The Weir Group PLC
Interim Report 2009

Excellent
Engineering
Solutions

WEIR

The Weir Group PLC Interim Results 2009

Results for 26 weeks ended 26 June 2009

- Revenue up 12% to £710m (2008: £632m)
- Operating profit[2] up 17% to £99.2m (2008: £84.7m)
- Earnings per share[2] up 13% to 31.2p (2008: 27.5p)
- Dividend increase of 3% to 4.80p (2008: 4.65p)
- Cash generated from operations £123.9m, up £59.6m (2008: £64.3m)
- Full year guidance raised

Continuing Operations	2009	2008	Change
Order input[1]	£660.9m	£840.8m	-21%
Revenue	£709.8m	£631.7m	+12%
Operating profit[2]	£99.2m	£84.7m	+17%
Profit before tax[2]	£91.4m	£81.8m	+12%
Earnings per share[2]	31.2p	27.5p	+13%
Dividend per share	4.80p	4.65p	+3%
Net debt	£200.0m	£261.7m	-£61.7m

1 2008 restated at 2009 average exchange rates

2 Adjusted to exclude intangibles amortisation

Chairman's Statement

Despite the economic uncertainties in the first half of 2009, the Group increased revenue, profit and earnings per share compared to the prior year period and achieved a significant reduction in net debt through excellent cash generation.

The Group's sector leading performance in the period clearly demonstrates the resilience of our operating model and is testament to the effectiveness of the Group's strategy to focus resources at higher growth, long cycle sectors where significant non-discretionary aftermarket sales underpin performance.

The Group's continued strong performance, despite weaker markets, supports the Board's confidence in achieving the upper end of previously given management guidance[3] for the full year for profit before tax, intangibles amortisation and exceptional items.

The Lord Smith of Kelvin
Chairman
4 August 2009

3 The range of management guidance as at 13 May 2009 for profit before tax and intangibles amortisation was £140 - £169m. Reuters Knowledge Consensus at 31 July 2009 for profit before tax for continuing operations was £153m.

Financial Highlights

The first half of 2009 clearly demonstrated the resilience of the Group's operating model. Despite the economic uncertainties, revenue, profit and earnings all continued to grow.

As expected, capital spending slowed and lower activity levels featured in many of the Group's businesses. This triggered a number of our pre-planned actions to realign the cost base in a number of companies while remaining focused on operational efficiencies, cash generation and growing our market shares.

2009 first half order input at £661m was down 21% on the prior year period (2008: £841m) with aftermarket input down 2% reflecting the resilience of our business model. Minerals order input fell 20% to £363m (2008: £456m) and like for like input was down 23% before the impact of the Warman acquisition in March 2008. Oil & Gas order input fell 12% to £155m (2008: £175m), with a like for like decline of 15%. Power & Industrial input fell 21% to £139m (2008: £176m).

Revenue from continuing operations increased 12% to £710m (2008: £632m) with a like for like decline on a constant currency basis of 2% being offset in total by a £91m currency translation benefit in the period. In constant currency terms, Minerals revenue grew 10% to £423m (2008: £383m) and included an incremental contribution of £16m from Warman. Oil & Gas revenue fell 8% to £150m (2008: £163m) and included £7m from prior year acquisitions, while Power & Industrial delivered organic growth of 5% to £117m (2008: £112m).

First half operating profit before intangibles amortisation increased 17% to £99.2m (2008: £84.7m), reflecting a net currency benefit of £19.6m and a net contribution from prior year acquisitions/disposals of £6.4m offsetting one-off restructuring costs of £4.0m. In constant currency terms, Minerals operating profit grew 9% to £68.3m (2008: £62.8m) and included a £7.2m contribution from Warman (2008: £3.6m). Oil & Gas operating profit at £26.1m (2008: £36.7m) was down 29% and included £1.1m from prior year acquisitions while Power & Industrial increased its operating profit by 12% to £8.3m (2008: £7.4m). The profit contribution from LGE was £2.2m (2008: £3.4m).

Net finance costs were £6.9m (2008: £4.1m) reflecting higher average net debt and the prior year benefit from the Group's US dollar balance sheet hedging programme. Other pension expense was £0.9m (2008: £1.2m income).

Profit before tax and intangibles amortisation increased 12% to £91.4m (2008: £81.8m) while reported profit before tax at £82.9m (2008: £75.1m) reflects an £8.5m (2008: £6.7m) impact of intangibles amortisation in the period.

A tax charge of £23.1m (2008: £21.9m) gives a normalised rate of 27.9% (2008: 29.2%) on profit before tax from continuing operations. Earnings per share for continuing operations, before intangibles amortisation, were 13% higher at 31.2p (2008: 27.5p).

Cash generated from continuing operations increased to £123.9m (2008: £64.3m) with improved working capital reflecting continued management focus. Net capital expenditure was £17.0m (2008: £19.4m). After taking account of all cash movements, cash generated in the period before repayment of borrowings was £39.4m (2008: cash outflow £9.0m). After taking account of a favourable net foreign currency effect of £0.5m, net debt fell to £200.0m compared with £239.9m at 26 December 2008.

The Group continued to pro-actively manage its pension plans and launched an enhanced transfer offer to certain deferred members of the main UK scheme which is expected to incur an exceptional charge of up to £8m in the second half of the year. The net Group deficit for retirement benefit obligations at period end was £62.9m compared to £29.9m at 26 December 2008.

Dividend

An interim dividend of 4.80p (2008: 4.65p) is declared and will be paid on 6 November 2009 to shareholders on the register on 9 October 2009.

Review of Results

To assist in meaningful comparisons, the review of continuing results in this announcement restates comparative 2008 figures at 2009 average exchange rates and excludes intangibles amortisation.

Minerals Division

The Minerals Division includes all Group operations with primary sales to the mining, flue gas desulphurisation and oil sands markets. First half order input fell 20% to £363m (2008: £456m) with large project shortfalls across a number of our major markets. Aftermarket input, however, while marginally lower than the corresponding period in 2008, did recover in the second quarter providing some evidence that the initial period of destocking has come to an end.

Revenue increased 10% to £423m (2008: £383m) with good growth in South America, Asia Pacific and Africa offsetting smaller declines in lower yielding mines in North America. Operating profit increased 9% to £68.3m (2008: £62.8m) while margins were slightly lower at 16.2% (2008: 16.4%) reflecting the impact of one-off costs taken in the period to realign the cost base.

While all businesses within the division registered some softening in new project input in the first half of the year, the Netherlands operation experienced the most significant shortfall at almost £52m. However, the long lead time nature of its order book will result in revenue growth in 2009 and a solid starting position to 2010. Current enquiry levels and a large number of pipeline project opportunities particularly in the emerging markets represent positive early indicators of the prospects for the future.

