

6 November 2019

Thomas Schulz, Group CEO

DRIVING SUSTAINABLE PRODUCTIVITY

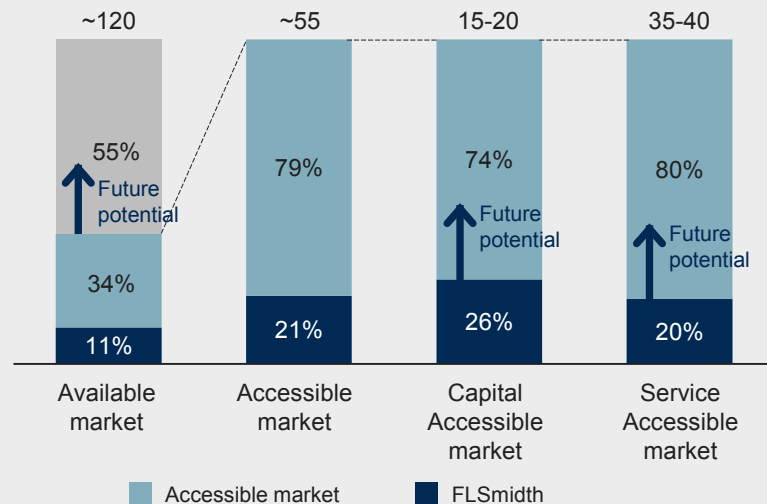
WE DISCOVER POTENTIAL

 FLSMIDTH

FLSmidth has a large growth potential - particularly in service

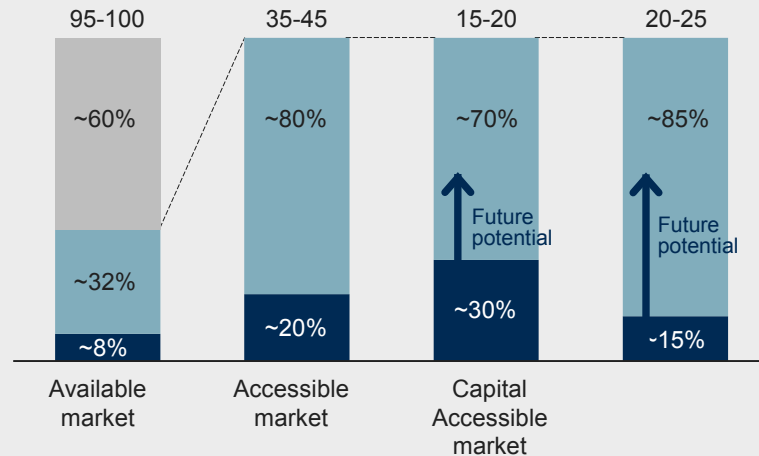
Mining

Estimated Mining CAPEX (sustaining and expansion) available market estimate (2018, B DKK)



Cement

Cement Projects, Products and Service available market estimate (2018, B DKK)



6 CLEAN WATER
AND SANITATION



7 AFFORDABLE AND
CLEAN ENERGY



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



We drive success through
sustainable productivity enhancement

Our sustainable ambition for 2030:

