

NOTICE of the Annual General Meeting of FLSmidth & Co. A/S

The Board of Directors hereby calls the Annual General Meeting to be held on Thursday 26 March 2015 at 16.00 (CET) at Tivoli Congress Center, Arni Magnussons Gade 2-4, DK-1577 Copenhagen.

Agenda:

- 1. The Board of Directors' report on the company's activities in 2014**
- 2. Presentation and approval of the 2014 Annual Report**
- 3. Approval of the Board of Directors' fees:**

- a. Final approval of fees for 2014

The Board of Directors proposes final approval of the fees for 2014 based on a base fee of DKK 400,000 (the "Base Fee") with twice that amount to the Vice Chairman and 3 times that amount to the Chairman. Furthermore, an additional fee corresponding to 25% of the Base Fee shall be paid to any board member that also serves as an ordinary member of a board committee, while the chairman of any such committee shall receive an additional fee corresponding to 50% of the Base Fee. The Chairman and Vice Chairman of the Board of Directors shall not be entitled to receive committee fees. The total remuneration to the members of the Board of Directors for 2014 amounts to DKK 5.3m, cf. note 42 in the Annual Report (page 124). The proposed fees were pre-approved by the General Meeting in 2014.

- b. Preliminary determination of fees for 2015

The Board of Directors proposes unchanged principles for the fees in respect of 2015. The proposed preliminary determination of fees for 2015 will be presented to the General Meeting in 2016 for final approval.

In addition to the above-mentioned fees, the company pays expenses, including travel and transportation costs, associated with the services on the Board of Directors, and the company may also pay foreign social taxes and similar taxes levied by foreign authorities in relation to the fees.

- 4. Distribution of profits or covering of losses in accordance with the approved Annual Report**

The Board of Directors proposes that a dividend of DKK 9 per share be paid out, corresponding to a total dividend distribution of DKK 461m for 2014.

- 5. Election of members to the Board of Directors**

The Board of Directors proposes that Mr Vagn Ove Sørensen, Mr Torkil Bentzen, Mr Martin Ivert, Mr Sten Jakobsson, Mr Tom Knutzen and Ms Caroline Grégoire Sainte Marie be reelected as members of the Board of Directors.

Information about management positions and other background information in respect of each individual candidate is set out in the attached appendix 1, and the information is also available at the company's website, www.flsmidth.com.

- 6. Appointment of auditor**

The Board of Directors proposes that Deloitte Statsautoriseret Revisionspartnerselskab be reappointed as the company's auditor.

- 7. Proposals from the Board of Directors**

The Board of Directors submits the following proposals:

7.1 – Proposal for update of the overall guidelines for incentive pay

FLSmidth & Co. A/S has set overall guidelines for incentive pay to the members of the company's Board of Directors and Group Executive Management. The Board of Directors proposes that these guidelines should be updated. With effect from the financial year 2016, the Board of Directors is planning to replace the current share option program with a new long-term incentive scheme based on conditional shares (performance shares). This update is intended to increase market conformity and shareholder value as the Group Executive Management will be rewarded for the successful development of the company in accordance with the long-term financial targets. In this connection it is proposed to slightly increase the maximum value of the individual performance share grants to a maximum of 30% of the annual salary, including pension. The proposed updated version of the overall guidelines for incentive pay is attached hereto as appendix 2.

7.2 – Proposal for amendment of the articles of association – change from bearer shares to registered shares

The Board of Directors proposes to amend the articles of association to the effect that the company's shares is changed from being issued to the bearer to being issued in the name of the holder. The background for the proposal is that it is contemplated politically to repeal the possibility of issuing new bearer shares, which, *inter alia*, may entail that the Board of Directors' authorisations to increase the company's share capital, cf. article 4a of the articles of association, cannot be exercised. The legislative change will potentially enter into force in 2015, which means that there is a risk that the authorisations cannot be exercised following that.

On this background, the Board of Directors proposes to amend the wording of article 4, paragraph 3, 1st sentence, to the following:

"The shares are negotiable shares registered in the name of the holder."