In 2003, the Minerals Division developed a strategy to adapt its mining pump portfolio to accommodate the future demand for the clean-up of coal fired power stations and the flue gas desulphurisation market. This initiative proved highly successful, resulting in a peak of power related orders of £45m in the first half of 2008. Input declined £10m in the corresponding period this year but is expected to recover as the new United States administration finalises its future environmental policy.

In March last year, we added Warman to our portfolio of Minerals operations. Despite some softness in the African market, Warman outperformed our initial expectations and contributed £38.4m (2008: £22.9m) of revenue and £7.2m (2008: £3.6m) of operating profit to Minerals first half results. The integration has been successful and the enlarged business is making excellent progress.

Oil & Gas Division

The Oil & Gas Division includes the Group's upstream and downstream businesses along with the substantial Oil & Gas service operations across the globe. First half order input fell 12% to £155m (2008: £175m) with good progress in the downstream activities and first time contribution from acquisitions being offset by significant declines at SPM and our Dubai based service business.

Revenue decreased 8% to £150m (2008: £163m) reflecting the combination of SPM backlog clearance in the first half of 2008, a first time contribution of £7m from acquisitions and a good level of organic growth at Gabbioneta. Operating profit including joint ventures decreased 29% to £26.1m (2008: £36.7m) while margins decreased to 17.4% compared with 22.6% in the same period in 2008.

Upstream activities comprise SPM and Mesa whose performances are correlated to North American gas prices, rig count and the incidence of horizontal drilling. While the businesses continue to be impacted by reduced demand and full year SPM revenue is now expected to be around US$175m, market share gains and a new range of industry leading products position us well for sustainable growth as the global economy recovers.

In our downstream activities, Gabbioneta continued to make excellent progress in the first half of the year growing input 15% to £66m (2008: £57m) and revenue 33% to £48m (2008: £36m). The company's current order book and extensive ongoing enquiry levels provide a high level of confidence in further growth in revenue and operating profit through the balance of the year.

Despite reductions in oil and gas prices, the division's service operations performed well in the first half of 2009 with continued good levels of activity in the North Sea and North America largely offsetting a significant slow down primarily in our Dubai based service business. Our joint ventures in Abu Dhabi and Saudi Arabia continue to perform well and remain focused at growing their market positions in these higher growth regions.

Power & Industrial Division

The Power & Industrial Division includes the combined activities of the Group's valves operations, a speciality pump business in Utah and the power related service centres in Canada, the UK, India, the Middle East and Africa.

The division supplies critical safety valves to the power generation markets where enquiry levels and government approvals continue to be strong and the low-cost Chinese business is being used to grow competitiveness and increase margins. The global network of service operations specialises in the maintenance, upgrade and management of power and industrial assets.

First half order input fell 21% to £139m (2008: £176m) reflecting the exceptional level of Chinese nuclear orders and a Libyan power station upgrade booked in the first half of 2008.

Revenue increased 5% to £117m (2008: £112m) with good levels of growth from the power markets in China, Europe and North America offsetting slower market conditions in the general industrial sector, particularly in Canada. Operating profit increased 12% to £8.3m (2008: £7.4m) and margins increased to 7.1% against 6.6% in the same period in 2008.

The global economic downturn has had a significant impact on activity levels in the Canadian industrial sector with a resultant decline in revenue and returns from Weir's Canadian service operations. The recent award of a C$600m 15-year contract to operate the Naval Engineering Test Establishment in Montreal provides a solid base load for the balance of this year and beyond.

While new power orders were not expected to replicate the exceptional levels achieved in the first half of last year, the division was successful in securing a wide range of speciality safety valve orders in the first half of 2009. Recent notifications of a further two Chinese orders valued at almost £9m and continued solid enquiry levels provide a good level of optimism for the balance of this year and beyond.

Group Companies

Following last year's sale of our Canadian distribution business and Materials & Foundries in the UK, LGE, which holds a strong position in the design and supply of systems for the bulk carrier and onshore gas storage markets, is the remaining Group Company.

LGE first half 2009 input fell 54% to £4.3m (2008: £9.3m) reflecting the considerable decline in gas ship construction which is expected to continue for the foreseeable future. Revenue declined 50% to £20.2m (2008: £40.2m) while operating profit decreased 35% to £2.2m (2008: £3.4m) reflecting the profit taking profile of project work in the period.

While LGE will continue to experience declining revenues in the period ahead, its current order book and largely outsourced business model provide a sustainable profit profile for the balance of this year and well into 2010.

Risks & Uncertainties

The principal risks and uncertainties affecting the business activities of the Group remain those detailed on pages 24 and 25 of the Annual Report 2008, a copy of which is available on the Group website at www.weir.co.uk. The Board considers that these remain a current reflection of the risks and uncertainties facing the business for the remaining 27 weeks of the financial year.

Strategy

The Weir Group today is well positioned to weather the current economic downturn with a strong portfolio of businesses, extensive geographic footprint and good financial position. The Group strategy to focus resources at higher growth, long cycle sectors where significant non-discretionary aftermarket sales underpin performance, provides a solid platform for the future.

Structurally the Group has benefitted from the realignment to our sector focused divisions providing a clearer vision of the potential for further organic growth and inter-divisional collaboration. We have the right people, the right structure and right strategy to support the future development of the Group.

The balance sheet is strong, the Group's operations are inherently cash generative and we have the financial headroom to invest in organic development and continue to extend our presence in core markets. The current economic environment, however, requires heightened diligence in the Group's corporate activities and a continued disciplined approach to future growth.

Outlook

While the global downturn provides a range of market uncertainties, the Group is well positioned to manage the impact of the current economic environment and remains confident in delivering sector leading performance in the second half of 2009.

The outlook for Minerals is impacted by the general market slowdown. The year commenced with a strong order book and as expected new capital spend decreased in the first half of the year. This will result in a corresponding decline in original equipment revenue in the second half which we fully expect to continue into 2010. Divisional profitability will continue to be driven by the volume of spares and service and our ability to offset reducing overhead recovery from lower volumes of original equipment.

In Oil & Gas, we have already responded to a lower level of activity in the upstream business and our current view is that while gas rig count and the general market is now bottoming out, a slow recovery is anticipated in the short term. Our downstream business has sufficient original equipment order coverage to support its volume needs through 2009 and we expect to deliver growth in revenue and profit when compared to the prior year.

The outlook for Power & Industrial remains encouraging with improved margins expected from the core businesses and significant enquiries underpinning confidence in the power generation market. Our current under-utilised installed capacity provides a significant platform for top-line growth and margin expansion. Enquiry levels remain strong although industrial work, particularly in Canada, is expected to remain sluggish through the balance of the year.

The substantial opening order book combined with good operational performance and the benefits from positive foreign currency translation have provided a strong first half to the year. It remains difficult to predict future market conditions with any certainty but there is a significant range of attractive prospective contracts across the entire Group and the actions taken to prepare the business for the short term have been executed well.

