

The Weir Group PLC Financial Statements

for the 52 weeks ended 28 December 2007

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Directors Statement of Responsibilities

The directors are responsible for preparing the annual report and the Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Company financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Company financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Company financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors Report

Independent Auditors Report to the members of The Weir Group PLC

We have audited the Company financial statements of The Weir Group PLC for the 52 weeks ended 28 December 2007 which comprise the Company Balance Sheet and the related notes 1 to 15. These Company financial statements have been prepared under the accounting policies set out therein. We have also audited the information in the Remuneration Committee Report that is described as having been audited.

We have reported separately on the Group financial statements of The Weir Group PLC for the 52 weeks ended 28 December 2007.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors & auditors

The directors responsibilities for preparing the annual report, the Remuneration Committee Report and the Company financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Directors Statement of Responsibilities.

Our responsibility is to audit the Company financial statements and the part of the Remuneration Committee Report to be audited in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Company financial statements give a true and fair view and whether the Company financial statements and the part of the Remuneration Committee Report to be audited have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors Report is consistent with the Company financial statements. The information given in the Directors Report includes information that is contained in the Charman's Statement, the Chief Executive's Review, the Operational Review, the Financial Review and the Corporate Social Responsibility Report that is cross referred from the Directors Report.

In addition we report to you if, in our opinion, we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors remuneration and other transactions is not disclosed.

We read other information contained in the annual report and consider whether it is consistent with the audited Company financial statements. The other information comprises only the Financial Highlights 2007, 2007 Highlights, the Chairman's Statement, Our Geographic Footprint, the Chief Executive's Review,

the Operational Review, the Financial Review, the Board of Directors, the Directors Report, the Corporate Governance Statement, the Audit Committee Report, the Nomination Committee Report, the unaudited part of the Remuneration Committee Report and the Corporate Social Responsibility Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Company financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Company financial statements and the part of the Remuneration Committee Report to be audited. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the Company financial statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Company financial statements and the part of the Remuneration Committee Report to be audited are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Company financial statements and the part of the Remuneration Committee Report to be audited.

Opinion

In our opinion

- the Company financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 28 December 2007;
- the Company financial statements and the part of the Remuneration Committee Report to be audited have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors Report is consistent with the Company financial statements.

Ernst & Young LLP

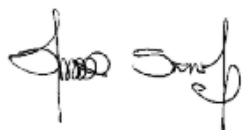
*Registered Auditor
Glasgow
11 March 2008*

Company Balance Sheet

at 28 December 2007

	Notes	28 December 2007 £m	29 December 2006 £m
Fixed assets			
Tangible assets	3	0.5	0.5
Investments	4	731.2	422.7
Total fixed assets		731.7	423.2
Current assets			
Debtors	5	17.2	16.5
Derivative financial instruments		4.9	0.5
Cash at bank & in hand		1.5	92.6
		23.6	109.6
Creditors falling due within one year			
Bank overdrafts & short-term borrowings		50.5	46.4
Other creditors	6	19.4	26.3
Derivative financial instruments		6.2	0.5
		76.1	73.2
Net current (liabilities) assets		(52.5)	36.4
Total assets less current liabilities		679.2	459.6
Creditors falling due after more than one year			
Loans	7	273.6	134.8
Derivative financial instruments		3.9	-
Provisions	8	8.3	13.4
Net assets excluding retirement benefits		393.4	311.4
Retirement benefits	9	0.8	0.8
Net assets including retirement benefits		392.6	310.6
Capital & reserves			
Share capital	10	26.5	26.4
Share premium	11	37.7	35.4
Treasury shares	11	(9.3)	(10.7)
Capital redemption reserve	11	0.5	0.5
Special reserve	11	1.8	1.8
Profit & loss account	11	335.4	257.2
Total equity		392.6	310.6

Approved by the Board of Directors on 11 March 2008



Mark Selway Director



Keith Cochrane Director

Notes to the Company Financial Statements

1. Accounting Policies

The accounting policies which follow have been applied consistently to all periods presented in these financial statements.

