Fourth-Quarter 2019 Earnings Review

Tuesday, January 28, 2020

Whirlpool CORPORATION

GLOBAL OVERVIEW

Marc Bitzer

Chairman and
Chief Executive Officer

2019 FOURTH-QUARTER HIGHLIGHTS

Profitable Growth

Net Sales	YoY Change
$5.4B	(4.9)% *(+1.2% organic[4])*

Margin Expansion

Ongoing EBIT Margin[1]	YoY Change
7.2%	1.0pts

Cash Conversion

Free Cash Flow*	FCF as % of Net Sales
$912M	4.5%

- Significant ongoing EBIT[1] Margin expansion of 100 bps to 7.2%
- All regions profitable, with North America delivering record EBIT[3] margins of 13.3%
- Positive EBIT[3] in EMEA as strategic actions remain on track
- Strong free cash flow through working capital improvements and lower capital expenditures; positive in all regions
- Significant progress toward long-term Gross Debt/EBITDA target

(4) Organic net sales reflects YoY change in net sales adjusted for currency and the Embraco divestiture. See Organic Net Sales reconciliation in the appendix.

*Reflects full-year (12 months) Free Cash Flow

2019 FULL-YEAR HIGHLIGHTS

Profitable Growth

Net Sales	YoY Change
$20.4B	(2.9)% *(+1.6% organic[4])*

Margin Expansion

Ongoing EBIT Margin[1]	YoY Change
6.9%	0.6pts

Cash Conversion

Free Cash Flow	FCF as % of Net Sales
$912M	4.5%

(4) Organic net sales reflects YoY change in net sales adjusted for currency and the Embraco divestiture. See Organic Net Sales reconciliation in the appendix.

Delivered very strong results which exceeded previous guidance

- Ongoing EPS[1] of $16.00
- Ongoing EBIT[1] margin expansion of 60 bps
- Free Cash Flow of $912M

We took decisive actions in a challenging environment

- Executed price/mix actions to offset substantial cost increases from tariff and material cost inflation
- Targeted cost takeout and value chain optimization

... while continuing to invest for growth and drive shareholder value

- Maintained historical capex and R&D funding levels
- Returned significant cash to shareholders through share repurchases and increased dividends

STRONG MARGIN EXPANSION IN 2019

(Approximate impact)	Q4	FY
2018 Ongoing EBIT Margin	**6.2%**	**6.3%**
Price / Mix	+1.00	+2.00
Net Cost (excluding Raw Material/Tariff Inflation)*	+0.75	-
Raw Material/Tariff Inflation	+0.25	-0.50
Marketing & Technology Investments	-0.50	-0.50
Currency	-0.50	-0.25
2019 Ongoing EBIT Margin	**7.2%**	**6.9%**

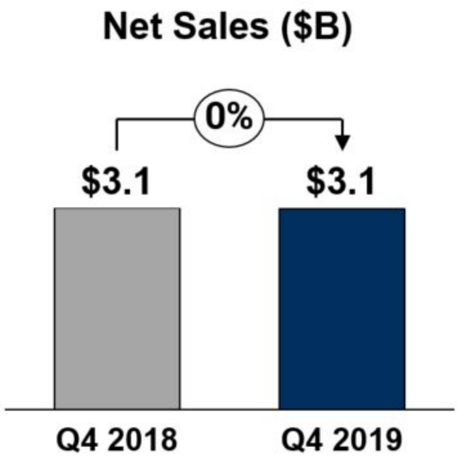
*Inclusive of Fixed Cost Takeout, Ongoing Cost Productivity (including conversion and freight & warehousing) and Restructuring Benefits

