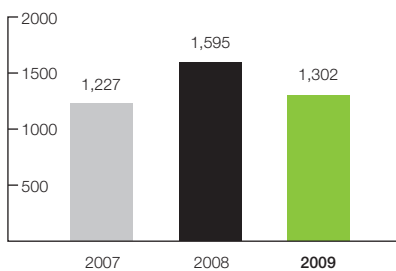


Key Performance Indicators

Delivering global performance

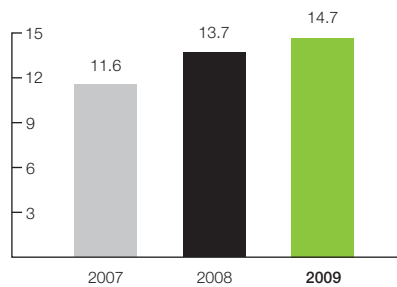
The Board uses a range of financial and non-financial metrics, reported on a periodic basis, to monitor the Group’s performance over time. The key performance indicators and their linkage to operating priorities are set out below.

Input^{1,3} (£m)



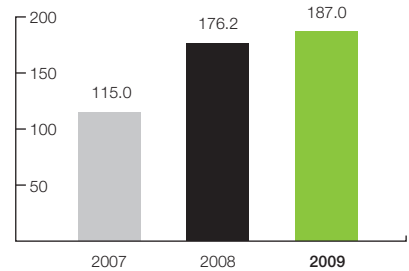
- Drive installed base growth through innovation and creativity including research and development and capital expenditure.
- Deliver aftermarket opportunities from the installed base.
- Increase sales through greater collaboration in the form of co-operative alliances and cross divisional initiatives.

Operating margin^{2,3} (%)



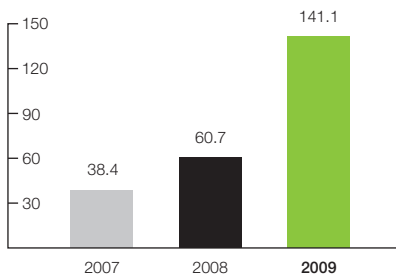
- Delivering efficiencies by leveraging off our global network.
- Maximise aftermarket opportunities.
- Maintaining a proactive approach to capacity planning and associated management of our cost base.

Profit before tax^{2,3} (£m)



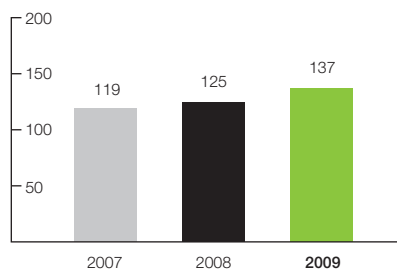
- Drive revenue growth, margins and operating efficiency.
- Maintain optimal financing costs.

Free cash flow³ (£m)



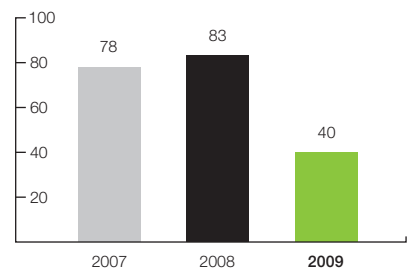
- Optimising the capital structure and long-term financing of the Group.
- Continue with our focus on working capital management including application of Lean methodologies to inventory and debtor management.

Weir Production System (Lean score)



- WPS Lean score is determined by comparing our current processes against world-class practice and performance.
- Maintaining our world-class platform developed in recent years.
- Elimination of waste and reducing lead times in business processes.
- Continued focus on on-time delivery.

Lost time accidents



- Maintaining zero tolerance toward accidents.
- Encouraging a culture of near miss reporting.

¹ Calculated at 2009 average exchange rates
² Adjusted to exclude intangibles amortisation
³ Continuing operations