.

The carrying amount is equal to the fair value except for the financial liabilities measured at amortised cost.

9. Work-in-progress for third parties

DKKm	Q2 2016	Q2 2015	End of 2015
Costs incurred	36,285	42,320	38,056
Profit recognised as income, net	6,159	6,765	6,441
Work-in-progress for third parties	42,444	49,085	44,497
Invoicing on account to customers	(41,927)	(48,547)	(44,424)
	517	**538**	**73**
Of which work-in-progress for third parties is stated under assets	2,676	3,497	2,526
and under liabilities	(2,159)	(2,959)	(2,453)
	517	**538**	**73**

Work-in-progress for third parties consists of all open projects per end of the period.

10. Development in contingent liabilities

Contingent liabilities at 30 June 2016 amounts to 4.7bn (30 June 2015 5.5bn), which include performance bonds and payment guarantees at DKK 4.2bn (30 June 2015 5.0bn). See note 22 in the 2015 Annual Report for a general description of the nature of the Group's contingent liabilities.

11. Quarterly key figures

DKKm	2014			2015				2016	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
INCOME STATEMENT									
Revenue	5,063	4,976	5,627	4,683	5,093	4,609	5,297	3,758	4,135
Gross profit	**1,348**	**1,286**	**1,265**	**1,190**	**1,327**	**1,174**	**1,255**	**1,038**	**1,078**
Sales, distr. and admin. costs and other operating items	(765)	(721)	(772)	(718)	(815)	(743)	(792)	(726)	(738)
EBITDA	**583**	**565**	**493**	**472**	**512**	**431**	**463**	**312**	**340**
Special non-recurring items	(6)	(4)	2	0	2	(1)	(6)	0	0
Depreciation of tangible assets	(65)	(68)	(76)	(72)	(74)	(72)	(73)	(66)	(67)
EBITA	**512**	**493**	**419**	**400**	**440**	**358**	**384**	**246**	**273**
Amortisation of intangible assets	(88)	(87)	(145)	(104)	(119)	(113)	(105)	(93)	(96)
EBIT	**424**	**406**	**274**	**296**	**321**	**245**	**279**	**153**	**177**
Financial income/costs, net	(56)	(92)	67	(18)	30	(93)	(175)	(38)	(32)
EBT	**368**	**314**	**341**	**278**	**351**	**152**	**104**	**115**	**145**
Tax for the period	(95)	(81)	(155)	(82)	(113)	(47)	(40)	(36)	(45)
Profit/(loss) on continuing activities for the period	**273**	**233**	**186**	**196**	**238**	**105**	**64**	**79**	**100**
Profit/loss on discontinued activities for the period	(36)	(18)	60	76	(24)	(189)	(41)	(6)	(3)
Profit/(loss) for the period	**237**	**215**	**246**	**272**	**214**	**(84)**	**23**	**73**	**97**
Effect of purchase price allocations	(76)	(76)	(76)	(71)	(71)	(71)	(71)	(60)	(60)
Gross margin	*26.6%*	*25.9%*	*22.5%*	*25.4%*	*26.1%*	*25.5%*	*23.7%*	*27.6%*	*26.1%*
EBITDA margin	*11.5%*	*11.4%*	*8.8%*	*10.1%*	*10.1%*	*9.4%*	*8.7%*	*8.3%*	*8.2%*
EBITA margin	*10.1%*	*9.9%*	*7.4%*	*8.5%*	*8.6%*	*7.8%*	*7.2%*	*6.5%*	*6.6%*
EBIT margin	*8.4%*	*8.2%*	*4.9%*	*6.3%*	*6.3%*	*5.3%*	*5.3%*	*4.1%*	*4.3%*
CASH FLOW									
Cash flow from operating activities	224	887	739	(45)	(61)	496	148	(60)	155
Cash flow from investing activities	(157)	(152)	(217)	760	(44)	14	20	(12)	(95)
Order intake, continuing activities	4,286	4,423	3,734	4,440	5,208	5,151	3,691	5,281	4,345
Order backlog, continuing activities	20,113	19,874	17,726	17,562	16,932	16,666	14,858	15,792	15,914
SEGMENT REPORTING									
Customer Services									
Revenue	1,744	1,793	1,938	1,768	1,813	1,793	1,920	1,568	1,531
Gross profit	548	512	437	456	564	522	567	476	478
EBITDA	291	283	222	199	292	260	305	223	232
EBITA	270	260	197	173	266	233	279	197	205
EBIT	237	229	150	135	223	192	240	161	169
Gross margin	*31.4%*	*28.6%*	*22.5%*	*25.8%*	*31.1%*	*29.1%*	*29.6%*	*30.4%*	*31.2%*
EBITDA margin	*16.7%*	*15.8%*	*11.5%*	*11.3%*	*16.1%*	*14.5%*	*15.9%*	*14.2%*	*15.2%*
EBITA margin	*15.5%*	*14.5%*	*10.2%*	*9.8%*	*14.7%*	*13.0%*	*14.5%*	*12.6%*	*13.4%*
EBIT margin	*13.6%*	*12.8%*	*7.7%*	*7.6%*	*12.3%*	*10.7%*	*12.5%*	*10.3%*	*11.0%*
Order intake	1,613	1,711	1,580	1,796	1,733	1,526	1,655	1,566	1,597
Order backlog	4,009	4,187	3,575	2,783	3,003	2,725	2,469	2,399	2,405
Product Companies									
Revenue	1,369	1,347	1,451	1,371	1,531	1,336	1,473	1,078	1,268
Gross profit	412	389	378	422	438	386	406	329	371
EBITDA	243	220	160	223	235	186	205	132	162
EBITA	214	190	138	200	211	161	184	109	139
EBIT	197	170	119	182	198	143	166	86	103
Gross margin	*30.1%*	*28.8%*	*26.1%*	*30.8%*	*28.6%*	*28.9%*	*27.5%*	*30.5%*	*29.2%*
EBITDA margin	*17.8%*	*16.4%*	*11.0%*	*16.3%*	*15.3%*	*13.9%*	*13.9%*	*12.2%*	*12.8%*
EBITA margin	*15.6%*	*14.1%*	*9.5%*	*14.6%*	*13.8%*	*12.0%*	*12.5%*	*10.1%*	*11.0%*
EBIT margin	*14.4%*	*12.7%*	*8.2%*	*13.3%*	*12.9%*	*10.7%*	*11.3%*	*7.9%*	*8.1%*
Order intake	1,326	1,156	1,194	1,580	1,431	1,479	1,252	1,406	1,165
Order backlog	3,067	2,962	2,667	3,291	2,887	2,864	2,536	2,823	2,729