It is also proposed to adjust the wording of article 4a, paragraph 4, 1st sentence, which is linked to the Board of Directors' authorisations to increase the company's share capital, to the following:

"In the case of a share capital increase pursuant to paragraphs 1 and 2, the new shares shall be issued in the name of the holder"

Furthermore, it is proposed to amend the wording of article 5, paragraph 3, to the following since it is not a requirement to give notice of general meetings via the IT system of the Danish Business Authority if the shares are registered in the name of the holder:

"General Meetings shall be called via the Company website, www.flsmidth.com. General meetings shall also be called by written communication to all shareholders who have so requested."

7.3 – Treasury shares

The Board of Directors proposes that it be authorised until the next Annual General Meeting to let the company acquire treasury shares equivalent to a total of 10% of the company's share capital, provided that the company's total holding of treasury shares at no point exceeds 10% of the company's share capital. The consideration may not deviate more than 10% from the official price quoted on Nasdaq Copenhagen at the time of acquisition.

8. Any other business

Adoption requirements

The proposal set out in item 7.2 on the agenda must be adopted by at least 2/3 of the votes as well as 2/3 of the share capital represented at the General Meeting. The remaining proposals on the agenda can be adopted by a simple majority of votes.

Size of the share capital and the shareholders' voting rights

The company's share capital amounts to nominally DKK 1,025,000,000 and is divided into shares of DKK 20. Each share of DKK 20 entitles the holder to 20 votes.

The registration date is Thursday 19 March 2015.

Shareholders holding shares in the company on the registration date have the right to attend and vote at the Annual General Meeting. The number of shares held by the shareholder is calculated at the registration date based on the shares held by the shareholder according to the share register and any notifications of ownership received by the company for entry into the share register. Attendance at the General Meeting is also subject to the shareholder having timely obtained an admission card as described below.

Admission card

Shareholders wishing to attend the Annual General Meeting must request an admission card. The request must be received by the company no later than Friday 20 March 2015 at 23.59 (CET). Admission cards may be ordered via FLSmidth's InvestorPortal at www.flsmidth.com/agm or by submitting the registration form, which can be downloaded from www.flsmidth.com/agm. If the form is used, it must be sent to VP Investor Services, Weidekampsgade 14, P.O.Box 4040, DK-2300 Copenhagen S (fax: +45 4358 8867 or a scanned version via email to vpinvestor@vp.dk). The form must be received within the deadline. An admission card can also be ordered for an adviser.

Proxy

Proxies must be submitted electronically via FLSmidth's InvestorPortal at www.flsmidth.com/agm (requires electronic password) or in writing by using the proxy/postal vote form that can be downloaded from the company's website, www.flsmidth.com/agm. If the form is used, the completed and signed form must be received by VP Investor Services, Weidekampsgade 14, P.O.Box 4040, DK-2300 Copenhagen S (fax: +45 4358 8867, email: vpinvestor@vp.dk) no later than Friday 20 March 2015 at 23.59 (CET).

Postal vote

Postal votes must be submitted electronically via FLSmidth's InvestorPortal at www.flsmidth.com/agm (requires electronic password) or in writing by using the proxy/postal vote form that can be downloaded from the company's website, www.flsmidth.com/agm. If the form is used, the completed and signed form must be received by VP Investor Services, Weidekampsgade 14, P.O.Box 4040, DK-2300 Copenhagen S (fax: +45 4358 8867, email: vpinvestor@vp.dk) no later than Wednesday 25 March 2015 at 16:00 (CET). Once a postal vote has been submitted it cannot be withdrawn.

Further information

Until and including the day of the Annual General Meeting, the company's website, www.flsmidth.com/agm, will provide additional information about the General Meeting, including the 2014 Annual Report, information about the total number of shares and vot-

ing rights on the date of the notice, the notice with the agenda and the complete proposals, the proxy/postal vote form for the Annual General Meeting and the articles of association, including the proposed updated version of the articles of association. The 2014 Annual Report is only available in English, and this is the official version, which will be filed with the Danish Business Authority. A condensed version of the annual report, "Årsprofil 2014", is available in Danish.

