

**The Weir Group PLC**

Registered in Scotland No. 2934

Registered Office:

Clydesdale Bank Exchange

20 Waterloo Street

Glasgow G2 6DB, Scotland

Excellent  
Engineering  
Solutions



---

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the action you should take, you should seek financial advice from an independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in The Weir Group PLC, you should at once forward this document and the accompanying form of proxy to the purchaser or transferee, or to the bank or stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

---

*A Proxy card for the Annual General Meeting is enclosed and should be completed and returned so as to reach the Company's Registrar by no later than 11am on Monday 10 May 2010. Completion and return of the Proxy card will not prevent you from attending and voting at the Annual General Meeting in person, should you so wish. Alternatively you can register your proxy vote electronically, either by means of a website provided by the Company's Registrar, [www.eproxyappointment.com](http://www.eproxyappointment.com), or by using the service provided by Euroclear. Further details are given in the notes to this document.*

# Letter to Shareholders

7 April 2010

## Annual General Meeting 2010

I am writing to invite you to our 2010 Annual General Meeting, which will be held at the Burrell Collection, Glasgow on Wednesday 12 May 2010 at 11 am. Whether or not you are able to attend the Annual General Meeting, please complete and return the enclosed proxy form. Further information on the ways you can appoint a proxy is given in Note 5 to the Notice of the Annual General Meeting on page 8. Completion and return of a proxy card will not prevent you from attending and voting in person at the Annual General Meeting.

The consideration of resolutions at the Annual General Meeting is important. Your directors believe that it is essential that the voting intentions of all shareholders are taken into account, not just those who are able to attend the meeting. It is for this reason that all resolutions at the Annual General Meeting are voted on by way of a poll rather than a show of hands as this allows the votes of all shareholders to be counted. Shareholders attending the meeting will still have the opportunity to ask questions and vote on each resolution.

The Notice for this year's Annual General Meeting is contained on pages 6 and 7 of this document. The purpose of this letter is to provide some background to the business to be transacted at the Annual General Meeting.

### The 2009 annual report (Resolution 1)

Shareholders are being asked to receive and adopt the annual report and financial statements for the 53 weeks ended 1 January 2010.

### Final dividend (Resolution 2)

Subject to shareholder approval, a final dividend of 16.2p per ordinary share will be paid to all shareholders who are on the register of members on 7 May 2010.

### Remuneration report (Resolution 3)

Shareholders are invited to approve the remuneration report which is contained in the annual report and financial statements on pages 40 to 46.

### Retiring directors (Resolutions 4, 5, 6 and 7)

I would like to take this opportunity to comment on resolutions 4, 5, 6 and 7 which relate to the election and re-election of certain directors.

In order to have a well balanced Board, it is necessary to attract and retain directors possessing a sound understanding of the Group and its businesses. The Board also seeks to comply with the requirements of the Combined Code on Corporate Governance as they relate to the independence of directors.

Jon Stanton is expected to be appointed to the Board as finance director in April 2010. In accordance with the articles of association, Jon will hold office only until the Annual General Meeting and is therefore standing for election by shareholders.

Jon Stanton joins from Ernst & Young where he has worked since 1988 after joining as a graduate trainee in their Birmingham office. He has been a partner in the London office since 2001 with lead responsibility for the audit of a number of FTSE 100 multi-national clients. With Ernst & Young he has led the Japanese Business Services practice for Europe and headed up the Industrial Products audit business unit. He has significant corporate finance experience, including mergers and acquisitions, and has been involved in a number of restructuring and business process improvement projects. Jon has extensive international experience including two years based at Ernst & Young's Detroit office. He is a chartered accountant and member of the Institute of Chartered Accountants in England and Wales.

Keith Cochrane, Alan Mitchelson and I fall due for rotational retirement at the Annual General Meeting in accordance with the articles of association and will submit ourselves for re-election.

Keith Cochrane joined the Group as finance director in July 2006 and was appointed chief executive in November 2009. Following a number of years with Arthur Andersen, Keith joined Stagecoach Group plc in 1993. He was appointed finance director in 1996 and group chief executive in 2000. He joined Scottish Power plc in 2003 where he became director of group finance. He is a chartered accountant and a member of the Institute of Chartered Accountants of Scotland. Keith is currently a non-executive director of the Royal Scottish National Orchestra Society Ltd.

