

NEWS

FOSTER WHEELER LTD

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FOSTER WHEELER AWARDED CIRCULATING FLUIDIZED-BED BOILER BY KAUKAAN VOIMA OY, FINLAND

HAMILTON, BERMUDA, May 8, 2007--Foster Wheeler Ltd. (NASDAQ: FWLT) announced today that its Finnish subsidiary Foster Wheeler Energia Oy, part of its Global Power Group, has been awarded a contract by Kaukaan Voima Oy Helsinki, Finland for a 385 MWth circulating fluidized-bed (CFB) boiler island to be located in Lappeenranta in eastern Finland. The new biomass power plant will supply process steam and electricity to adjacent UPM-Kymmene Corporation's pulp and paper mill, as well as district heat and electricity to Lappeenrannan Energia.

Foster Wheeler has received a full notice to proceed on this contract, which will be included in Foster Wheeler's second-quarter 2007 bookings. The terms of the contract were not disclosed.

Foster Wheeler will design and supply the 385 thermal megawatt CFB boiler and auxiliary equipment, including a feed water system, flue gas cleaning system and the boiler house, and will carry out the erection and commissioning of the boiler island. The boiler will be designed to burn biomass or a combination of biomass and peat. Commercial operation of the new boiler is scheduled for spring 2010.

"This is a significant win for Foster Wheeler," said James E. Stone, president and chief executive officer, Foster Wheeler Energia Oy. "This project, which is the largest biomass-fired CFB ever awarded to Foster Wheeler, reflects Kaukaan Voima Oy's confidence in Foster Wheeler as a supplier of state-of-the-art CFB boilers and is another example of Foster Wheeler's commitment to supply technologically advanced and cost-effective solutions to our customers."

"The new power plant, to be built in Lappeenranta, is a continuation in UPM's long term strategy to utilize biomass efficiently. The fuels used at the new power plant will be biomass-based side products from the site and residues from forest harvesting," states Anja Silvennoinen, vice president, energy, UPM.

Kaukaan Voima is owned by Pohjolan Voima Oy (PVO) and Lappeenrannan Energia Oy. Pohjolan Voima is a privately owned group of companies in the energy sector, which produces electricity and heat for its shareholders in Finland. Lappeenrannan Energia Oy is a municipal energy company owned by the City of Lappeenranta.

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Notes to Editors:

1. Foster Wheeler Ltd. is a global company offering, through its subsidiaries, a broad range of engineering, procurement, construction, manufacturing, project development and management, research and plant operation services. Foster Wheeler serves the refining, upstream oil and gas, LNG and gas-to-liquids, petrochemicals, chemicals, power, pharmaceuticals, biotechnology and healthcare industries. The corporation is based in Hamilton, Bermuda, and its operational headquarters are in Clinton, New Jersey, USA. For more information about Foster Wheeler, please visit our Web site at <http://www.fwc.com>.
2. **Safe Harbor Statement**
This press release may contain forward-looking statements that are based on the Company's assumptions, expectations and projections about Foster Wheeler and the various industries within which it operates. These include statements regarding the Company's expectation about revenues (including as expressed by its backlog), its liquidity, the outcome of litigation and legal proceedings and recoveries from customers for claims, and the costs of current and future asbestos claims and the amount and timing of related insurance recoveries. Such forward-looking statements by their nature involve a degree of risk and uncertainty. The Company cautions that a variety of factors, including but not limited to the factors described under Part I, Item 1A. "Risk Factors" in its most recent annual report on Form 10-K, could cause business conditions and results to differ materially from what is contained in forward-looking statements: changes in the rate of economic growth in the United States and other major international economies; changes in investment by the oil and gas, oil refining, chemical/petrochemical and power industries; changes in the financial condition of the Company's customers; changes in regulatory environment; changes in project design or schedules; contract cancellations; changes in the Company's estimates of costs to complete projects; changes in trade, monetary and fiscal policies worldwide; currency fluctuations; war and/or terrorist attacks on facilities either owned or where equipment or services are or may be provided; interruptions to shipping lanes or other methods of transport; outcomes of pending and future litigation, including litigation regarding the Company's liability for damages and insurance coverage for asbestos exposure; protection and validity of the Company's patents and other intellectual property rights; increasing competition by foreign and domestic companies; compliance with the Company's debt covenants; recoverability of claims against the Company's customers and others by the Company and claims by third parties against the Company; and changes in estimates used in the Company's critical accounting policies. Other factors and assumptions not identified above were also involved in the formation of these forward-looking statements and the failure of such other assumptions to be realized, as well as other factors, may also cause actual results to differ materially from those projected. Most of these factors are

difficult to predict accurately and are generally beyond the Company's control. You should consider the areas of risk described above in connection with any forward-looking statements that may be made by the Company. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any additional disclosures the Company makes in proxy statements, quarterly reports on Form 10-Q, annual reports on Form 10-K and current reports on Form 8-K filed with the Securities and Exchange Commission.

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