11. Quarterly key figures

DKKm	2014			2015				2016	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Minerals									
Revenue	1,152	1,088	1,407	822	812	816	1,126	698	680
Gross profit	236	232	228	140	130	135	179	130	88
EBITDA	(6)	4	35	(25)	(112)	(46)	(10)	(23)	(79)
EBITA	(21)	(9)	17	(39)	(127)	(60)	(32)	(35)	(92)
EBIT	(55)	(40)	(50)	(78)	(174)	(102)	(70)	(62)	(108)
Gross margin	*20.5%*	*21.3%*	*16.2%*	*17.0%*	*16.0%*	*16.6%*	*15.9%*	*18.6%*	*13.0%*
EBITDA margin	*-0.5%*	*0.4%*	*2.5%*	*-3.0%*	*-13.8%*	*-5.6%*	*-0.9%*	*-3.3%*	*-11.6%*
EBITA margin	*-1.8%*	*-0.7%*	*1.2%*	*-4.7%*	*-15.6%*	*-7.4%*	*-2.8%*	*-5.0%*	*-13.4%*
EBIT margin	*-4.8%*	*-3.7%*	*-3.6%*	*-9.5%*	*-21.4%*	*-12.5%*	*-6.3%*	*-8.8%*	*-15.8%*
Order intake	742	962	604	851	1,057	1,574	630	443	972
Order backlog	5,108	5,120	4,298	4,746	4,806	5,138	4,614	4,229	4,478
Cement									
Revenue	1,023	972	1,098	951	1,183	792	985	562	916
Gross profit	152	154	221	166	192	119	124	103	141
EBITDA	49	61	71	54	85	8	(15)	(17)	18
EBITA	44	56	64	47	79	2	(29)	(21)	15
EBIT	40	51	52	38	63	(10)	(39)	(28)	7
Gross margin	*14.9%*	*15.9%*	*20.1%*	*17.5%*	*16.2%*	*15.1%*	*12.5%*	*18.3%*	*15.4%*
EBITDA margin	*4.8%*	*6.3%*	*6.5%*	*5.7%*	*7.2%*	*1.0%*	*-1.6%*	*-3.1%*	*2.0%*
EBITA margin	*4.3%*	*5.8%*	*5.8%*	*4.9%*	*6.7%*	*0.3%*	*-3.0%*	*-3.7%*	*1.5%*
EBIT margin	*3.9%*	*5.3%*	*4.7%*	*4.0%*	*5.3%*	*-1.3%*	*-3.9%*	*-5.0%*	*0.7%*
Order intake	817	810	547	438	1,289	680	396	2,082	805
Order backlog	8,596	8,274	7,768	7,331	6,883	6,529	5,852	7,016	6,962

Calculations of margins are based on non-rounded figures.