Basis of preparation

The Company financial statements have been prepared in accordance with UK GAAP and applicable accounting standards.

Foreign currency translation

The presentation and functional currency of the Company is sterling. Transactions denominated in foreign currencies are translated into the Company's functional currency at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling on the balance sheet date. Currency translation differences are recognised in the profit and loss account.

Tangible assets

Tangible assets are stated at cost and the cost is depreciated over the estimated useful life by equal annual instalments at rates of 7.5% for office equipment and 25% for computer equipment.

Investments

Investments in subsidiaries and associate are held at historical cost less a provision for impairment.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the exception that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Post-employment benefits

The Company and other major UK subsidiaries of the Group participate in multi-employer defined benefit pension plans which are set up under separate trusts. These plans are operated on a basis that does not enable individual companies to identify their share of the underlying assets and liabilities and, in accordance with FRS17, the Company accounts for its contributions to the plans as if they are defined contribution plans.

In addition, the Company has unfunded unapproved pension promises. Contributions are made to the plans on the advice of an independent qualified actuary. Pension plan liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any increase in the present value of the liabilities of the Company's unfunded unapproved pension promises expected to arise from employee service in the period is charged against operating profit. The increase in the period in the present value of the plan's liabilities, arising from the passage of time, is included in other finance income. Actuarial gains and losses are recognised in the statement of total recognised gains and losses.

Contributions to defined contribution pension plans are charged to the profit and loss account when they become payable.

Leases

Rentals paid under operating leases are charged to income on a straight-line basis over the term of the lease.

Share-based payments

Equity settled share-based incentives are provided to employees under the Company's executive share option scheme, the savings-related share option scheme and the Long Term Incentive Plan. The Company recognises a compensation cost in respect of these schemes that is based on the fair value of the awards. For equity-settled schemes, the fair value is determined at the date of grant and is not subsequently remeasured unless the conditions on which the award was granted are modified. The fair value at the date of the grant is calculated using appropriate option pricing models and the cost is recognised on a straight-line basis over the vesting period. Adjustments are made to reflect expected and actual forfeitures during the vesting period due to failure to satisfy service conditions or non-market performance conditions.

As permitted by FRS20, the Company has applied FRS20 "Share-based Payment" retrospectively only to equity-settled awards that had not vested as at 1 January 2005 and were granted on or after 7 November 2002.

Notes to the Company Financial Statements (Continued)

1. Accounting Policies (continued)

Derecognition of financial assets & liabilities

The Company's principal financial assets and liabilities comprise bank overdrafts and short-term borrowings, loans, cash and short-term deposits as well as financial derivatives.

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Financial instruments

The Company uses derivative financial instruments, principally forward foreign currency contracts and cross currency swaps, to reduce its exposure to exchange rate movements. The Company does not hold or issue derivatives for speculative or trading purposes. Derivative financial instruments are recognised as assets and liabilities measured at their fair values at the balance sheet date. The fair value of forward foreign currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of cross currency swaps is calculated by reference to market values. Changes in their fair values have been recognised in the profit and loss account.

Treasury shares

The Weir Group PLC shares held by the Company are classified in shareholders equity as 'treasury shares' and are recognised at cost. Consideration received for the sale of such shares is also recognised in equity, with any difference between the proceeds from sale and the original cost being taken directly to revenue reserves. No gain or loss is recognised in the performance statements on the purchase, sale, issue or cancellation of equity shares.

2. Profit attributable to the Company

The profit dealt with in the accounts of the Company was £109.1m (2006: £18.2m). In accordance with the concession granted under Section 230 of the Companies Act 1985, the profit and loss account of the Company has not been separately presented in these financial statements.

Dividends paid & proposed

	2007 £m	2006 £m
Declared & paid during the period		
Equity dividends on ordinary shares		
Final dividend for 2006: 10.75p (2005: 9.65p)	22.4	19.9
Interim dividend for 2007: 4.15p (2006: 3.75p)	8.7	7.8
	31.1	27.7
Proposed for approval by shareholders at the AGM		
Final dividend for 2007: 12.35p (2006: 10.75p)	25.8	22.3

The proposed dividend is based on the number of shares in issue, excluding treasury shares, at the date the financial statements were approved and authorised for issue. The final dividend may differ due to increases or decreases in the number of shares in issue between the date of approval of the report and financial statements and the record date for the final dividend.

