

News From Sikorsky Aircraft

As we begin 2009, Sikorsky Aircraft offers its best wishes for a safe and happy new year to the Polish armed forces and all of the U.S. allies operating in Iraq and Afghanistan.

A new year gives us an opportunity to reflect on our accomplishments. More importantly, it is a time to look forward and embrace the possibilities that lie ahead. In this issue of the *Polish Courier*, we bring a variety of news that does just that.

As we closed out 2008, Sikorsky Aircraft was pleased to accept the prestigious “U.S. Investor of the Year Award” from the American Chamber of Commerce in Poland. The award recognized our company’s efforts in the acquisition of PZL Mielec and integration of it into a modernized, efficient facility.

Sikorsky is very proud of this recognition, since the Chamber’s award is acknowledgement of impressive growth and visibility, as well as a demonstration of a long-term commitment and contribution to the labor market in Poland. We know our customers in Poland will view this as further evidence of Sikorsky’s commitment to strengthening its presence in Europe as our business grows.

The strides we have made at PZL Mielec will lead us to another exciting milestone in 2009. We look forward to the official rollout early this year of the first BLACKHAWK helicopter cabins to be produced there. It will be a tremendous step forward in our effort to make PZL Mielec a Europe-wide provider of S-70i™ BLACKHAWK helicopters.

Finally, Sikorsky was delighted to host a visit to PZL Mielec in December by Minister of Defense Bodgan Klich. The visit afforded us an opportunity to show the Minister the progress we have made there, as well as the promising environment that will lead to the production of the S-70i BLACKHAWK helicopter in the coming months. There are many positive activities to feel optimistic about, and it is with that sentiment that we invite you to read more about Sikorsky Aircraft in this issue of the *Polish Courier*.

Happy New Year!

Bruce McKinney

Vice President, SIKORSKY EUROPE

Sikorsky Europe is a trade name of Sikorsky International Operations, Inc.

Poland's Minister of Defense Bogdan Klich Visits Sikorsky Aircraft Affiliate PZL Mielec

PZL Mielec, Sikorsky Aircraft's affiliate in Mielec, hosted Poland's Minister of Defense, Bogdan Klich, on Dec. 11. The visit was directly connected with the sales contract signed the day before and providing for delivery of 12 M28B Bryza transports to the requirement of the Polish Air Force.

"It is no coincidence that I am here in Mielec today," said Minister Bogdan Klich during a press conference at the facility. "This week, as the minister responsible for the future of Poland's Air Force, I want to reaffirm the determination of the Ministry of Defense to ensure that Polish military aviation is modernized within the 2009-2018 Armed Forces Development Plan, to meet its present-day requirements. I am starting from Mielec, because this is where the Polish aviation had its origins," Klich said.

Klich, accompanied by General Mieczyslaw Bieniek and Brigadier General Slawomir Szczepaniak, Director of Procurement, Department of the Ministry of Defense (MoD), arrived on a M28B BRYZA airplane manufactured by PZL Mielec, in service with the MoD's Special Transport Division.

During the three-hour visit, Klich met with PZL Mielec management, and PZL President Janusz Zakrecki delivered a presentation of the company's history, current endeavors, and plans for the future. The Minister also was given a general overview of BLACKHAWK helicopter production in Mielec.

Following the meeting, the Minister toured the facility, PZL's showcase Sheet Metal Forming Department, and the newly renovated, semi-assembly plant. Klich was greatly impressed by the improved working conditions and the work organization at the Mielec facility. The Minister frequently approached employees at different work stations, asking questions regarding their work and taking a close look at the products made, paying particular attention to the assembly of the BRYZA aircraft.

“Yesterday we concluded in Warsaw a delivery contract with PZL to supply, over the next few years, another 12 M28B Bryza airplanes, by Polskie Zaklady Lotnicze in Mielec. These aircraft will be used to train Polish military pilots before they will pilot the larger CASA C-295 and Hercules airplanes. The BRYZA aircraft will take over most of the transport missions as required by the Armed Forces within the territory of Poland. In this way, our transport aviation will be provided with a fleet composed of a full range of aircraft of various sizes, capable of carrying troops and equipment all over Poland and to every corner of the globe,” Klich said.

During the facility tour, the Minister and the other members of the MoD team were shown the first cabin of the BLACKHAWK helicopter being assembled by PZL. The visit was a great opportunity for PZL to present the Minister of Defense with the newly built condition of the facility. PZL management was proud to show the latest modernization work and the improvements introduced in the company’s operations, the investment in progress aimed at the upgrade of the manufacturing infrastructure, as well as work safety and comfort, rendering PZL Mielec capable of meeting the international standards of the aviation industry.