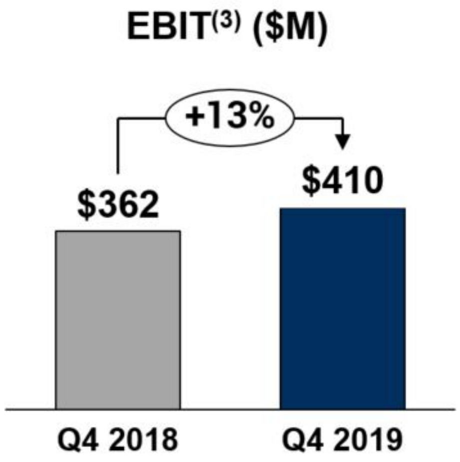
REGIONAL OVERVIEW

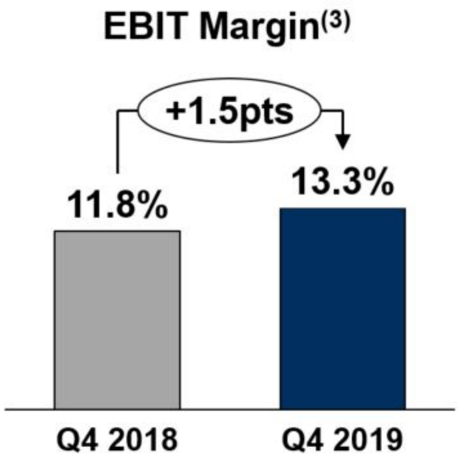
Jim Peters

Executive Vice President
and Chief Financial Officer

NORTH AMERICA FOURTH-QUARTER RESULTS





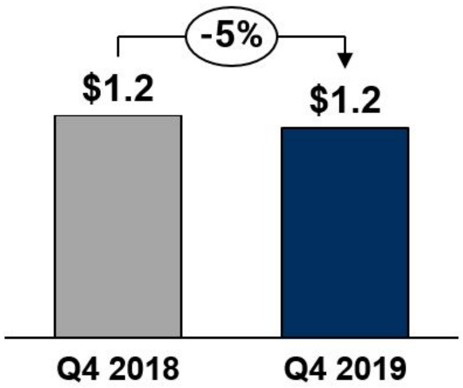


- Stable revenue despite continued industry demand softness
- Record EBIT performance driven through strong price/mix and cost productivity
- 9th consecutive quarter of margin expansion

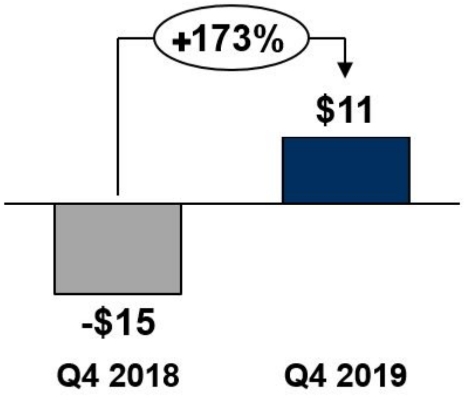
Note: 2018 represents Ongoing EBIT[3]

EMEA FOURTH-QUARTER RESULTS

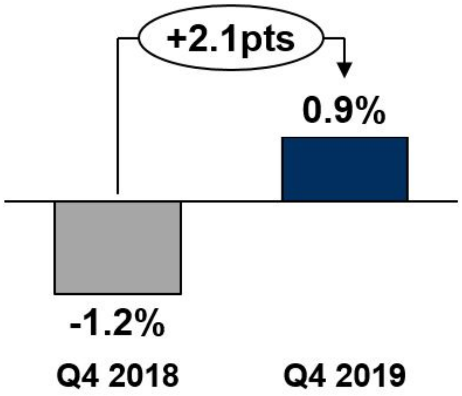
Net Sales ($B)



EBIT(3) ($M)



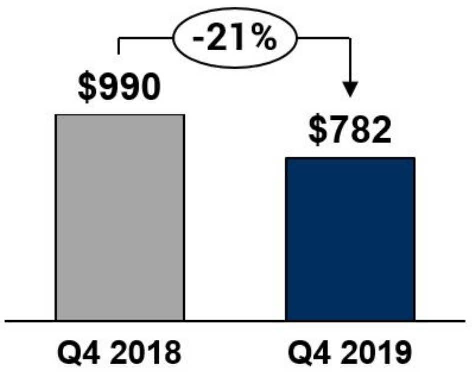
EBIT Margin(3)



