



First Quarter 2021 Earnings Review

THURSDAY, APRIL 22, 2021

Cautionary Statement



This document contains forward-looking statements about Whirlpool Corporation and its consolidated subsidiaries ("Whirlpool") that speak only as of this date. Whirlpool disclaims any obligation to update these statements. Forward-looking statements in this document may include, but are not limited to, statements regarding future financial results, long-term value creation goals, restructuring expectations, productivity, raw material prices and the impact of COVID-19 on our operations. Many risks, contingencies and uncertainties could cause actual results to differ materially from Whirlpool's forward-looking statements. Among these factors are: (1) COVID-19 pandemic-related business disruptions and economic uncertainty; (2) intense competition in the home appliance industry reflecting the impact of both new and established global competitors, including Asian and European manufacturers, and the impact of the changing retail environment, including direct-to-consumer sales; (3) Whirlpool's ability to maintain or increase sales to significant trade customers and the ability of these trade customers to maintain or increase market share; (4) Whirlpool's ability to maintain its reputation and brand image; (5) the ability of Whirlpool to achieve its business objectives and leverage its global operating platform, and accelerate the rate of innovation; (6) Whirlpool's ability to understand consumer preferences and successfully develop new products; (7) Whirlpool's ability to obtain and protect intellectual property rights; (8) acquisition and investment-related risks, including risks associated with our past acquisitions, and risks associated with our increased presence in emerging markets; (9) risks related to our international operations, including changes in foreign regulations, regulatory compliance and disruptions arising from political, legal and economic instability; (10) information technology system failures, data security breaches, data privacy compliance, network disruptions, and cybersecurity attacks; (11) product liability and product recall costs; (12) the ability of suppliers of critical parts, components and manufacturing equipment to deliver sufficient quantities to Whirlpool in a timely and cost-effective manner; (13) our ability to attract, develop and retain executives and other qualified employees; (14) the impact of labor relations; (15) fluctuations in the cost of key materials (including steel, resins, copper and aluminum) and components and the ability of Whirlpool to offset cost increases; (16) Whirlpool's ability to manage foreign currency fluctuations; (17) impacts from goodwill impairment and related charges; (18) triggering events or circumstances impacting the carrying value of our long-lived assets; (19) inventory and other asset risk; (20) health care cost trends, regulatory changes and variations between results and estimates that could increase future funding obligations for pension and postretirement benefit plans; (21) changes in LIBOR, or replacement of LIBOR with an alternative reference rate; (22) litigation, tax, and legal compliance risk and costs, especially if materially different from the amount we expect to incur or have accrued for, and any disruptions caused by the same; (23) the effects and costs of governmental investigations or related actions by third parties; (24) changes in the legal and regulatory environment including environmental, health and safety regulations, and taxes and tariffs; and (25) the uncertain global economy and changes in economic conditions which affect demand for our products.

Global Overview



Marc Bitzer

CHAIRMAN AND
CHIEF EXECUTIVE OFFICER



Executive Summary



- Faced with increased component shortages (semiconductors and resins) and significant inflationary pressures...
- ...we responded with early and decisive actions to protect margins and product availability:
 - Announced (and partially implemented) cost-based price increases of 5-12% in various countries across the globe
 - Reset our supply chain to a “constraint-driven” logic with continuous re-prioritization based on component availability
- Outstanding Q1 results serve as a proofpoint of our agile and resilient business model
- Significantly increased full-year ongoing EPS⁽¹⁾ guidance from \$19.00 - \$20.00 to \$22.50 - \$23.50

First-Quarter Results Highlights



PROFITABLE GROWTH

Net Sales	YoY Change
\$5.4B	23.9% (+24.2% ex-currency)

- Revenue growth of 24% driven by sustained consumer demand and cost-based pricing actions
- Expanded EBIT margin⁽¹⁾ by 620 bps to 12.4%, overcoming 225 bps of cost inflation