PZL President & CEO Janusz Zakrecki (far left), Mielec Representative to the Parliament Krystyna Skowronska, Poland’s Minister of Defense Bogdan Klich and PZL Director of Operations Bogdan Ostrowski touring the Sheet Metal Forming facility.



Poland's Minister of Defense Bogdan Klich toured the PZL Mielec facility and talked with employees about the products they manufacture.

Sikorsky Aircraft Named U.S. ‘Investor of the Year’ in Poland

The U.S. Chamber of Commerce in Poland named Sikorsky Aircraft Corporation its “Investor of the Year” for 2008, for its efforts in the acquisition of the PZL Mielec factory and integrating it into a modernized, efficient facility.

The American Chamber’s Investor of the Year Award is given to a chamber member that has achieved impressive growth, visibility, and a significant breakthrough in the Polish market, demonstrating its long-term commitment and its contribution to the labor market while adhering to the highest standards of business ethics. The award was announced at the Chamber’s Annual General Meeting held at the Warsaw Sheraton Hotel.

“Sikorsky’s investment in PZL Mielec serves as yet another example of the dedication of our firm and our parent company, to the people of Poland,” said Sikorsky President Jeffrey P. Pino. “With a combined nearly 8,000 employees, United Technologies Corporation, Pratt & Whitney, and Sikorsky Aircraft are Poland’s largest aviation industry employers. These combined strategic investments of money, know-how and state-of-the-art technologies will significantly add to Poland’s proud aviation tradition among European and global companies.”

Since the acquisition of PZL Mielec on March 16, 2007, Sikorsky has delivered on each of the broad commitments. Sikorsky has invested millions of dollars in fixed assets, environmental remediation, and human resources training and transfer of technical expertise. In addition, Sikorsky has initiated a broad social package for PZL Mielec employees.

During this time, employment at PZL Mielec has increased by 11 percent, from an initial level of 1,471 employees to 1,640 full-time personnel. Additional employees are expected to be hired in the next 12 months, and groundbreaking is scheduled soon for a new European Union funded vocational training facility to educate more than 200 students per year for PZL Mielec.

“PZL Mielec is a key component of Sikorsky’s strategic plans for Europe,” Pino continued. “As production plans move forward for the S-70i™ BLACKHAWK helicopter to be built there, we have big plans for Polish production and export of aircraft and components as well. Among those plans are the production of cabins and other major assemblies of the UH-60M BLACKHAWK helicopter, production and export of the PZL Mielec M28, aircraft and final assembly and testing of the S-70i BLACKHAWK helicopter.”

Production of highly-advanced and combat-proven BLACKHAWK helicopters and cabins in PZL Mielec will have tremendous effects on numerous other privately- and publicly-held Polish aviation entities. In the short term, economic and export benefits will accrue from parts sourcing, increased labor, sales to the U.S. Armed Forces, and technology transfer. In the long-term, Sikorsky is evaluating other Polish firms and institutes that will serve as completion centers, sustainment and parts-management centers, and certification institutes.

This press release contains forward-looking statements concerning future business opportunities. Actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to changes in government procurement priorities and practices or in the number of aircraft to be built; challenges in the design, development, production and support of advanced technologies; as well as other risks and uncertainties, including but not limited to those detailed from time to time in United Technologies Corporation's Securities and Exchange Commission filings.

S-70i™ BLACKHAWK Program Manager Discusses the State of the Helicopter Program

Recently, Sikorsky Communications sat down with Joseph Mazzeo, Program Manager for the S-70i™ BLACKHAWK, to inquire about the status of this helicopter and the role of PZL Mielec in its production. The following are the highlights from the conversation.

Polish Courier: What is the derivation of the S-70i BLACKHAWK and how similar is it to the BLACKHAWK helicopter the U.S. Army is flying in Iraq and Afghanistan?



Joseph Mazzeo, S-70i™
BLACKHAWK Program Manager

Mazzeo: The S-70i BLACKHAWK is configured with commonality to the U.S. Army UH-60M BLACKHAWK helicopter that is serving with great distinction in Iraq and Afghanistan.

