

# NEWS

## FOSTER WHEELER AG

### **FOSTER WHEELER CONSORTIUM AWARDED PRE-FEED CONTRACT BY E.ON UK plc FOR CO<sub>2</sub> CAPTURE PLANT**

ZUG, SWITZERLAND, June 17, 2009 -- Foster Wheeler AG (Nasdaq: FWLT) announced that a consortium including its UK-headquartered subsidiary, Foster Wheeler Energy Limited, part of its Global Engineering and Construction Group, has entered into a technical services agreement with E.ON UK plc to perform the pre-front-end engineering design (pre-FEED) for a post-combustion carbon dioxide (CO<sub>2</sub>) capture plant proposed as part of E.ON's new supercritical coal-fired power station in Kent, England, UK. Foster Wheeler's consortium partner for the project is Mitsubishi Heavy Industries, Ltd. (MHI) of Japan.

The Foster Wheeler contract value for this project was not disclosed and will be included in the company's second-quarter 2009 bookings.

E.ON is planning to replace its existing coal-fired units at Kingsnorth Power Station with two new high efficiency units using the latest "supercritical" technology to produce power from coal more efficiently and cleanly than ever before in the UK. The work to be undertaken by the Foster Wheeler/MHI consortium will support E.ON's application to the UK Government for funding of a carbon capture and storage demonstration project. The CO<sub>2</sub> capture plant will be designed to separate and capture CO<sub>2</sub> from the flue gas generated by the coal-fired units, enabling the CO<sub>2</sub> to be transported and stored permanently within a depleted gas reservoir under the North Sea, rather than being released into the atmosphere.

Foster Wheeler's scope of work for the CO<sub>2</sub> capture facilities is for pre-FEED including the development of the project schedule and cost estimate which will form the basis for project sanction and the subsequent engineering, procurement and construction phase. The project is expected initially to capture approximately two million tonnes per annum of CO<sub>2</sub>, with provisions for future expansion. The work will be executed by its Business Solutions Group in Reading, UK, which specializes in delivering technically innovative, optimized solutions in a number of industry sectors, including carbon capture and storage.

"Foster Wheeler is very pleased to be working with E.ON UK plc on this landmark project," said Michael J. Beaumont, chairman and chief executive officer of Foster Wheeler Energy Limited. "We will combine our in-depth technical knowledge of CO<sub>2</sub> capture and our reputation for delivering high quality FEEDs, with MHI's CO<sub>2</sub> capture technology, to support E.ON in establishing a robust basis upon which this project can proceed."

Dr. Paul Golby, chief executive, E.ON UK, said: "We're delighted to have such an experienced team on board. The UK Government has shown clear support for the development of cleaner coal with carbon capture and storage so we're keen to push forward with as much of the engineering work as possible in order to ensure the capture plant is designed to completely integrate with the proposed new units."

"We are very pleased to be a part of this important project, as a CO<sub>2</sub> capture technology provider as well as consortium partner of Foster Wheeler Energy Limited. This project is an important next step in our business development of the KM-CDR process™ for coal-based applications," said Masaki Kimura, general manager, Environmental & Chemical Plant Department, MHI.

Foster Wheeler AG is a global engineering and construction contractor and power equipment supplier delivering technically advanced, reliable facilities and equipment. The company employs over 14,000 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, carbon capture, 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 are in Clinton, New Jersey, USA. For more information about Foster Wheeler, please visit our Web site at [www.fwc.com](http://www.fwc.com).

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