MARGIN EXPANSION

Ongoing EBIT Margin ⁽¹⁾	YoY Change
12.4%	6.2 pts

- Double-digit growth across revenue and EBIT in all regions

CASH CONVERSION

Free Cash Flow ⁽²⁾	FCF as % of Net Sales
\$132M	2.5%

- Generated positive free cash flow⁽²⁾ in Q1, as a result of strong earnings and disciplined working capital management
- Reduced gross debt leverage⁽⁴⁾ to 1.9x

Substantial Margin Expansion

<i>(Approximate impact)</i>	Q1
2020 Ongoing EBIT Margin⁽⁵⁾	6.2%
Price/Mix	+5.75
Net Cost*	+3.75
Raw Material Inflation	-2.25
Marketing & Technology Investments	-0.50
Currency	-0.75
2021 Ongoing EBIT Margin	12.4%

*Inclusive of Fixed Cost Takeout, Ongoing Cost Productivity (Including Conversion and Freight & Warehousing), Volume Leveraging and Restructuring Benefits.

Regional Overview

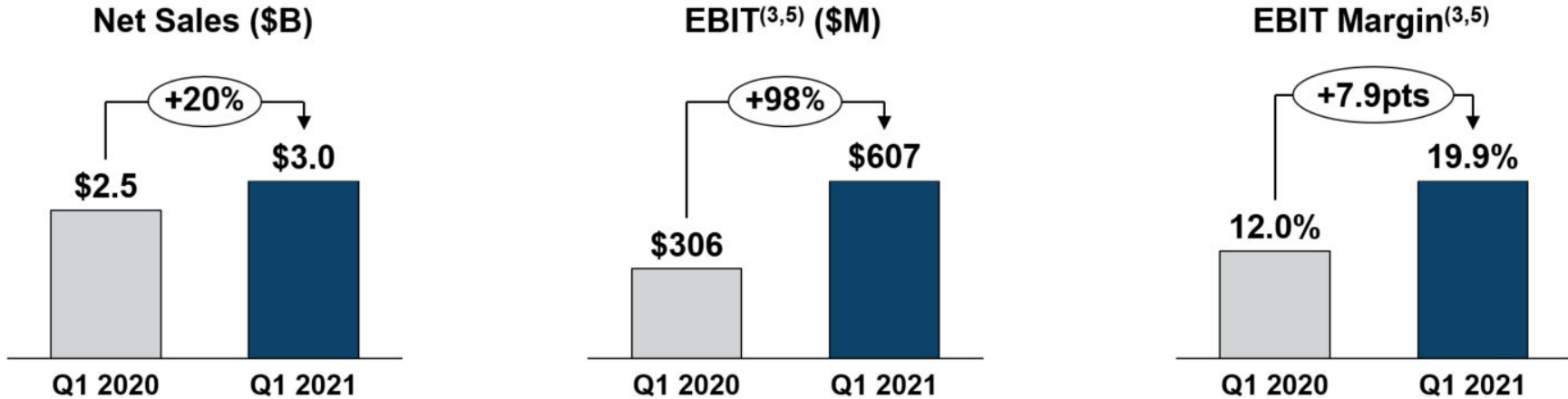


Jim Peters

EXECUTIVE VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER

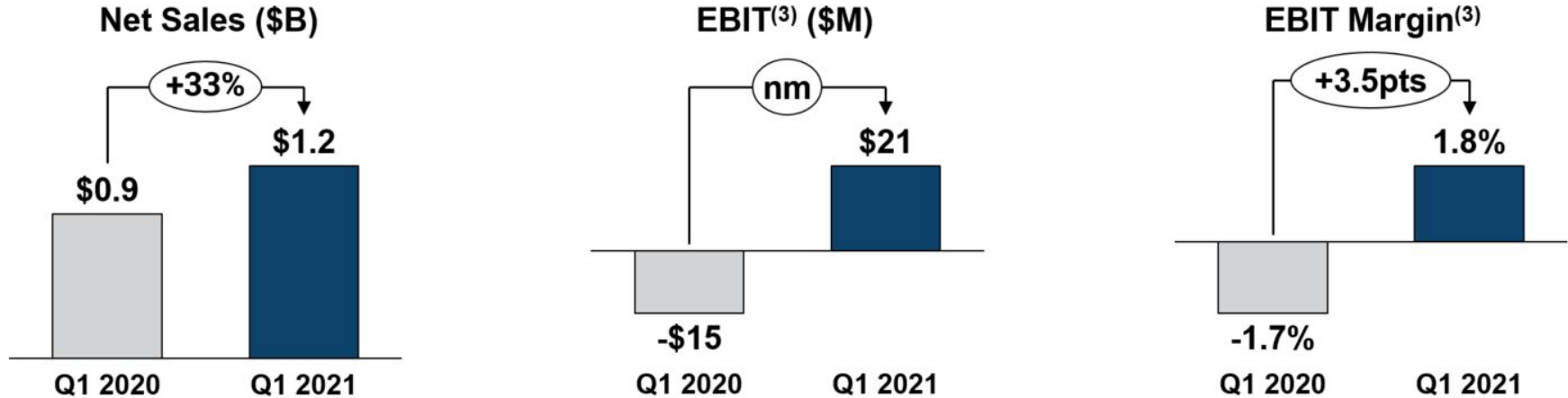


North America First-Quarter Results



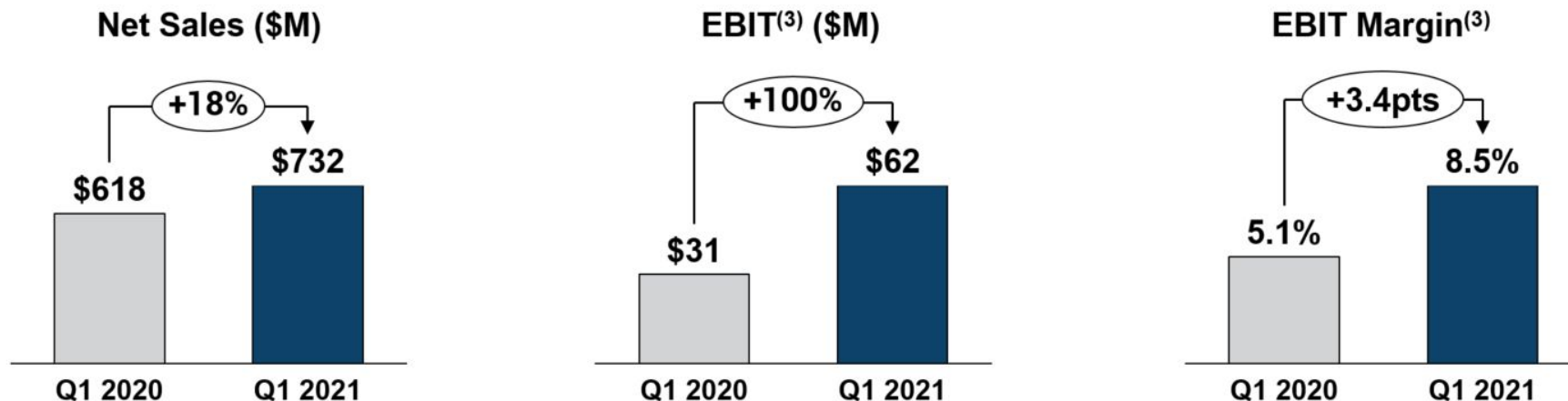
- Significant top-line growth driven by strong consumer demand
- Record EBIT performance driven by execution of go-to-market initiatives
- Modest sequential share gains