The Group's continued strong performance, despite weaker markets, supports the Board's confidence in achieving the upper end of previously given management guidance[3] for the full year for profit before tax, intangibles amortisation and exceptional items.

Mark Selway
Chief Executive
4 August 2009

3 The range of management guidance as at 13 May 2009 for profit before tax, intangibles amortisation and exceptional items, was £140 - £169m. Reuters Knowledge Consensus at 31 July 2009 for profit before tax for continuing operations was £153m.

Consolidated Income Statement

for the 26 weeks ended 26 June 2009

52 weeks ended 26 Dec 2008 Total £m		Notes	26 weeks ended 26 June 2009 Before exceptional items & intangibles amortisation £m	Exceptional items & intangibles amortisation (note 3) £m	Total £m	26 weeks ended 27 June 2008 Before exceptional items & intangibles amortisation £m	Exceptional items & intangibles amortisation (note 3) £m	Total £m
	Continuing operations							
1,353.6	Revenue	2	**709.8**	**-**	**709.8**	631.7	-	631.7
	Continuing operations							
163.9	Operating profit		**96.6**	**(8.5)**	**88.1**	82.8	(6.7)	76.1
4.4	Share of results of joint ventures		**2.6**	**-**	**2.6**	1.9	-	1.9
168.3	**Operating profit**	2	**99.2**	**(8.5)**	**90.7**	84.7	(6.7)	78.0
(17.2)	Finance costs		**(8.0)**	**-**	**(8.0)**	(7.8)	-	(7.8)
6.6	Finance income		**1.1**	**-**	**1.1**	3.7	-	3.7
1.8	Other finance (costs) income - retirement benefits		**(0.9)**	**-**	**(0.9)**	1.2	-	1.2
159.5	**Profit before tax from continuing operations**		**91.4**	**(8.5)**	**82.9**	81.8	(6.7)	75.1
(46.5)	Tax expense	4	**(25.8)**	**2.7**	**(23.1)**	(24.2)	2.3	(21.9)
113.0	**Profit for the period from continuing operations**		**65.6**	**(5.8)**	**59.8**	57.6	(4.4)	53.2
57.8	Profit for the period from discontinued operations		**-**	**-**	**-**	1.2	54.1	55.3
170.8	**Profit for the period**		**65.6**	**(5.8)**	**59.8**	58.8	49.7	108.5
	Attributable to							
170.8	Equity holders of the Company		**65.6**	**(5.8)**	**59.8**	58.8	49.7	108.5
-	Minority interests		**-**	**-**	**-**	-	-	-
170.8			**65.6**	**(5.8)**	**59.8**	58.8	49.7	108.5
	Earnings per share	5						
81.4p	Basic - total operations				**28.4p**			51.8p
53.8p	Basic - continuing operations		**31.2p**		**28.4p**	27.5p		25.4p
80.9p	Diluted - total operations				**28.1p**			51.2p
53.6p	Diluted - continuing operations		**30.8p**		**28.1p**	27.2p		25.1p

Consolidated Statement of Comprehensive Income

for the 26 weeks ended 26 June 2009

52 weeks ended 26 Dec 2008 (as restated - note 1) £m		Note	**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 (as restated - note 1) £m
170.8	**Profit for the period**		**59.8**	108.5
	Other comprehensive income			
(11.1)	Gains (losses) taken to equity on cash flow hedges		**1.9**	4.6
204.3	Exchange (losses) gains on translation of foreign operations		**(78.3)**	12.5
(127.2)	Exchange gains (losses) on net investment hedges		**42.4**	(1.1)
(62.0)	Actuarial losses on defined benefit plans	8	**(36.3)**	(59.4)
	Reclassification adjustments taken to income statement			
(5.5)	- on cash flow hedges		**6.6**	(2.7)
(0.4)	- exchange losses on disposal of foreign operations - discontinued operations		**-**	(0.4)
22.4	**Tax relating to other comprehensive income**		**7.7**	16.1
20.5	**Net other comprehensive income**		**(56.0)**	(30.4)
191.3	**Total net comprehensive income for the period**		**3.8**	78.1
	Attributable to			
191.3	Equity holders of the Company		**3.8**	78.1
-	Minority interests		**-**	-
191.3			**3.8**	78.1

Consolidated Balance Sheet

at 26 June 2009

26 Dec 2008 (as restated - note 1) £m		Notes	**26 June 2009 £m**	27 June 2008 (as restated - note 1) £m
	ASSETS			
	Non-current assets			
189.6	Property, plant & equipment		**185.2**	150.2
4.5	Investment property		**4.3**	4.6
791.8	Intangible assets		**724.6**	623.4
10.3	Investments in joint ventures		**10.1**	8.8
20.8	Deferred tax assets		**18.3**	11.0
8.1	Derivative financial instruments	9	**1.2**	0.6
1,025.1	**Total non-current assets**		**943.7**	798.6
	Current assets			
269.6	Inventories		**241.6**	215.9
309.2	Trade & other receivables		**265.7**	271.9
30.6	Construction contracts		**14.2**	23.0
47.5	Derivative financial instruments	9	**60.3**	11.8
1.3	Income tax receivable		**1.0**	0.3
74.1	Cash & short-term deposits		**45.3**	49.2
732.3	**Total current assets**		**628.1**	572.1
1,757.4	**Total assets**		**1,571.8**	1,370.7
	LIABILITIES			
	Current liabilities			
71.4	Interest-bearing loans & borrowings		**62.1**	18.1
353.6	Trade & other payables		**305.1**	264.5
46.7	Construction contracts		**33.3**	39.7
90.6	Derivative financial instruments	9	**75.8**	5.6
25.7	Income tax payable		**21.8**	27.6
30.5	Provisions		**28.1**	24.1
618.5	**Total current liabilities**		**526.2**	379.6
	Non-current liabilities			
242.6	Interest-bearing loans & borrowings		**183.2**	292.8
70.1	Derivative financial instruments	9	**41.2**	4.5
36.4	Provisions		**37.5**	31.4
63.0	Deferred tax liabilities		**48.5**	45.5
29.9	Retirement benefit plan deficits	8	**62.9**	24.3
442.0	**Total non-current liabilities**		**373.3**	398.5
1,060.5	**Total liabilities**		**899.5**	778.1
696.9	**NET ASSETS**		**672.3**	592.6
	CAPITAL & RESERVES			
26.6	Share capital		**26.6**	26.6
38.0	Share premium		**38.0**	37.7
(7.9)	Treasury shares		**(7.9)**	(7.9)
0.5	Capital redemption reserve		**0.5**	0.5
76.9	Foreign currency translation reserve		**41.0**	11.2
(8.3)	Hedge accounting reserve		**(2.3)**	4.9
570.9	Retained earnings		**576.2**	519.4
696.7	**Shareholders equity**		**672.1**	592.4
0.2	Minority interest		**0.2**	0.2
696.9	**TOTAL EQUITY**		**672.3**	592.6