This information will also be available for inspection by the shareholders at the company's head office at Vigerslev Allé 77, DK-2500 Valby, Denmark from Wednesday 4 March 2015.

Questions from shareholders

Shareholders may submit questions regarding the agenda or the documents, etc. to be used at the Annual General Meeting in writing to FLSmidth & Co. A/S, Vigerslev Alle 77, DK-2500 Valby, or via email to corpir@flsmidth.com.

Electronic voting

Electronic voting (e-voter) will be used if one or more items on the agenda are put to vote. E-voters will be handed out at the entrance to the Annual General Meeting.

Webcast

The entire Annual General Meeting will be webcasted live on the company's website, www.flsmidth.com/agm, and the webcast will also subsequently be available at the website. Webcast will only cover the podium.

Transportation to Tivoli Congress Center

Bus 11A stops just outside the entrance to the central train station at Bernstorffsgade and Tivoli Congress Center. The distance from Dybbølsbro station is around 0.6 km. There is a limited number of parking spaces in the car park under Tivoli Congress Center. The entrance to the car park is from Kristian Erslevs Gade. There is a charge for parking.

After the Annual General Meeting the Company will serve light refreshments.

Valby, March 2015
FLSmidth & Co. A/S

The Board of Directors

Vagn Ove Sørensen

**Chairman of the Board of Directors
of FLSmidth & Co. A/S**



Vagn Ove Sørensen, age 55, Danish, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2009. Chairman of the Board since 2011.

Executive posts:

Besides his post at FLSmidth, Vagn Ove Sørensen is Chairman of the Boards of Directors TDC A/S (Denmark), TIA Technologies (Denmark), Bureau van Dijk BV (Netherlands), Scandic Hotels AB (Sweden), Select Service Partner Plc (UK), Automic Software GmbH (Austria). Vice Chairman of the Board of Directors of DFDS A/S (Denmark). Member of the Boards of Directors of CP Dyvig & Co. A/S (Denmark), Nordic Aviation Capital A/S (Denmark), Lufthansa Cargo (Germany), Air Canada (Canada), Royal Caribbean Cruises Ltd. (USA), Braganza AS (Norway).

CEO of CFKJUS 611 ApS (Denmark).

Senior Advisor to EQT Partners and Morgan Stanley.

Shareholding in FLSmidth & Co. A/S: 4,191

Background:

2001-2006: CEO, Austrian Airlines
194-2001: Executive Vice President, Scandinavian Airlines Systems

Education:

MSc (Econ. (Economics and Business Administration) and Bus. Admin.), Aarhus Business School

Special competencies in relation to FLSmidth:

Former CEO, experience in acquisitions and disposals, financing, stock markets, international contracts and accounting.

Torkil Bentzen

**Vice Chairman of the Board of Directors
of FLSmidth & Co. A/S**



Torkil Bentzen, age 68, Danish, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2002. Vice Chairman of the Board since 2012.

Executive posts:

Besides his post at FLSmidth, Torkil Bentzen is Chairman of the Boards of Directors of Burmeister & Wain Scandinavian Contractor A/S (Denmark), EUDP (Energy Development and Demonstration Programme) (Denmark), and State of Green Consortium (Denmark). He is member of the Boards of Directors of Mesco Danmark A/S (Denmark) and Siemens A/S Danmark (Denmark).

Senior Advisor to the Board of Mitsui Engineering & Shipbuilding Ltd. (Japan).

Shareholding in FLSmidth & Co. A/S: 5,000

Background:

2000-2006: CEO, ENERGI E2 A/S
1999-2000: CEO, i/s Sjællandske Kraftværker
1994-1999: CEO, Ludvigsen & Hermann A/S
1988-1992: CEO, Götaverken Energy AB
1981-1988: CEO, Burmeister & Wain Scandinavian Contractor A/S

Education:

MSc (Engineering), Technical University of Denmark

Special competencies in relation to FLSmidth:

Former CEO, experience in technology management, mergers and acquisitions, and international contracts.