Directors

Details of directors remuneration, pension benefits, share options and LTIP awards are included in the Remuneration Committee Report on pages 34 to 39.

Auditors remuneration

The total fees payable by the Company to Ernst & Young LLP for work performed in respect of the audit of the Company were £12,000 (2006: £11,000). Fees paid to Ernst & Young LLP for non-audit services to the Company itself are not disclosed in these accounts as the Company's consolidated accounts are required to disclose such fees on a consolidated basis.

3. Tangible assets

	Office & computer equipment £m
Cost	
At 29 December 2006	0.9
Additions	0.1
At 28 December 2007	1.0
Aggregate depreciation	
At 29 December 2006	0.4
Charge for year	0.1
At 28 December 2007	0.5
Net book value at 28 December 2007	0.5
Net book value at 29 December 2006	0.5

4. Fixed asset investments

	Subsidiaries		Associate	Total
	Shares £m	Loans £m	£m	£m
Cost				
At 29 December 2006	443.9	97.6	1.7	543.2
Additions	15.1	330.1	-	345.2
Disposals / repayments	-	(35.0)	(1.7)	(36.7)
At 28 December 2007	459.0	392.7	-	851.7
Impairment				
At 29 December 2006 and 28 December 2007	99.4	21.1	-	120.5
Net book value at 28 December 2007	359.6	371.6	-	731.2
Net book value at 29 December 2006	344.5	76.5	1.7	422.7

The principal subsidiaries of the Company are listed on page 107.

5. Debtors

	2007 £m	2006 £m
Amounts recoverable within one year		
Amounts owed by subsidiaries	9.7	4.3
Tax recoverable	0.3	-
Deferred tax recoverable	2.1	2.3
Other debtors	3.8	7.7
Prepayments & accrued income	1.3	2.2
	17.2	16.5

6. Other creditors

	2007 £m	2006 £m
Amounts owed to subsidiaries	9.6	16.0
Other taxes & social security costs	1.4	0.6
Tax payable	-	3.1
Other creditors	1.2	0.8
Accruals & deferred income	7.2	5.8
	19.4	26.3

7. Loans

	2007 £m	2006 £m
Amounts due are repayable as follows		
in more than one year but not more than two years		
- bank loan	50.1	-
in more than two years but not more than five years		
- loans from subsidiaries	223.5	134.8
	273.6	134.8

Notes to the Company Financial Statements (Continued)

8. Provisions

	Subsidiaries £m	Discontinued operations warranty & indemnity £m	Total £m
At 29 December 2006	2.0	11.4	13.4
Additions	-	2.0	2.0
Unutilised	-	(1.2)	(1.2)
Utilised	-	(5.9)	(5.9)
At 28 December 2007	2.0	6.3	8.3

Subsidiaries

As at 28 December 2007, a provision of £2.0m (2006: £2.0m) has been made against the deficiency of underlying net assets in certain subsidiaries. It is anticipated that this amount will be settled within two years of the balance sheet date.

Discontinued operations warranty & indemnity

During 2005, the Company provided in full for residual liabilities of discontinued operations for which the Company retains responsibility. Provisions amounting to £5.9m were utilised during 2007 and, following the expiry of certain warranty periods, an amount of £1.2m has been released to the income statement as it is no longer required. Provisions have increased by £2.0m during 2007 in respect of the current year disposal.

The provision as at 28 December 2007 is based on management's current best estimate of the remaining liabilities. The actual outcome may differ, and in some cases, this may be dependent on the outcome of legal proceedings. It is expected that the majority of these costs will be incurred within two years of the balance sheet date with the remaining costs expected to be incurred within five years of the balance sheet date.