Alan Mitchelson joined the Group as company secretary in March 2000 and was appointed a director in December 2001. Following a period in legal private practice, a number of years were spent in the oil industry before joining Trafalgar House as a legal advisor. He joined Highland Distillers plc in 1988 where he was company secretary before being appointed legal and personnel director in 1991. He is currently a non-executive director of Glasgow 2014 Ltd. He is a solicitor and member of the Law Society of Scotland.

I joined the Board in February 2002 and was appointed chairman in July of the same year. I am chairman of Scottish & Southern Energy plc and a non-executive director of Standard Bank Group Ltd. I am also chairman of Glasgow 2014 Ltd, the organising committee for the Commonwealth Games.

I am currently a member of the Council of Economic Advisors to the First Minister of Scotland, chancellor of the University of the West of Scotland and patron of the Scottish Community Foundation.

I was formerly chairman and chief executive of Morgan Grenfell Private Equity and was chief executive of Morgan Grenfell Asset Management from 1996 until 2000 before becoming vice chairman of Deutsche Asset Management between 2000 and 2002. I have also held a number of other positions in the financial services industry, was a member of Judicial Appointments Board for Scotland and a former chairman of the trustees of the National Museums of Scotland.

Professor Percy has indicated that he will retire from the Board prior to this year's Annual General Meeting. We would like to pass on our thanks to Professor Percy for his valued advice and support over the years.

Michael Dearden assumed the role of senior independent director from 1 November 2009 and John Mogford was appointed to the Remuneration Committee in January 2010 to replace Professor Percy.

The Board recommends to shareholders the election of Jon Stanton and the re-election of Keith Cochrane, Alan Mitchelson and Lord Smith.

#### **Authority to allot shares (Resolution 10)**

Under section 551 of the Companies Act 2006, the directors of the Company may only allot shares or grant rights to subscribe for or convert any securities into shares if authorised to do so. This resolution, which complies with guidance issued by the Association of British Insurers, will, if passed, authorise the directors to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £17,540,000 (representing 140,320,000 ordinary shares) in connection with a rights issue in favour of ordinary shareholders and up to an aggregate nominal amount equal to £8,770,000 (representing 70,160,000 ordinary shares) in other cases (such amounts being equal to approximately two-thirds and approximately one-third, respectively, of the issued share capital of the Company (excluding shares held in treasury) as at 6 April 2010, the last practicable date prior to publication of this Notice). The maximum of £17,540,000 is reduced by the nominal amount of any shares issued under paragraph (ii) of this resolution.

As at the date of this Notice, 2,213,974 ordinary shares were held by the Company in treasury, which figure represents approximately 1.1 per cent of the issued share capital (excluding shares held in treasury) as at that date.

The authority sought under this resolution will expire at the conclusion of the Annual General Meeting held in 2011 or on 12 August 2011, whichever is the earlier.

The directors have no present intention to exercise either of the authorities sought under this resolution; however, the directors may consider doing so if they believe it would be appropriate in respect of business opportunities that may arise consistent with the Company's strategic objectives.

#### **Partial disapplication of pre-emption rights (Resolution 11)**

This resolution, which will be proposed as a special resolution, authorises the directors to allot shares in the Company or to sell treasury shares without applying the statutory pre-emption provisions either in a rights issue for cash proportionate to the existing holdings of ordinary shareholders or, in any other allotment for cash or sale of treasury shares for cash, up to a maximum equal to an aggregate amount in nominal value of £1,315,000, which represents approximately 5% of the issued

share capital of the Company (excluding shares held in treasury) as at 6 April 2010, being the last practicable date prior to publication of this Notice.

Except for the issue of shares pursuant to the Group Long Term Incentive Plan (the "LTIP"), the directors have no present intention of issuing any shares.

This resolution seeks authority to allow the directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas shareholders.

As specified in the resolution, the authority will only be valid until the conclusion of the Annual General Meeting in 2011 or 12 August 2011, whichever is the earlier.

#### **Authority to purchase own shares (Resolution 12)**

At last year's Annual General Meeting, the Company was authorised in accordance with its articles of association and within institutional shareholder guidelines, to purchase its own shares. No such purchases have been made. The directors are seeking renewal of this authority for a further year. Accordingly this resolution, which will be proposed as a special resolution, seeks authority to make market purchases of up to a maximum of 21,050,000 ordinary shares (being approximately 10% of the Company's issued share capital (excluding shares held in treasury) as at 6 April 2010, being the last practicable date prior to publication of this Notice) and specifies the maximum and minimum prices for the shares. Any shares purchased by the Company under this authority would be cancelled or held as treasury shares. A maximum of 10% of the Company's issued share capital may be held as treasury shares.