Consolidated Cash Flow Statement

for the 26 weeks ended 26 June 2009

52 weeks ended 26 Dec 2008 £m		Notes	**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 £m
	Continuing operations			
	Cash flows from operating activities			
214.4	Cash generated from operations	10	**123.9**	64.3
(6.5)	Additional pension contributions paid		**(0.5)**	(5.0)
(49.0)	Income tax paid		**(26.1)**	(18.4)
158.9	Net cash generated from operating activities		**97.3**	40.9
	Continuing operations			
	Cash flows from investing activities			
(140.9)	Acquisitions of subsidiaries	10	**(0.1)**	(132.2)
80.6	Disposals of subsidiaries	10	**(0.7)**	61.4
(53.3)	Purchases of property, plant & equipment & intangible assets	7	**(17.9)**	(20.2)
1.2	Other proceeds from sale of property, plant & equipment & intangible assets	7	**0.9**	0.8
-	Other proceeds from sale of investment		**-**	0.2
6.2	Interest received		**1.0**	3.2
3.5	Other dividends received		**2.1**	0.5
(102.7)	Net cash used in investing activities		**(14.7)**	(86.3)
	Continuing operations			
	Cash flows from financing activities			
0.4	Proceeds from issue of ordinary shares		**-**	0.1
244.9	Proceeds from borrowings		**-**	158.1
(238.7)	Repayments of borrowings		**(59.2)**	(89.8)
(4.2)	Settlement of derivative financial instruments		**(6.7)**	(1.3)
(16.3)	Interest paid		**(7.4)**	(7.3)
(35.7)	Dividends paid to equity holders of the Company	6	**(29.1)**	(25.9)
(49.6)	Net cash (used in) generated from financing activities		**(102.4)**	33.9
	Net (decrease) increase in cash & cash equivalents			
6.6	- from continuing operations		**(19.8)**	(11.5)
(2.2)	- from discontinued operations - operating activities		**-**	(2.2)
(0.3)	- from discontinued operations - investing activities		**-**	(0.3)
46.1	Cash & cash equivalents at beginning of period		**53.6**	46.1
3.4	Foreign currency translation differences		**(2.3)**	0.6
53.6	Cash & cash equivalents at end of period	10	**31.5**	32.7

Consolidated Statement of Changes in Equity

for the 26 weeks ended 26 June 2009

	Share capital £m	Share premium £m	Treasury shares £m
At 28 December 2007 (as previously reported - note 1)	26.5	37.7	(9.3)
Impact of restatement (note 1)	-	-	-
At 28 December 2007 (as restated - note 1)	26.5	37.7	(9.3)
Total net comprehensive income for the period	-	-	-
Acquisition of minority interest	-	-	-
Exchange differences on disposal of foreign operations - discontinued operations	-	-	-
Cost of share-based payments, net of tax	-	-	-
Dividends	-	-	-
Exercise of options & LTIP awards	0.1	-	1.4
At 27 June 2008 (as restated - note 1)	**26.6**	**37.7**	**(7.9)**
At 26 December 2008 (as previously reported - note 1)	26.6	38.0	(7.9)
Impact of restatement (note 1)	-	-	-
At 26 December 2008 (as restated - note 1)	26.6	38.0	(7.9)
Total net comprehensive income for the period	-	-	-
Cost of share-based payments, net of tax	-	-	-
Dividends	-	-	-
Exercise of options & LTIP awards	-	-	-
At 26 June 2009	**26.6**	**38.0**	**(7.9)**
At 28 December 2007 (as previously reported - note 1)	26.5	37.7	(9.3)
Impact of restatement (note 1)	-	-	-
At 28 December 2007 (as restated - note 1)	26.5	37.7	(9.3)
Total net comprehensive income for the period	-	-	-
Acquisition of minority interest	-	-	-
Exchange differences on disposal of foreign operations - discontinued operations	-	-	-
Cost of share-based payments, net of tax	-	-	-
Dividends	-	-	-
Exercise of options & LTIP awards	0.1	0.3	1.4
At 26 December 2008 (as restated - note 1)	**26.6**	**38.0**	**(7.9)**

Attributable to equity holders of the Company					Minority interest	Total equity
Capital redemption reserve £m	Foreign currency translation reserve £m	Hedge accounting reserve £m	Retained earnings £m	Total £m	£m	£m
0.5	0.2	3.5	485.6	544.7	0.5	545.2
-	-	-	(5.8)	(5.8)	-	(5.8)
0.5	0.2	3.5	479.8	538.9	0.5	539.4
-	11.4	1.4	65.3	78.1	-	78.1
-	-	-	(0.2)	(0.2)	(0.3)	(0.5)
-	(0.4)	-	0.4	-	-	-
-	-	-	1.4	1.4	-	1.4
-	-	-	(25.9)	(25.9)	-	(25.9)
-	-	-	(1.4)	0.1	-	0.1
0.5	**11.2**	**4.9**	**519.4**	**592.4**	**0.2**	**592.6**
0.5	76.9	(8.3)	581.8	707.6	0.2	707.8
-	-	-	(10.9)	(10.9)	-	(10.9)
0.5	76.9	(8.3)	570.9	696.7	0.2	696.9
-	(35.9)	6.0	33.7	3.8	-	3.8
-	-	-	2.1	2.1	-	2.1
-	-	-	(29.1)	(29.1)	-	(29.1)
-	-	-	(1.4)	(1.4)	-	(1.4)
0.5	**41.0**	**(2.3)**	**576.2**	**672.1**	**0.2**	**672.3**
0.5	0.2	3.5	485.6	544.7	0.5	545.2
-	-	-	(5.8)	(5.8)	-	(5.8)
0.5	0.2	3.5	479.8	538.9	0.5	539.4
-	77.1	(11.8)	126.0	191.3	-	191.3
-	-	-	-	-	(0.3)	(0.3)
-	(0.4)	-	0.4	-	-	-
-	-	-	1.8	1.8	-	1.8
-	-	-	(35.7)	(35.7)	-	(35.7)
-	-	-	(1.4)	0.4	-	0.4
0.5	**76.9**	**(8.3)**	**570.9**	**696.7**	**0.2**	**696.9**

Notes to the Financial Statements

1. Basis of preparation

These interim condensed financial statements are for the 26 week period ended 26 June 2009 and have been prepared in accordance with IAS34 "Interim Financial Reporting" and the Disclosure and Transparency Rules of the Financial Services Authority.

