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10 December 2009

UNITED TECHNOLOGIES CORPORATION

PARTIAL CASH OFFER

FOR UP TO 21,804,559 SHARES OF

CLIPPER WINDPOWER PLC

at a price of £1.80 per Share

Further to the announcement released by Clipper Windpower Plc ("**Clipper**" or the "**Company**") earlier today describing the proposed subscription by United Technologies Corporation ("**UTC**") for 84,337,124 Subscription Shares in Clipper (the "**Subscription Press Announcement**"), UTC is pleased to announce a partial cash offer to acquire 21,804,559 (the "**Target Number**") Shares in Clipper, representing approximately 10.2 per cent. of the Enlarged Issued Share Capital.

Together with the Subscription Shares to be issued to UTC under the Subscription Agreement (amounting to approximately 39.3 per cent. of the Enlarged Issued Share Capital), the Partial Offer, if successful, will result in UTC holding approximately 49.5 per cent of Clipper.

The Partial Offer

Under the terms of the Partial Offer, Clipper Shareholders will receive:

For each Share £1.80 in cash

Shareholders may accept the Partial Offer in respect of any number of their Shares, or may choose not to accept the Partial Offer. If the total number of valid tenders received is in respect of more than the Target Number of Shares, the total number of Shares which are acquired from each validly tendering Shareholder pursuant to the Partial Offer will be scaled back from each Shareholder pro rata with reference to the total number of Shares tendered, to ensure that the total number of Shares purchased by UTC pursuant to the Partial Offer does not exceed the Target Number.

The Partial Offer is open until 5.00 a.m. on the Closing Date and shall thereafter close. If valid tenders in respect of the Partial Offer have not been received in respect of at least the Target Number of Shares by 5.00 a.m. on the Closing Date, UTC reserves the right (but is not obliged) to exercise the Call Option (as described below).

The Partial Offer will be subject to the conditions and further terms set out in Appendix I of this announcement and in the Partial Offer Document and the Form of Tender.

The Subscription

The Partial Offer is conditional on, inter alia, the Subscription Agreement not being terminated before the Closing Date. The Subscription Agreement provides for the issue to UTC of the

Subscription Shares, at a price of £1.50 per share. The Subscription is itself conditional on several factors including, but not limited to, there being no breach of the MAC Warranties, approval of the Subscription by Shareholders and antitrust approval in the United States.

The Subscription Agreement provides, amongst other matters, the right for UTC to appoint directors to the Board.

Further details of the Subscription are contained in the Subscription Press Announcement.

Call Option

In the event that UTC acquires fewer Shares under the Partial Offer than the Target Number, certain existing Shareholders ("**Call Option Shareholders**") have granted UTC the option to buy such a number of their Shares as is sufficient to make up the difference between the Target Number and the number of Shares acquired under the Partial Offer. The Call Option must be exercised within seven Business Days of the Closing Date and the Shares will be acquired from each Call Option Shareholder on a pro rata basis reflecting their respective holdings of Shares at the price of £1.80 per Share.

Background to and reasons for the Partial Offer

Recent global economic, market and credit conditions have resulted in significant difficulties for the US wind industry and Clipper, and have dramatically reduced the availability of financing for wind projects over the past year. Some of Clipper's customers have responded by deferring the construction of wind projects and reducing capital budgets, thus delaying current turbine orders and associated milestone payments. As a result, the Board had to consider the most appropriate way to take the Company forward, which led to the announcement of discussions with a number of parties on 30 September 2009, including UTC. Those discussions continued and culminated in the Subscription and Partial Offer.

Completion of the Subscription only will lead to UTC holding approximately 39.3 per cent. of the Enlarged Issued Share Capital of Clipper. However, UTC wishes to ensure that it has a larger holding in the Company, and as such is inviting existing Shareholders to tender their Shares to allow UTC to reach its target. On completion of the Partial Offer (with or without exercise of the Call Option) and the Subscription, UTC will own approximately 49.5 per cent. of the Enlarged Issued Share Capital.

The Partial Offer provides Shareholders with the opportunity to sell Shares at a premium to the recent market price.