As at 6 April 2010, being the last practicable date prior to publication of this Notice, there were awards outstanding to subscribe for 2.2 million ordinary shares under the LTIP. If the outstanding awards were fully exercised they would represent approximately 1% of the issued share capital (excluding shares held in treasury). If the buy back authority was exercised in full, pursuant to this resolution, then the number of awards to subscribe for shares outstanding as at 6 April 2010, being the last practicable date prior to publication of this Notice, would represent 1.15% of the reduced share capital (excluding shares held in treasury).

This authority will expire no later than eighteen months after the date of the Annual General Meeting. Purchases of shares either for cancellation or to be held in treasury would only be undertaken within the limits of the Company's available reserves and only if, in the opinion of the directors, they are expected to enhance earnings per share or otherwise benefit the overall financial position of the Company.

## Letter to shareholders (continued)

### **Adoption of new articles of association (Resolution 13)**

Resolution 13 is a special resolution to adopt new articles of association in substitution for and to the exclusion of the Company's existing articles of association.

Since the Company's existing articles of association were adopted on 7 May 2008, there have been a number of changes to the law in relation to companies as a result of amendments to the Companies Act 2006 (the "2006 Act") and by the Companies (Shareholder Rights) Regulations 2009 (the "Regulations"). Some of these changes will apply automatically to the Company whilst others will require the Company to take specific steps to take advantage of, or exclude, as the case may be, the effect of the changes.

In order to accommodate all the proposed changes to the existing articles it is proposed that new articles of association be adopted at the Annual General Meeting. Accordingly, resolution 13 is a special resolution relating to the proposed adoption of these new articles which, in addition to reflecting the provisions of the 2006 Act, also contain a number of changes that generally update the existing articles bringing the provisions into line with current market practice.

The principal changes proposed to be made to the existing articles are detailed in the Appendix at the back of the Notice of the Annual General Meeting. Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the 2006 Act or conform the language of the new articles with that used in the model articles for public companies produced by the Department for Business, Innovation and Skills, have not been noted in the Appendix.

### **Notice of general meetings (Resolution 14)**

Changes to the 2006 Act came into force on 3 August 2009 due to the implementation of the Regulations. One of the amendments made increases the minimum notice period for listed company general meetings to 21 days, but with an ability for companies to reduce this period back to 14 days (other than for annual general meetings) provided that two conditions are met. The first condition is that the Company offers facilities for shareholders to vote by electronic means. The second condition is that there is an annual resolution of shareholders approving the reduction in the minimum notice period from 21 days to 14 days. The Board is therefore proposing resolution 14 as a special resolution to approve 14 days as the minimum period of notice for all general meetings of the Company, other than the Annual General Meeting. The approval will be effective until the next Annual General Meeting of the Company, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Regulations before it can call a general meeting on 14 days' notice.

### **Amendments to the rules of the Group Long Term Incentive Plan (Resolution 15)**

The Company operates the Group Long Term Incentive Plan (the "LTIP") as its long-term incentive arrangement for the executive directors and other senior employees of the Company.

As more fully described in the remuneration report contained in the annual report and financial statements 2009 on pages 41 and 42, the LTIP provides for the grant of performance share awards, compulsory investment share awards and matching share awards.

Such awards comprise conditional awards of ordinary shares in the Company. The awards ordinarily vest on the third anniversary of the date of grant subject to the award holders continued employment with the Group and the satisfaction of a challenging performance condition.

The matching share awards are granted annually in connection with an individual's investment of their Group bonus. Such investment is either in the form of a compulsory investment share award (comprising a compulsory conditional award of shares in lieu of bonus) and, if they so choose, a voluntary post-tax investment from bonus in shares (such shares are required to be held for the duration of the relevant vesting period).

Following a review recently undertaken by the Remuneration Committee (the "Committee"), shareholder approval is being requested for certain amendments to the terms of the LTIP in relation to future awards.

The first change for which shareholder approval is being sought in connection with the LTIP is to provide that the Committee may decide that participants will receive a payment (in cash and/or shares) on or shortly following the vesting of their performance share awards, matching share awards and compulsory investment share awards (as relevant), of an amount equivalent to the dividends that would have been paid on the number of shares vesting under the awards in relation to dividends paid between the grant of the awards and the time when they vest.

