

NEWS

FOSTER WHEELER LTD

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FOSTER WHEELER AWARDED PULVERIZED-COAL BOILER FOR SRP's SPRINGERVILLE EXPANSION PROJECT

HAMILTON, BERMUDA, June 14, 2006--Foster Wheeler Ltd. (Nasdaq: FWLT) announced today that Foster Wheeler North America Corp., an operating unit of its Global Power Group, has been awarded a contract for a pulverized-coal (PC) boiler by Salt River Project Agricultural Improvement and Power District (SRP).

The contract, valued in excess of \$65 million, calls for Foster Wheeler to design and supply a 400 megawatt (MWe) PC boiler for the Springerville Generating Station in Arizona. The unit will be owned by SRP and operated by Tucson Electric. The award will be included in Foster Wheeler's second-quarter 2006 bookings.

This is the second boiler supplied by Foster Wheeler for the Springerville Generating Station. The previous 400 MWe boiler, supplied to an ownership team including SRP, is currently in the start-up phase.

"As a repeat client, we are confident that Foster Wheeler is the right boiler supplier for our Springerville expansion project. We know that Foster Wheeler stands behind its commitments," said Bill Rihs, SRP's manager of new generation projects.

The boiler will incorporate Foster Wheeler's low-NOx burner and selective catalytic reduction technologies to cleanly burn low-sulfur Powder River Basin coal and other local western fuels.

"The award of a second boiler to a customer is, in many ways, more significant than the award of the first boiler. It underscores SRP's confidence in our ability to deliver a quality product at a competitive price that meets or exceeds all of SRP's high standards," said James Crumm, president and CEO of Foster Wheeler North America Corp.

Construction of the facility is expected to begin in the fall of 2006, with commercial operation scheduled for December 2009.

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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, petrochemical, 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, visit our Web site at www.fwc.com.

2. Safe Harbor Statement

This news release contains 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), 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 the heading “Business—Risk Factors of the Business” in 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 power, oil and gas, pharmaceutical, chemical/petrochemical and environmental industries, changes in the financial condition of customers, changes in regulatory environment, 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, currency fluctuations, war and/or terrorist attacks on facilities either owned or where equipment or services are or may be provided, 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 patents and other intellectual property rights, increasing competition by foreign and domestic companies, compliance with debt covenants, recoverability of claims against customers and others, changes in estimates used in 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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