Further details of the current year disposal of the company's investment in Devonport Management Limited can be found in note 8 to the Group financial statements.

9. Retirement benefits

The Company participates in the defined benefit plan arrangements within The Weir Group Pension and Retirement Savings Scheme and The Weir Group 1972 Pensions and Life Assurance Plan for Senior Executives. These defined benefit plans are multi-employer plans which are operated by The Weir Group PLC and which are run on a basis that does not enable individual companies to identify their share of the underlying assets and liabilities. In accordance with FRS17, the Company accounts for its contributions to these plans as if they were defined contribution plans.

As at 28 December 2007, there is an overall surplus of £44.6m (2006: £5.3m) in these pension plans. The latest full actuarial valuation of the defined benefit plan within The Weir Group Pension and Retirement Savings Scheme was as at 31 December 2005 and this has been adjusted to reflect the positions at the 2006 and 2007 year ends by a qualified independent actuary. The latest full actuarial valuation of The Weir Group 1972 Pensions and Life Assurance Plan for Senior Executives was as at 31 December 2004 and this has been adjusted to reflect the positions at the 2005, 2006 and 2007 year ends by a qualified independent actuary. It is intended that the next full actuarial assessment of The Weir Group 1972 Pensions and Life Assurance Plan for Senior Executives will be as at 31 December 2007.

Resulting from the latest actuarial assessment of the defined benefit plan section of The Weir Group Pension and Retirement Savings Scheme, on the advice of the actuary, the employer contribution rate increased from 12.5% to 13.5% of total contribution salaries with effect from 1 January 2007. For these closed plans, the current service cost is expected to increase under the projected unit method as the members of the plan approach retirement.

The assumptions used by the actuary were (in nominal terms).

	2007 %	2006 %	2005 %
Rate of increase in salaries	3.3	3.1	3.9
Rate of increase in pensions in payment			
Pre 6 April 2006 service	3.3	2.8	2.8
Post 6 April 2006 service	2.5	2.5	2.8
Discount rate	5.9	5.2	4.8
Inflation assumption	3.3	3.1	2.8

9. Retirement benefits (continued)

The assets and liabilities of the plans and the long term expected rates of return are as follows.

	2007 %	2007 £m	2006 %	2006 £m	2005 %	2005 £m
Equities	7.7	209.1	7.7	398.2	7.1	382.6
Insurance policy	5.9	218.5	n/a	-	n/a	-
Bonds	4.3	159.2	4.5	188.2	3.9	166.7
Total market value of assets		586.8		586.4		549.3
Actuarial value of plan liabilities		(542.2)		(581.1)		(595.4)
Net surplus (deficit) in the plans		44.6		5.3		(46.1)

The movement in the surplus (deficit) during the period is analysed as follows.

	2007 £m	2006 £m
Surplus (deficit) in plans at beginning of period	5.3	(46.1)
Movement in year		
Current service costs	(2.9)	(4.5)
Negative past service cost	-	10.7
Other finance income	3.5	5.1
Profit before tax impact	0.6	11.3
Contributions	9.6	10.7
Actual return less expected return on pension plan assets	(21.0)	12.5
Experience gain (loss) arising on retirement benefits plan liabilities	1.7	(0.4)
Changes in financial assumptions underlying retirement benefits plan liabilities	48.4	17.3
Variance between actuarial assumptions & actual experience	29.1	29.4
Surplus in the plans at end of period	44.6	5.3

Company unapproved plan

The major assumptions used by the actuary for the Company unapproved plan were as follows.

	2007 %	2006 %	2005 %
Rate of increase in pensions in payment	3.3	3.1	2.8
Discount rate	5.9	5.2	4.8
Inflation assumption	3.3	3.1	2.8

The liabilities of the Company unapproved plan are as follows.

	2007 £m	2006 £m	2005 £m
Actuarial value of plan liabilities	(1.1)	(1.1)	(1.1)
Related deferred tax asset	0.3	0.3	0.3
Net pension liability	(0.8)	(0.8)	(0.8)

The movement in the deficit during the period is analysed as follows.