Such "dividend equivalent" provisions are increasingly common in relation to long-term incentive plan designs and seek to further align the participants interests with that of shareholders.

The second change for which shareholder approval is being sought in relation to the LTIP is to amend the treatment of the compulsory investment share awards in the event of the participant's cessation of employment during the vesting period.

The current terms of the LTIP provide that performance share awards, matching share awards and compulsory investment share awards will ordinarily be lost on cessation of employment.

On the basis that the compulsory investment share awards relate to bonuses already earned, the Committee considers it appropriate that the terms of the LTIP should be amended to provide that future compulsory investment share awards should not be subject to a risk of forfeiture except in the event of the

award holder's dismissal for gross misconduct or in the event of a material misstatement of the financial results to which the initial bonus related.

The current terms of the LTIP as to the treatment of leavers will remain unchanged in relation to performance share awards and matching share awards.

The third proposed change is to increase the individual annual limits under the LTIP in connection with the performance share awards from 100% to 150% of base salary for performance share awards made in normal circumstances, and from 150% to 200% of base salary for performance share awards made in exceptional circumstances (e.g. recruitment).

This amendment is sought to provide the Company with greater flexibility going forward but please note that no normal performance share awards will be awarded in 2010 in excess of 100% of base salary (the current normal limit under the LTIP).

Resolution 15 seeks shareholders approval in relation to the amendments required to the rules of the LTIP to implement the three changes described above.

Please note that such changes are part of a wider policy of changes being implemented in connection with the LTIP including changes to the performance condition policy for future performance share awards and the basis for matching award participation.

Full details of such wider policy of changes for the LTIP can be found in the remuneration report contained in the annual report and financial statements 2009.

#### **Recommendation and action to be taken**

The directors believe that the attached resolutions are in the best interests of the Company and its shareholders and they recommend you to give them your full support by voting in favour of the resolutions which they intend to do in respect of their own beneficial holdings.

You will find enclosed a proxy form which you are requested to complete and return in accordance with the instructions printed thereon as soon as possible, but in any event to be received not less than 48 hours before the Annual General Meeting. The return of the proxy form or the appointment of a proxy by electronic means will not preclude you from attending the Annual General Meeting and voting in person if you wish to do so.

Yours faithfully



**Lord Smith of Kelvin**  
Chairman

# Notice of Annual General Meeting

Notice is hereby given that the one hundred and sixteenth Annual General Meeting of The Weir Group PLC will be held in the Lecture Room, The Burrell Collection, Pollok Park, Glasgow, on 12 May 2010 at 11 am for the purpose of transacting the following business:

To consider and, if thought fit, pass the following resolutions 1 to 10 and 15 as ordinary resolutions and resolutions 11 to 14 as special resolutions.

1. That the directors report and the audited financial statements for the 53 weeks to 1 January 2010 be approved and adopted.
2. That a final dividend for the 53 weeks to 1 January 2010 of 16.2 pence per ordinary share of 12.5 pence payable on 3 June 2010 to those shareholders on the register at the close of business on 7 May 2010 be declared.
3. That the remuneration report for the 53 weeks to 1 January 2010 be approved.
4. That Jon Stanton be elected as a director of the Company.
5. That Keith Cochrane be re-elected as a director of the Company.
6. That Alan Mitchelson be re-elected as a director of the Company.
7. That Lord Smith be re-elected as a director of the Company.
8. That Ernst & Young LLP be reappointed as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
9. That the directors be authorised to fix the remuneration of the auditors.
10. That the directors be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company:
  - (i) comprising equity securities (as defined in section 560 of the Companies Act 2006) up to a maximum aggregate nominal amount of £17,540,000 (such amount to be reduced by any shares allotted or rights granted under paragraph (ii) below) in connection with an offer by way of a rights issue:
    - (a) to holders of shares in proportion (as nearly as may be practicable) to their existing holdings; and
    - (b) to holders of other equity securities if this is required by the rights of those equity securities or, if the directors consider it necessary, as permitted by the rights of those equity securities;

and so that the directors may make such exclusions or other arrangements as they consider expedient

in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter; and

- (ii) up to an aggregate nominal amount of £8,770,000 (such amount to be reduced by the aggregate nominal amount of any equity securities (as defined in section 560 of the Companies Act 2006) allotted under paragraph (i) above in excess of £8,770,000;

and this authority shall expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, the close of business on 12 August 2011, save that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

All previous unutilised authorities under section 80 of the Companies Act 1985 shall cease to have effect at the conclusion of the Annual General Meeting (save to the extent that the same are exercisable pursuant to section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this resolution which would or might require shares to be allotted or rights to be granted on or after that date).