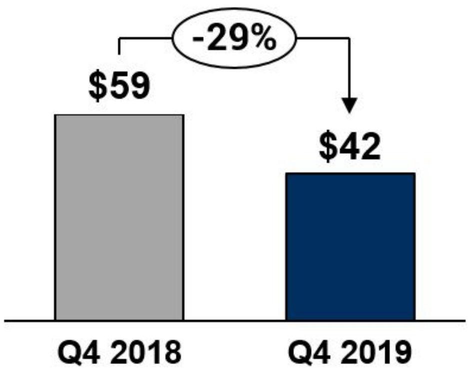
- Excluding business exits, unit volumes were approximately flat with growth in key countries
- Positive EBIT driven by cost reduction actions and strategic initiatives
- $75M full-year EBIT improvement vs prior-year

LATIN AMERICA FOURTH-QUARTER RESULTS

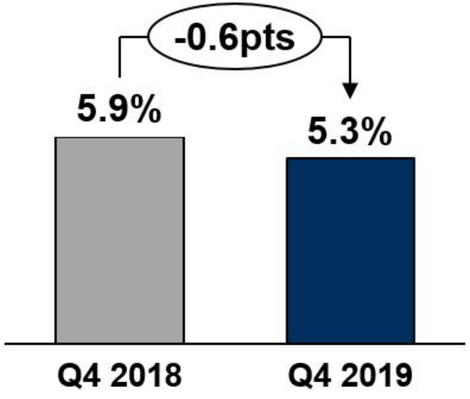
Net Sales ($M)



EBIT[3] ($M)



EBIT Margin[3]

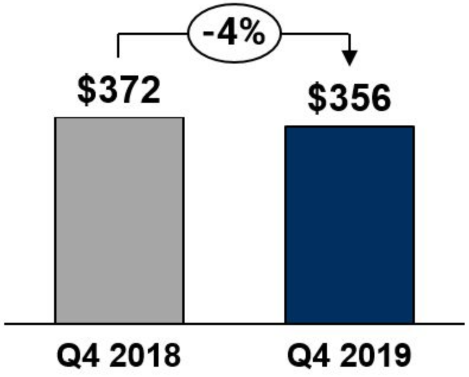


- Brazil demand recovery offset by industry weakness in Mexico
- Organic net sales[4] growth of approximately 17%, driven by Brazil share gains and increased D2C sales
- EBIT margin impacted by currency devaluation in Brazil and Argentina

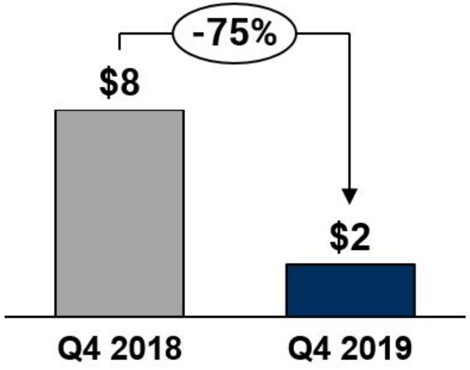
Note: 2018 represents Ongoing EBIT[3]. Embraco compressor business sale complete as of July 1, 2019; Q4 2019 excludes Embraco operations while 2018 results include Embraco operations.

ASIA FOURTH-QUARTER RESULTS

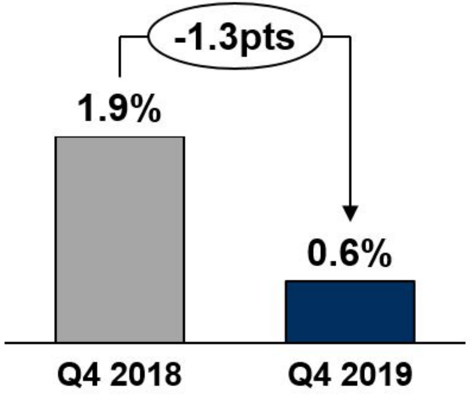
Net Sales ($M)



EBIT[3] ($M)



EBIT Margin[3]



