

NEWS

FOSTER WHEELER LTD

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FOSTER WHEELER AWARDED CONTRACT FOR CFB GASIFIER FOR BIOMASS TO LIQUIDS (BTL) PILOT PLANT IN FINLAND

HAMILTON, BERMUDA, May 12, 2008--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 NSE Biofuels Oy Ltd. for a circulating fluidized-bed (CFB) biomass gasifier to be located in Varkaus, Finland. NSE Biofuels Oy Ltd. is a joint venture owned 50/50 by Stora Enso Oyj and Neste Oil Corporation.

Foster Wheeler's scope includes an oxygen/steam gasifier and gas treatment equipment. The plant utilizes Foster Wheeler's fuel-flexible circulating fluidized-bed gasification technology to convert a wide spectrum of biomass into a clean syngas to be used in a gas to liquids (Fischer-Tropsch) process to produce feedstock for renewable diesel from biomass/wood residue-based gas. The gasification and syngas cleaning system is part of NSE's new-generation renewable diesel demonstration plant at Stora Enso's Varkaus Mill in Finland.

Foster Wheeler has received a full notice to proceed on this contract. The terms of the award were not disclosed, and the contract will be included in the company's bookings for the second quarter of 2008. The plant is expected to start up in early 2009 and will be integrated into the energy infrastructure of the Stora Enso Varkaus Mill.

Foster Wheeler and the JV partners have also agreed in principle for further co-operation, aiming for delivery of a commercial-scale production plant to be located at one of Stora Enso's mills.

"This project is a major step forward in the development of technologies to reduce CO₂ emissions," said Tomas Harju-Jeanty, president and chief executive officer of Foster Wheeler Energia Oy. "With our world-leading biomass gasifying technology, we are excited to be a key player in this project led by Stora Enso and Neste Oil which uses wood-based biomass for production of biofuels, thereby reducing the use of fossil fuels in transportation."

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 upstream oil and gas, LNG and gas-to-liquids, refining, petrochemicals, chemicals, power, pharmaceuticals, biotechnology and healthcare industries. The company 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 www.fwc.com.

Neste Oil Corporation is a refining and marketing company concentrating on clean, high-quality traffic fuels. The company pursues growth in both oil refining and high-end renewable diesel production. Neste Oil refineries are located in Porvoo and Naantali, and their combined crude oil refining capacity is about 260,000 barrels a day. The company's net sales in 2007 were EUR 12,103 million and it employs about 5,100 people. Neste Oil's share is listed on the Nordic Stock Exchange in Helsinki. www.nesteoil.com.

Stora Enso is an integrated paper, packaging and forest products company producing newsprint, magazine paper, fine paper, consumer board, industrial packaging and wood products. Stora Enso's sales totaled EUR 13.4 billion in 2007. The Group has some 38 000 employees in more than 40 countries on five continents. Stora Enso has an annual production capacity of 13.1 million tones of paper and board and 7.5 million cubic meters of sawn wood products. Stora Enso's shares are listed in Helsinki and Stockholm.

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Safe Harbor Statement

Foster Wheeler news releases may contain forward-looking statements that are based on management's assumptions, expectations and projections about the Company and the various industries within which the Company operates. These include statements regarding the Company's expectations regarding 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 in Part I, Item 1A "Risk Factors" of the Company's most recent annual report on Form 10-K and the following, could cause the Company's 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 its customers, changes in regulatory environments, changes in project design or schedules, contract cancellations, changes in estimates made by the Company of costs to complete projects, changes in trade, monetary and fiscal policies worldwide, compliance with laws and regulations relating to its global operations, 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 its patents and other intellectual property rights, increasing competition by foreign and domestic companies, compliance with its debt covenants, recoverability of claims against its customers and others by the Company and claims by third parties against the Company, and changes in estimates used in its 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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