

WEIR USA INVESTMENTS LIMITED

Report and Financial Statements

30 December 2005



Registered Number 276532 (Scotland)

Weir USA Investments Limited

DIRECTORS' REPORT

The directors submit their annual report together with the audited financial statements for the period 26 November 2004 to 30 December 2005.

PRINCIPAL ACTIVITY

The company is primarily engaged in the acquisition and retentions of investments, rights or interests in other companies.

RESULTS AND DIVIDENDS

The profit for the period to 30 December 2005 after taxation amounted to £1,863. No dividend was paid leaving £1,863 to be transferred to shareholders' funds.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

An explanation of the Company's financial risk management objectives and policies is set out in note 6 to the financial statements.

BOARD OF DIRECTORS

The directors of the company who served during the period are:

Mr C J Rickard (appointed 26 November 2004)

Mr L I McCall (appointed 26 November 2004)

Mr A W F Mitchelson (appointed 26 November 2004)

DIRECTORS' INTERESTS

No director had, during or at the end of the period, any material interest in any contract of significance in relation to the company's business.

No director had any interest in the share capital of the company during the period.

No director had any interest in the debenture stock of The Weir Group PLC or in the shares or loan stock of any subsidiary of The Weir Group PLC.

Both C J Rickard and A W F Mitchelson as at 30 December 2005 were also directors of The Weir Group PLC, the ultimate holding company, and their interests in the ordinary shares of The Weir Group PLC at 30 December 2005 and at the end of the proceeding period are listed in the report of the directors of The Weir Group PLC, for the period to 30 December 2005.

L I McCall's interests in the ordinary shares of 12.5p of The Weir Group PLC are as follows:

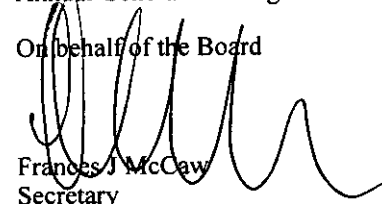
	<i>Ordinary shares</i>		<i>Subject to option</i>	
	<i>30 December 2005</i>	<i>31 December 2004</i>	<i>30 December 2005</i>	<i>31 December 2004</i>
L I McCall	-	-	21,365	15,000

During 2005, a conditional award over 5,913 (2004: 5,972) shares was made to L I McCall under The Weir Group PLC long-term incentive plan (L-TIP). These shares represent the maximum entitlement and the actual number of shares (if any) will depend on the performance conditions being achieved in accordance with the rules of the plan.

Auditors

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

On behalf of the Board


Frances J McCaw
Secretary
16 June 2006

Weir USA Investments Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the period. In preparing those financial statements the directors are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, state whether applicable accounting standards have been followed and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that the financial statements comply with the above requirements.

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WEIR USA INVESTMENTS LIMITED

We have audited the company's financial statements for the period ended 30 December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 8. These financial statements have been prepared under the accounting policies set out therein.

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

Respective responsibilities of directors and auditors

The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

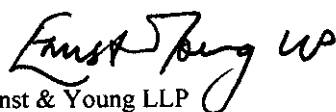
Basis of audit opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 December 2005 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
Glasgow
16 June 2006

Weir USA Investments Limited

PROFIT AND LOSS ACCOUNT

for period 26 November 2004 to 30 December 2005

	<i>Notes</i>	<i>2005</i>
		<i>£</i>
Bank Interest		278
Interest on Investments		2,384
PROFIT BEFORE TAX		<u>2,662</u>
Tax	3	(799)
PROFIT ON ORDINARY ACTIVITIES AFTER TAX		<u>1,863</u>
RETAINED PROFIT		<u><u>1,863</u></u>

Weir USA Investments Limited

BALANCE SHEET at 30 December 2005

	<i>Notes</i>	<i>2005</i>
		<i>£</i>
FIXED ASSETS		
Investments	4	70,622,000
CURRENT ASSETS		
Cash at bank and in hand		52,662
		<u>52,662</u>
CURRENT LIABILITIES		
Tax Payable		799
NET CURRENT ASSETS		<u>51,863</u>
		<u>70,673,863</u>
CAPITAL AND RESERVES		
Called up share capital	5	70,672,000
Profit and loss account		1,863
		<u>70,673,863</u>



C J Rickard
Director

16 June 2006

Weir USA Investments Limited

NOTES TO THE FINANCIAL STATEMENTS for the period ended 30 December 2005

1. ACCOUNTING POLICIES

Basis of preparation

The Company financial statements have been prepared under UK GAAP and applicable accounting standards.

Group financial statements

Group financial statements are not prepared as the company is a wholly owned subsidiary of another body corporate. Unless otherwise stated, references to "subsidiaries" and "associates" are to be taken as references to subsidiary undertakings and associated undertakings respectively.

Investments

Investments in subsidiaries, joint ventures and associates are held at historical cost less a provision for impairment.

2. DIRECTORS AND EMPLOYEES

The company has no employees and has therefore incurred no staff costs. No remuneration was paid to any director.

3. TAXATION

	2005 £
Based on the results for the year:	
UK Corporation Tax at 30%	799

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30%.

4. INVESTMENTS

	£
Cost:	
Acquired	70,622,000
Net book value at 30 December 2005	70,622,000

The company owns 100% of the Class B Common Stock of Weir Group Inc, a company incorporated in the United States.

5. SHARE CAPITAL

	<i>Authorised 2005 No.</i>	<i>Allotted, called up and fully paid 2005 £</i>
Ordinary shares of £1 each	100,000,000	70,672,000

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 30 December 2005

6. FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES

The Company's principal financial instruments comprise cash at bank. The principle financial risks to which the Company is exposed are those relating to credit, liquidity and interest rate. These risks are managed in accordance with Board approved policies.

Credit risk

The credit risk on liquid funds is limited because the counter parties are banks with high credit ratings assigned by international credit-rating agencies.

Liquidity risk

The Company obtains funding for its operations via Group's bank facilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases.

Interest rate risk

The Company has cash at bank which is subject to variable rates of interest. Interest rate risk is regularly monitored and is not considered to be material at present. The associated cash flow risk, which can have a positive impact on the Company if interest rates increase as well as a negative impact if interest rates decrease, is also not considered to be material.

7. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in FRS8 from disclosing transactions with related parties that are part of The Weir Group PLC group.

8. ULTIMATE PARENT COMPANY

The directors consider that The Weir Group PLC (registered in Scotland) is the company's ultimate parent company. This is the only parent undertaking for which group financial statements are drawn up and of which the company is a member. The address from which copies of these financial statements accounts are available to the public is: The Weir Group PLC, Clydesdale Bank Exchange, 20 Waterloo Street, Glasgow, G2 6DB.