- Strong India results driven by revenue and EBIT growth
- China results impacted by soft industry demand and brand transition investments
- Whirlpool brand transition in China on track

2020 OUTLOOK

Marc Bitzer

Chairman and
Chief Executive Officer

Jim Peters

Executive Vice President
and Chief Financial Officer

2020 GUIDANCE OVERVIEW

	Profitable Growth		Margin Expansion		Cash Conversion	
Long-Term Goals	**~3%** Annual Organic Net Sales Growth		**~10%** Ongoing Earnings Before Interest and Tax, % of Net Sales		**6%+** Free Cash Flow as % of Net Sales	
	Net Sales	YoY Change	Ongoing EBIT Margin(1)	YoY Change	Free Cash Flow(2)	FCF as % of Net Sales
2020 Guidance	~$20.3B	~0% *(~3% organic(4))*	~7.5%	~0.6pts	$800-$900M	4.2%

(4) Organic net sales reflects YoY change in net sales adjusted for currency and the Embraco divestiture. See Organic Net Sales reconciliation in the appendix

2020 EBIT MARGIN[1] GUIDANCE PROGRESSION

Whirlpool CORPORATION

(Approximate impact)	Current	Comments
2019 Ongoing EBIT Margin	**6.9%**	
Price / Mix	+0.25	• Carryover effect of 2019 price/mix actions • Innovative product launches driving price/mix actions
Net Cost (excluding Raw Material/Tariff Inflation)*	+0.50	• Fixed and ongoing cost reduction including global standardization and complexity reduction actions
Raw Material/Tariff Inflation	+0.50	• Favorable RMI trends; no tariff impact year over year
Marketing & Technology Investments	-0.50	• Increased brand and product investments
Currency	-0.25	• Primarily ARS, BRL and CAD
2020 Ongoing EBIT Margin	**~7.5%**	

*Inclusive of Fixed Cost Takeout, Ongoing Cost Productivity (including conversion and freight and warehousing) and Restructuring Benefits

Expect to Deliver Margin Expansion Through Price/Mix and Fixed-Cost Actions

NORTH AMERICA PRODUCT LEADERSHIP

PREMIUM TOP LOAD LAUNDRY

- Replaces entire premium Top Load laundry
- Deliver Load and Go™ bulk dispense and WiFi connectable units
- Expect to drive positive price/mix in the laundry category