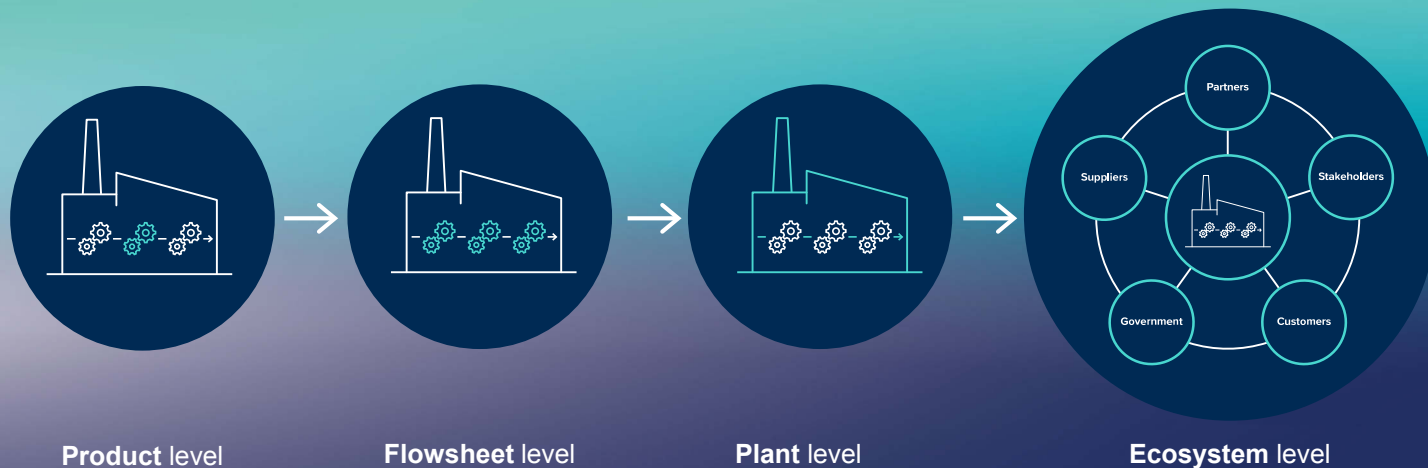
FLSMIDTH

Mission Zero

**Towards zero emissions
in mining and cement**

A strong digital foundation

Digitalization is a big productivity driver and a big opportunity for FLSmidth to increase wallet share



Product level

Flowsheet level

Plant level

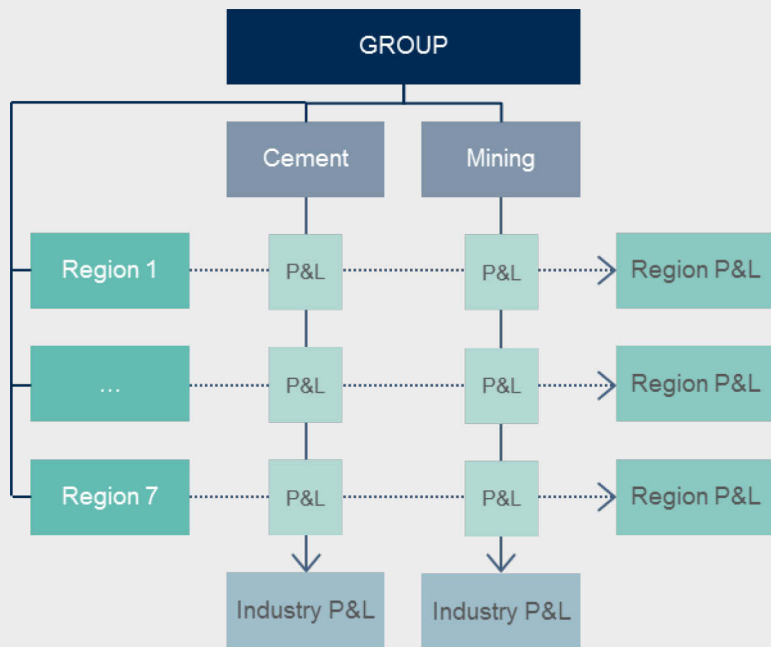
Ecosystem level

Status – over the last year
>750 assets connected
>200 plants served with remote monitoring

Outlook – next 3 years
Every new piece of equipment is connected
25% of installed base retrofitted

FLSMIDTH
ENABLR

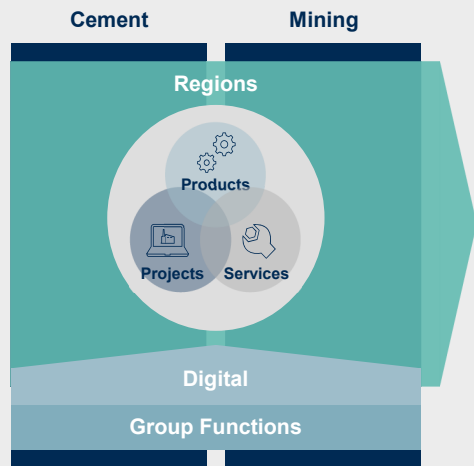
Enhanced data transparency to drive financial performance



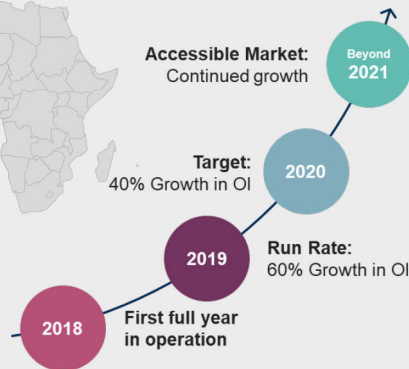
Type of business		Gross Margin	Working capital
Capital	Projects	Low	Low to negative
	Products	Medium	Medium
Service	Spare parts	High	High
	Wear parts	Medium / High	High
	Services	Medium	Medium
	Upgrade & retrofit		Low