Martin Ivert

**Member of the Board of Directors
of FLSmidth & Co. A/S**



Martin Ivert, age 67, Swedish, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2008.

Executive posts:

Besides his post at FLSmidth, Martin Ivert is Chairman of the Boards of Directors of Åkers (Sweden). He is member of the Board of Directors of Ovako (Sweden).

Shareholding in FLSmidth & Co. A/S: 300

Background:

2002-2008: CEO, LKAB
1998-2001: Division Director, SKF Steel
1995-1998: CEO, Ovako
1974-1995: Various managerial posts on SKF Steel

Education:

MSc (Metallurgy), KTH Royal Institute of Technology in Stockholm

Special competencies in relation to FLSmidth:

Former CEO, experience from the minerals and process industry, experience in acquisitions and disposals, financing and stock markets, international contracts, and accounting.

Sten Jakobsson

**Member of the Board of Directors
of FLSmidth & Co. A/S**



Sten Jakobsson, age 66, Swedish, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2011.

Executive posts:

Besides his post at FLSmidth, Sten Jakobsson is Chairman of the Board of Directors of Power Wind Partners AB (Sweden) and LKAB (Sweden). Vice Chairman of the Board of Directors of SAAB (Sweden). He is member of the Boards of Directors of Stena Metall (Sweden), Xylem Inc (USA).

Shareholding in FLSmidth & Co. A/S: 2,000

Background:

2006-2011: Regional Manager, North Europe ABB ASEA BROWN BOVERI
2001-2011: CEO, ABB Sweden
1973-2001: Various managerial posts, ABB ASEA BROWN BOVERI

Education:

MSc (Mechanical Engineering), KTH Royal Institute of Technology in Stockholm

Special competencies in relation to FLSmidth:

Former CEO, experience in acquisitions and disposals, financing and stock markets, international contracts, building contracting, and accounting.

Tom Knutzen

**Member of the Board of Directors
of FLSmidth & Co. A/S**



Tom Knutzen, age 52, Danish, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2012.

Executive posts:

Besides his post at FLSmidth, Tom Knutzen is member of the Board of Directors and Chairman of the Board Audit Committee for Nordea Bank AB (publ) (Sweden).

Shareholding in FLSmidth & Co. A/S: 12,500

Background:

2012 - : CEO, Jungbunzlauer Suisse AG, Switzerland
2006-2011: CEO, Danisco A/S
2000-2006: CEO, NKT Holding A/S
1996-2000: CFO, NKT Holding A/S

Education:

MSc (Economics) in Finance and Strategic Planning, Copenhagen Business School

Special competencies in relation to FLSmidth:

CEO, former CEO, experience in global high technology manufacturing companies, technology development, acquisitions and disposals, financing and stock markets, international contracts, and accounting.

Caroline Grégoire Sainte Marie

**Member of the Board of Directors
of FLSmidth & Co. A/S**



Caroline Grégoire Sainte Marie, age 57, French, member of the Board of Directors of FLSmidth & Co. A/S elected at the Annual General Meeting since 2012.

Executive posts:

Besides her post at FLSmidth & Co. A/S, Caroline Grégoire Sainte Marie is member of the Board of Directors of Safran SA (France), Groupama SA (France), and Eramet (France). She is also investor and Member of the Board of Directors of CALYOS (Belgium).

Shareholding in FLSmidth & Co. A/S: 150

Background:

2009-2011: CEO, Frans Bonhomme
2006-2009: CEO, Tarmac, France and Belgium
1997-2006: Various managerial posts, Groupe Lafarge (France), including CEO of Lafarge Germany and Czech Republic, Senior Vice President for Mergers & Acquisitions in Lafarge's Cement Division, CFO of Lafarge Specialty Products.

Education:

BA Commercial Law, Institut d'Etudes Politiques de Paris

Special competencies in relation to FLSmidth:

Former CEO and CFO, experience in acquisitions and disposals, financing and stock markets, international contracts and accounting, and extensive knowledge of the cement industry.