EMEA First-Quarter Results



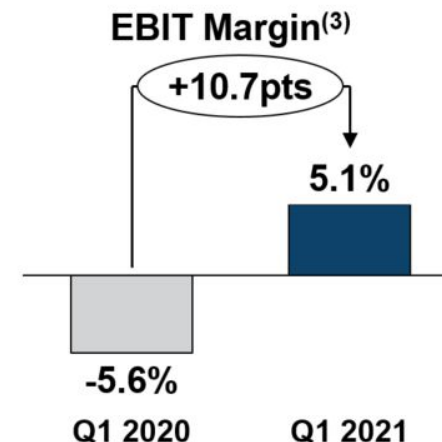
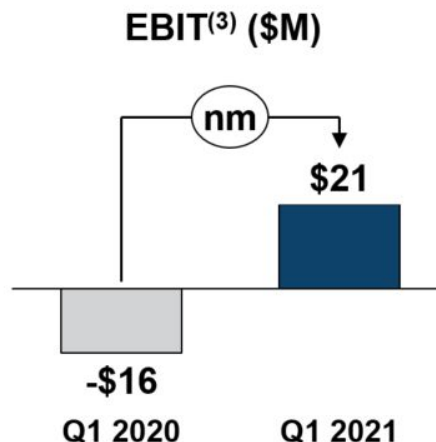
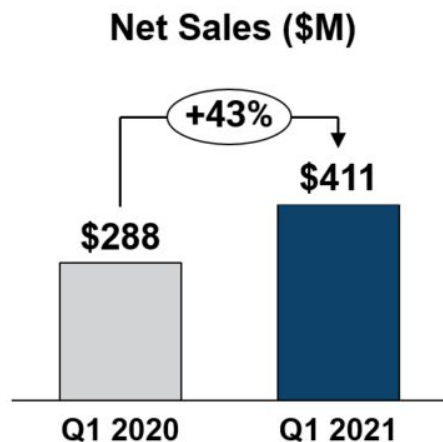
- Revenue growth, excluding currency of 25%, as volume growth outpaced industry demand
- Significant EBIT improvement (+\$36M) driven by top-line growth and cost actions
- Positive Q1 EBIT demonstrates effectiveness of ongoing strategic actions

Latin America First-Quarter Results



- Revenue growth, excluding currency, of 35% driven by strong industry growth in Brazil and Mexico
- EBIT growth driven by increased demand and strong execution of cost-based pricing actions
- Strong EBIT margin performance despite currency headwinds in Brazil and Argentina

Asia First-Quarter Results



- Strong demand across the region with share gains in China
- EBIT expansion in India and China driven by go-to-market and cost productivity actions
- Uncertainty remains in India as COVID-19 cases surge

2021 Guidance



Marc Bitzer

**CHAIRMAN AND
CHIEF EXECUTIVE OFFICER**



Jim Peters

**EXECUTIVE VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER**



Updated 2021 Guidance



LONG-TERM GOALS

PROFITABLE GROWTH

~3%

ANNUAL ORGANIC NET SALES GROWTH

MARGIN EXPANSION

~10%

ONGOING EARNINGS BEFORE INTEREST AND TAX, % OF NET SALES

CASH CONVERSION

6%+

FREE CASH FLOW AS % OF NET SALES

2021 GUIDANCE*

Net Sales	YoY Change
~\$22B	13%**

Ongoing EBIT Margin ⁽¹⁾	YoY Change
~10%	~90 bps

Free Cash Flow ⁽²⁾	FCF as % of Net Sales
~\$1.25B	~5.7%

Increased full-year ongoing EPS range from \$19.00 - \$20.00 to \$22.50 - \$23.50

*Note: guidance assumes the partial tender offer by Galanz for majority ownership of the Whirlpool China business is successfully closed in Q2 2021