Driving Product Leadership In Connected Appliances

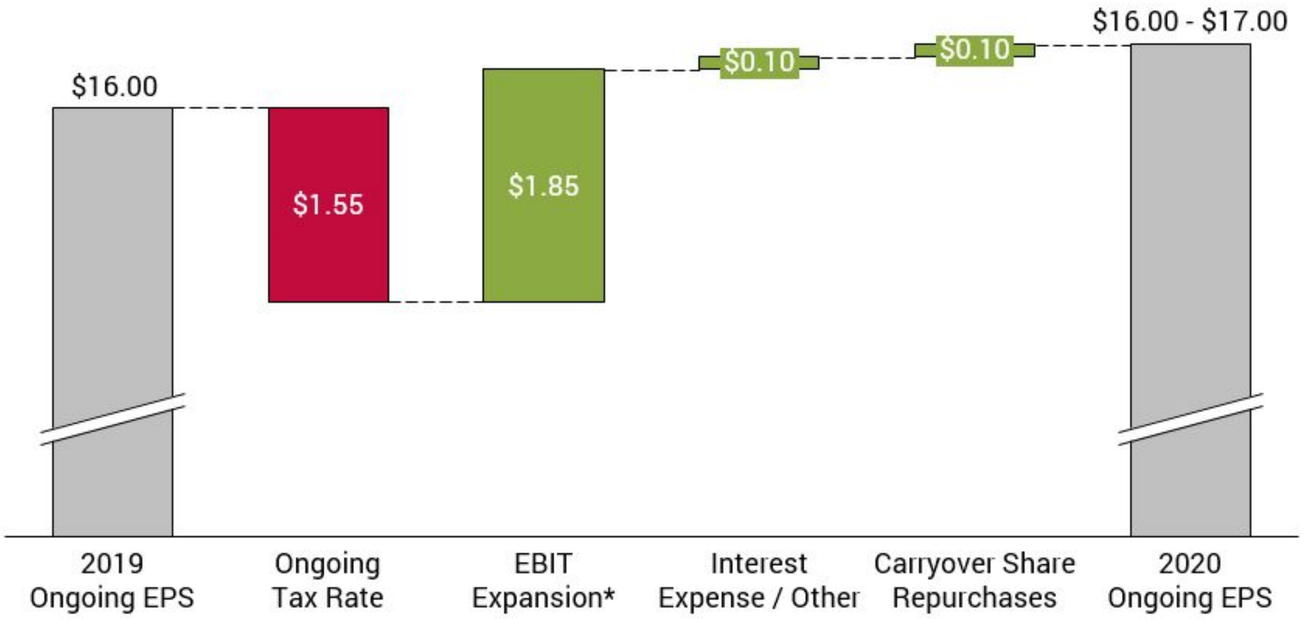
GLOBAL PRODUCT LEADERSHIP

DISHWASHER ARCHITECTURE CONSOLIDATION

- Introduces true global architecture across all regions
- Deliver full-size third rack with full functioning spray arm
- Expect major growth in mass and premium segments

Delivering Consumer Relevant Innovation While Reducing Complexity Globally

2020 ONGOING EPS[1] DRIVERS



Assumptions		Ongoing Tax Rate	EBIT Expansion*	Interest Expense / Other	Carryover Share Repurchases
	2019	15.3%	6.9%	$188M	$148M
	2020	20 – 25%	~7.5%	$175M	N/A

*Includes the unfavorable impact of the Embraco sale of ~$0.60

2020 REGIONAL GUIDANCE

		Industry	EBIT %
	North America	(1)– 1%	~13%
	Europe, Middle East & Africa	1 – 2%	1.0 –1.5%
	Latin America	3 – 4%	~6%
	Asia	(1)– 1%	3 – 4%
Whirlpool	**Total**	**~Flat**	**~7.5%**

