

First-Quarter 2020 Earnings Review

Friday, May 1, 2020



Whirlpool
CORPORATION

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 expected earnings per share, cash flow, productivity, capital allocation commitments, and raw material prices, and the impact of the COVID-19 pandemic on our operations and financial condition, our ability to weather the COVID-19 crisis, protect margins and liquidity in 2020, achieve net cost and raw material savings in 2020, capture raw material deflation opportunities, mitigate volume deleveraging and margin deterioration during the crisis, and the adequacy of our liquidity resources and financial covenant buffers during the crisis, and our continued investment, pension repayment, rebound actions and recovery timing expectations and ability to win in the economic recovery following the crisis. 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, including direct-to-consumer sales; (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, data privacy compliance, 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) changes in LIBOR, or replacement of LIBOR with an alternative reference rate; (21) 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; (22) the effects and costs of governmental investigations or related actions by third parties; and (23) changes in the legal and regulatory environment including environmental, health and safety regulations, and taxes and tariffs; and (24) COVID-19 pandemic-related business disruption and economic uncertainty. 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.

GLOBAL OVERVIEW



Marc Bitzer

Chairman and
Chief Executive Officer



SUPPORTING OUR PEOPLE, CONSUMERS & COMMUNITIES



Keeping Our People Safe

- Global cross-functional task force in place since January
- Initiated travel and meeting ban in February
- Applying and exceeding government guidelines
- 95% of “office roles” are performed remotely
- Safely operating our plants throughout the crisis



Delivering Our Essential Products to Consumers

- Took decisive actions and implemented business continuity plans in January
- Focused on critical components and inventory management
- Leveraging digital capabilities to meet consumer needs
- Reliable post-purchase service



Investing in Our Communities

- Leveraged global supply chain to procure medical supplies for local hospitals
- Providing funds to support COVID-19 research and local hospitals
- Making donations to local food banks, shelters and small business
- Donated appliances to local organizations serving those in need

STRONG Q1 RESULTS AND FINANCIAL AGILITY TO PROTECT MARGINS AND LIQUIDITY THROUGHOUT 2020

- Strong and resilient Q1 results despite impact of COVID-19
- Continue to take proactive actions to mitigate volume deleveraging and sustain operating margins
- Strong financial position with ample liquidity to weather this crisis
- Well-prepared to win in the economic recovery

FIRST-QUARTER 2020



Jim Peters

Executive Vice President
and Chief Financial Officer



2020 FIRST-QUARTER HIGHLIGHTS

Profitable Growth

Net Sales	YoY Change
\$4.3B	(9.1)% <i>(0.3)% organic⁽⁴⁾</i>

Margin Expansion

Ongoing EBIT Margin ⁽¹⁾	YoY Change
6.1%	(0.2)pts

Cash Conversion

Free Cash Flow ⁽²⁾	FCF as % of Net Sales
\$(870)M	nm

- Resilient overall performance despite growing impact of COVID-19
- Delivered strong ongoing EPS⁽¹⁾ of \$2.82 and approximately flat ongoing EBIT⁽¹⁾ margin
- Solid year-over-year margin performance in North America, Latin America, and EMEA, despite COVID-19 related disruptions
- Free cash flow⁽²⁾ improvement driven by disciplined working capital management





(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.

Q1 2020 ONGOING EBIT MARGIN⁽¹⁾ DRIVERS

<i>(Approximate impact)</i>		Q1
2019 Ongoing EBIT Margin		6.3%
Price / Mix		-1.75
Net Cost (excluding Raw Material/Tariff Inflation)*		+0.75
Raw Material/Tariff Inflation		+1.00
Marketing & Technology Investments		+0.25
Currency		-0.50
2020 Ongoing EBIT Margin		6.1%