11. That, subject to the passing of resolution 10, the directors be given the general power pursuant to section 571(1) of the Companies Act 2006 to allot equity securities (as defined by section 560 of the Companies Act 2006) for cash, either pursuant to the authority conferred by resolution 10 or by way of a sale of treasury shares, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to:
  - (i) the allotment of equity securities in connection with an offer by way of a rights issue (but in the case of the authority granted under resolution 10(i) by way of a rights issue as described in that resolution only):
    - (a) to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings; and
    - (b) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- (ii) the allotment (otherwise than pursuant to paragraph (i) above) of equity securities up to an aggregate nominal amount of £1,315,000;

and such power granted by this resolution will expire on 12 August 2011 or, if earlier, the conclusion of the Annual General Meeting in 2011 (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

All previous unutilised authorities under section 95 of the Companies Act 1985 shall cease to have effect at the conclusion of the Annual General Meeting.

- 12.** That, in accordance with the Act, the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) on the London Stock Exchange of ordinary shares of 12.5p each in the capital of the company provided that:

- (i) the maximum aggregate number of shares hereby authorised to be purchased is 21,050,000;
- (ii) the minimum price which may be paid for such shares is 12.5p per ordinary share (exclusive of expenses);
- (iii) the maximum price (exclusive of expenses) which may be paid for such shares shall not be more than 5% above the average of the market values for a share as derived from the London Stock Exchange's Daily Official List for the five business days immediately preceding the date on which the shares are purchased;
- (iv) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the Company's next Annual General Meeting or 12 November 2011 (whichever is earlier); and
- (v) the Company may make a contract or contracts to purchase shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts;

and all previous unutilised authorities for the Company to make market purchases of ordinary shares are revoked, except in relation to the purchase of shares under a contract or contracts concluded before the date of this resolution and where such purchase has not yet been executed.

- 13.** That

- (i) the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's articles of association; and
- (ii) the articles of association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted as the articles of association of the Company, in substitution for, and to the exclusion of, the existing articles of association.

- 14.** That general meetings, other than the Annual General Meeting, may be called on not less than 14 clear days' notice.

- 15.** That the amendments to the rules of the Group Long Term Incentive Plan referred to in the Chairman's Letter to Shareholders dated 7 April 2010, as produced in draft to the Meeting and, for the purposes of identification, initialled by the Chairman, be approved and the directors be authorised to adopt such amendments.

By Order of the Board

**Alan Mitchelson**  
Secretary

*Registered Office:  
Clydesdale Bank Exchange  
20 Waterloo Street  
Glasgow G2 6DB, Scotland*

7 April 2010

## Notice of Annual General Meeting (continued)

### Notes

1. To be entitled to attend and vote at the Annual General Meeting (and for the purposes of determining the votes they may cast), shareholders must be entered on the Company's register of members at 6 pm on 10 May 2010 (or in the event of any adjournment, on the date which is two days before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting, or adjourned meeting.

2. If you are coming to the Annual General Meeting, please bring your attendance card with you. It authenticates your right to attend, speak and vote at the Annual General Meeting and will speed your admission. You may find it useful to also bring this Notice of Annual General Meeting and the annual report and financial statements 2009 so that you can refer to them at the Annual General Meeting. All joint shareholders may attend and speak at the Annual General Meeting. However, only the first shareholder listed on the register of members is entitled to vote. At the discretion of the Company, and subject to sufficient seating capacity, a shareholder may enter with one guest, provided that the shareholder and their guest register to enter the Annual General Meeting at the same time.

All shareholders or their proxies will have the opportunity to ask questions at the Annual General Meeting. When invited by the Chairman, if you wish to ask a question, please wait for a Company representative to bring you a microphone. It would be helpful if you could state your name before you ask your question. A question may not be answered at the Meeting if it is considered not to be in the interests of the Company or the good order of the Annual General Meeting or if it would involve the disclosure of sensitive information. The Chairman may also nominate a representative to answer a specific question after the Annual General Meeting or refer the question to the Company's website.