2020 FREE CASH FLOW(2)

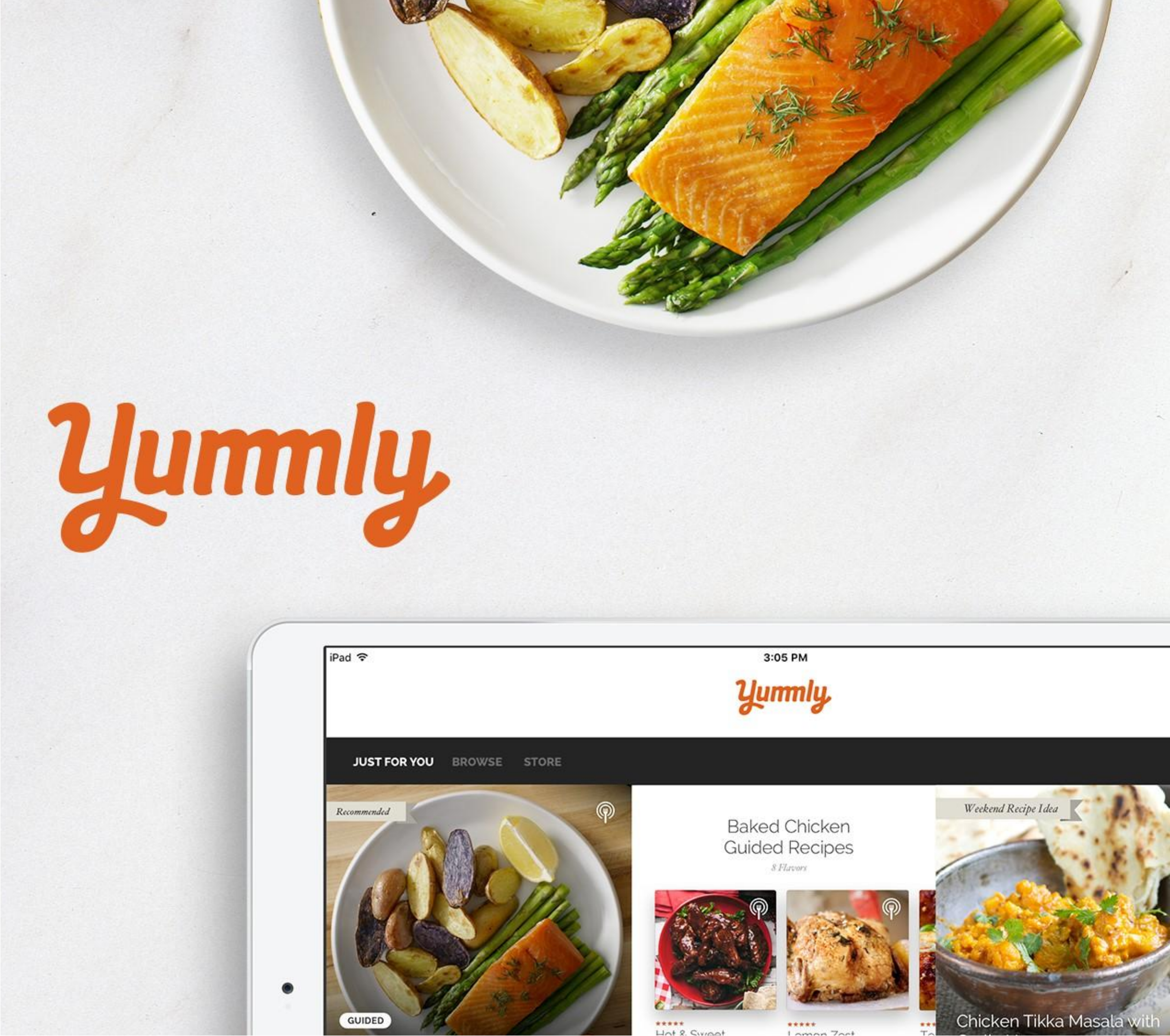
(Approximate impact in millions)	2019	2020F	Comments
Cash Earnings / Other Operating	$1,540	$1,690	• Margin expansion partially offset by sale of Embraco
Capital Expenditures	$(532)	$(550)	• Continue funding innovation and digital transformation
Working Capital Improvement	$14	$50	• Sustained improvement (primarily inventory)
Restructuring Cash Outlays	$(150)	$(200)	• Reflects additional restructuring initiatives in EMEA (primarily Naples, Italy manufacturing facility)
Other One-Time Items	$40	$(140)	• Detail provided in the appendix
Free Cash Flow	**$912M**	**$800-$900M**	

2020 CAPITAL ALLOCATION STRATEGY

Fund the Business	Target	Status
Capex/R&D	Capex: ~3% of net sales R&D: ~3% of net sales	• On-track • On-track
Mergers & Acquisitions	Opportunistic M&A with high ROIC threshold	• Continue to be opportunistic

Return to Shareholders	Target	Status
Dividends	~30% of trailing 12-month ongoing net earnings	• Quarterly dividend of $1.20 per share
Share Repurchase	Continue repurchasing at a moderate level	• ~$650M authorization remaining
Targeted Capital Structure	Maintain strong investment grade rating; Gross Debt/EBITDA of ~2.0	• Strong progress towards long-term goal

Q&A AND
CLOSING REMARKS



EXECUTIVE SUMMARY

- Strong momentum provides confidence in 2020 guidance and long-term goals
- Clear focus on operational priorities
  - Targeted cost takeout
  - Continue track record of launching innovative products
  - Restore profitability in EMEA and China
- Driving value through our strategic imperatives

APPENDIX

2020 GUIDANCE COMPONENTS (APPROXIMATE IMPACT)

Income Statement	FY2019A	FY2020E
Raw Material/Tariff Inflation	$(125)M	$100M
Restructuring Costs	$188M	~$100M
Interest Expense	$187M	~$175M
Adjusted Tax Rate	15.3%	20-25%
Weighted-Average Diluted Shares Outstanding	64.2M	63.7M*