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

REGIONAL FIRST-QUARTER OVERVIEW

		Net Sales	EBIT ⁽³⁾	EBIT Margin ⁽³⁾
	North America	\$2.5B 0%	\$303M (3)%	11.9% (0.4)pts
	Europe, Middle East & Africa	\$0.9B (12)%	\$(15)M 29%	(1.7)% 0.4pts
	Latin America	\$0.6B (29)% <small>*Q1 2019 Embraco net sales of \$312M</small>	\$31M (30)% <small>*Q1 2019 Embraco EBIT of \$24M</small>	5.1% 0.0pts
	Asia	\$0.3B (22)%	\$(16)M nm	(5.6)% (7.5)pts

**Strong Results Despite COVID-19 Disruptions Driving EBIT Margin Impact of 150 bps;
Disruptions Were Most Significant in EMEA and Asia**

*Note: Right column of each performance measure compared to first-quarter of 2019

2020 PERSPECTIVE



Marc Bitzer

Chairman and
Chief Executive Officer






Jim Peters

Executive Vice President
and Chief Financial Officer

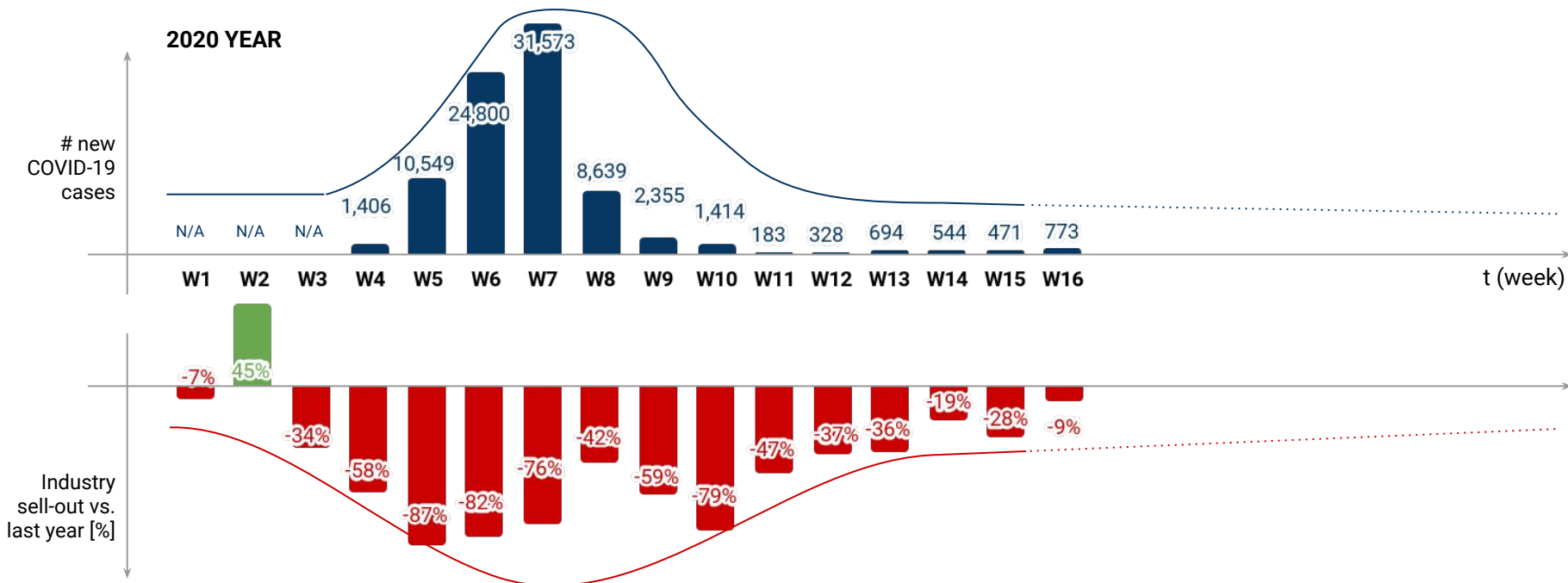


ADDRESSING KEY QUESTIONS FOR 2020

Topic	Current Perspective
 Shape of the Recovery	<ul style="list-style-type: none">• Anticipate a U-type recovery throughout 2020• Expect full-year 2020 organic net sales decline of 10%-15%
 Sustaining Operating Margins	<ul style="list-style-type: none">• Entering crisis from a stronger starting position• Taking decisive and strong actions to sustain margins
 Protecting Liquidity	<ul style="list-style-type: none">• Ample liquidity to cope with any scenario