The S-70i standard baseline configuration includes the latest UH-60M technology with advanced features such as a fully integrated digital cockpit with a dual digital automatic flight control system and coupled flight director. It also features an active vibration control system that will smooth the overall ride of the aircraft and improve the life cycle of dynamic system components. The dual GPS/INS system with digital map provides accurate and redundant navigation for the most demanding of tactical environments. The aircraft, powered by the 701D engine, will provide enhanced corrosion resistance and three times the reliability than the previous model.

Options offered with the S-70i can be selected to meet specific customer helicopter configuration requirements for multiple missions such as troop transport, search and rescue, medical evacuation, border protection, VIP transport, and close air fire support. When equally powered and equipped the S-70i has the same high performance in any environment as the UH-60M, the latest generation of BLACKHAWK helicopters which

the U.S. Army has placed an order with Sikorsky for 1,227 to be delivered over the next 20 years.

Customers around the world will benefit from the S-70i helicopter's modern, robust aircraft configuration and ability to leverage existing interoperability with U.S. Army, NATO and Sikorsky's worldwide fleet of legendary BLACKHAWK helicopters.

Polish Courier: What has transpired at PZL Mielec since Sikorsky acquired the company in 2007 and what role has this played in the production of the S-70i?

Mazzeo: The S-70i is moving steadily toward becoming a reality, largely due to the great strides we have made in bringing the PZL Mielec facility to the world-class standards of United Technologies Corporation, Sikorsky's parent company. The workforce at PZL Mielec has embraced the challenges we have introduced, with enthusiasm, and we have recently seen the culmination of these efforts, when the first BLACKHAWK helicopter cabin rolled off the assembly line at Mielec.

The efficiency with which this process is proceeding will enable deliveries to start in 2011 and production is expected to ramp up to as many as 36 S-70i BLACKHAWK helicopters per year.

Polish Courier: What is behind Sikorsky's desire to build the S-70i BLACKHAWK in Poland?

Mazzeo: There is significant demand from governments around the world for a BLACKHAWK size helicopter that provides multi-mission capability at a price comparable to helicopters in the 6-to-8 ton class. Customers are seeking solutions that are multi-functional, cost effective, proven, and reliable. The S-70i helicopter, designed to strict military standards with proven U.S. Army BLACKHAWK experience, answers this call.

PZL Mielec has been identified as a key pillar to the success of the S-70i BLACKHAWK where they are not only building the cabin for the S-70i but also supplying Sikorsky's U.S. Army UH-60M production line. Additionally, PZL Mielec is designated as the final assembly center for the standard baseline configured S-70i BLACKHAWK helicopter.

Beyond PZL Mielec, further Polanization of the S-70i in other Polish plants will ensure access to a high quality and low cost supply chain as well as opportunities for localized maintenance and overhaul, completion, and training centers which will enable Sikorsky to achieve competitive pricing and greater access to the global marketplace. Needless to say, Sikorsky's efforts will return PZL Mielec to a prominent position in the world aviation market.

PZL Mielec News & Events

September 23, 2008

United Technologies Corporation Chief Executive Officer Louis Chênevert visited the PZL Mielec facility as part of his tour of UTC's operations in Poland. During his visit, Chênevert received a management overview from Sikorsky Vice President of Strategic Planning Carey Bond, Vice President of Sikorsky Europe Bruce McKinney; President of the Board of Mielec Janusz Zakrecki; and the PZL management team. Chênevert toured the facility to review the progress of the modernization project and the BLACKHAWK cabin production line. Chênevert also talked to leaders of the two employee trade unions.



UTC President and CEO Louis Chênevert with the PZL Mielec management team.

September 26, 2008

PZL Mielec hosted the first conference for sub-suppliers to the S-70i™ BLACKHAWK helicopter program. The purpose of the conference was to start building a supply chain for the program at PZL Mielec, as well as to identify new suppliers for PZL's existing product lines. Approximately 100 attendees participated in the conference.



September 2008

PZL Mielec sponsored a new playground for the Special School in Mielec. The school educates children with learning disabilities and other mental development problems. The new playground will help these pupils have fun while receiving the care they need.



October 17, 2008

Polish photographer Marius Adamski visited Sikorsky headquarters in Stratford, Conn. He took photos of BLACKHAWK and SEAHAWK® helicopters in flight, as well as the production line for an article in Wings of Poland magazine. During his visit, Adamski met with members of the Marketing group and the Sikorsky Europe sales team. He also was given a tour of the facility.

**October 27, 2008**

PZL Mielec received a contract for one M28 airplane from an undisclosed customer, with an option for an additional nine aircraft to be delivered by the end of 2012. The same customer has already taken delivery of one M28 airplane from a prior two-aircraft contract.

