NEWS
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FOSTER WHEELER SIGNS AGREEMENT WITH FUNDACIÓN CIUDAD de la ENERGÍA FOR AN OXYCOMBUSTION DEMONSTRATION PLANT

HAMILTON, BERMUDA, September 21, 2007 - Foster Wheeler Ltd. (Nasdaq: FWLT) announced today that a Spanish subsidiary of its Global Power Group has signed an agreement with the Fundación Ciudad de la Energía (CIUDEN) for the technological development of an oxycombustion process and carbon dioxide (CO_2) capture solution for a coal-fired demonstration facility in Spain.

The signing of an agreement in August 2007 authorizes Foster Wheeler to perform the initial phase of this project. The terms of the agreement were not disclosed.

In the initial phase, Foster Wheeler will provide engineering services and technical specifications and will review CIUDEN's conceptual and basic design for the combustion island of the facility. The combustion island will incorporate both pulverized-coal (PC) and circulating fluidized-bed (CFB) technology. Operation of the facility is scheduled for mid-2009.

"We are pleased to be involved with this project, which is a good example of the industry's proactive efforts to address CO_2 emissions from coal-fired power plants," said Eric Svendsen, chief executive officer, Foster Wheeler Energia, S.A. "The CIUDEN platform will allow us to advance both PC and CFB technologies in the area of oxycombustion for carbon capture and will also provide for further technological research and development of possible solutions to other energy and environmental concerns."

The CIUDEN board said that it "wanted to work with Foster Wheeler because of its outstanding coal-fired boiler technologies. In addition, Foster Wheeler has full capabilities in both power and process plant engineering and a major engineering center in Madrid, all of which are very important for our foundation."

CIUDEN is a Spanish foundation incorporated by the Ministry of Education and Science, the Ministry of Industry, Trade and Tourism and the Ministry of the Environment.

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 corporation 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.

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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 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, compliance with laws and regulations relating to our 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 clams by third parties against the Company, 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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