

FOR IMMEDIATE RELEASE

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**UNITED TECHNOLOGIES PROPOSES ACQUISITION OF DIEBOLD
FOR \$40.00 PER SHARE IN CASH**

Proposal Represents 66 Percent Premium Over Diebold's Current Trading Price

HARTFORD, Conn., March 2, 2008 – United Technologies Corporation (NYSE: UTX) today announced that it has made a proposal to the Board of Directors of Diebold, Incorporated (NYSE: DBD) to acquire all the outstanding shares of Diebold for \$40.00 per share in cash, representing a total enterprise value of approximately \$3.0 billion. UTC's proposal represents a premium of approximately 66 percent to Diebold's closing stock price on Feb. 29, 2008. The proposal is not subject to any financing contingency.

"This transaction creates significant and immediate value for Diebold shareholders with no operational risk, while creating long term value for UTC shareholders," said George David, Chairman and CEO of United Technologies. "Diebold represents an excellent fit with UTC, with its strong market position, U.S. footprint, and balance between product and service revenues. In addition, Diebold will benefit from UTC's international presence and disciplined operating systems."

David added, "In view of the significance of this proposal to Diebold's shareholders and our own, we feel compelled to release this offer publicly. We are committed to working with Diebold's Board of Directors to enter quickly into a definitive agreement."

Given the compelling nature of UTC's proposal and the importance of allowing Diebold's shareholders to capitalize on the benefits of the proposed transaction sooner rather than later, UTC has provided the recent correspondence between UTC and Diebold below:

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February 29, 2008

Mr. John N. Lauer
Chairman of the Board
Diebold, Incorporated

Dear Mr. Lauer:

United Technologies (UTC) offers to acquire all of the outstanding shares of Diebold for \$40 per share. This is a 66% premium to Diebold's current share price and a 45% premium to the three month trailing average.

We have sought for more than two years to engage Diebold in constructive discussions to increase your shareholder value. Most recently, I wrote to you on February 19th outlining the benefits to Diebold's shareowners, employees, and other constituencies of a business combination.

UTC would finance the share acquisitions with current cash balances and other readily available sources of funds. A UTC shareholder vote is not required, and we and our counsel do not see regulatory impediments.

We have suggested appropriate due diligence earlier and affirm this now. Additional value could be identified, and a higher price proposal for Diebold's shares could result. We are prepared to begin immediately and believe a definitive agreement can be completed within thirty days.

I am attaching my prior letter outlining the rationale for this combination. The facts are that UTC has an exceptional global footprint, deep technical resources, and an outstanding operating record. An incidental but important fact is that UTC ranks number one on total shareholder return among the Dow Jones Industrials over the last ten years.

Failing an ability to engage in discussions with Diebold's board and management, we believe it is in your shareholders' interests to know of this proposal. Although you directed me in your last letter not to have further contact with Diebold board members, I am urging a timely response now while the matter remains confidential.

Sincerely yours,

/s/ George David
George David

cc: Thomas Swidarski, President and Chief Executive Officer

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February 21, 2008

Mr. George David
Chairman and Chief Executive Officer
United Technologies Corporation
One Financial Plaza
Hartford, Connecticut 06103

Dear Mr. David:

I have received your letter to me dated February 19, 2008. As you correctly noted in your letter, the prior overtures on your behalf to me and another Diebold director were discussed extensively at a regularly scheduled Diebold board meeting last week. After careful consideration, our Board unanimously determined at that meeting that it was not in the best interests of the corporation or its shareholders to pursue discussions with UTC regarding a business combination with Diebold. Nothing has changed since that meeting that warrants revisiting this issue.

In addition, we respectfully request that, from here forward, neither you nor any other representative of UTC contact any member of the Diebold Board.

Sincerely,

/s/ John N. Lauer
John N. Lauer
Chairman of the Board of Directors
Diebold, Incorporated

February 19, 2008

Mr. John N. Lauer
Chairman of the Board
Diebold, Incorporated

Dear Mr. Lauer:

On behalf of United Technologies Corporation ("UTC"), I am pleased to make a proposal to acquire all of the outstanding shares of Diebold for cash at a significant premium to the current trading price. As you know, Morgan Stanley as UTC's advisor has had several conversations with you and another of Diebold's directors expressing UTC's interest. We have understood you reviewed this interest at your board meeting last week and declined to meet with me as suggested by Morgan Stanley.

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UTC would use existing cash balances and other readily available financing. The transaction would not be subject to any financing contingency or approval by the shareholders of UTC. We and our legal counsel have reviewed the transaction in light of regulatory requirements and do not foresee impediments to prompt completion of the transaction.

We believe UTC's resources and presence in markets globally would be significant assets to Diebold in expanding its business worldwide and increasing its margins and profitability. UTC's revenues are approximately \$55 billion annually, and the company has 220,000 employees. Significantly, more than 60% of UTC's revenues arise outside the United States, in comparison to Diebold's 45%. Employment and local market presence for UTC are equally diversified, with 66% of employees outside the United States. UTC is also an exceptionally technology intensive company, with research and development spending exceeding \$3.5 billion annually.

Several UTC businesses have characteristics closely akin to Diebold. For example, Otis Elevator operates in the U.S. through a network of 400 company owned branch offices and service locations. Like Diebold, significant portions of Otis' costs and value added, including an extensive aftermarket business, are incurred in these distributed offices. Carrier Corporation has comparable business models in its commercial air conditioning and refrigeration businesses, as does UTC Fire & Security throughout its businesses.

In addition, UTC has an exceptional operating record, with margins having tripled over the last 15 years and a total shareholder return exceeding 1500% over the same period. In short, we believe our shared experiences with Diebold, in addition to UTC's obvious resources and global reach, will be highly beneficial to your employees and other constituencies and warrant the proposed significant premium to your recent share price trading range.

Although we have reviewed publicly available information on Diebold, due diligence in the ordinary course will enable us to make a precise and potentially increased share price offer to your shareholders. We are prepared to commence this due diligence immediately and would anticipate completion, including a definitive purchase-and-sale agreement, within several weeks.

Subject to events as they may develop, we don't currently intend public disclosure of this proposal.

As previously, I am prepared to meet personally with you at any time. We ask for a response by next Tuesday, February 26th.

Sincerely yours,
/s/ George David
George David

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UTC's proposal is subject to satisfactory completion of due diligence and customary regulatory approvals. UTC expects that once it reaches a timely agreement with Diebold's Board of Directors, the proposed transaction would be completed within 90 days.

United Technologies, based in Hartford, Conn., is a diversified company that provides high technology products and services to the building and aerospace industries.

This communication does not constitute an offer, or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. Statements in this release that are "forward-looking statements" are based on current expectations and assumptions that are subject to risks and uncertainties. All information in this communication is as of March 2, 2008. United Technologies Corporation undertakes no duty to update any forward-looking statement to conform the statement to future events or to changes in the company's expectations.

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