	2007 £m	2006 £m
Deficit in plan at beginning of period	(1.1)	(1.1)
Movement in year		
Interest on pension liabilities being profit before tax impact	(0.1)	(0.1)
Contributions	0.1	0.1
Deficit in the plan at end of period	(1.1)	(1.1)

Notes to the Company Financial Statements (Continued)

9. Retirement benefits (continued)

History of experience gains & losses

	2007	2006	2005	2004	2003
Experience gains & losses on plan liabilities					
Amount (£m)	(0.1)	-	-	-	(0.1)
Percentage of present value of plan liabilities	10%	-	-	-	8%
Total gross amount recognised in statement of total recognised gains & losses					
Amount (£m)	-	-	(0.1)	(0.1)	(0.1)
Percentage of present value of plan liabilities	-	-	9%	7%	14%

10. Share capital

	2007 £m	2006 £m
Authorised share capital		
Ordinary shares of 12.5p each	36.0	36.0
Allotted, called up & fully paid		
Ordinary shares of 12.5p each	26.5	26.4

Shares allotted

	2007 Number Million	2006 Number Million
Issued during the year for cash on exercise of share options	0.9	1.3
Issued during the year in respect of LTIP awards	0.2	-
	1.1	1.3

	2007 £m	2006 £m
Aggregate nominal value of share options exercised	0.1	0.2
Share premium	2.3	2.9
Consideration received on exercise of share options	2.4	3.1

Treasury shares

	2007 Number Million	2006 Number Million
At beginning of period	3.3	3.3
Issued during the year in respect of LTIP awards	(0.4)	-
At end of period	2.9	3.3

Equity settled share-based payments

	2007 Number Million	2006 Number Million
Share options outstanding at the end of the period	0.2	1.3
LTIP awards outstanding at the end of the period	1.9	2.3

Further details of the equity settled share-based payments and the associated cost for the year can be found in note 28 to the Group financial statements.

11. Reserves

	Share premium £m	Treasury shares £m	Capital redemption reserve £m	Special reserve £m	Profit & loss account £m	Total £m
At 30 December 2005	32.5	(10.7)	0.5	1.8	265.0	289.1
Profit for year	-	-	-	-	18.2	18.2
Dividends	-	-	-	-	(27.7)	(27.7)
Cost of share based payment net of deferred tax	-	-	-	-	1.7	1.7
Exercise of options	2.9	-	-	-	-	2.9
At 29 December 2006	35.4	(10.7)	0.5	1.8	257.2	284.2
Profit for year	-	-	-	-	109.1	109.1
Dividends	-	-	-	-	(31.1)	(31.1)
Cost of share based payment net of deferred tax	-	-	-	-	1.6	1.6
Exercise of options & LTIP awards	2.3	1.4	-	-	(1.4)	2.3
At 28 December 2007	37.7	(9.3)	0.5	1.8	335.4	366.1

The profit and loss account above is stated after deducting an accumulated loss in respect of retirement benefits of £0.8m (2006: £0.8m).

12. Balance sheet - deferred tax

	Deferred tax asset £m	
At 29 December 2006		2.6
Included in profit for the year		(0.5)
Credit for the year included in equity		0.3
At 28 December 2007		2.4
	2007	2006
	£m	£m
Included in debtors (note 5)	2.1	2.3
Included in retirement benefits (note 9)	0.3	0.3
	2.4	2.6
Other timing differences	2.1	2.3
Retirement benefits	0.3	0.3
	2.4	2.6

Notes to the Company Financial Statements (Continued)

13. Operating lease commitments

	2007 £000	2006 £000
As at 28 December 2007, annual commitments under non-cancellable operating leases amounted to		
- office equipment	10	10
of which payable in respect of operating leases ending in the second to fifth years inclusive	10	10

14. Contingent liabilities & guarantees

Guarantees

The Company has given guarantees in relation to the bank and other borrowings of certain subsidiary companies. The net debt of the companies party to these facilities as at 28 December 2007 amounted to £30.2m (2006: £94.1m).

