

# NEWS

## FOSTER WHEELER AG

### **FOSTER WHEELER AWARDED CONTRACT FOR FOUR 550 MWe SUPERCRITICAL CIRCULATING FLUIDIZED-BED STEAM GENERATORS IN KOREA**

ZUG, SWITZERLAND, July 13, 2011-- Foster Wheeler AG (Nasdaq: FWLT) announced today that a subsidiary of its Global Power Group has been given the full notice to proceed (FNTP) by Hyundai Engineering and Construction for the design and supply of four 550 MWe (gross megawatt electric) supercritical circulating fluidized-bed (CFB) steam generators for the Samcheok Green Power Project for Korea Southern Power Co., Ltd. (KOSPO), the owner and developer of the project.

The terms of the agreement were not disclosed, and the value of the FNTP will be included in the company's second-quarter 2011 bookings. Foster Wheeler was awarded a limited notice to proceed on the contract in May. Commercial operation of the new steam generators is scheduled to begin in June 2015.

Foster Wheeler will design and supply four 550 MWe advanced vertical-tube, once-through supercritical CFB steam generators and provide site advisory services for the project. The CFB steam generators will be designed to burn coal mixed with biomass while meeting applicable environmental regulatory requirements.

After more than a year of careful study and evaluation, KOSPO selected the Foster Wheeler CFBs over conventional pulverized coal (PC) technology due to its many benefits ranging from fuel procurement flexibility, low emissions without requiring costly add-on flue gas desulfurization equipment and the proven track record of Foster Wheeler's supercritical CFBs.

"We welcome the opportunity to be a part of this state-of-the-art power plant," said Tomas Harju-Jeanty, President and Chief Executive Officer of Foster Wheeler Energia Oy Group. "The plant will utilize the world's most advanced CFB steam generator technology, representing a culmination of over 30 years of CFB technology development by Foster Wheeler."

"KOSPO is fully confident in Foster Wheeler's state-of-the-art CFB technology," said Ho Ki Nam, President and CEO of KOSPO. "I believe the Samcheok project will become a great demonstration of Foster Wheeler's supercritical CFB boilers in Asia, as well as in other parts of world."

"Upon contract signing, Hyundai E&C and Foster Wheeler began mutually working toward the successful completion of the Samcheok Green Power Project," said S.H. Seo, Deputy Chief Purchase Officer of Hyundai E&C. "We have no doubt that both companies can go on to expand our strong partnership starting with this environmentally friendly green power project."

Foster Wheeler AG is a global engineering and construction contractor and power equipment supplier delivering technically advanced, reliable facilities and equipment. The company employs approximately 12,000 talented professionals with specialized expertise dedicated to serving its clients through one of its two primary business groups. The company's Global Engineering and Construction Group designs and constructs leading-edge processing facilities for the upstream oil and gas, LNG and gas-to-liquids, refining, chemicals and petrochemicals, power, mining and metals, environmental, pharmaceuticals, biotechnology and healthcare industries. The company's Global Power Group is a world leader in combustion and steam generation technology that designs, manufactures and erects steam generating and auxiliary equipment for power stations and industrial facilities and also provides a wide range of aftermarket services. The company is based in Zug, Switzerland, and its operational headquarters office is in Geneva, Switzerland. For more information about Foster Wheeler, please visit our Web site at [www.fwc.com](http://www.fwc.com).

**Safe Harbor Statement**

Foster Wheeler AG 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 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 in the Company's most recent Annual Report on Form 10-K, which was filed with the U.S. Securities and Exchange Commission and the following, could cause the Company's business conditions and results to differ materially from what is contained in forward-looking statements: benefits, effects or results of the Company's redomestication or the relocation of our principal executive offices to Geneva, Switzerland; the search for a permanent Chief Executive Officer; the benefits, effects or results of our strategic renewal initiative; further deterioration in global economic conditions, changes in investment by the oil and gas, oil refining, chemical/petrochemical and power generation 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 by the Company or where equipment or services are or may be provided by the Company, interruptions to shipping lanes or other methods of transit, 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 global competition, 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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