**November 3, 2008**

PZL Mielec celebrated the 30th anniversary of the BLACKHAWK program. James Katzen, Artur Wojtas and Bogdan Ostrowski and other members of the PZL management team distributed medallions to commemorate the milestone, along with a special letter to inform PZL's employees about the history of the helicopter program. Each employee shook hands with the management team and was congratulated on becoming part of the BLACKHAWK program.

**November 14, 2008**

Indonesian journalists visited the "INDODEFENSE and AEROSPACE 2008" exhibition and trade show that took place in Jakarta Nov. 19 - 22. PZL Mielec is seen as a potential partner for the Indonesia aerospace industry. In 2004, PZL Mielec delivered four M28 airplanes to the Indonesian National Police.

November 19, 2008

PZL Mielec hosted the President-Rector and professors from the University of Science and Technology in Cracow. They were accompanied by the Mielec City Mayor, County Governor and several other local government officials. The visitors toured the renovated facility and were briefed on PZL Mielec. Future employment opportunities for graduates also were discussed. During their visit, university officials and local authorities signed a cooperation/partnership agreement in which the university will establish an offsite facility in Mielec.

**November 21, 2008**

The PZL Mielec Sales Department hosted three Brazilian journalists who were part of a European study tour arranged by Poland's Agency for Foreign Investment Promotion (PALiZ) - an affiliate of the Ministry of Economy. The group discussed the future modifications for the M18 DROMADER airplane to allow the use of ethanol fuel, which is cheap, ecological and readily available in Brazil.

November 28, 2008

Aviation Valley Day at the Technical University in Rzeszow took place Nov. 28. The event was hosted by The Aviation Valley Association, an organization made up of 70 aviation companies in Southeastern Poland. The association is headed by WSK PZL-Rzeszow, a UTC company. The Aviation Valley Day event supports the group's objective to stimulate aviation-related education. Representatives from PZL Mielec gave a presentation to the professors and students at the University. At the event, HR personnel for PZL Mielec distributed fliers and posters, and provided information on recruitment of engineering specialists at the company.



December 11, 2008

The U.S. Chamber of Commerce in Poland named Sikorsky “Investor of the Year” for 2008, for its efforts in the acquisition of the PZL Mielec factory and integrating it into a modernized, efficient facility. The award was announced at the Chamber’s Annual General Meeting.



CH-148 Cyclone Helicopter, Under Development by Sikorsky for the Canadian Forces, Completes First Flight Successfully

The first CH-148 Cyclone helicopter, which is being developed by Sikorsky Aircraft Corp. for the Canadian government as a replacement for its long-serving SEA KING™ helicopter fleet, successfully completed its first flight at Sikorsky's Development Flight Center in Florida.

The flight occurred Saturday, Nov. 15. Steered by Sikorsky Test Pilots John Armbrust and Rick Becker using state-of-the-art, fly-by-wire technology, the aircraft hovered and accomplished low-speed handling tasks including forward flight at speeds reaching 30 knots, and sideward and rearward maneuvers. The helicopter, Tail No. 801, will continue to undergo a series of increasingly demanding flight tests leading up to certification and production deliveries.

Sikorsky will build 28 CH-148 helicopters for the Canadian government. "The CH-148 helicopter will be a world leader in sophistication and capability for maritime helicopters," said Program Manager Dan Hunter. "Today's successful first flight represents a huge milestone, transitioning the program from the prototype build to the flight test stage. The aircraft performed beautifully, easily achieving each maneuver attempted. We're extremely pleased."

The CH-148 helicopter represents the next step in Sikorsky's long planned extension of the S-92® helicopter into the H-92™ helicopter product line. It is equipped with a fully digital, fly-by-wire system designed to improve significantly the aircraft's maneuverability, safety and effectiveness. The CH-148 helicopter further builds upon Sikorsky's rugged S-92 helicopter, which meets the most demanding safety standards in North America and Europe.

Among the most sophisticated rotary wing aircraft in the world, the production CH-148 helicopter will be an extremely versatile, multi-mission aircraft with capabilities including anti-submarine warfare, anti-surface warfare, search and rescue, and troop and cargo transport. It will be fully equipped for ship-based operations including automatic blade and tail fold systems and a deck to aircraft recovery assist system. Capitalizing on proven S-92 helicopter capabilities that include a glass cockpit with advanced avionics, systems allowing flight into known icing conditions, flaw tolerant components and state-of-the-art search and rescue equipment, the CH-148 helicopter will incorporate additional mission systems including Forward-Looking Infrared Radar (FLIR), 360 degree search radar, passive and active acoustics systems, threat surveillance and countermeasure capabilities, and network link communications.