UTC believes that the Subscription and Partial Offer will provide many benefits to the Company and its Shareholders, including:

- significantly strengthening Clipper's balance sheet and enabling it to pursue its strategic initiatives;
- facilitating the financing of Clipper projects through traditional project financing sources;
- providing access to UTC's support and expertise in areas of manufacturing, product quality and other industrial processes;
- strongly positioning Clipper to pursue the opportunities expected to become available through any growth in the U.S. and offshore wind markets over the coming years; and

- allowing existing Shareholders to continue to participate in the Company, sharing in the potential upside from a market recovery and any resulting growth of the Company's operations.

Information relating to UTC

UTC is a global provider of high technology products and services to the building systems and aerospace industries. Its principal operating units include Otis, Carrier, UTC Fire & Security, Pratt & Whitney, Hamilton Sundstrand and Sikorsky. Otis, Carrier and UTC Fire & Security serve customers in the commercial and residential property industries worldwide. Carrier also serves commercial, industrial, transport refrigeration and food service equipment customers. Pratt & Whitney, Hamilton Sundstrand and Sikorsky primarily serve commercial and government customers in both the original equipment and aftermarket parts and services markets of the aerospace industry. Hamilton Sundstrand and Pratt & Whitney also serve customers in certain industrial markets, including power generation.

UTC employs approximately 210,000 people and operates in more than 180 countries. UTC is quoted on the New York Stock Exchange with a market capitalization of approximately \$64 billion. For the year ended 31 December 2008, UTC revenues were \$59.8 billion.

Additional information regarding UTC which has been publicly filed with or furnished to the SEC and which is not required to be included as part of this announcement, may be obtained by Clipper Shareholders via the SEC's EDGAR filing system, accessible from the SEC's website at www.sec.gov.

General

This announcement does not constitute an offer or an invitation to purchase any securities.

The conditions of the Partial Offer are set out in Appendix I of this announcement, the Partial Offer Document and the Form of Tender. Appendix II of this announcement contains the definitions of certain terms used in this announcement.

The Partial Offer Document will be posted to Shareholders on 10 December 2009.

As Clipper's central place of management and control is outside the UK and Channel Islands, Shareholders should note that Clipper is not subject to the provisions of the City Code on Takeovers and Mergers (the "**City Code**"). Shareholders should note that they will not therefore be afforded any protections under the City Code and, in particular, that when the standstill period applicable to UTC under the terms of the Subscription Agreement expires, UTC will be able to increase its shareholding without restriction.

The availability of the Partial Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

The Partial Offer described herein is being made for the Shares of Clipper, a company incorporated under the laws of England and Wales and is being made in the United States in compliance with Section 14(e) of the Exchange Act and Regulation 14E thereunder. The Partial Offer will be made in the United States by UTC and no one else. The Partial Offer is subject to disclosure and procedure requirements of the United Kingdom which are different from those of the United States.

Enquiries

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This announcement contains statements about UTC and Clipper that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements. Forward looking statements include statements relating to the following: future capital expenditures, economic performance, financial condition, future prospects, business and management strategies and the expansion and growth of UTC' or Clipper's operations or potential synergies resulting from the Partial Offer.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof.

RBS Corporate Finance Limited and RBS Securities Inc. (together "**RBS**") are acting exclusively as financial advisers to UTC and no one else in connection with the Partial Offer and the Subscription and will not regard any other person (whether or not a recipient of this announcement) as their client in relation to the Partial Offer or the Subscription and will not be responsible to anyone other than UTC for providing the protections afforded to their clients or for providing advice in relation to the Partial Offer or the Subscription or any other matter referred to in this announcement.

Apart from the responsibilities and liabilities, if any, which may be imposed on RBS by the Financial Services and Markets Act 2000, RBS do not accept any responsibility whatsoever and make no representation or warranty, express or implied, for or in respect of the contents of this announcement, including its accuracy, completeness or verification or for any other statement made or purported to be made by RBS, or on RBS' behalf, in connection with UTC, Clipper, the Partial Offer or the Subscription, and nothing in this announcement is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. RBS accordingly disclaim to the fullest extent permitted by law all and any responsibility and liability, whether arising in tort, contract or otherwise, which they might otherwise have in respect of this announcement and any such statement.

