

# NEWS

## FOSTER WHEELER LTD

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### **FOSTER WHEELER ENTERS INTO LICENSE AGREEMENT FOR CIRCULATING FLUIDIZED-BED STEAM GENERATOR TECHNOLOGY**

HAMILTON, BERMUDA, September 21, 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 Doosan Heavy Industries & Construction Co., Ltd. (“Doosan”) to provide a technology license for subcritical pressure circulating fluidized-bed (CFB) steam generator projects in Korea, the Indian subcontinent and certain other regions. The agreement also contemplates Foster Wheeler collaborating with Doosan on certain engineering, procurement, and construction opportunities. The value of the initial fees will be included in the company's third-quarter 2006 bookings, and future royalty payments will be recorded over the life of the agreement.

As a pioneer in the commercial use of fluidized-bed technology, Foster Wheeler has maintained its leadership with its innovative designs for CFB steam generators. Foster Wheeler's leading CFB technology offers Doosan a flexible option for the clean combustion of a wide variety of fuels in the growing power markets in which they will participate.

“This agreement opens up additional markets for Foster Wheeler in Korea, India and elsewhere in Asia and reinforces our overall capability and cost-competitiveness for projects worldwide,” said David J. Parham, executive vice president, Global Sales and Marketing, Foster Wheeler Global Power Group. “This agreement is of strategic importance to both Foster Wheeler and Doosan Heavy Industries & Construction Co., Ltd.”

Doosan Heavy Industries & Construction Co., Ltd. is a leading global Engineering, Procurement and Construction contractor for power plants and the world leader in desalination plant construction, as well as a supplier of major components and equipment for nuclear, thermal and hydro-electric power industries. Doosan Heavy Industries & Construction Co., Ltd. has built over 300 nuclear, thermal, combined-cycle and hydro power plants and is currently building more than 60 power plants in Korea, China and other countries.

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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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