INITIAL CHINA DATA POINTS TOWARDS U-SHAPED DEMAND PATTERN

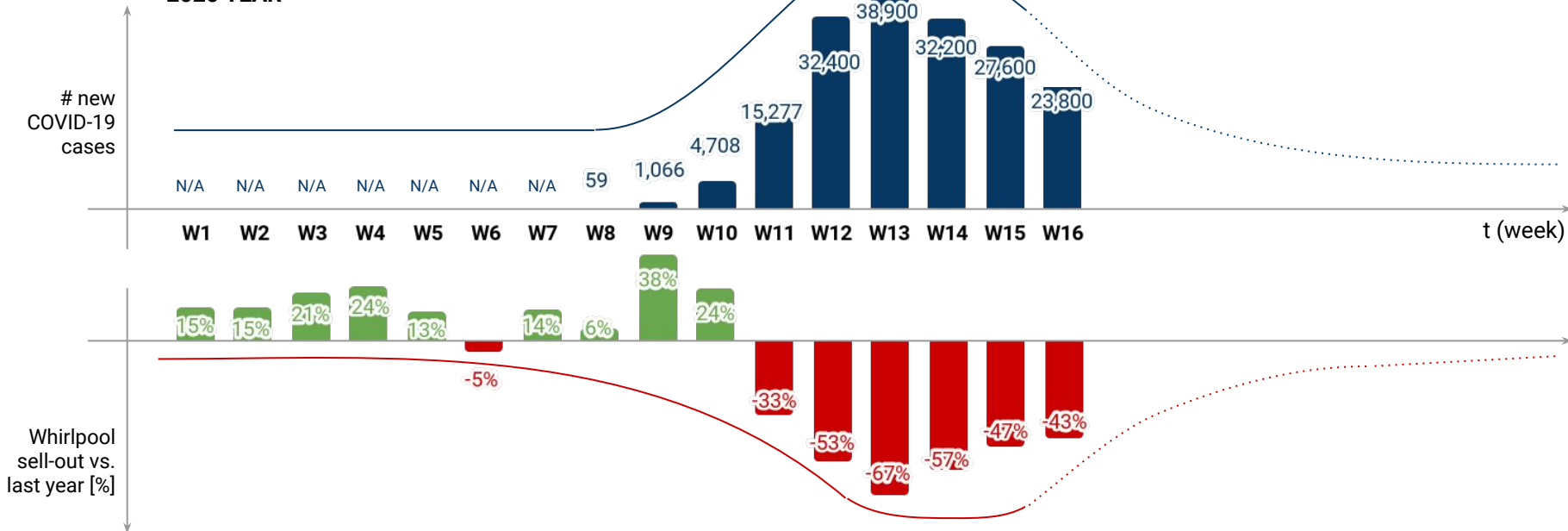


Source: Johns Hopkins Coronavirus Resource Center; AVC monitoring market