Bulk material handling and Cembrit are classified as discontinued activities.

12. Management estimates and assessments

When preparing the interim report in accordance with the Group's accounting policies, it is necessary that Management makes estimates and lays down assumptions that affect the recognised assets and liabilities, including the disclosures made regarding contingent assets and liabilities.

Management bases its estimates on historical experience and other assumptions considered relevant at the time in question. These estimates and assumptions form the basis of the recognised carrying amounts of assets and liabilities and the derived effects on the income statement.

The actual results may deviate over time. Reference is made to note 48, Significant accounting estimates and assessments by Management, page 143 and to specific notes in the 2015 Annual Report for further details.

13. Accounting policy

The interim report of the Group for the first half of 2016 is presented in accordance with IAS 34, Presentation of financial statements, as approved by the EU and additional Danish disclosure requirements regarding interim reporting by listed companies.

Apart from the below mentioned changes, the accounting policies are unchanged from those adopted in the 2015 Annual Report. Reference is made to note 49, Accounting policy, in page 143 and to specific notes in the 2015 Annual Report for further details.

In 2015, it was decided to ring-fence and sell the bulk material handling activities, why this activity is separated from the business and transferred into a stand-alone unit. As a consequence hereof, bulk material handling is reported as discontinued activity from Q3 2015. Profit and loss comparative figures for 2015 have been adjusted accordingly.

The assets and related liabilities of the discontinued activity, bulk material handling, are presented in the separate lines "Assets classified as held for sale" and "Liabilities directly associated with assets classified as held for sale" in the balance sheet.

14. Terminology for the Interim Report

EBITDA
Earnings before special non-recurring items, interest, tax, depreciation and amortisation.

EBITA
Ordinary earnings of operations before special non-recurring items, interest, tax and amortisation.

EBIT
Earnings before interest and tax.

EBT
Earnings before tax.

CFFO
Cash flow from operating activities.

CFFI
Cash flow from investing activities.

Free cash flow
CFFO + CFFI.

Free cash flow adjusted for acquisition and disposals of enterprises
CFFO + CFFI ± acquisition and disposals of enterprises.

Net working capital
Cash up directly related to the daily operation: Inventories + Trade receivables + work-in-progress for third parties, net + prepayments, net + financial instruments, net + other receivables – other liabilities – trade payables.

Net interest-bearing debt
Interest-bearing debt less interest-bearing assets and bank balances.

Order intake
Orders are included as order intake when an order becomes effective, meaning when the contract becomes binding for both parties dependent on the specific conditions of the contract.

Order backlog
The value of future contracts end of period. On O&M contracts, the order backlog includes the next 12 months´ expected revenue.

Gross margin
Gross profit as a percentage of revenue.

EBITDA margin
EBITDA as a percentage of revenue.

EBITA margin
EBITA as a percentage of revenue.

EBIT margin
EBIT as a percentage of revenue.

EBT margin
EBT as a percentage of revenue.

Cash conversion
Free cash flow adjusted for acquisitions and disposals as a percentage of EBIT.

Book-to-bill
Order intake as a percentage of revenue.

Order backlog / Revenue
Order backlog as a percentage of last 12 months´ revenue.

Return on equity
Profit/(loss) for the period as a percentage of equity (average).

Equity ratio
Equity as a percentage of total asset.

ROCE (return on capital employed)
EBITA as a percentage of capital employed.

Net working capital ratio
Net working capital as a percentage of last 12 months´ revenue.

Financial gearing
Net interest-bearing debt (NIBD) as a percentage of EBITDA.

Capital employed, end of period
Intangible assets (cost) + Tangible assets (carrying amount) + Net working capital.

Capital employed, average
(Capital employed, end of period + capital employed end of period last year)/2.

CFPS (cash flow per share), (diluted)
CFFO as a percentage of average number of shares (diluted).

EPS (earning per share)
Net profit/(loss) divided by the average number of shares outstanding.

EPS (earnings per share), (diluted)
Net profit/(loss) divided by the average number of shares outstanding, including the dilutive effect of share options "in the money".

Net asset value per share
Net asset value per total number of shares outstanding.

Number of shares outstanding
The total number of shares, excluding the holding of treasury shares.

Pay-out ratio
The total dividends for the year as a percentage of profit/(loss) excluding minority.

Market capitalisation
The share price multiplied by the number of shares outstanding end of period.

Effective tax rate
Income taxes as a percentage of profit/(loss) before income taxes.

Other comprehensive income
All items recognised in equity other that those related to transactions with owners of the company.

Capital expenditure (CAPEX)
Investment in tangible assets.

Operational expenditure (OPEX)
External costs, personal cost and other income and costs.

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