

DEAR SHAREOWNER

It is an honor to write to you for the first time as United Technologies' President and Chief Executive Officer, and I am extremely proud and excited to lead this exceptional company.

Having served in a number of roles since joining UTC more than 25 years ago, including most recently as Senior Vice President and Chief Financial Officer since 2008, I know our company well. Looking to the future, I'm confident our global scale, industry-leading franchises, world-class technologies, strong leadership team and talented workforce position us for continued success. At UTC, we are committed to creating shareowner value for the long term by delivering innovative, cost-effective and value-creating products and solutions for our customers around the globe and by the disciplined deployment of our shareowners' capital.

As one of the world's largest providers of high-technology building and aerospace products and systems, we are extremely well positioned to deliver sustainable growth. Urbanization and an expanding global middle-class population are driving rapid growth in the global construction and building industry, creating demand for elevators, air conditioning, and fire and security systems offered by our UTC Building & Industrial Systems businesses. By the end of this decade, the addressable market for our commercial businesses is expected to increase more than 30 percent, from \$160 billion today to \$210 billion. With our global scale and market-leading brands, including Otis, Carrier, Chubb and Kidde, UTC is uniquely positioned to offer the smart technologies and more integrated solutions needed for tomorrow's sustainable cities and urban areas.

Projected growth in commercial aircraft deliveries and revenue passenger miles present a tremendous opportunity for our Pratt & Whitney and UTC Aerospace Systems businesses. With more than 6,200 orders to date, including options, for the Geared Turbofan (GTF) engine, Pratt & Whitney has significantly expanded its share in the fast-growing single-aisle and regional aircraft segments. We have also expanded our share in the large business jet segment with the new PW800 engine, built on the core GTF technology. The GTF's substantial improvements in fuel burn, noise reduction and emissions have revolutionized the commercial aerospace



industry and demonstrate both our technology leadership and the value of our long-term investment strategy. Including the new family of GTF engines, we have more than 50 engine and aerospace systems entering service over the next few years, collectively representing more than \$900 billion of potential future sales over the life of these programs.

Sikorsky has also positioned itself for future growth with a remarkable 2014 that resulted in a record backlog. It won all of its major strategic competitions, including contracts to develop the next generation of Marine One presidential helicopters, the U.S. Air Force's new Combat Rescue Helicopter, and one of the Army's Joint Multi-Role Technology Demonstrator air vehicles. It also won major international campaigns, including contracts for the Turkish Utility Helicopter Program and selection by the Indian Navy.

We will continue to review our portfolio aggressively, pursuing opportunities and investments that add scale to our core businesses in high-growth, high-margin end markets with significant recurring revenues, thereby creating sustainable shareowner value. We also will continue to fully leverage our combined capabilities in engineering, operations and supply chain to develop game-changing products that deliver superior value to our customers and shareowners.

In closing, I want to recognize and thank our incredibly talented employees. With the passion, commitment and creativity of my 211,000 colleagues around the world, I'm confident in UTC's future and proud to have the opportunity to build upon our company's impressive legacy.

A handwritten signature in black ink, appearing to read 'Greg J Hayes'.

Gregory J. Hayes
President and Chief Executive Officer