

# NEWS

## FOSTER WHEELER LTD

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### **FOSTER WHEELER AWARDED CONTRACT FOR CIRCULATING FLUIDIZED-BED STEAM GENERATOR FOR WASTE-TO-ENERGY PLANT BY E.ON VÄRME SVERIGE AB, SWEDEN**

HAMILTON, BERMUDA, July 29, 2008--Foster Wheeler Ltd. (Nasdaq: FWLT) announced today that a subsidiary of its Global Power Group has been awarded a contract by E.ON Värme Sverige AB, Sweden for a waste-fuel-fired circulating fluidized-bed (CFB) boiler island to be located at the combined heat and power (CHP) plant in Norrköping, Sweden.

This waste-to-energy plant using Foster Wheeler's CFB technology will divert waste headed for landfills and convert it into valuable steam and electricity. Foster Wheeler CFBs have inherently low levels of SO<sub>x</sub> and NO<sub>x</sub> emissions, which makes them ideally suited for clients who are seeking an environmentally friendly, economical and highly efficient use of municipal waste compared with traditional incineration or older burn technologies.

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 third quarter of 2008.

Foster Wheeler will supply the 84 thermal megawatt CFB boiler and auxiliary equipment and will carry out the erection and commissioning of the boiler island. The boiler will be designed to burn Refuse Derived Fuel (RDF) composed of sorted household and industrial wastes. The power plant will produce electricity for the local grid and will also provide heat and process steam to an adjacent industrial plant. Initial operation of the new boiler is scheduled for the fall of 2010.

"With more than 300 installations worldwide, Foster Wheeler's CFB technology is an excellent choice for clients and their customers who are thinking progressively about power generation," said Tomas Harju-Jeanty, chief executive officer, Foster Wheeler Energia Oy. "Whether it's through the use of carbon-neutral fuels or the conversion of municipal waste into energy – or the use of any one of a host of other feedstocks -- the CFB offers perhaps the broadest range of fuel flexibility on the market today."

"This is the start of E.ON Sverige's EUR 1.0 billion investment plan in CHP (Combined Heat and Power)," said Karin Jarl-Månsson, chief executive officer of E.ON Värme Sweden AB. "District heating is an important cornerstone in the production of more efficient energy and the reduction of environmental effects."

E.ON is one of the world's largest investor-owned energy services providers. With annual sales of just under EUR 69 billion and close to 88,000 employees, it is focused on its core power and gas business and its target markets: central Europe, the United Kingdom, northern Europe, Russia and Midwestern United States.

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](http://www.fwc.com).

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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 II, Item 1A "Risk Factors" of the Company's most recent quarterly report on Form 10-Q 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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