

# NEWS

## FOSTER WHEELER LTD

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### **FOSTER WHEELER AWARDED CFB BOILER ISLAND IN BRAZIL**

HAMILTON, BERMUDA, December 18, 2006 - Foster Wheeler Ltd. (Nasdaq: FWLT) announced today that Foster Wheeler Energia Oy, part of its Global Power Group, has been awarded a contract by Votorantim Metais Niquel S.A. (VMN) to design and supply a circulating fluidized-bed (CFB) boiler island adjacent to VMN's plant located in Acampamento Macedo, Niquelândia city near Brazilia, Brazil's capital.

VMN is a company of Votorantim Group, one of the largest private industrial conglomerates in Brazil with consolidated net revenues of R\$ 19 billion in 2005, and the leading producer of electrolyte nickel in Latin America.

The terms of the award, which were included in the company's third-quarter bookings, were not disclosed.

Foster Wheeler's scope includes the design and supply of a petroleum coke-fired 150 megawatt thermal CFB boiler, auxiliary equipment, instrumentation and a burner management and boiler protection system, boiler house steel construction, and advisory services for erection and commissioning. The boiler island, which will generate electricity and process steam to be used in the production of nickel, is scheduled to commence commercial operation in November 2008.

"We are delighted with this award, which is our second CFB win in Brazil during the last twelve months," said James E. Stone, chief executive officer, Foster Wheeler Power Group Europe. "This award confirms our client's confidence in our leading CFB technology, which is ideally suited to burning petroleum coke efficiently and with low emissions. The boiler will also be capable of firing up to 10 percent biomass."

"This is an important project for Votorantim Metais as it is our first CFB investment," said Jose Roberto Piagentini, general manager of engineering, Votorantim Metais S.A. "We decided to select the best technology available on the market with a reliable partner for project execution."

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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, please 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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