Cash Flow Statement	FY2019A	FY2020E
Capital Expenditures	$532M	$550M
Dividends Paid	$305M	**
Amount of Stock Repurchased	$148M	**
Restructuring Cash Outlays	$150M	$200M
Ongoing Cash Tax Rate	19%	Low 20's

Note: 2020 tax rate guidance reflects GAAP and adjusted effective tax rate
*Reflects share count as of 12/31/2019 (does not reflect potential 2020 share repurchases or share dilution)
**Not included in Company's guidance

Q4 ORGANIC NET SALES[4] RECONCILIATION

(Approximate impact in millions)	Q4 2018	Q4 2019	Change	Comments
Net Sales	**$5,660M**	**$5,382M**	**(4.9)%**	
Less: Embraco Net Sales	$(288)	$0		• Embraco sale completed July 1, 2019
Add-Back: Currency	n/a	$53		• BRL and EUR
Organic Net Sales	**$5,372M**	**$5,435M**	**1.2%**	

Q4 ORGANIC NET SALES[4] RECONCILIATION LATIN AMERICA REGION

(Approximate impact in millions)	Q4 2018	Q4 2019	Change	Comments
Net Sales	**$990M**	**$782M**	**(21.0)%**	
Less: Embraco Net Sales	$(288)	$0		• Embraco sale completed July 1, 2019
Add-Back: Currency	n/a	$37		• Primarily BRL
Organic Net Sales	**$702M**	**$819M**	**16.7%**	

FULL-YEAR ORGANIC NET SALES[4] RECONCILIATION

(Approximate impact in billions)	2018	2019	Change	Comments
Net Sales	**$21.0B**	**$20.4B**	**(2.9)%**	
Less: Embraco Net Sales	$(1.1)	$(0.6)		• 2019 results include 6 months of net sales (Jan-June)
Add-Back: Currency	n/a	$0.4		• BRL, EUR and GBP
Organic Net Sales	**$19.9B**	**$20.2B**	**1.6%**	

(Approximate impact in billions)	2019	2020	Change	Comments
Net Sales	**$20.4B**	**$20.3B**	**(0.4)%**	
Less: Embraco Net Sales	$(0.6)	n/a		• 2019 results include 6 months of net sales (Jan-June)
Add-Back: Currency	n/a	$ —		• Estimated minimal impact on net sales
Organic Net Sales	**$19.8B**	**$20.3B**	**2.8%**	

EMBRACO COMPRESSOR BUSINESS HISTORICAL FINANCIALS / GAIN CALCULATION

As disclosed in quarterly reports on Form 10-Q:

(In USD millions)	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019
Net Sales	**$296**	**$285**	**$266**	**$288**	**$312**	**$323**
EBIT	**$7**	**$9**	**$21**	**$17**	**$24**	**$23**

- On April 24, 2018, entered purchase agreement with Nidec Corporation
  - Met the criteria for held for sale accounting through the closing date
  - Depreciation stops under held for sale accounting treatment
- On July 1, 2019, completed the sale of Embraco
  - Received cash proceeds of $1.0 billion, inclusive of cash on hand adjustments
  - Repaid the outstanding term loan amount of approximately $1 billion
  - Recorded a pre-tax gain**, net of transaction and other costs, of $511 million
  - Embraco was reported within our Latin America reportable segment through June 30, 2019

(In USD millions)	Q3 2019
Proceeds	**$1,011**
Net Book Value	**($448)**
Other Costs*	**($52)**
Pre-Tax Gain on Sale**	**$511**

* Includes divestiture related transition/closing costs, currency translation adjustment, purchase price adjustment and goodwill adjustment.

** The gain is subject to change based on finalization of the amounts for working capital and other customary post closing adjustments.

Additional information concerning the transaction and gain can be found in Whirlpool's filings with the Securities and Exchange Commission, including the company's to-be-filed Form 10-K for the year ended December 31, 2019.