The interim condensed financial statements have been prepared on the basis of the accounting policies set out in the Group's 2008 Annual Report, except for the adoption of IAS1 (revised) "Presentation of Financial Statements", IFRS8 "Operating Segments" and IAS23 (revised) "Borrowing Costs".

The adoption of IAS1 (revised) has required the reconciliation of movements in equity, previously disclosed in note 25 to the Group's 2008 Annual Report, to be presented as a primary statement entitled, "Consolidated Statement of Changes in Equity". In addition the Consolidated Statement of Recognised Income & Expense has been replaced with the Consolidated Statement of Comprehensive Income. In addition to some presentational changes this has resulted in a tax charge of £1.0m in relation to the cost of share based payments for the 52 weeks ended 26 December 2008 (June 2008: £nil) being reclassified from the former Consolidated Statement of Recognised Income & Expense to the Consolidated Statement of Changes in Equity.

In adopting IFRS8 the Group concluded that the operating segments were the same as the business segments determined under IAS14 "Segment Reporting". Details of these operating segments are disclosed in note 2. In adopting IAS23 (revised) the Group has amended its accounting policy and, from 1 January 2009, now capitalises borrowing costs on qualifying assets. The implementation of this policy has had no material impact on the Group's financial statements.

While updating the valuation of the Group's retirement benefit plans for the purposes of the 2009 interim condensed financial statements the qualified actuary who advises the Company identified an error in their model used to calculate the actuarial valuation of the Group's UK retirement benefit plans for the periods ended 28 December 2007, 27 June 2008 and 26 December 2008.

The impact of this was to understate the retirement benefit plan deficits on a cumulative basis by £8.1m at 28 December 2007, £5.1m at 27 June 2008 and £15.2m at 26 December 2008. There was also a corresponding overstatement of net deferred tax liabilities of £2.3m, £1.4m and £4.3m at those respective period ends.

The impact on the Statement of Comprehensive Income was to decrease / (increase) actuarial losses on defined benefit plans by £2.9m and £(7.1)m and to (increase) / decrease tax on items taken directly to equity by £(0.8)m and £2.0m in the 26 weeks ended 27 June 2008 and 52 weeks ended 26 December 2008 respectively.

There is no material impact on the Income Statement. The net impact was to overstate Group net assets by £5.8m, £3.7m and £10.9m at 28 December 2007, 27 June 2008 and 26 December 2008 respectively. All affected balances and amounts have been restated in these interim condensed financial statements.

As disclosed in note 10, certain amounts in the Consolidated Cash Flow Statement have been reclassified. A net cash outflow of £1.3m in relation to gains on derivatives for the 26 weeks ended 27 June 2008 has been reclassified from cash generated from operating activities to cash generated from financing activities.

The interim condensed financial statements are unaudited but have been formally reviewed by the auditors and their report to the Company is set out on page 27. The information shown for the 52 weeks ended 26 December 2008 does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006 and has been extracted with the exception of the restatement noted above, from the Group's 2008 Annual Report which has been filed with the Registrar of Companies. The report of the auditors on the financial statements contained within the Group's 2008 Annual Report was unqualified and did not contain a statement under either Section 237(2) or Section 237(3) of the Companies Act 1985.

These interim condensed financial statements were approved by the Board of Directors on 4 August 2009.

2. Segment information

For management purposes the Group is organised into three operating divisions: Oil & Gas, Minerals and Power & Industrial. These three divisions are organised and managed separately, based on the key markets served and each is treated as an operating segment and a reportable segment in accordance with IFRS8. The operating and reportable segments were determined based on the reports reviewed by the Group Operations Executive Committee which are used to make operational decisions.

The Oil & Gas segment manufactures pumps and ancillary equipment and provides aftermarket support for the global upstream and downstream oil and gas markets. The Minerals segment designs and manufactures pumps, hydrocyclones, valves and other complementary equipment for the mining, flue gas desulphurisation and oil sands markets. The Power & Industrial segment designs, manufactures and provides aftermarket support for rotating and flow control equipment to the global power generation and industrial sectors.

All other segments, which are disclosed as Group companies, include the results of Liquid Gas Equipment which supplies equipment to the liquefied petroleum gas marine and onshore markets. It also includes the results of the Canadian distribution business and the Materials and Foundries businesses up to the date of disposal on 29 August, 2 and 3 October 2008 respectively. None of the businesses disposed of were of a sufficient size to meet the definition of a discontinued operation under IFRS5.

The segment information provided to the Group Operations Executive Committee for the reportable segments for the 26 weeks ended 26 June 2009, the 26 weeks ended 27 June 2008 and the 52 weeks ended 26 December 2008 is disclosed below.

	Oil & Gas		**Minerals**		**Power & Industrial**		**Total Continuing Operations**	
	June 2009 £m	June 2008 £m	**June 2009 £m**	June 2008 £m	**June 2009 £m**	June 2008 £m	**June 2009 £m**	June 2008 £m
Revenue								
Sales to external customers								
- existing operations	**142.8**	128.8	**384.1**	320.2	**117.4**	99.8	**644.3**	548.8
- acquisitions*	**6.9**	-	**38.4**	19.4	**-**	-	**45.3**	19.4
Sales to external customers	**149.7**	128.8	**422.5**	339.6	**117.4**	99.8	**689.6**	568.2
Inter-segment sales	**3.1**	-	**1.1**	3.0	**1.5**	2.5	**5.7**	5.5
Segment revenue	**152.8**	128.8	**423.6**	342.6	**118.9**	102.3	**695.3**	573.7
Group companies sales to external customers								
- ongoing operations							**20.2**	40.2
- other disposals*							**-**	23.3
Group companies inter-segment sales							**-**	1.8
Eliminations							**(5.7)**	(7.3)
							709.8	631.7
Sales to external customers - at 2009 average exchange rates								
- existing operations	**142.8**	162.5	**384.1**	360.3	**117.4**	111.7	**644.3**	634.5
- acquisitions*	**6.9**	-	**38.4**	22.9	**-**	-	**45.3**	22.9
	149.7	162.5	**422.5**	383.2	**117.4**	111.7	**689.6**	657.4
Group companies sales to external customers								
- ongoing operations							**20.2**	40.2
- other disposals*							**-**	25.0
							709.8	722.6

Notes to the Financial Statements (Continued)