3. A shareholder entitled to vote at the Annual General Meeting is entitled to appoint a proxy or proxies (who need not be shareholders) to exercise all or any of their rights to attend, speak and vote at the Annual General Meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.

4. Voting on all resolutions will be conducted by way of a poll rather than on a show of hands. The Weir Group operates electronic voting at its Annual General Meetings whereby all shareholders, proxies and corporate representatives can vote at the meeting, which is explained in more detail in Notes 5 and 17.

5. To appoint a proxy you may:

(i) Register the appointment of your proxy vote electronically using the internet by going to [www.eproxyappointment.com](http://www.eproxyappointment.com) and following the instructions provided. The proxy appointment must be received by Computershare at the address referred to on the website by 11 am on 10 May 2010. Please note that any electronic communication sent to our registrars in respect of the appointment of a proxy that is found to contain a computer virus will not be accepted; or

(ii) Use the proxy card enclosed with this Notice of Annual General Meeting, which should be returned direct to:

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
BRISTOL  
BS99 6ZY

so as to arrive no later than 11 am on 10 May 2010; or

(iii) If you hold your shares in uncertificated form, utilise the CREST electronic proxy appointment service as set out below in Note 17.

6. Completion of a form of proxy will not preclude a shareholder from attending and voting in person at the Annual General Meeting. A "vote withheld" option is provided on the proxy card accompanying this Notice of Annual General Meeting which is to enable a shareholder to abstain on any particular resolution. It should be noted that an abstention is not a vote in law and will not be included in the calculation of the proportion of votes "for" or "against" a resolution.

7. The following documents will be available for inspection at the registered office of the Company during normal business hours on each business day from the date of this notice until the date of the Annual General Meeting and thereafter at the place of the Annual General Meeting from 10.45 am until the conclusion of the Annual General Meeting:

(i) copies of terms of appointment or service contracts, as appropriate, of the directors of the Company;

(ii) the directors deeds of indemnity;

(iii) the current articles of association of the Company;

(iv) the proposed new articles of association of the Company;

(v) a copy of the rules of the Group Long Term Incentive Plan incorporating draft amendments proposed to make the changes referred to in the Chairman's letter to shareholders dated 7 April 2010.

8. A copy of the current articles of association and the proposed new articles of association will also be available for inspection at the offices of Maclay Murray & Spens, 1 London Wall, London EC2Y 5AB, during normal business hours from the date of this notice until the close of the Annual General Meeting.

9. A copy of the rules of the Group Long Term Incentive Plan incorporating draft amendments proposed to make the changes referred to in the Chairman's letter to shareholders dated 7 April 2010 will also be available for inspection at the offices of Hewitt New Bridge Street, 6 More London Place, London SE1 2DA, during normal business hours from the date of this notice until the close of the Annual General Meeting.

10. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment

right or does not wish to exercise it, he/she may under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

11. The statement of rights of shareholders in relation to the appointment of proxies in Note 5 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders.
12. Information regarding the Annual General Meeting including the information required by section 311A of the Companies Act 2006 is available on [www.weir.co.uk](http://www.weir.co.uk). You can contact the Weir Group electronically by emailing: [investor-relations@weir.co.uk](mailto:investor-relations@weir.co.uk). Any email should be accompanied by your full name and Shareholder Reference Number as authentication.
13. Shareholders of the Company have the right, under section 338 of the Companies Act 2006, to require the Company to give its shareholders notice of a resolution which such shareholders wish to be moved at an Annual General Meeting of the Company. Additionally, shareholders of the Company have the right under section 338A of the Companies Act 2006 to require the Company to include a matter (other than a proposed resolution) in the business to be dealt with at the Annual General Meeting. The Company is required to give such notice of a resolution or include such matter once it has received requests from shareholders representing at least 5% of the total voting rights of all the shareholders who have a right to vote at the Annual General Meeting or from at least 100 shareholders with the same right to vote who hold shares in the Company on which there has been paid up an average sum, per shareholder of at least £100. This request must be received by the Company not later than six weeks before the Annual General Meeting or, if later, the time at which notice is given of the Annual General Meeting. In the case of a request relating to section 338A of the Companies Act 2006, the request must be accompanied by a statement setting out the grounds for the request.
14. Under section 527 Companies Act 2006, shareholders have a right to request publication of any concerns that they propose to raise at the Annual General Meeting relating to the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be submitted to the meeting or any circumstances connected to the Company's auditors who ceased to hold office since the last Annual General Meeting. The Company will publish the statement if sufficient requests have been received in accordance with section 527(2) Companies Act 2006 which, broadly, requires a minimum of 100 shareholders holding, on average, at least £100 of the issued share capital or shareholders holding at least 5% of the total voting rights to make the request. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with such request. Where a statement is published, the Company will forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 Companies Act 2006 to publish on its website.
15. As at 6 April 2010, being the last practicable date prior to publication of this notice, the Company's issued share capital comprised 212,715,921 ordinary shares of 12.5p each. Each ordinary share carries the right to one vote at a general meeting