ITALY SELL-OUT TRENDS IN-LINE WITH CHINA

2020 YEAR

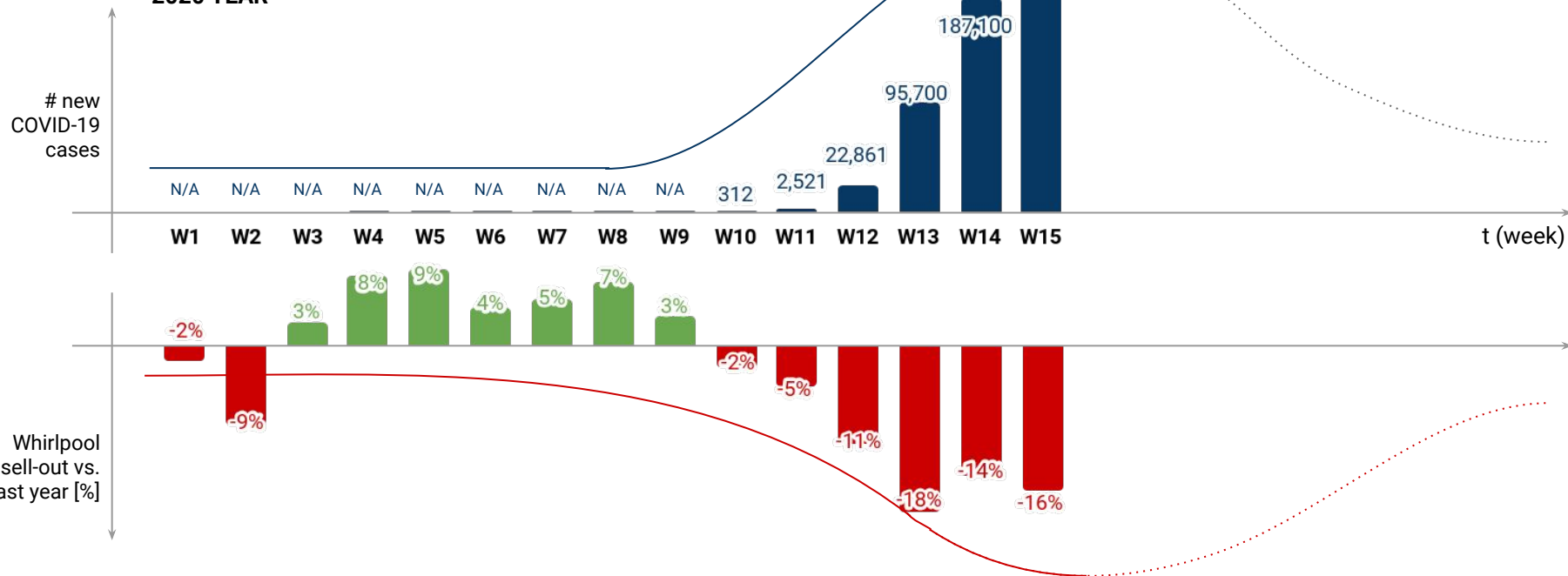


Source: Johns Hopkins Coronavirus Resource Center; Whirlpool sell-out data provided by external retailers