2. Segment information (continued)

	Oil & Gas		Minerals		Power & Industrial		Total Continuing Operations	
	June 2009 £m	June 2008 £m	**June 2009 £m**	June 2008 £m	**June 2009 £m**	June 2008 £m	**June 2009 £m**	June 2008 £m
Result								
Segment result before exceptional items & intangibles amortisation								
- existing operations	**22.4**	25.9	**61.1**	50.5	**8.3**	6.2	**91.8**	82.6
- acquisitions*	**1.1**	-	**7.2**	2.9	**-**	-	**8.3**	2.9
Intangibles amortisation								
- existing operations	**(3.8)**	(5.1)	**(0.5)**	(0.5)	**(0.4)**	(0.4)	**(4.7)**	(6.0)
- acquisitions*	**(2.3)**	-	**(1.5)**	(0.7)	**-**	-	**(3.8)**	(0.7)
	17.4	20.8	**66.3**	52.2	**7.9**	5.8	**91.6**	78.8
Share of results of joint ventures	**2.6**	1.9	**-**	-	**-**	-	**2.6**	1.9
	20.0	22.7	**66.3**	52.2	**7.9**	5.8	**94.2**	80.7
Group companies								
- ongoing operations							**2.2**	3.4
- other disposals*							**-**	(1.8)
Unallocated expenses							**(5.7)**	(4.3)
Operating profit							**90.7**	78.0
Segment result before exceptional items & intangibles amortisation - at 2009 average exchange rates								
- existing operations	**22.4**	34.1	**61.1**	59.2	**8.3**	7.4	**91.8**	100.7
- acquisitions*	**1.1**	-	**7.2**	3.6	**-**	-	**8.3**	3.6
Segment result before exceptional items & intangibles amortisation	**23.5**	34.1	**68.3**	62.8	**8.3**	7.4	**100.1**	104.3
Share of results of joint ventures	**2.6**	2.6	**-**	-	**-**	-	**2.6**	2.6
	26.1	36.7	**68.3**	62.8	**8.3**	7.4	**102.7**	106.9
Group companies								
- ongoing operations							**2.2**	3.4
- other disposals*							**-**	(1.7)
Unallocated expenses							**(5.7)**	(4.3)
							99.2	104.3
Total assets								
Segment assets	**644.9**	546.2	**583.4**	523.9	**145.6**	138.7	**1,373.9**	1,208.8
Investment in joint ventures	**10.1**	8.8	**-**	-	**-**	-	**10.1**	8.8
	655.0	555.0	**583.4**	523.9	**145.6**	138.7	**1,384.0**	1,217.6
Group companies assets							**7.0**	39.4
Unallocated assets							**180.8**	113.7
Total assets							**1,571.8**	1,370.7

*For comparative purposes those acquisitions and disposals completed in 2008 have been shown separately. Acquisitions include Weir Warman, Weir Mesa and Weir SOS. Other disposals include the Materials and Foundries businesses and the Canadian distribution business for 2008.

2. Segment information (continued)

	Oil & Gas Dec 2008 £m	Minerals Dec 2008 £m	Power & Industrial Dec 2008 £m	Total Continuing Operations Dec 2008 £m
Revenue				
Sales to external customers				
- existing operations	271.7	697.2	222.8	1,191.7
- acquisitions*	8.2	45.2	-	53.4
Sales to external customers	279.9	742.4	222.8	1,245.1
Inter-segment sales	0.7	2.5	7.4	10.6
Segment revenue	280.6	744.9	230.2	1,255.7
Group companies sales to external customers				
- ongoing operations				74.4
- other disposals*				34.1
Group companies inter-segment sales				2.6
Eliminations				(13.2)
				1,353.6
Sales to external customers - at 2009 average exchange rates				
- existing operations	324.6	770.8	243.2	1,338.6
- acquisitions*	10.2	52.3	-	62.5
	334.8	823.1	243.2	1,401.1
Group companies sales to external customers				
- ongoing operations				74.4
- other disposals*				35.9
				1,511.4

Notes to the Financial Statements (Continued)

2. Segment information (continued)

	Oil & Gas Dec 2008 £m	Minerals Dec 2008 £m	Power & Industrial Dec 2008 £m	Total Continuing Operations Dec 2008 £m
Result				
Segment result before exceptional items & intangibles amortisation				
- existing operations	55.1	107.1	18.0	180.2
- acquisitions*	1.5	7.4	-	8.9
Intangibles amortisation				
- existing operations	(9.6)	(3.1)	(0.8)	(13.5)
- acquisitions*	(1.2)	(1.9)	-	(3.1)
	45.8	109.5	17.2	172.5
Share of results of joint ventures	4.4	-	-	4.4
	50.2	109.5	17.2	176.9
Group companies*				
- ongoing operations				4.6
- other disposals*				(2.6)
Unallocated expenses*				(10.6)
Operating profit				168.3
Segment result before exceptional items & intangibles amortisation - at 2009 average exchange rates				
- existing operations	68.7	121.3	20.2	210.2
- acquisitions*	2.1	9.5	-	11.6
	70.8	130.8	20.2	221.8
Share of results of joint ventures	5.5	-	-	5.5
	76.3	130.8	20.2	227.3
Group companies*				
- ongoing operations				4.6
- other disposals*				(2.5)
Unallocated expenses*				(10.7)
				218.7
Total assets				
Segment assets	731.0	617.6	181.3	1,529.9
Investment in joint ventures	10.3	-	-	10.3
	741.3	617.6	181.3	1,540.2
Group companies assets				18.9
Unallocated assets				198.3
Total assets				1,757.4

*Acquisitions for 2008 include Weir Warman, Weir Mesa and Weir SOS. Other disposals include the Materials and Foundries businesses and the Canadian distribution business for 2008. Group companies include intangibles amortisation of £nil. Unallocated expenses include intangibles amortisation of £0.1m.

2. Segment information (continued)

A reconciliation of segment result before exceptional items & intangibles amortisation to profit before tax from continuing operations is as follows.

	26 weeks ended 26 June 2009 £m	26 weeks ended 27 June 2008 £m	52 weeks ended 26 December 2008 £m
Segment result before exceptional items & intangibles amortisation			
- existing operations	**91.8**	82.6	180.2
- acquisitions	**8.3**	2.9	8.9
- share of results of joint ventures	**2.6**	1.9	4.4
- group companies	**2.2**	1.6	2.0
- unallocated expenses	**(5.7)**	(4.3)	(10.5)
	99.2	84.7	185.0
Amortisation of intangibles	**(8.5)**	(6.7)	(14.4)
Impairment of intangibles	**-**	-	(2.3)
Net finance costs	**(6.9)**	(4.1)	(10.6)
Other finance (costs) income - retirement benefits	**(0.9)**	1.2	1.8
Profit before tax from continuing operations	**82.9**	75.1	159.5

Notes to the Financial Statements (Continued)

3. Exceptional items & intangibles amortisation

52 weeks ended 26 Dec 2008 £m		**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 £m
	Recognised in arriving at operating profit from continuing operations		
(14.4)	Intangibles amortisation	**(8.5)**	(6.7)
(2.3)	Impairment of intangibles	**-**	-
(16.7)	Exceptional items & intangibles amortisation	**(8.5)**	(6.7)
	Recognised in arriving at profit for the period from discontinued operations		
55.1	Exceptional items	**-**	54.2
(0.1)	Intangibles amortisation	**-**	(0.1)
55.0	Exceptional items & intangibles amortisation	**-**	54.1