Appendix I

Conditions to the Partial Offer

The Partial Offer is subject to the following conditions:

- (a) valid tenders, if any, being received by not later than 5.00 a.m. on the Closing Date;
- (b) there having been no termination of the Subscription Agreement prior to the Closing Date;
- (c) the applicable waiting period in respect of the Subscription for the Subscription Shares and acquisition of the Partial Offer Shares under the HSR Act having expired or terminated;
- (d) the receipt by UTC, in a form reasonably acceptable to UTC, of a deed terminating the option agreement between Clipper and BP International Limited dated 14 July 2006;
- (e) the receipt by UTC, in a form reasonably acceptable to UTC, of a deed terminating the option agreement, and varying and, in part, waiving the terms of the subscription agreement, in each case between Clipper and OEP Wind Holdings LP dated 8 April 2008;
- (f) the compliance by the Company of all its material obligations under the Subscription Agreement which fall to be satisfied or performed prior to Admission;
- (g) the MAC Warranties being true and accurate on the date of the Subscription Agreement and at all times during the five-day period prior to Admission (as if repeated by reference to the facts and circumstances from time to time subsisting);
- (h) the Resolution having been passed without amendment by Shareholders at the General Meeting;
- (i) no trading in securities of the Company having been suspended or limited by the AIM of the London Stock Exchange, or no trading generally on the AIM of the London Stock Exchange having been suspended or limited, or no minimum or maximum prices for trading have been fixed, or no maximum ranges for prices having been required, by such exchanges or by such system or by order of any governmental authority, in each case for a period of at least three Business Days; and
- (j) no banking moratorium having been declared by US or UK authorities for at least one Business Day.

UTC reserves the right to waive the conditions, in whole or in part, and to extend the time for the satisfaction or fulfilment of the conditions, except that in no circumstances shall the Partial Offer extend to more than the Target Number or the Partial Offer Period be extended.

Appendix II

Definitions

The following definitions apply throughout this announcement unless the context requires otherwise:

Admission means the admission to trading of the Subscription Shares on AIM in accordance with the AIM Rules for Companies;

AIM means the Alternative Investment Market of the London Stock Exchange;

Board means the board of Directors of the Company;

Business Days means a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business;

Call Option means the option agreement entered into between UTC and the Call Option Shareholders dated 10 December 2009;

Call Option Shareholders has the meaning given to it above in this announcement;

Closing Date means 12 January 2010;

Company means Clipper Windpower Plc;

Directors means the directors of the Company;

Enlarged Issued Share Capital means the issued share capital of the Company following Admission;

Exchange Act means the US Securities Exchange Act of 1934 (as amended);

Form of Tender means the Form of Tender for use by Shareholders in connection with the Partial Offer;

General Meeting means the extraordinary general meeting of the Shareholders called in relation to the Resolutions;

HSR Act means the United States Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder;

London Stock Exchange means the London Stock Exchange Plc;

MAC Warranties has the meaning given to it in Appendix II of the Partial Offer Document;

Partial Offer means the offer for Shares being made by UTC subject to the terms and conditions set out in the Partial Offer Document and in the accompanying Form of Tender;

Partial Offer Document means the offer document to be sent to all Shareholders on 10 December 2009 in relation to the Partial Offer;

Partial Offer Period means the period from 7.00 a.m. on 10 December 2009 until 5.00 a.m. on the Closing Date;

Partial Offer Shares means 21,804,559 Shares;

Resolution means the resolution set out in the Circular and Notice of the General Meeting;

Shares means the issued ordinary shares of £0.10 each in the capital of the Company;

Shareholders means holders of Shares;

Subscription means the allotment and issue of the Subscription Shares to UTC;

Subscription Agreement means the agreement between the Company and UTC dated 10 December 2009 pursuant to which UTC has agreed to subscribe for the Subscription Shares;

Subscription Press Announcement has the meaning given to it above in this announcement;

Subscription Shares means the 84,337,124 new shares to be issued under the Subscription;

Target Number means 21,804,559;

UK or United Kingdom means the United Kingdom of Great Britain and Northern Ireland;

US or United States means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia; and

UTC means United Technologies Corporation.