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Copenhagen Stock Exchange
Nikolaj Plads 6
DK-1067 Copenhagen K

Stock Exchange Announcement No. 19-2007:

FLSmidth's acquisition of GL&V Process is now closed

In April it was announced that FLSmidth had signed a conditional agreement with the Board of Directors of Groupe Laperrière & Verreault Inc. (GL&V), a listed Canadian company, to acquire the latter's Process Division (GL&V Process) consisting of the two companies Dorr-Oliver Eimco and Krebs Engineers. The agreement was among other conditions subject to the approval of at least 75 per cent of GL&V's shareholders, on a per class basis, as well as the necessary governmental approvals (cf. Stock Exchange Announcement 09-2007).

It is highly gratifying for FLSmidth's Board and Management and GL&V's Board of Directors to note that the condition of acceptance by more than 75 per cent of the shareholders has been fulfilled. At an extraordinary general meeting held on 27 July 2007, 99.92 percent of the company's A shareholders and 100 per cent of its B shareholders accepted the purchase offer.

Subsequently, all the relevant Canadian authorities and the competition regulators in the most important countries, notably USA and Germany, have approved the transaction. The only outstanding approvals are those of the competition authorities in one country. This does not give reason to postpone the transaction.

Hence on 10 August 2007, a binding agreement about the purchase of the shares in GL&V was made.

The total acquisition price for the whole of GL&V Process amounts to CAD 983m (=DKK 5.0bn) on a debt and cash free basis.

The acquisition of Dorr-Oliver Eimco and Krebs Engineers (GL&V Process) is fully in line with the FLSmidth Group's strategic objective of strengthening its Minerals activities to bring them to the same level as the Group's activities in the cement industry. Together, the companies will now be able to offer the market complete solutions covering the entire process from minerals extraction to the final end product.

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The acquisition brings 1,000 new employees and geographical representation in several new countries to FLSmidth. Hereafter FLSmidth will have approximately 9,000 employees and be represented in 40 countries.

Until now, FLSmidth Minerals' competencies have primarily been in crushing, grinding, materials handling and pyro technology, while Dorr-Oliver Eimco and Krebs Engineers have their primary competencies in the downstream separation processes.

FLSmidth Minerals, Dorr-Oliver Eimco and Krebs Engineers therefore complement each other and their joining of forces will make them a global market leader in crushers, mills, hydrocyclones, flotation, sedimentation, materials handling and calcination for the minerals industry.

In two to three years, the yearly synergies are expected to amount to DKK 200m in EBIT terms. The synergies consist of DKK 1bn in sales synergies with an EBIT effect of DKK 180m and DKK 20m in cost synergies.

The expected positive effect of the acquisition on the 2007 financial results will be outlined in the FLSmidth & Co. Interim Report 1 January – 30 June 2007 to be released on 22 August 2007. GL&V Process will be consolidated as at 10 August 2007.

Please address any questions regarding this announcement to Group Chief Executive Officer Jørgen Huno Rasmussen at +45 36 18 18 00.

Yours faithfully

Torben Seemann Hansen
Corporate Public Relations