Legal claims

The Company is, from time to time, party to legal proceedings and claims which arise in the normal course of business. The directors do not anticipate that the outcome of these proceedings and claims, either individually or in aggregate, will have a material adverse effect upon the Company's financial position.

15. Financial risk management objectives & policies

A description of the Group's financial risk management objectives and policies is provided in note 30 to the Group financial statements. These financial risk management objectives and policies also apply to the Company.

Principal Companies of the Group

The principal subsidiaries and joint ventures of the Group are as follows.

Name	Country of registration or incorporation	% equity interest 2007
Subsidiaries		
EnviroTech Pumpsystems Inc.	USA	100
Liquid Gas Equipment Ltd *	Scotland	100
Specialised Petroleum Manufacturing Ltd	Scotland	100
SPM Flow Control, Inc.	USA	100
Strachan & Henshaw Ltd	England	100
Vulco S.A.	Chile	100
Weir Canada Inc.	Canada	100
Weir do Brasil Ltda	Brazil	100
Weir Engineering Services (India) Ltd	India	74
Weir Engineering Services Ltd (formerly Weir Pumps Ltd)	Scotland	100
Weir Floway Inc.	USA	100
Weir Gabbioneta S.r.L.	Italy	100
Weir Group Trading (Shanghai) Co Ltd	China	100
Weir Hazleton Inc.	USA	100
Weir Minerals Africa (Pty) Ltd	South Africa	100
Weir Minerals Australia Ltd	Australia	100
Weir Minerals China Co. Ltd	China	100
Weir Minerals Europe Ltd	England	100
Weir Minerals France S.A.S.	France	100
Weir Minerals (India) Private Ltd	India	97
Weir Minerals Netherlands B.V.	Netherlands	100
Weir Minerals RFW	Russia	100
Weir Minerals Services (Africa) (Pty) Ltd	South Africa	75
Weir Services Australia Pty Ltd	Australia	100
Weir Services USA Inc.	USA	100
Weir Slurry Group Inc.	USA	100
Weir Valves & Controls France S.A.S.	France	100
Weir Valves & Controls (Suzhou) Co Ltd	China	100
Weir Valves & Controls UK Ltd *	England	100
Weir Valves & Controls USA Inc.	USA	100
Joint ventures		
Weir Arabian Metals Company	Saudi Arabia	49
Wesco Abu Dhabi L.L.C.	U.A.E.	49

* Companies whose shares are owned directly by The Weir Group PLC

Shareholder Information

Takeovers Directive

Following the implementation of the EU Takeovers Directive into UK law, the following description provides the required information for shareholders where not already provided elsewhere in this report. This summary is based on the Company's current articles of association (the "current articles") but please note that the Company will propose that a new set of articles of association be adopted at this year's annual general meeting, details of which are set out in the notice of the annual general meeting.

Share capital

As at 28 December 2007, the Company's issued share capital comprised a single class of shares referred to as ordinary shares. Details of the ordinary share capital can be found in note 25 to the Group financial statements.

Voting rights

The Company's current articles provide that on a show of hands at a general meeting of the Company every holder of ordinary shares present in person and entitled to vote shall have one vote and on a poll, every member present in person or by proxy and entitled to vote shall have one vote for every ordinary share held. The notice of the annual general meeting specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the annual general meeting. All proxy votes are counted and the numbers for, against or withheld in relation to each resolution are announced at the annual general meeting and published on the Company's website after the meeting.

Transfer of shares

There are no restrictions on the transfer of ordinary shares in the Company, other than as contained in the current articles:

- The Board may, in its absolute discretion and without giving any reason for it, refuse to register any transfer of any certificated share which is not fully paid up (but not so as to prevent dealings in listed shares from taking place) and on which the Company has a lien as a result of such share not being fully paid up. The Board may also refuse to register any instrument of transfer of a certificated share unless it is lodged at the registered office, or such other place as the Board may decide, for registration, accompanied by a certificate for the shares to be transferred and such other evidence as the Board may reasonably require to prove title of the intending transferor;
- Certain restrictions may from time to time be imposed by laws and regulations (for example, insider trading laws);
- Pursuant to the Listing Rules of the Financial Services Authority whereby certain employees of the Company require the approval of the Company to deal in the Company's ordinary shares.