**Does not include the impact of currency






Full-Year 2021 Ongoing EBIT Margin⁽¹⁾ Guidance



<i>(Approximate impact)</i>	Previous	Current	Comments
2020 Ongoing EBIT Margin⁽⁵⁾	9.0%	9.0%	
Price/Mix	+1.00	+6.00	<ul style="list-style-type: none"> • Primarily previously announced cost-based price increases coupled with the disciplined execution of go-to-market actions • Product launches and positive consumer trends driving price/mix
Net Cost*	+1.50	+1.50	<ul style="list-style-type: none"> • 2020 cost program carryover, cost reduction initiatives
Raw Material Inflation	-1.50	-5.00	<ul style="list-style-type: none"> • Expect ~\$1B of RMI, primarily driven by resins and steel
Marketing & Technology Investments	-0.50	-0.75	<ul style="list-style-type: none"> • Increased brand and product investments
Currency	-0.50	-0.75	<ul style="list-style-type: none"> • Primarily BRL and ARS
2021 Ongoing EBIT Margin	9%+	~10%	

*Inclusive of Fixed Cost Takeout, Ongoing Cost Productivity (Including Conversion and Freight & Warehousing), Volume Leveraging and Restructuring Benefits

2021 Regional Guidance

		Industry		EBIT %	
		Previous	Current	Previous	Current
	North America	4 - 6%	6%+	15%+	15.5%+
	Europe, Middle East & Africa	2 - 4%	unchanged	2.5%+	unchanged
	Latin America	2 - 4%	unchanged	7%+	~8%
	Asia	6 - 8%	unchanged	2%+	5%+*
	Total	~4%	5%	9%+	~10%

*Assumes the partial tender offer by Galanz for majority ownership of the Whirlpool China business is successfully closed in Q2 2021

2021 Free Cash Flow⁽²⁾ Guidance



<i>(Approximate impact in millions)</i>	2020	2021		Comments
		Previous	Current	
Cash Earnings and Other Operating Items	\$1,954	\$1,950	\$2,200	<ul style="list-style-type: none"> • Driven by increased EBIT growth
Capital Expenditures	\$(410)	\$(600)	\$(600)	<ul style="list-style-type: none"> • Innovation and digital transformation investments
Working Capital	\$(358)	\$(175)	\$(275)	<ul style="list-style-type: none"> • Moderate inventory build
Restructuring Cash Outlays	\$(196)	\$(225)	\$(225)	<ul style="list-style-type: none"> • Driven by 2020 restructuring actions
Sale of Assets/Business	\$166	\$50	\$150	<ul style="list-style-type: none"> • Continuation of real estate optimization strategy • Expected sale of majority stake in China
Other Items	\$90	-	-	<ul style="list-style-type: none"> • Details provided on Slide 25 in the appendix
Free Cash Flow	\$1,246	\$1,000+	~\$1,250	

2021 Capital Allocation Strategy



1. Fund Innovation and Growth	Target/Update
Capital Expenditure	Invest ~3% of net sales
Research and Development	Invest ~3% of net sales
Mergers & Acquisitions	Pursue opportunistic M&A with high ROIC
2. Return to Shareholders	Target/Update
Dividends	~30% of trailing 12-month ongoing net earnings
Share Repurchase	\$150M share repurchases to date Increased share repurchase authorization by \$2B to ~\$2.4B
Targeted Capital Structure	Maintain strong investment grade rating Delivered long-term gross debt leverage goal of 2.0x

Executive Summary



- Decisive actions in place to address volatile macro environment
- Q1 record results continue to demonstrate our track record of operational excellence
- Increased full-year guidance reflects our confidence in the actions in place
- Delivering on our commitment to return cash to shareholders

Closing Remarks and Q&A



Whirlpool CORPORATION

Whirlpool®

KitchenAid®

MAYTAG®

INDESIT

Hotpoint®

Consul

BRASTEMP

AMANA®

JENNAIR®

Bauknecht

acros®

DIQUA 帝度

*Whirlpool Corporation ownership of the Hotpoint brand in EMEA and Asia Pacific regions is not affiliated with the Hotpoint brand sold in the Americas.