Indications are relative to FLSmidth

An organisation which supports increased sale of products and services



Examples of white spots

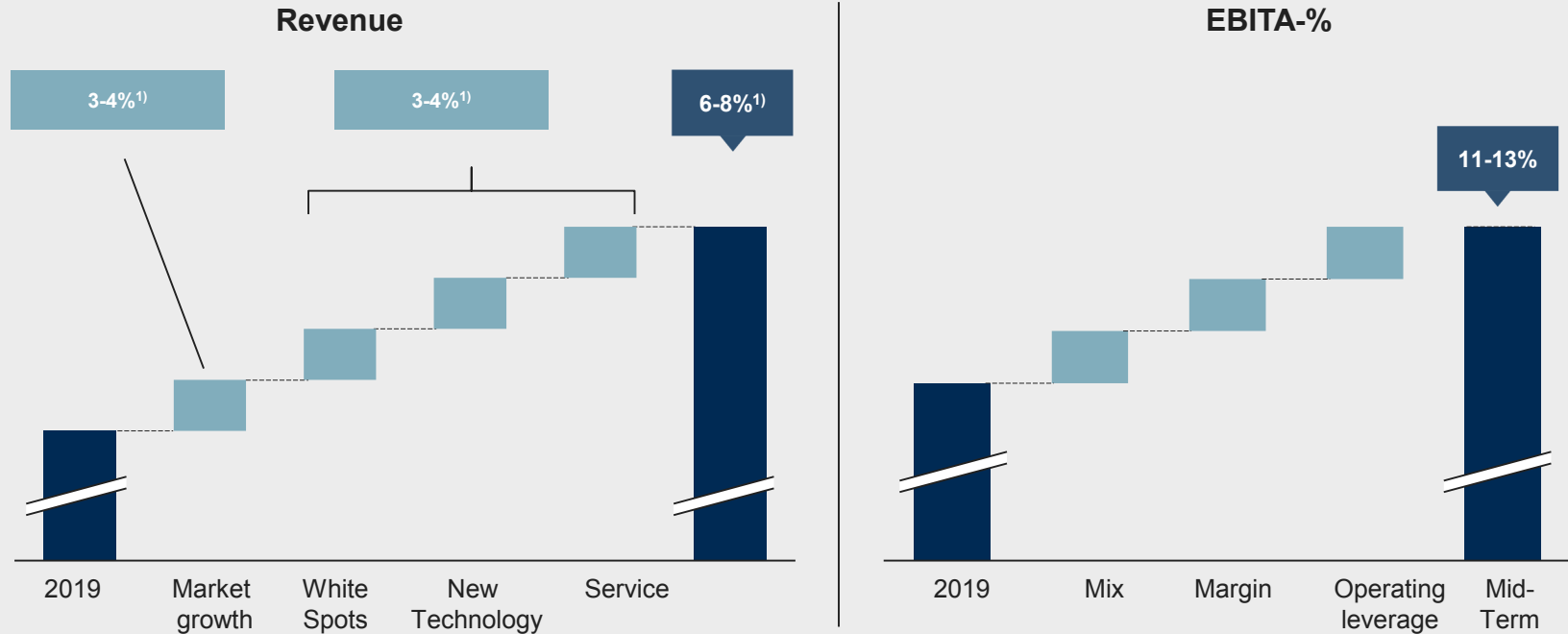


Ghana & West Africa



Saudi Arabia

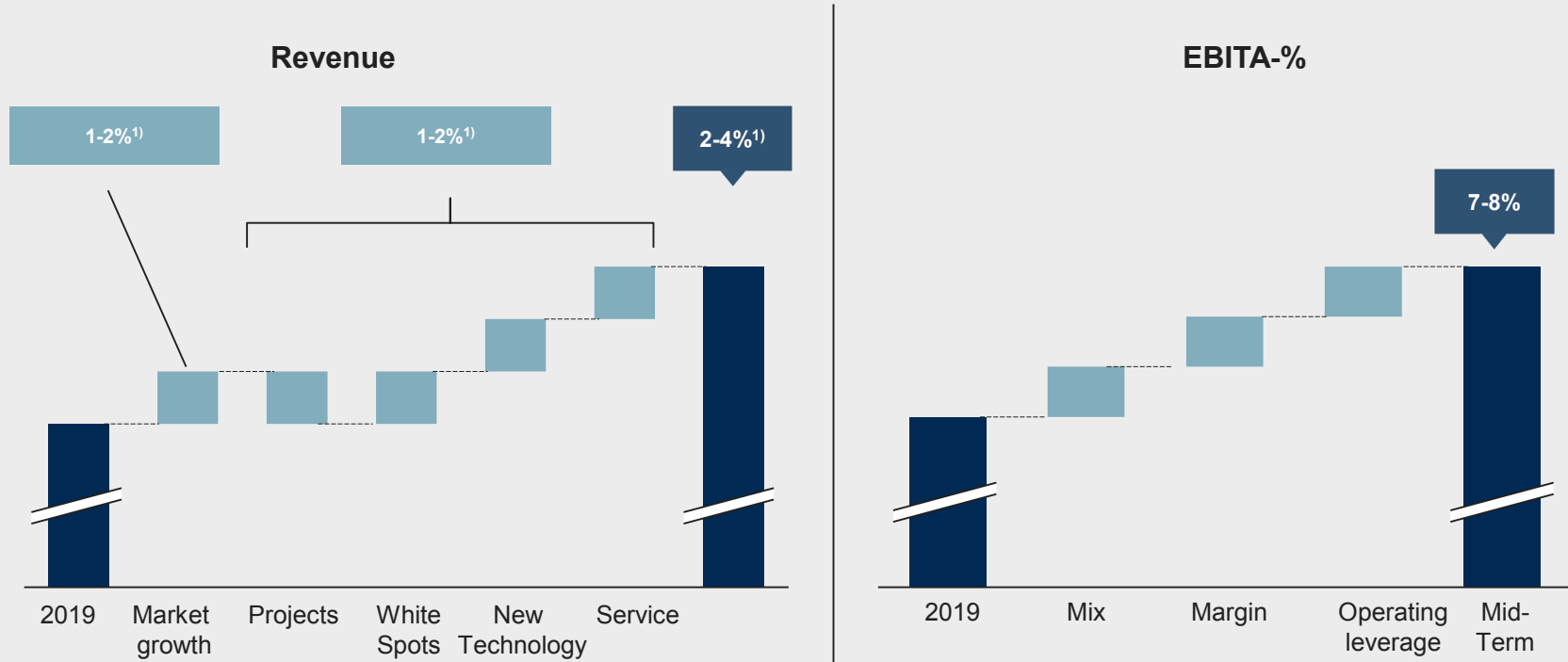
Mining revenue and EBITA margin



¹⁾ Average annual growth rate over the cycle

Size of bars does not reflect relative share