Overall guidelines for incentive pay

FLSmidth & Co. A/S

1 Introduction

The Board of Directors of FLSmidth & Co. A/S, CVR no. 58 18 09 12 (the "Company"), has approved these overall guidelines for incentive pay (the "Incentive Guidelines") pursuant to Section 139 of the Danish Companies Act.

It is set out in Section 139 of the Danish Companies Act that overall guidelines for incentive pay must be laid down by the Board of Directors and then presented to and adopted by the General Meeting before the Company can enter into specific agreements on incentive pay with members of the Board of Directors or the Group Executive Management.

The Incentive Guidelines have been approved by the Company's General Meeting held on 26 March 2015, and the guidelines apply to agreements on incentive pay entered into as from the day after this General Meeting. The guidelines are available on the Company's website, www.flsmidth.com.

2 General principles

It is the opinion of the Board of Directors that a combination of a fixed and incentive-based remuneration to the Group Executive Management helps to ensure that the Company can attract and retain key persons whilst incentive-based remuneration also encourages the Group Executive Management to create value to the benefit of the shareholders. The purpose of the overall guidelines is to set the overall framework in respect of the incentive-based remuneration whilst considering the Company's short as well as long-term goals, thus ensuring that the remuneration system does not cause imprudent or unreasonable behaviour or acceptance of risk.

3 The individuals covered by these guidelines

3.1 The Board of Directors

The members of the Board of Directors shall receive an annual fixed fee in cash which is approved by the Company's Annual General Meeting. The Board of Directors' fees are normally pre-approved by the General Meeting for the year in question and then finally approved by the General Meeting in the following year. The final fees can take unexpected workload into consideration and increase the preliminarily approved fees for all or some members of the Board of Directors.

The Board of Directors' fees shall not include any incentive-based remuneration.

3.2 The Group Executive Management

These Incentive Guidelines shall only apply to those members of the Company's Group Executive Management that are registered as such with the Danish Business Authority and thereby covered by Section 139 of the Danish Companies Act. The Group Executive Management of the ^{2/6}

Company shall according to the Articles of Association consist of at least two and no more than six members.

The terms of employment and remuneration of the members of the Group Executive Management are agreed between each individual member and the Board of Directors.

The Board of Directors has established a compensation committee which assists the Board of Directors with assessing and determining the Group Executive Management's remuneration terms.

4 The remuneration elements

The remuneration to the members of the Group Executive Management may include the following components:

- (a) a fixed salary ("Gross Salary") which consist of a base salary and employer's pension contributions (if any);
- (b) short-term incentives in the form of a cash bonus (see section 5 below) and/or other incentives (see section 7 below);
- (c) long-term incentives in the form of share options (see section 6.1 below) or performance shares (see section 6.2 below);
- (d) severance payment, if any, corresponding to the relevant member's Gross Salary, including pension, for a maximum period of 24 months; and
- (e) customary benefits such as company car, telephone, newspaper, etc.

5 Short-term incentive program

Cash bonus

Each member of the Group Executive Management may receive a yearly bonus which may not exceed 40 % of the relevant member's Gross Salary, including pension, for the year in question. The purpose of such cash bonus is to ensure fulfillment of the company's short-term targets.

The payment and size of the bonus will therefore depend on the fulfillment of the targets that are agreed upon for one year at a time. The targets are primarily related to the fulfillment of financial KPIs, including with regard to the Company's budgeted results, achievement of financial ratios or other measurable financial targets. In addition, other operational and/or personal KPIs may apply. For all targets a minimum performance requirement has to be achieved to get above the threshold for payment of bonus. And full payment will require a performance above the set target performance ("stretched targets").

In addition to the fulfillment of the yearly KPIs and to further ensure the right balance between the financial performance of the Company and the cash bonus payouts, payment of bonus may be conditional upon the Company achieving at least one further financial threshold. In the current bonus program this general financial threshold is defined as realising a positive cash flow (CFFO) on group level for the financial year in question. However, this general financial threshold may be changed and/or supplemented by other KPIs in the future taking into consideration the best interests of the Company.