4. Tax expense

52 weeks ended 26 Dec 2008 £m		**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 £m
(12.9)	Group - United Kingdom	**(6.8)**	(4.8)
(36.4)	Group - overseas	**(16.3)**	(20.7)
(49.3)	Total income tax expense in the consolidated income statement	**(23.1)**	(25.5)
	The total income tax expense is disclosed in the consolidated income statement as follows		
	Tax (expense) credit		
(51.8)	- continuing operations before exceptional items & intangibles amortisation	**(25.8)**	(24.2)
5.3	- intangibles amortisation	**2.7**	2.3
(2.8)	- within profit from discontinued operations	**-**	(3.6)
(49.3)		**(23.1)**	(25.5)
(0.8)	Total income tax expense included in the Group's share of results of joint ventures	**(0.5)**	(0.4)

5. Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period (adjusted for the effects of dilutive options and other share awards). The following reflects the profit and share data used in the calculation of earnings per share.

52 weeks ended 26 Dec 2008 £m		**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 £m
	Basic earnings per share		
	Profit attributable to equity holders of the Company		
170.8	- Total operations*	**59.8**	108.5
113.0	- Continuing*	**59.8**	53.2
124.4	- Continuing (before exceptional items & intangibles amortisation)*	**65.6**	57.6
209.9	Weighted average share capital (number of shares, million)	**210.2**	209.6
	Diluted earnings per share		
	Profit attributable to equity holders of the Company		
170.8	- Total operations*	**59.8**	108.5
113.0	- Continuing*	**59.8**	53.2
124.4	- Continuing (before exceptional items & intangibles amortisation)*	**65.6**	57.6
211.0	Weighted average share capital (number of shares, million)	**212.7**	212.0

The difference between the weighted average share capital for the purposes of the basic and the diluted earnings per share calculations is analysed as follows.

52 weeks ended 26 Dec 2008 Shares Million		**26 weeks ended 26 June 2009 Shares Million**	26 weeks ended 27 June 2008 Shares Million
209.9	Weighted average number of ordinary shares for basic earnings per share	**210.2**	209.6
0.1	Effect of dilution - share options	**-**	0.1
0.6	- LTIP awards	**2.1**	2.3
0.4	- conditional share award	**0.4**	-
211.0	Adjusted weighted average number of ordinary shares for diluted earnings per share	**212.7**	212.0

The profit attributable to equity holders of the Company used in the calculation of both basic and diluted earnings per share on continuing operations before exceptional items & intangibles amortisation is calculated as follows.

52 weeks ended 26 Dec 2008 £m		**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 £m
113.0	Net profit attributable to ordinary shareholders from continuing operations*	**59.8**	53.2
11.4	Exceptional items & intangibles amortisation net of tax	**5.8**	4.4
124.4	Net profit attributable to ordinary shareholders from continuing operations before exceptional items & intangibles amortisation*	**65.6**	57.6

*Adjusted for £nil (June 2008: £nil; December 2008: £nil) attributable to minority interests.

6. Dividends paid & proposed

52 weeks ended 26 Dec 2008 £m		**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 £m
	Declared & paid during the period		
	Equity dividends on ordinary shares		
25.9	Final dividend for 2008: 13.85p (2007: 12.35p)	**29.1**	25.9
9.8	Interim dividend: see below (2008: 4.65p)	**-**	-
35.7		**29.1**	25.9
29.1	Final dividend for 2008 proposed for approval by shareholders at the AGM: 13.85p	**-**	-
-	Interim dividend for 2009 declared by the Board: 4.80p (2008: 4.65p)	**10.1**	9.8

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

7. Property, plant & equipment & intangible assets

52 weeks ended 26 Dec 2008 £m		**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 £m
	Purchases of property, plant & equipment & intangible assets		
9.5	- land & buildings	**0.5**	4.3
41.3	- plant & equipment	**16.9**	15.1
2.5	- intangible assets	**0.5**	0.8
53.3		**17.9**	20.2
1.1	Book value of property, plant & equipment & intangible assets disposed	**0.2**	0.6
0.1	Gains on disposal of property, plant & equipment	**0.7**	0.2
2.8	Impairment of plant & equipment	**1.2**	-
2.3	Impairment of intangible assets	**-**	-

The impairment of plant & equipment, for all respective periods, relates to redundant property, plant & equipment at a number of locations across the Group where associated product lines have been changed or updated to reflect changing market conditions.

8. Pensions & other post-employment benefit plans

26 Dec 2008 (as restated - note 1) £m		**26 June 2009 £m**	27 June 2008 (as restated - note 1) £m
(29.9)	Plans in deficit	**(62.9)**	(24.3)

The increase in deficit of £33.0m in the 26 weeks ended 26 June 2009 was largely a result of adverse actuarial movements of £36.3m recognised in the Statement of Comprehensive Income primarily driven by an increase in the forecast long term rate of inflation from 2.7% at 26 December 2008 to 3.3% at 26 June 2009.

9. Derivative financial instruments

26 Dec 2008 £m		26 June 2009 £m	27 June 2008 £m
	Included in non-current assets		
2.3	Forward foreign currency contracts designated as cash flow hedges	**0.2**	0.1
5.8	Other forward foreign currency contracts	**1.0**	0.5
8.1		**1.2**	0.6
	Included in current assets		
5.4	Forward foreign currency contracts designated as cash flow hedges	**1.8**	6.0
0.8	Forward foreign currency contracts designated as net investment hedges	**2.9**	2.1
41.3	Other forward foreign currency contracts	**55.6**	3.7
47.5		**60.3**	11.8
	Included in current liabilities		
10.9	Forward foreign currency contracts designated as cash flow hedges	**3.2**	0.5
1.4	Forward foreign currency contracts designated as net investment hedges	**-**	0.1
2.2	Interest rate swaps designated as cash flow hedges	**2.8**	-
15.5	Cross currency swaps designated as net investment hedges	**9.7**	1.1
60.6	Other forward foreign currency contracts	**60.1**	3.9
90.6		**75.8**	5.6
	Included in non-current liabilities		
3.0	Forward foreign currency contracts designated as cash flow hedges	**0.3**	-
3.5	Interest rate swaps designated as cash flow hedges	**1.8**	-
61.3	Cross currency swaps designated as net investment hedges	**38.1**	4.1
2.3	Other forward foreign currency contracts	**1.0**	0.4
70.1		**41.2**	4.5
105.1	**Net derivative financial liabilities (assets)**	**55.5**	(2.3)

Notes to the Financial Statements (Continued)