of the Company. There are 2,213,974 ordinary shares held as treasury shares and, therefore, the total number of voting rights in the Company as at 9.00am on 6 April 2010, being the last practicable date prior to publication of this notice, is 210,501,947. The Company's website includes information on the number of shares and voting rights.

16. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises power over the same share.
17. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the CREST Proxy Instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) not later than 48 hours before the Annual General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

# Appendix

## EXPLANATORY NOTE OF PRINCIPAL CHANGES TO THE EXISTING ARTICLES PROPOSED IN RESOLUTION 13

### 1. The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum of association (the "Memorandum") and in the articles of association adopted on 7 May 2008 (the "Existing Articles"). The Memorandum contains, inter alia, the objects clause which sets out the scope of the activities the Company is authorised to undertake.

The Companies Act 2006 (the "2006 Act") significantly reduces the constitutional significance of a company's memorandum. The 2006 Act provides that a memorandum will only record the names of the subscribers and the number of shares each subscriber has agreed to take in a company. Under the 2006 Act the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in a company's articles of association, although a company can remove these provisions by special resolution. Further, the 2006 Act states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the 2006 Act, would be treated as forming part of the proposed new articles of association to be adopted at the Annual General Meeting to be held on 12 May 2010 (the "New Articles"). Resolution 13(i) confirms the removal of these provisions for the Company.

As the effect of this resolution will be to remove the statement currently in the Memorandum regarding limited liability, the New Articles also contain an express statement regarding the limited liability of the shareholders of the Company.

### 2. Authorised share capital and unissued shares

The 2006 Act abolishes the requirement for a company to have an authorised share capital and the New Articles reflect this. Directors will still be limited as to the number of shares they can allot at any time because allotment authority continues to be required under the 2006 Act, save in respect of employee share schemes.

### 3. Redeemable shares

Under the Companies Act 1985 (the "1985 Act"), if a company wished to issue redeemable shares it had to include in its articles the terms and manner of redemption. The 2006 Act enables directors to determine such matters instead, provided they are so authorised by the articles of a company. The New Articles contain such an authorisation. The Company has no plans to issue redeemable shares but if it did so the directors of the Company would need shareholders' authority to issue new shares in the usual way.

### 4. Authority to purchase own shares, consolidate and sub-divide shares and reduce share capital

Under the 1985 Act, a company required specific enabling provisions in its articles to purchase its own shares, to consolidate or sub-divide its shares and to reduce its share capital or other undistributable reserves as well as shareholder authority to undertake the relevant action. The Existing Articles include these enabling provisions. Under the 2006 Act a company will only require shareholder authority to do any of these things and it will no longer be necessary for a company's articles to contain enabling provisions. The relevant enabling provisions have been carried over into the New Articles only in respect of consolidation and sub-division in order to set out provisions relating to fractional entitlements which are not otherwise provided for under the 2006 Act.

### 5. Transfers of shares

The 2006 Act provides that if the directors of a company refuse to register a transfer of shares then, in addition to sending the purported transferee notice of refusal, the directors must also give reasons for the refusal and any further information about such reasons that the purported transferee may reasonably request. The New Articles have therefore been amended in this regard.

The Existing Articles permit the directors of the Company to suspend the registration of transfers. Under the 2006 Act share transfers must be registered as soon as practicable. The power in the Existing Articles to suspend the registration of transfers is inconsistent with this requirement and this power has accordingly been removed in the New Articles.

### 6. Variation of class rights

The Existing Articles contain provisions regarding the proceedings and specific quorum requirements for a meeting convened to vary class rights. These provisions have been carried over into the New Articles but have been updated to the extent necessary to reflect the provisions of the 2006 Act.