U.S. DEMAND TRENDS ALSO IN-LINE, BUT LESS PRONOUNCED

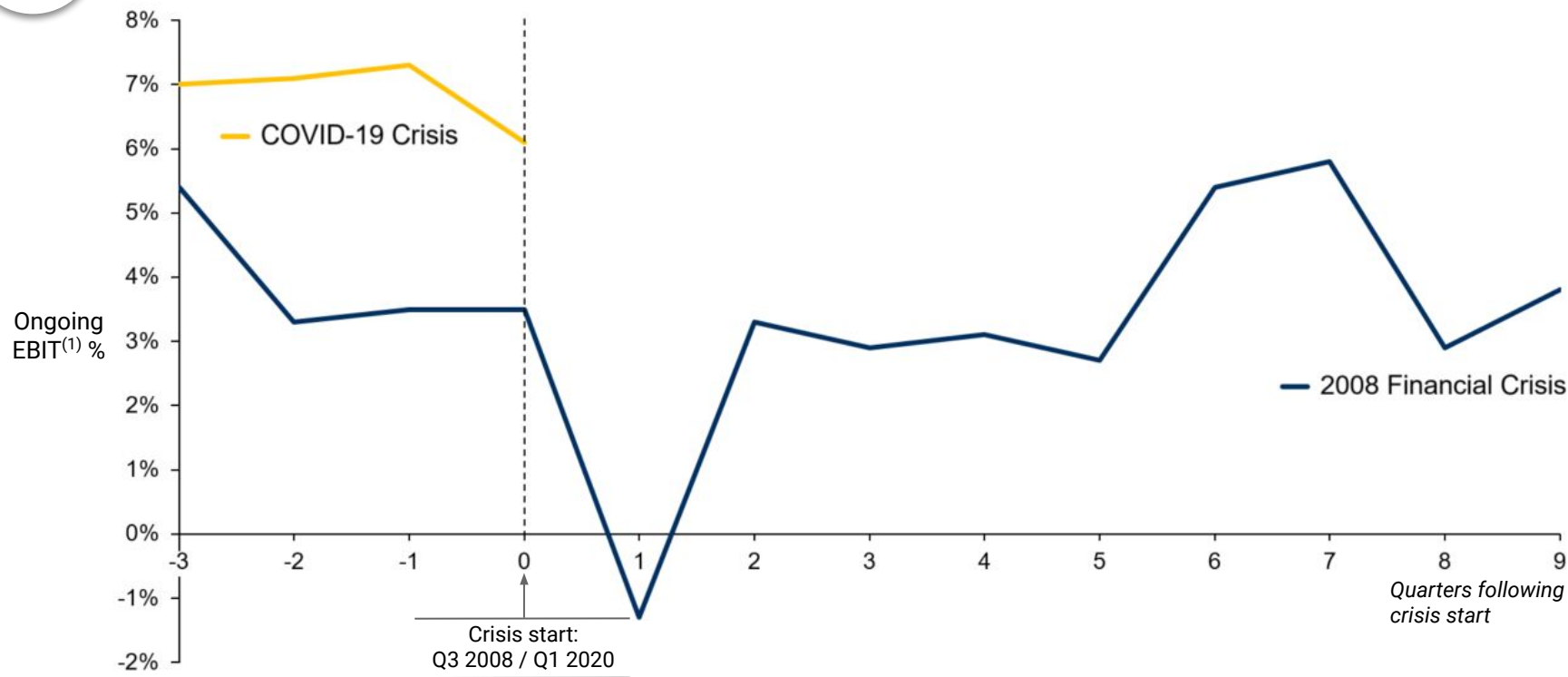
2020 YEAR



Source: Johns Hopkins Coronavirus Resource Center; Whirlpool sell-out data provided by external retailers



STRONGER MARGIN PROFILE LEADING INTO CRISIS...



Entering Crisis From a Structurally Improved Position Due to Disciplined Fixed Cost Management

Note: 2008 - 2010 margin data represents Operating Profit + Interest and Sundry Income (Expense)

Whirlpool Corporation

First-Quarter 2020 Earnings Review



...WITH DECISIVE ACTIONS TO SUSTAIN MARGINS

- Continue to adjust supply chain and labor levels to match demand environment
- Aggressively reduce structural and discretionary costs
- Capture raw material deflation opportunities
- Continue to effectively and efficiently manage working capital

Targeting >\$500M in Net Cost Takeout in 2020, Up From Previous Guidance of \$200M



AMPLE LIQUIDITY TO COPE WITH ANY SCENARIO

Liquidity

- \$2.8B cash on balance sheet as of 3/31/20
- \$1.3B remaining on \$3.5B facility, in place through August 2024
- \$0.7B in other committed facilities, including recently executed \$0.5B 364-Day facility

Financial Covenants

- Ample buffers to withstand multiple scenarios
 - 0.65 Debt/Capitalization maximum limit; ~0.5 as of 3/31/20
 - 3x Interest Coverage minimum limit; >10x as of 3/31/20

Lever to Unlock Cash

- Evaluating additional liquidity options
- Focused working capital management

Bond Maturity

- Next bond maturity of \$0.3B not due until Q2 2021

Credit

- Maintain investment grade rating

WELL-POSITIONED FOR RECOVERY

Rebound Actions

Well-prepared to capitalize on demand recovery

- Operations positioned for swift ramp up
- Leverage leadership position across the globe to capture pent-up demand
- Agile inventory planning to capitalize on demand recovery
- Continued cadence of consumer relevant innovation