Appointment and replacement of directors

The current articles require that at the annual general meeting one third of the directors shall retire from office but shall be eligible for re-appointment. Any director who has been appointed by the Board since the previous annual general meeting or has held office for three years or more since he was appointed or last re-appointed by the Company in general meeting shall retire at the next following annual general meeting and be eligible for re-appointment.

The current articles authorise the Board to appoint directors and remove a director from office.

Shares held by the Employee Benefit Trust

Kleinwort Benson (Guernsey) Trustees Limited, as Trustee of The Weir Group Employee Trust, holds through their nominee K.B. (CI) Nominees Limited 0.02% of the issued share capital of the Company as at 28 December 2007 in trust for the benefit of certain executive directors and senior executives of the Group. The voting rights in relation to these shares are exercised by the Trustee. The Trustee may vote or abstain from voting the shares or accept or reject any offer relating to shares, in any way it sees fit, without incurring any liability and without being required to give reasons for its decision.

Amendment of the Company's articles of association

The current articles may only be amended by a Special Resolution passed at a general meeting of shareholders. At the 2008 annual general meeting a Special Resolution will be put to shareholders proposing amendments to the Company's current articles to take into account provisions of the new Companies Act 2006.

Repurchase of shares

The Company obtained shareholder authority at the last annual general meeting held on 9 May 2007 to buy back up to 20.8m ordinary shares which remains outstanding until the conclusion of the next annual general meeting on 7 May 2008. The directors will only use this power after careful consideration, taking into account market considerations prevailing at the time, other investment opportunities, appropriate gearing levels, and the overall position of the Company. The directors will only purchase such shares after taking into account the effects on earnings per share and the benefits for shareholders.

Significant agreements

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

There are no agreements between the Company and its directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid. The Company's banking arrangements are terminable upon a change of control of the Company. Certain other indebtedness becomes repayable if a change of control leads to a downgrade in the credit rating of the Company.

Powers of the directors

The business of the Company will be managed by the Board who may exercise all the powers of the Company, subject to the provisions of the Company's memorandum of association, the current articles and any ordinary resolution of the Company.

Registrars

The Company's registrars are Computershare Investor Services PLC, PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 7NH.

Shareholder enquiries relating to shareholding, dividend payments, change of address, loss of share certificate, etc. should be addressed to Computershare Investor Services PLC at the above address.

The registrars provide an on-line service that enables shareholders to access details of their Weir Group shareholdings. A shareholder wishing to view the information, together with additional information such as indicative share prices and details of recent dividends, should visit www-uk.computershare.com.

Dividends – payment direct to banks

Dividends can be paid direct to your bank or building society account using the Bankers Automated Clearing Service (BACS). This means that your dividend will be in your account on the same day the Company makes the payment. Your tax voucher will be posted directly to your own address. Shareholders who have not yet arranged to use this method of payment, can telephone the registrars on 0870 702 0010. The Company encourages you to have your dividends paid direct to a bank or building society.

Annual general meeting

The annual general meeting will be held in the Lecture Room, The Burrell Collection, Pollok Park, Glasgow on 7 May 2008 at 11am. Details of the resolutions to be proposed at the annual general meeting are contained in the shareholders circular.

Taxation

For the purpose of capital gains tax, the market value of The Weir Group PLC ordinary shares as at 31 March 1982 was 29.75p. Rights issues of ordinary shares took place in April 1987 at 157p per share on the basis of one new ordinary share for every seven ordinary shares held, in July 1990 at 250p per share on the basis of one new ordinary share for every five ordinary shares held and in September 1994 at 252p per share on the basis of one new ordinary share for every four ordinary shares held.

With effect from 28 June 1993, each ordinary share of 25p was sub-divided into two ordinary shares of 12.5p and the market value of an ordinary share as at 31 March 1982 takes account of the sub-division.