“The stringent qualification and certification standards of the S-92 helicopter will be further extended through the Canadian military certification process resulting in an aircraft that will meet the most exacting civil and military standards in the world,” said Hunter. “Its proven and expanded design focused on reliability, maintainability and safety will provide operational capabilities at world-class life cycle support cost levels.”

Armed BLACKHAWK Takes Flight

The first flight test of the Armed BLACKHAWK (ABH) Demonstrator helicopter, also known as the **BATTLEHAWK™** helicopter, took place at the Elbit Systems' Cyclone facility in Israel, Sept. 9.



The production BATTLEHAWK helicopter will come equipped with a full suite of armed reconnaissance and attack capabilities, including an integrated helmet display and weapons options that include missiles, rockets, fixed forward and turreted guns, either as a new-build aircraft or as a kit that can be retrofitted onto existing BLACKHAWK helicopter platforms. The BATTLEHAWK helicopter will provide medium-lift capability and firepower that cannot be duplicated by current dedicated utility or attack platforms. The aircraft can be used in either combat or peace time, including for troop transport, search and rescue, and disaster relief. In the modern battlefield, the BATTLEHAWK combines unique capabilities of advanced attack and accurate weapons delivery with deployment of fast reaction teams.

The ABH Demonstrator program is a cooperative effort between Sikorsky Aircraft and the government of Israel in conjunction with Elbit Systems, Ltd., The program's purpose is to produce an armed demonstrator for an evaluation by the Israeli Air Force.

Search and Rescue S-92[®] Helicopter Marks Anniversary of Introduction to U.K. SAR Market

— Maritime and Coastguard Agency Rescues Up 20% with Sikorsky Product—

In its first year of use by the United Kingdom Maritime and Coastguard Agency and under the operation of CHC Helicopter Corp., Sikorsky Aircraft's Search-and-Rescue (SAR)-configured S-92[®] helicopter logged 279 rescues and is operating at availability levels of more than 98 percent.

CHC operates the SAR S-92 helicopters from two bases covering territory in the North Atlantic and the North Sea. In Stornoway, Western Isles, Scotland, the fleet has conducted 174 rescue missions, while missions flown out of Sumburgh, Shetland Isles, Scotland, have totaled 102 to date. Aircraft technical availability at Stornoway has been 98.35 percent; availability at Sumburgh, 100 percent, said Ian McLuskie, UK SAR Business Unit Leader, CHC Search and Rescue.

"The Maritime and Coastguard Agency has seen a 20 percent increase in rescue missions at its bases, which is attributed to the increase in speed and capability that the S-92 helicopter offers," said McLuskie. "The aircraft's fully coupled automatic flight control system has been invaluable, and the large cabin and tail ramp also have been of great benefit, particularly when airlifting rescue teams."

Sikorsky initially developed the S-92 helicopter for over-water search and rescue in demanding and challenging environments such as the North Sea and North Atlantic, where the MCA is in service.

"Sikorsky has a successful history of search and rescue. The CHC-operated MCA missions are adding to that legacy," said Marc Poland, Sikorsky Vice President, Commercial Programs. "The S-92 helicopter fleet today has logged more than 120,000 flight hours and in doing so, has shown itself to be a safe, extremely reliable and cost-efficient platform."

The SAR aircraft have conducted rescues from mountains, cliffs, and vessels, rescued divers in difficulty, and extracted complete crews from stricken vessels. One such incident in February this year led to the rescue of 14 fishermen from the vessel Spinningdale, which had run aground at St. Kilda. That rescue, conducted amid gusting 70-knot winds as the vessel sat stranded on rocky, cliff-facing terrain, brought the crew recognition for its bravery and professionalism as it was awarded the Great Scot of the Year Award.

The S-92 is the first helicopter in the world certified to the latest U.S. Federal Aviation Administration and European airworthiness safety standards. The S-92 features a Rotor Ice Protection System (RIPS), which allows the aircraft to operate in known icing conditions. RIPS has been certified by both North American and European aviation authorities and is available on S-92 military variants as well as commercial aircraft. EASA certification was issued in April for an IAFS equipped aircraft, which is currently in commercial operation.