Long-Term Growth Opportunities

Positioned for future growth over the long-term

- Uniquely structured to capture post-crisis demand changes
- Positioned to win as consumers invest in the home and kitchen
- Leverage eCommerce and D2C capabilities to gain and embed consumer insights
- Continued commitment to ESG priorities

- Took decisive action to ensure health and safety of our employees and their families
- Proactively taking actions to mitigate volume deleveraging and sustain operating margins
- Strong financial position with ample liquidity to weather this crisis
- Well-positioned to win in the economic recovery
- Remain committed to delivering long-term shareholder value

Q&A AND CLOSING REMARKS



A large, stylized version of the Whirlpool logo. The word "Whirlpool" is in a bold, dark grey, sans-serif font. A thick yellow swoosh curves around the "p". Below "Whirlpool" is the word "CORPORATION" in a bold, dark grey, all-caps, sans-serif font.

APPENDIX



Q1 ORGANIC NET SALES⁽⁴⁾ RECONCILIATION

<i>(Approximate impact in millions)</i>	Q1 2019	Q1 2020	Change	Comments
Net Sales	\$4,760M	\$4,325M	(9.1)%	
Less: Embraco Net Sales	\$(312)	\$0		• Embraco sale completed July 1, 2019
Add-Back: Currency	n/a	\$108		• Primarily BRL
Organic Net Sales	\$4,448M	\$4,433M	(0.3)%	

Q1 ORGANIC NET SALES⁽⁴⁾ RECONCILIATION

LATIN AMERICA REGION

<i>(Approximate impact in millions)</i>	Q1 2019	Q1 2020	Change	Comments
Net Sales	\$875M	\$618M	(29.4)%	
Less: Embraco Net Sales	\$(312)	\$0		• Embraco sale completed July 1, 2019
Add-Back: Currency	n/a	\$76		• Primarily BRL
Organic Net Sales	\$563M	\$694M	23.3%	

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

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

(In USD millions)	Q3 2019
Proceeds	\$1,011
Net Book Value	(\$448)
<u>Other Costs</u>*	<u>(\$52)</u>
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.

INTEREST AND SUNDRY (INCOME) EXPENSE

(Approximate impact in millions)	Q1		Comments
	2019	2020	
Net Foreign Exchange	\$(3)	\$(7)	• Includes foreign exchange and hedge (gain)/loss
Interest (Income)/Other	\$7	\$6	• Primarily factoring and bank fees
Sub-Total	\$4	\$(1)	
One-Time Items:			
Brazil Indirect Tax Credit*	\$(127)	\$ -	• Gain related to recovery of certain taxes (ICMS)
Interest and Sundry (Income) Expense	\$(131)	\$(1)	

*Items are excluded from ongoing results

EARNINGS BEFORE INTEREST AND TAXES RECONCILIATION

Earnings before interest & taxes reconciliation:	12/31/2007	3/31/2008	6/30/2008	9/30/2008	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009	3/31/2010	6/30/2010	9/30/2010	12/31/2010
Operating profit	\$332	\$159	\$203	\$177	\$10	\$166	\$134	\$189	\$199	\$241	\$331	\$234	\$202
Interest and sundry income (expense)	(43)	(7)	(24)	(3)	(66)	(47)	(12)	(51)	(65)	(12)	(69)	(104)	(12)
Earnings before interest and taxes (EBIT)	\$289	\$152	\$179	\$174	-\$56	\$119	\$122	\$138	\$134	\$229	\$262	\$130	\$190
Net sales	\$5,324	\$4,614	\$5,076	\$4,902	\$4,315	\$3,569	\$4,169	\$4,497	\$4,864	\$4,272	\$4,534	\$4,519	\$5,041
EBIT margin	5.4%	3.3%	3.5%	3.5%	-1.3%	3.3%	2.9%	3.1%	2.8%	5.4%	5.8%	2.9%	3.8%