### 7. Shareholder meetings

The New Articles clarify that at least two people must be present before business can be transacted at a general meeting. It is not possible for one person who is a shareholder in his own right and has also been appointed a proxy or corporate representative for another shareholder to constitute a quorum.

In addition, the ability of shareholders to consent to short notice of a general meeting (but not a class meeting), currently contained in the Existing Articles, has not been carried over into the New Articles as this is no longer permitted by the 2006 Act.

An enabling provision has been included in the New Articles so that the directors may resolve to enable persons entitled to attend a general meeting to do so by attendance and participation at a satellite meeting place. A further enabling

provision has been included in the New Articles so that arrangements may be made for shareholders to attend and participate in general meetings electronically. Provisions have also been inserted in the New Articles in respect of the accommodation of members and security at meetings.

The casting vote of the chairman of a general meeting in the event of an equality of votes, currently contained in the Existing Articles, has not been carried over into the New Articles as this is no longer permitted by the 2006 Act.

#### **8. Proxies and corporate representatives**

Under the 2006 Act, as amended by the Regulations, each proxy present at a general meeting will have one vote on a show of hands, unless he has been appointed by more than one shareholder and has received instructions to vote both in favour of and against the same resolution. In this case he will have one vote for the resolution and one vote against. If a proxy has been granted discretion as to how to vote, he is treated for this purpose as if he had been instructed to vote in the way in which he decides to exercise his discretion. Further, the Regulations have amended the 2006 Act in order to enable multiple representatives appointed by the same corporate shareholder to vote in different ways on a show of hands and on a poll. The New Articles contain provisions which reflect these amendments.

The New Articles also reinforce the legal position that the Company has no obligation to check that proxies and corporate representatives have voted in accordance with shareholder instructions and the validity of a resolution will not be affected if there is any failure to do so.

#### **9. Change of name**

Under the 1985 Act a company could only change its name by special resolution. Under the 2006 Act a company can change its name by other means provided for by its articles. To take advantage of this provision, the New Articles enable the Company to change its name by ordinary resolution.

#### **10. Provision for employees on cessation of business**

The 2006 Act provides that the powers of the directors of a company to make provision for a person employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary, may only be exercised by the directors if they are so authorised by the company's articles or by the company in general meeting. The New Articles duly provide that the directors of the Company may exercise this power.

#### **11. Use of seals**

The New Articles provide an alternative option for execution of documents (other than share certificates). Under the New Articles, when the seal is affixed to a document it may be signed by any person authorised by the directors of the Company for that purpose whereas previously the requirement was for signature by either a director and the company secretary or by two directors.

#### **12. Voting record date**

Under the 2006 Act, as amended by the Regulations, the Company must determine the right of shareholders to vote at a general meeting by reference to the register not more than 48 hours before the time for the holding of the meeting, not taking account of days which are not working days. The New Articles have been drafted to reflect this requirement.

#### **13. Adjournment for lack of quorum**

Under the 2006 Act, as amended by the Regulations, general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The New Articles have been drafted to reflect this requirement.

#### **14. Directors indemnities**

Under the Existing Articles the directors of the Company are indemnified to the fullest extent permissible under the 2006 Act. The indemnity provisions extend, however, to "every officer of the Company". It is now recommended best practice (as articulated by, for example, the National Association of Pension Funds) for listed companies to exclude auditors from the indemnity provisions in their articles. Accordingly, the New Articles clarify that it is only directors, alternate directors or secretaries who fall within the scope of the indemnity provisions (and, similarly, the insurance provision).

#### **15. Articles which duplicate statutory provisions**

Provisions in the Existing Articles which replicate provisions contained in the 2006 Act are, in the main, removed in the New Articles. This is in line with the approach advocated by the Government that statutory provisions should not be duplicated in a company's constitution.

#### **16. General**

Generally the opportunity has been taken to bring clearer language into the New Articles and therefore non-material changes and stylistic amendments have also been made to the Existing Articles. The New Articles also contain a number of non-material differences to reflect changes in general law and market practice since the date the Existing Articles were adopted.

Excellent  
Engineering  
Solutions



**The Weir Group PLC**

Registered in Scotland No. 2934

Registered Office:  
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](mailto:investor-relations@weir.co.uk)  
Website: [www.weir.co.uk](http://www.weir.co.uk)