INTEREST AND SUNDRY (INCOME) EXPENSE

(Approximate impact in millions)	Q4 2018	Q4 2019	FULL-YEAR 2018	FULL-YEAR 2019	Comments
Net Foreign Exchange	$(8)	$(10)	$(9)	$(35)	• Includes foreign exchange and hedge (gain)/loss
Interest (Income)/Other	$21	$5	$4	$(10)	• Primarily interest income
Sub-Total	**$13**	**$(5)**	**$5**	**$(45)**	
One-Time Items:					
Brazil Indirect Tax Credit*	$ -	$ -	$ -	$(180)	• Gain related to recovery of certain taxes (ICMS)
FCA Expense*	$(11)	$ -	$103	$ -	• French Competition Authority (FCA) settlement
Claim Settlement*	$ -	$59	$ -	$59	• Trade customer insolvency claim settlement in EMEA
Interest and Sundry (Income) Expense	**$2**	**$54**	**$108**	**$(166)**	

*Items are excluded from ongoing results

FREE CASH FLOW[2] ONE-TIME ITEMS

(Approximate impact in millions)	2019	2020	Impact	Comments
FCA Payment	$(100)	-	$100	• French Competition Authority (FCA) settlement • Final payment made in Q2 2019
Claim Settlement	-	$(60)	$(60)	• Cash payment related to settlement of trade customer insolvency claim in EMEA
Washer Recall	-	$(80)	$(80)	• Cash payment related to previously disclosed EMEA-produced product warranty recall expense
Asset Sales	$140	-	$(140)	• Real estate portfolio transactions
One-Time Items	**$40M**	**$(140)M**	**$(180)M**	

CAUTIONARY STATEMENT

This presentation 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 presentation may include, but are not limited to, statements regarding expected earnings per share, cash flow, productivity and raw material prices. Many risks, contingencies and uncertainties could cause actual results to differ materially from Whirlpool's forward-looking statements. Among these factors are: (1) 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; (2) 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; (3) Whirlpool's ability to maintain its reputation and brand image; (4) the ability of Whirlpool to achieve its business plans, productivity improvements, and cost control objectives, and to leverage its global operating platform, and accelerate the rate of innovation; (5) Whirlpool's ability to obtain and protect intellectual property rights; (6) acquisition and investment-related risks, including risks associated with our past acquisitions, and risks associated with our increased presence in emerging markets; (7) risks related to our international operations, including changes in foreign regulations, regulatory compliance and disruptions arising from political, legal and economic instability; (8) information technology system failures, data security breaches, network disruptions, and cybersecurity attacks; (9) product liability and product recall costs; (10) the ability of suppliers of critical parts, components and manufacturing equipment to deliver sufficient quantities to Whirlpool in a timely and cost-effective manner; (11) our ability to attract, develop and retain executives and other qualified employees; (12) the impact of labor relations; (13) fluctuations in the cost of key materials (including steel, resins, copper and aluminum) and components and the ability of Whirlpool to offset cost increases; (14) Whirlpool's ability to manage foreign currency fluctuations; (15) impacts from goodwill impairment and related charges; (16) triggering events or circumstances impacting the carrying value of our long-lived assets; (17) inventory and other asset risk; (18) the uncertain global economy and changes in economic conditions which affect demand for our products; (19) health care cost trends, regulatory changes and variations between results and estimates that could increase future funding obligations for pension and postretirement benefit plans; (20) 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; (21) the effects and costs of governmental investigations or related actions by third parties; and (22) changes in the legal and regulatory environment including environmental, health and safety regulations, and taxes and tariffs.

Additional information concerning these and other factors can be found in Whirlpool's filings with the Securities and Exchange Commission, including the most recent annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K.

USE OF NON-GAAP FINANCIAL MEASURES

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

Ongoing earnings per diluted share, earnings before interest and taxes (EBIT), EBIT margin, ongoing EBIT, 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 and net sales (excluding divestitures and currency), which we refer to as organic net sales.

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 (including ongoing segment EBIT) represents our consolidated EBIT broken down by the Company's reportable segments. Consolidated EBIT also includes corporate "Other/Eliminations".
(4) Organic net sales is a non-GAAP measure. See our website for reconciliation information.