Three Months Ended

Earnings before interest & taxes reconciliation:	12/31/2007	3/31/2008	6/30/2008	9/30/2008	12/31/2008	3/31/2009	6/30/2009	9/30/2009	12/31/2009	3/31/2010	6/30/2010	9/30/2010	12/31/2010
Net earnings (loss) available to Whirlpool	\$187	\$94	\$117	\$163	\$44	\$68	\$78	\$87	\$95	\$164	\$205	\$79	\$171
Net earnings (loss) available to noncontrolling interests	3	6	11	5	7	5	8	6	7	10	10	4	7
(Equity) Losses in earnings of affiliated companies	8	-	-	-	-	-	-	-	1	-	-	-	-
Income tax expense (benefit)	39	3	2	(46)	(160)	(16)	(22)	(13)	(10)	(3)	(8)	(7)	(46)
Interest expense	52	49	49	52	53	62	58	58	41	58	55	54	58
Earnings before interest & taxes (EBIT)	\$289	\$152	\$179	\$174	-\$56	\$119	\$122	\$138	\$134	\$229	\$262	\$130	\$190
Net sales	\$5,324	\$4,614	\$5,076	\$4,902	\$4,315	\$3,569	\$4,169	\$4,497	\$4,864	\$4,272	\$4,534	\$4,519	\$5,041
Net earnings margin	3.5%	2.0%	2.3%	3.3%	1.0%	1.9%	1.9%	1.9%	2.0%	3.8%	4.5%	1.7%	3.4%

COVID-19 RESPONSE PLAN SUMMARY



Sustain Operating Margin

- **Stronger Margin Profile Leading Into Crisis**
 - Took strong actions in prior cycles including restructuring, plant optimization and the exit of unprofitable product segments
- **Targeting >\$500M in Net Cost Takeout and RMI Savings in 2020**
 - Adjusted supply chain and labor level to match demand environment
 - Aggressively reduce structural and discretionary costs
 - Capture raw material deflation opportunity
 - Continue to effectively and efficiently manage working capital



Protect Liquidity

- **Ample Liquidity to Cope With Any Scenario**
 - **Strong Liquidity Position:**
 - \$2.8B cash on balance sheet as of 3/31
 - \$1.3B remaining on \$3.5B facility
 - \$0.7B in committed facilities, including recently executed \$0.5B 364-Day facility
 - **Credit:** Maintain investment grade
 - **Bond Maturity:** Next bond maturity of \$0.3B not due until Q2 2021
 - **Financial Covenants:** Ample buffers to withstand multiple scenarios
 - 0.65 Debt/Capitalization maximum limit; ~0.5 as of 3/31
 - 3x Interest Coverage minimum limit; >10x as of 3/31
 - **Levers to Unlock Cash:**
 - Evaluating additional liquidity options
 - Focused working capital management



Win the Recovery

- **Rebound Actions**
 - Operations positioned for swift ramp up
 - Leverage leadership position across the globe to capture pent-up demand
 - Agile inventory planning to capitalize on demand recovery
 - Continued cadence of consumer relevant innovation
- **Long-Term Growth Opportunities**
 - Uniquely structured to capture post-crisis demand changes
 - Positioned to win as consumers invest in the home and kitchen
 - Leverage eCommerce and D2C capabilities to gain and embed consumer insights
 - Continued commitment to ESG priorities

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, 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 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 and Ongoing 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 \$(42) million and \$50 million for the first quarters of 2020 and 2019, respectively. Ongoing segment EBIT includes certain adjustments to segment EBIT, and a reconciliation and other important information, appears in the supplemental information pack located in the events section of our Investor Relations website.

(4) Organic net sales is a non-GAAP measure. See our website for reconciliation information.