Appendix



Key Assumptions – Guidance



Income Statement	FY2020A	FY2021E
Raw Material (Inflation) / Deflation	\$250M	~\$(1,000)M
Restructuring Costs	\$288M	~\$100M
Interest Expense	\$189M	~\$190M
Adjusted Effective Tax Rate	26.3%	24-26%
Weighted-Average Diluted Shares Outstanding	63.3M	63.5M*

Cash Flow Statement	FY2020A	FY2021E
Capital Expenditures	\$410M	~\$600M
Dividends Paid	\$311M	\$79M**
Amount of Stock Repurchased	\$121M	\$150M**
Restructuring Cash Outlays	\$196M	~\$225M
Cash Tax Rate	15.7%	15-20%

Note: 2021 tax rate guidance reflects GAAP and adjusted effective tax rate

*Estimated full-year weighted-average diluted shares outstanding inclusive of actual share repurchases as of 3/31/2021

**YTD as of 3/31/2021

Interest and Sundry (Income) Expense

<i>(Approximate impact in millions)</i>	Q1		Comments
	2020	2021	
Net Foreign Exchange	\$(7)	\$(11)	<ul style="list-style-type: none">Includes foreign exchange and hedge (gain)/loss
Interest (Income)/Other	6	(15)	<ul style="list-style-type: none">Primarily interest income
Interest and Sundry (Income) Expense	\$(1)	\$(26)	

Note: Numbers may not reconcile due to rounding

Restructuring Cash Outlays

<i>(Approximate impact in millions)</i>	2020	2021	Comments
COVID-19 related actions	\$115	\$105	
Naples closure	24	70	• Naples, Italy manufacturing facility
Other initiatives	57	50	• Primarily previous year actions
Total	\$196	~\$225	

Free Cash Flow⁽²⁾ Other Items

<i>(Approximate impact in millions)</i>	2020	2021	Impact	Comments
Claim Settlement	\$(60)	-	\$60	• Trade customer insolvency claim in EMEA
Washer Recall	(50)	-	50	• EMEA-produced product warranty recall expense
Cash Tax Credits	200	-	(200)	• Primarily cash tax credits gained through the production of energy efficient appliances
Other Items	\$90	\$-	(\$90)	

Use of Non-GAAP Financial Measures and GAAP Accounting Changes

This presentation includes certain non-GAAP financial measures, some of which we refer to as “ongoing”⁽¹⁾ measures:

Ongoing earnings per diluted share, earnings before interest and taxes (EBIT), EBIT margin, ongoing EBIT, and ongoing EBIT margin

Other non-GAAP financial measures included in this presentation are free cash flow⁽²⁾, free cash flow as percentage of sales, net sales (excluding currency), adjusted effective tax rate, net sales (excluding divestitures and currency), which we refer to as organic net sales, gross debt leverage (Gross Debt/Ongoing EBITDA) and ROIC.

Please refer to the supplemental information pack located in the events section of our Investor Relations website at investors.whirlpoolcorp.com for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures.

(1) Ongoing measures are non-GAAP measures. See our website for reconciliation information.

(2) Free cash flow is a non-GAAP measure. See our website for reconciliation information.

(3) Segment EBIT represents our consolidated EBIT broken down by the Company's reportable segments and are metrics used by the chief operating decision maker in accordance with ASC 280. Consolidated EBIT also includes corporate "Other/Eliminations" of \$(67) million and \$(42) million for the first quarters of 2021 and 2020, respectively.

(4) Gross debt leverage represents Gross Debt/Ongoing EBITDA. See our website for reconciliation information.)

(5) As adjusted reporting - effective January 1, 2021, the Company changed its accounting principle for inventory valuation for inventories located in the U.S. from a last-in, first-out ("LIFO") basis to a first-in, first-out ("FIFO") basis. All prior periods presented have been retrospectively adjusted to apply the effects of the change. The information in the tables herein have been updated to reflect the retrospective accounting change. For more information see Notes 1 and 4 to Whirlpool's to-be-filed Quarterly Report on Form 10-Q for the quarter ended March 31, 2021.