6 Long-term incentive program

6.1 Share option program

Members of the Group Executive Management may be granted share options. The purpose of such options is to ensure value creation and fulfillment of the Company's long-term targets. The option plan is share-based. The granting of options may take place once a year, normally on presenting the company's half-yearly report in August. For each year options may be granted up to a maximum net present value at the grant date commensurate with 25% of the Gross Salary, including pension, for the individual concerned at the grant date. The net present value at the grant date is calculated by way of the Black & Scholes method.

The options are normally exercisable three (3) years after being granted and will normally lapse if they have not been exercised six years after the grant date.

The exercise price of the options must not be less than the market price of the company's shares at – or immediately prior to – the time of granting. Since 2014 a hurdle rate of 10% has been applied by the Board of Directors. The strike price for the share options will be adjusted for dividend paid out. The Company will continuously cover the options granted through acquisition of treasury shares so that no capital increase is necessary to deliver the shares represented by the options granted.

With effect from 2016 it is the intention to phase out the share option program. This means that the last grant of share options may take place during 2015.

6.2 Performance share program

With effect from 2016 a performance based share program will replace the share option program (see section 6.1 above). This means that members of the Group Executive Management may be granted performance shares (also known as conditional shares). The purpose of such performance shares is to ensure value creation for the shareholders by aligning the long-term incentive awards with the performance of the management in terms of the fulfillment of the Company's long-term targets.

Subject to the Board of Directors' approval, the granting of performance shares may take place once a year, normally on presenting the Company's Annual report in February. For each year, performance shares may be granted up to a value corresponding to 30% of the relevant member's Gross Salary, including pension, at the grant date.

The vesting of the performance shares will be dependent on (i) time (a three (3) year vesting period), (ii) continued employment, and (iii) financial performance, i.e. achievement of one or more of the announced long-term financial targets supporting the long-term group strategy. The long-term financial target(s) are laid down by the Board of Directors.

Full vesting of the performance shares will require fulfilment of a stretched target (i.e. performance above the set target performance) for the applicable long-term financial target(s). If the minimum threshold for financial performance is not met, there will be no vesting of performance shares.

The shares are delivered to the individual in question without payment, subject to continued employment and achievement of the long-term financial target(s), following the vesting period of three (3) years. No shares are thus delivered during the vesting period, and all shareholder rights and obligations stay with the Company during the vesting period.

The Company will continuously cover its obligations under the performance share program through acquisition of treasury shares.

7 Other incentives

The Board of Directors may in individual cases and subject to applicable law, implement supplementary bonus schemes or other incentive-based remuneration for special purposes, e.g. retention bonus, sign-on bonus or similar, provided it is deemed necessary in order to meet the overall objectives of the Company or to protect the interests of the Company.

The value of such supplementary bonuses or incentive-based remuneration may not exceed an amount corresponding to 100% of the relevant member's Gross Salary, including pension, for the year in question. Unless otherwise decided by the Board of Directors in extraordinary situations, such supplementary bonuses or incentives may only be applied on a one-off basis.

These incentives may consist of cash and/or a share-based remuneration, and the conditions in respect of such grant, e.g. whether the grant and/or vesting should be subject to fulfillment of KPIs, are laid down by the Board of Directors.

8 Existing agreements on incentive pay

Existing agreements on incentive pay that are entered into prior to 27 March 2015 are subject to the previous version of the incentive guidelines that have been approved by the General Meeting. However, these Incentive Guidelines apply to any amendments to existing agreements, provided that such amendments are agreed upon on or following 27 March 2015.

9 Approval and publication

These Incentive Guidelines have been approved by the Board of Directors and adopted by the Annual General Meeting on 26 March 2015, and the guidelines apply to agreements on incentive pay entered into as from 27 March 2015.

The Incentive Guidelines are available on the Company's website, www.flsmidth.com.

A list of outstanding share options and performance shares will at all times be published on the Company's website, www.flsmidth.com. The notes to the Company's accounts include a summary of the total remuneration of the Group Executive Management, including any share options or performance shares that have been granted.