

NEWS

FOSTER WHEELER LTD

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FOSTER WHEELER ENTERS INTO LICENSE AGREEMENT FOR CIRCULATING FLUIDIZED-BED STEAM GENERATOR TECHNOLOGY IN CHINA

HAMILTON, BERMUDA, September 18, 2006 – Foster Wheeler Ltd. (Nasdaq: FWLT) announced today that its subsidiary Foster Wheeler North America Corp., a unit of the Global Power Group, has entered into a fifteen-year agreement with Wuxi Huaguang Boiler Co., Ltd. (“Wuxi”) to provide a technology license for subcritical pressure circulating fluidized-bed (CFB) steam generators to be sold in China. The agreement also contemplates Foster Wheeler utilizing Wuxi as a major supplier for projects located outside of China. The value of the initial license fee will be included in the company's third-quarter 2006 bookings and future royalty payments will be recorded over the life of the agreement.

With installed capacity exceeding 13,500 electric megawatts (MWe) worldwide, Foster Wheeler's state-of-the-art CFB technology and overall steam generator design “know-how” offers China's growing power market a proven and cost-effective solution for the control of pollutant emissions in medium-to-large scale utility-size steam generators.

“This license agreement opens up additional markets for Foster Wheeler in China and further reinforces Foster Wheeler's overall capability and cost-competitiveness for projects in China, Asia and worldwide,” said David J. Parham, executive vice president, Global Sales and Marketing, Foster Wheeler Global Power Group. “This is a strategically important agreement for both companies. We have been working successfully with Wuxi Huaguang for ten years, during which time it has been a primary subcontractor to Foster Wheeler for projects in China and worldwide. Wuxi Huaguang Boiler is a recognized presence in the power industry in China, having placed over 32,000 MWe of capacity in service over the last ten years.”

“We are delighted that Wuxi Huaguang Boiler will become one of the leading CFB boiler manufacturers in China through this technology cooperation with Foster Wheeler,” said HeXuLiang, president of Wuxi Huaguang Boiler.

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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, 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 II, Item 1A. "Risk Factors" in its most recent quarterly report on Form 10-Q, 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 power, oil and gas, pharmaceutical and chemical/petrochemical 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; 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. Foster Wheeler 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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