10. Additional cash flow information

52 weeks ended 26 Dec 2008 £m		**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 £m
	Continuing operations		
	Net cash generated from operations		
168.3	Operating profit	**90.7**	78.0
(4.4)	Share of results of joint ventures	**(2.6)**	(1.9)
37.2	Depreciation & amortisation of property, plant & equipment & intangibles	**21.1**	18.7
5.1	Impairment of plant & equipment & intangibles	**1.2**	-
(0.1)	Gains on disposal of property, plant & equipment & investments	**(0.7)**	(0.4)
2.4	Defined benefit plan curtailment	**(0.7)**	-
(1.1)	Funding of pension & post-retirement costs	**(1.8)**	(0.1)
2.8	Employee share schemes	**2.1**	1.4
0.3	Net foreign exchange including derivatives*	**1.7**	(1.4)
12.9	Increase in provisions	**0.3**	2.4
(42.8)	Decrease (increase) in inventories	**15.1**	(22.6)
(10.1)	Decrease (increase) in trade & other receivables & construction contracts	**44.9**	(0.2)
43.9	(Decrease) increase in trade & other payables & construction contracts	**(47.4)**	(9.6)
214.4	Cash generated from operations	**123.9**	64.3

*A net cash outflow amount of £1.3m in relation to gains on derivatives for the 26 weeks ended 27 June 2008 has been reclassified from cash generated from operating activities to cash generated from financing activities.

	Acquisitions of subsidiaries		
(140.9)	Current year acquisitions	**-**	(131.6)
-	Acquisition of minority interest	**-**	(0.5)
-	Prior year acquisitions	**(0.1)**	(0.1)
(140.9)		**(0.1)**	(132.2)
	Disposals of subsidiaries		
60.6	Discontinued operations disposals	**-**	61.5
20.4	Other current year disposals	**-**	-
(0.4)	Prior years disposals	**(0.7)**	(0.1)
80.6		**(0.7)**	61.4
	Cash & cash equivalents comprises the following		
74.1	Cash & short-term deposits	**45.3**	49.2
(20.5)	Bank overdrafts & short-term borrowings	**(13.8)**	(16.5)
53.6		**31.5**	32.7
	Net debt comprises the following		
74.1	Cash & short-term deposits	**45.3**	49.2
(71.4)	Current interest-bearing loans & borrowings	**(62.1)**	(18.1)
(242.6)	Non-current interest-bearing loans & borrowings	**(183.2)**	(292.8)
(239.9)		**(200.0)**	(261.7)
	Reconciliation of net (decrease) increase in cash & cash equivalents to movement in net debt		
6.6	Net (decrease) increase in cash & cash equivalents from continuing operations	**(19.8)**	(11.5)
(2.5)	Net decrease in cash & cash equivalents from discontinued operations	**-**	(2.5)
(6.2)	Net decrease (increase) in debt	**59.2**	(68.3)
(2.1)	Change in net debt resulting from cash flows	**39.4**	(82.3)
(0.6)	Leases acquired	**-**	(0.6)
(2.4)	Loans acquired	**-**	(2.4)
(63.5)	Foreign currency translation differences	**0.5**	(5.1)
(68.6)	Change in net debt during the period	**39.9**	(90.4)
(171.3)	Net debt at beginning of period	**(239.9)**	(171.3)
(239.9)	Net debt at end of period	**(200.0)**	(261.7)

11. Related party disclosures

The following table provides the total amount of significant transactions which have been entered into with related parties for the relevant financial period and outstanding balances at the period end.

52 weeks ended 26 Dec 2008 £m		**26 weeks ended 26 June 2009 £m**	26 weeks ended 27 June 2008 £m
0.2	Sales of goods to related parties - joint ventures	**0.8**	-
-	Sales of services to related parties - joint ventures	**-**	0.2
0.2	Amounts owed to related parties - group pension schemes	**0.3**	0.3

12. Legal claims

The Company and certain subsidiaries are, from time to time, parties to legal proceedings and claims which arise in the normal course of business.

In 2004 an announcement was made to the London Stock Exchange in connection with the Group's involvement in the UN sanctioned Oil for Food programme. The Group continues to co-operate fully with the on-going investigations by UK authorities in this connection. In addition, the Group is subject to a claim relating to an action for damages arising from the UN Oil for Food programme which has been raised in the USA against just under 100 companies, including The Weir Group. This action will be robustly defended.

To the extent not already provided for, the Directors do not anticipate that the outcome of these proceedings and claims either individually and in aggregate will have a material adverse effect upon the Group's financial position.

13. Exchange rates

The principal exchange rates applied in the preparation of these interim condensed financial statements were as follows.

52 weeks ended 26 Dec 2008		**26 weeks ended 26 June 2009**	26 weeks ended 27 June 2008
	Average rate (per £)		
1.85	United States dollar	**1.49**	1.99
2.17	Australian dollar	**2.10**	2.13
1.25	Euro	**1.11**	1.29
1.96	Canadian dollar	**1.80**	1.99
	Closing rate (per £)		
1.46	United States dollar	**1.64**	1.99
2.14	Australian dollar	**2.04**	2.08
1.04	Euro	**1.17**	1.26
1.79	Canadian dollar	**1.89**	2.01

Responsibility statement

Directors Responsibility Statement in respect of the Condensed Interim Financial Statements

The directors confirm that this condensed set of financial statements has been prepared in accordance with IAS34 "Interim Financial Reporting" as adopted by the European Union and that the interim management report herein includes a fair review of the information required by the Disclosure Rules and Transparency Rules of the Financial Services Authority, paragraphs DTR 4.2.7 and DTR 4.2.8.

The directors of The Weir Group PLC are listed in the Group's Annual Report for the 52 weeks ended 26 December 2008, with the exception of Richard Menell who was appointed a non-executive director on 1 April 2009. Christopher Clarke retired as a director on 31 December 2008.

On behalf of the Board
Keith Cochrane
Finance Director
4 August 2009

Independent Review Report to The Weir Group PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the interim financial report for the 26 weeks ended 26 June 2009 which comprises the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity and the related notes 1 to 13. We have read the other information contained in the interim financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with guidance contained in ISRE 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Directors Responsibilities

The interim financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRS as adopted by the European Union. The condensed set of financial statements included in this interim financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the interim financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the interim financial report for the 26 weeks ended 26 June 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Ernst & Young LLP
Glasgow
4 August 2009

Interim Results

Copies of the interim results will be available from

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

Interim Dividend Payable
6 November 2009

The interim dividend will be paid to shareholders on the register at close of business on 9 October 2009.

Details contained in the interim report can be downloaded from The Weir Group website at: **www.weir.co.uk**

The Weir Group PLC

Clydesdale Bank Exchange
20 Waterloo Street
Glasgow G2 6DB
Scotland

Tel: +44 (0)141 637 7111
Fax: +44 (0)141 221 9789
Email: investor-relations@weir.co.uk
Website: www.weir.co.uk

Excellent
Engineering
Solutions