

NEWS

FOSTER WHEELER AG

FOSTER WHEELER ANNOUNCES START-UP OF LARGE BIOMASS CFB IN FINLAND

ZUG, SWITZERLAND, May 26, 2010 - Foster Wheeler AG (Nasdaq: FWLT) announced today the successful start of commercial operation of a large-scale, 125 MWe (385 MWth), circulating fluidized-bed (CFB) boiler island delivered to Kaukaan Voima Oy, in Finland. Kaukaan Voima Oy is owned by Pohjolan Voima Oy (PVO) and Lappeenrannan Energia Oy. The new biomass unit fires a combination of biomass and peat and has the capability to fully fire either fuel, supplying process steam and electricity to the adjacent UPM-Kymmene Corporation's pulp and paper mill, as well as electricity and district heat to the city of Lappeenranta.

The power plant is fueled by bark, branches, tops, stumps, small wood and peat and is reported to be Finland's largest user of solid biomass, i.e. wood which cannot be used as raw material for higher-grade processes. Biomass accounts for approximately 80% of the plant's fuel supply.

"This project is one of the largest biomass-fired CFB's in the world and it is yet another example of Foster Wheeler's capability to provide technologically advanced, environmentally friendly solutions allowing our customers to reduce CO₂ and other emissions," said Tomas Harju-Jeanty, president and CEO of Foster Wheeler Energia Oy.

"The Kaukaan Voima plant is an extension of PVO's bioenergy program aimed at the reduction of CO₂ emissions in energy production as well as increasing the use of renewable fuels through utilization of locally available bioenergy sources," said Jukka Kiuru, managing director of Kaukaan Voima Oy.

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 13,000 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, 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.

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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; further deterioration in the economic conditions in the United States and other major international economies, 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 competition by non-U.S. and U.S. companies, 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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