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FOR IMMEDIATE RELEASE

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**FUEL-TECH N.V. REVISES 2004 RESULTS BY \$0.01 PER SHARE DUE
TO LEASE ACCOUNTING**

STAMFORD, Conn., Mar. 16, 2005 -- Fuel-Tech N.V. (Nasdaq: FTEK), a world leader in advanced engineering solutions for the optimization of combustion systems for utility and industrial customers, announced today that it is recording a non-cash expense adjustment of \$123,000 to its previously announced results for 2004. Subsequent to the press release dated March 3, 2005, the Company determined that rent expense was understated due to the accounting treatment for a “free rent” period that was provided in its lease agreement for its corporate headquarters. The Company had recorded rent expense in accordance with the required rental payment schedule in the lease, rather than amortizing the total minimum lease payments over the full term of the lease. This latter treatment conforms with the accounting required under Financial Accounting Standards Board Statement No. 13, “Accounting for Leases.” The Company has only one other material lease agreement and it had been accounted for properly.

As a result of this adjustment, the Company's previously announced diluted earnings per share are reduced by \$0.01 for the full year ended 2004, and there is no modification to the earnings guidance that was previously provided for 2005. The revised results are reported in the Company's annual report on Form 10K, which will be filed today.

About Fuel-Tech N.V.

Fuel-Tech N.V. is a leading technology company engaged in the worldwide development, commercialization and application of state-of-the-art proprietary technologies for air pollution control, process optimization, and advanced engineering services. The Company's NOx reduction processes, which include the NOxOUT[®], NOxOUT CASCADE[®], NOxOUT ULTRA[®], Rich Reagent Injection (RRI) and NOxOUT SCR[®] technologies, have established Fuel-Tech N.V. as a leader in post combustion NOx control systems, which are installed on over 325 units worldwide.

New technologies that have grown out of the core NOx reduction business form the basis of the FUEL CHEM[®] business. FUEL CHEM technology centers around the unique application of chemicals to improve the performance of combustion units by controlling slagging, fouling, corrosion and opacity. The Company's FUEL CHEM products are being applied to over 80 combustion units burning a wide variety of fuels including coal, heavy oil, biomass, and municipal waste. Both the NOx reduction and FUEL CHEM businesses rely heavily on the Company's exceptional Computational Fluid Dynamics modeling skills, which are enhanced by internally developed, high-end visualization software. For more information, visit Fuel-Tech N.V.'s web site at www.fueltechnv.com.

This press release may contain statements of a forward-looking nature regarding future events. These statements are only predictions and actual events may differ materially. Please refer to documents that Fuel Tech files from time to time with the Securities and Exchange Commission for a discussion of certain factors that could cause actual results to differ materially from those contained in the forward-looking statements.

FUEL-TECH N.V.
CONSOLIDATED BALANCE SHEETS
(in thousands of U.S. dollars, except share data)

	December 31	
	2004	2003
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,531	\$ 7,812
Accounts receivable, net of allowances for doubtful accounts of \$74 and \$311, respectively	7,358	6,095
Inventories	311	312
Deferred income taxes	500	-
Prepaid expenses and other current assets	960	742
Total current assets	15,660	14,961
Equipment, net of accumulated depreciation of \$7,209 and \$6,165, respectively	2,863	2,127
Goodwill	2,119	2,119
Other intangible assets, net of accumulated amortization of \$968 and \$875, respectively	1,342	1,546
Deferred income taxes	1,144	124
Other assets	700	721
Total assets	\$23,828	\$21,598
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 2,705	\$ 2,244
Accrued liabilities:		
Employee compensation	706	797
Other accrued liabilities	957	947
Total current liabilities	4,368	3,988
Other liabilities	505	299
Total liabilities	4,873	4,287
Shareholders' equity:		
Common Stock, par value \$0.01 per share, 40,000,000 shares authorized, 19,529,952 and 19,621,503 shares issued, respectively	195	196
Additional paid-in capital	88,600	89,698
Accumulated deficit	(70,458)	(72,030)
Accumulated other comprehensive income	86	48
Treasury stock	-	(1,133)
Nil coupon perpetual loan notes	532	532
Total shareholders' equity	18,955	17,311
Total liabilities and shareholders' equity	\$23,828	\$21,598

FUEL-TECH N.V.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands of U.S. dollars, except share data)

	Twelve Months Ended	
	December 31	
	<u>2004</u>	<u>2003</u>
Net sales	\$30,832	\$ 35,736
Costs and expenses:		
Cost of sales	16,566	21,789
Selling, general and administrative	12,775	11,659
Research and development	<u>1,242</u>	<u>1,287</u>
Operating income	249	1,001
Interest expense	-	(25)
Other (expense) income, net	<u>(83)</u>	<u>144</u>
Income before taxes	166	1,120
Income tax benefit	<u>1,406</u>	<u>-</u>
Net income	<u>\$ 1,572</u>	<u>\$1,120</u>
Net income per Common Share:		
Basic	<u>\$.08</u>	<u>\$.06</u>
Diluted	<u>\$.07</u>	<u>\$.05</u>
Average number of Common Shares outstanding:		
Basic	<u>19,517,000</u>	<u>19,637,000</u>
Diluted	<u>22,155,000</u>	<u>22,412,000</u>