Shareholder communications

You can now register to receive shareholder communications (annual reports, interim reports and other company communications) electronically (and also appoint a proxy and vote electronically) provided you have internet access and a valid e-mail address. To register, you will need your Shareholder Reference Number (SRN), which is given on your share certificate or tax dividend voucher. This service is provided in conjunction with our registrars, Computershare Investor Services PLC. To obtain more information and register for this service, please visit www-uk.computershare.com.

Website

You may wish to view the Company website containing details of Group activities and investor information including the notice of the annual general meeting and the full annual report. The address is: www.weir.co.uk.

Share dealing services

Share dealing services have been established with the Company's registrars, Computershare Investor Services PLC which provide shareholders with an easy way to buy or sell Weir Group shares on the London Stock Exchange.

Internet share dealing commission is just 0.5%, subject to a minimum charge of £15. In addition, stamp duty, currently 0.5%, is payable on purchases. There is no need to open an account in order to deal. Real time dealing is available during market hours. In addition, there is a convenient facility to place your order outside of market hours. Up to 90 day limit orders are available for sales. To access the service, log on to www.computershare.com/dealing/uk. Shareholders should have their SRN available. The SRN appears on share certificates and tax dividend vouchers. A bank debit card will be required for purchases. Please note that, at present, this service is only available to shareholders in certain European jurisdictions. Please refer to the website for an up-to-date list of these countries.

Telephone share dealing commission is 1%, subject to a minimum charge of £15. In addition, stamp duty, currently 0.5%, is payable on purchases. The service is available from 8am to 4.30pm Monday to Friday, excluding bank holidays, on telephone number 0870 703 0084. Shareholders should have their SRN ready when making the call. The SRN appears on share certificates and tax dividend vouchers. A bank debit card will be required for purchases. Detailed terms and conditions are available on request by telephoning 0870 703 0119. Please note this service is, at present, only available to shareholders resident in the UK and Ireland.

Shareholder Information (Continued)

These services are offered on an execution only basis and subject to the applicable terms and conditions. This is not a recommendation to buy, sell or hold Weir Group shares. Shareholders who are unsure of what action to take should obtain independent financial advice. Share values may go down as well as up which may result in a shareholder receiving less than he/she originally invested.

To the extent that this statement is a financial promotion for the share dealing service provided by Computershare Investor Services PLC, it has been approved by Computershare Investor Services PLC for the purpose of Section 21 (2) (b) of the Financial Services and Markets Act 2000 only. Computershare Investor Services PLC is authorised and regulated by the Financial Services Authority. Where this has been received in a country where the provision of such a service would be contrary to local laws or regulations, this should be treated as information only.

Voting

Information on how you can vote electronically can be obtained through our registrars by visiting www-uk.computershare.com/investor/proxy.

Online share management

As part of our commitment to improve shareholder communications our registrars now offer you a free, secure share management website. Managing your shares online means you can access information quickly, securely and minimise postal communications.

This service will allow you to:

- view your share portfolio and see the latest market price of your shares;
- elect to receive your shareholder communications online;
- calculate the total market price of each shareholding;
- view price histories and trading graphs;
- update bank mandates and change address details; and
- use online dealing services.

To take advantage of this service, please log in at www-uk.computershare.com/investor and enter your Shareholder Reference Number and Company Code (this information can be found on the last tax dividend voucher or your share certificate).

Financial Calendar

Ex-dividend date for final dividend

30 April 2008

Record date for final dividend*

2 May 2008

Annual General Meeting

7 May 2008

Final dividend paid

2 June 2008

*shareholders on the register at this date will receive the dividend

Registered office & company number

Clydesdale Bank Exchange
20 Waterloo Street
Glasgow G2 6DB, Scotland
Registered in Scotland
Company Number 2934

The Weir Group PLC
Clydesdale Bank Exchange
20 Waterloo Street
Glasgow G2 6DB, Scotland

Telephone: +44 (0)141 637 7111
Facsimile: +44 (0)141 221 9789

Email: investor-relations@weir.co.uk
Website: www.weir.co.uk