



MORE ELECTRIC
MORE INTELLIGENT
MORE INTEGRATED

UTC Aerospace Systems is advancing modern flight with sophisticated systems that make aircraft more electric, more intelligent and more integrated. The vast amount of data generated by these systems is gathered, analyzed and delivered in real time to enhance the safety, efficiency and overall performance of an aircraft.

**UTC AEROSPACE
SYSTEMS**

40,959
EMPLOYEES

\$14.5B
NET SALES

\$2.3B*
**ADJUSTED
OPERATING PROFIT**

UTC Aerospace Systems is one of the world's largest suppliers of advanced aerospace products and systems for commercial, military and space customers.

UTC Aerospace Systems is on virtually every aircraft in service and is well-positioned to support the extraordinary growth forecast for the commercial aviation industry. During the year its advanced systems enabled the first flights of the Embraer E2, the Boeing 737 MAX and the Gulfstream G600 as well as the entry into service of the Airbus A320neo and the Bombardier C Series.

This business is at the forefront of more electric, more intelligent and more integrated aircraft. One example is the work it is doing for Hawaiian Airlines. During the year it was chosen to provide state-of-the-art electronic flight bag systems for enhanced functionality, greater safety and stronger cybersecurity. For flight crews, the new electronic flight bag systems enhance their ability to evaluate aircraft performance and weather conditions in real time.

UTC Aerospace Systems also has developed a revolutionary design approach to the secondary power distribution system, the “nerve center” of an airplane’s power system. The patent-pending process enables a rapid development cycle for managing and protecting an aircraft’s electrically powered devices. The new technology has been deployed on Embraer’s E190-E2 regional jets.

Work is underway on an advanced mobile app to bring preflight and inflight information to a pilot’s tablet. Users will be able to access

intelligent analytics wherever they are, allowing them to adjust aircraft operations based on real-time data. The easy access to information is expected to improve fuel consumption, on-time departures and arrivals, and eliminate paper-based processes.

Another major development is a lighter and more compact advanced integrated drive generator to provide electrical inflight power on Embraer’s new E190-E2. The new generator supplies the constant frequency electric power needed for the aircraft — which is equivalent to the amount of electricity needed to power 48 homes — and does so with the added benefit of cost and fuel savings.

On the military front, UTC Aerospace Systems continues to move its MS-177 multi-spectral and long-range imaging sensor system to new heights. During the year the sensor completed a series of flight demonstrations from a high-altitude, long-endurance unmanned aerial system, performing successfully in both land and maritime mission environments. The U.S. Air Force awarded UTC Aerospace Systems a contract to expand and enhance the sensor’s multi-spectral resolution reach.

*Adjusted operating profit is a non-GAAP financial measure. For additional information regarding the use of this measure, the corresponding amount prepared in accordance with generally accepted accounting principles (GAAP) and a reconciliation of the differences between the non-GAAP and GAAP measure, please refer to page 71 in this Annual Report.