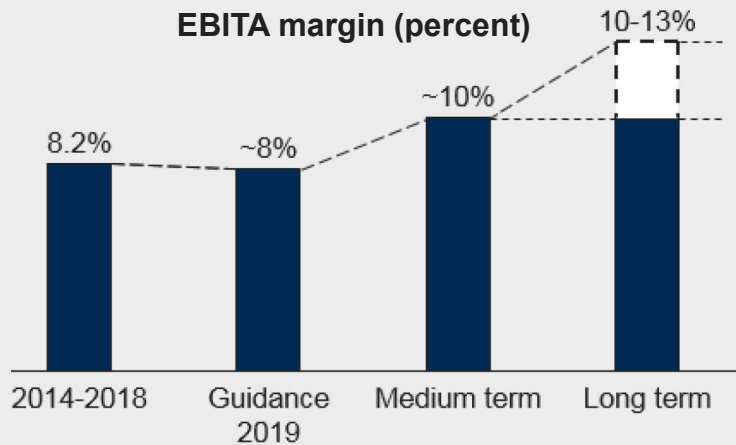
Cement revenue and EBITA margin



1) Average annual growth rate over the cycle

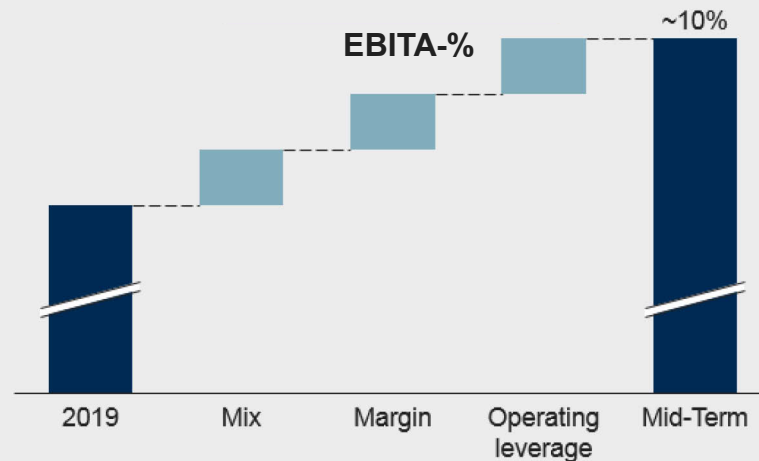
Size of bars does not reflect relative share

Group targets



Average for the period

Forecast



Size of bars does not reflect relative share

Group long-term targets

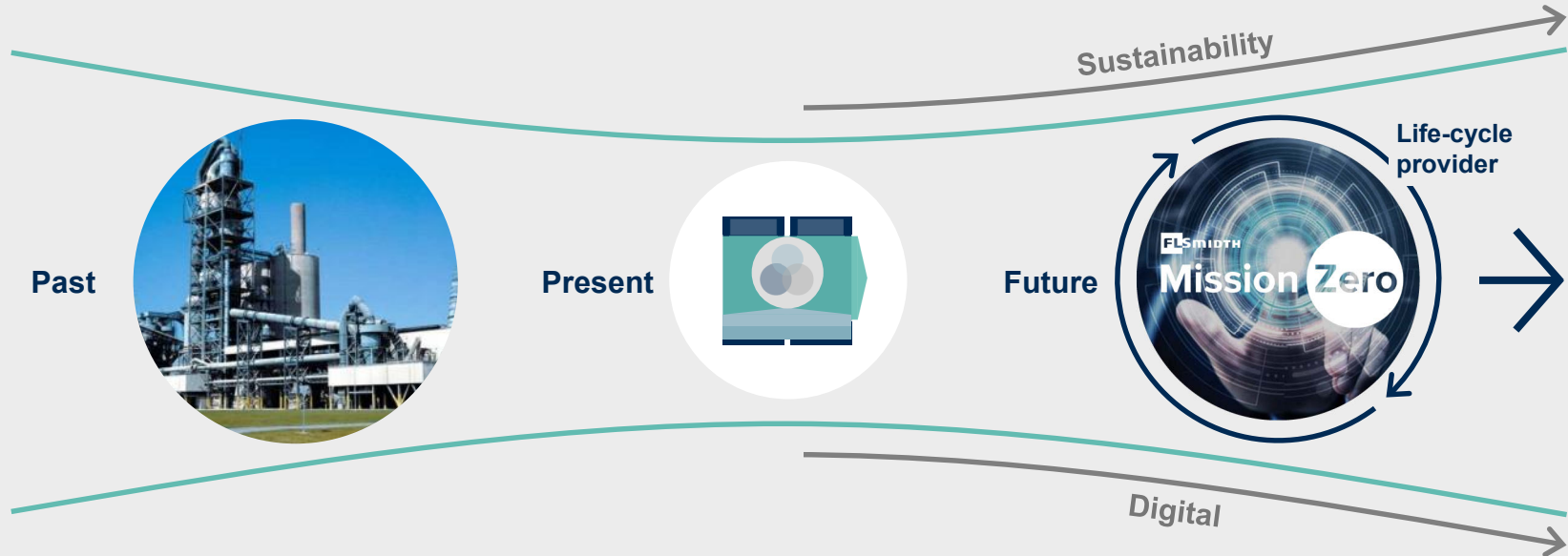
Revenue growth above market

EBITA margin 10-13%

ROCE >20%

A journey to become Productivity Provider #1

Profitable growth through sustainable offerings



- Engineering based legacy
- Global direct sales
- Competencies focused on Capital

- Leading supplier of productivity
- Engineering, products and services
- Strong digital foundation and offering of sustainable solutions

- “We drive success through sustainable productivity enhancement”