SUPPLEMENTAL INFORMATION

THIRD-QUARTER 2020

OCTOBER 21, 2020

SUPPLEMENTAL INFORMATION - CONSOLIDATED FINANCIAL STATEMENTS

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

(Millions of dollars except per share data)
(Unaudited)

We supplement the reporting of our financial information determined under U.S. generally accepted accounting principles (GAAP) with certain non-GAAP financial measures, some of which we refer to as "ongoing" measures, including earnings before interest and taxes (EBIT), EBIT margin, ongoing EBIT, ongoing EBIT margin, ongoing earnings per diluted share, organic net sales, adjusted effective tax rate, sales excluding currency and free cash flow. Ongoing measures exclude items that may not be indicative of, or are unrelated to, results from our ongoing operations and provide a better baseline for analyzing trends in our underlying businesses. Sales excluding foreign currency is calculated by translating the current period net sales, in functional currency, to U.S. dollars using the prior-year period's exchange rate compared to the prior-year period net sales. Management believes that sales excluding foreign currency provides stockholders with a clearer basis to assess our results over time, excluding the impact of exchange rate fluctuations. Management believes that organic net sales provides stockholders with a clearer basis to assess our results over time, excluding the impact of exchange rate fluctuations and the Embraco divestiture. Management believes that adjusted tax rate provides investors with a meaningful, consistent comparison of the Company's effective tax rate, excluding the pre-tax income and tax effect of certain unique items. Management believes that free cash flow provides investors and stockholders with a relevant measure of liquidity and a useful basis for assessing the company's ability to fund its activities and obligations.The Company provides free cash flow related metrics, such as free cash flow as a percentage of net sales, as long-term management goals, not an element of its annual financial guidance, and as such does not provide a reconciliation of free cash flow to cash provided by (used in) operating activities, the most directly comparable GAAP measure, for these long-term goal metrics. Whirlpool does not provide a Non-GAAP reconciliation for its other forward-looking long-term value creation and other goals, such as organic net sales, EBIT, and gross debt/EBITDA, as such reconciliation would rely on market factors and certain other conditions and assumptions that are outside of the company's control. We believe that these non-GAAP measures provide meaningful information to assist investors and stockholders in understanding our financial results and assessing our prospects for future performance, and reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP financial measures, provide a more complete understanding of our business. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. These ongoing financial measures should not be considered in isolation or as a substitute for reported net earnings available to Whirlpool per diluted share, net earnings, net earnings available to Whirlpool, net earnings margin, net sales, effective tax rate and cash provided by (used in) operating activities, the most directly comparable GAAP financial measures. We also disclose segment EBIT and ongoing segment EBIT as important financial metrics used by the Company's Chief Operating Decision Maker to evaluate performance and allocate resources in accordance with *ASC 280 - Segment Reporting*. GAAP net earnings available to Whirlpool per diluted share and ongoing earnings per diluted share are presented net of tax, while individual adjustments in each reconciliation are presented on a pre-tax basis; the income tax impact line item aggregates the tax impact for these adjustments. The tax impact of individual line item adjustments may not foot precisely to the aggregate income tax impact amount, as each line item adjustment may include non-taxable components. Historical quarterly earnings per share amounts are presented based on a normalized tax rate adjustment to reconcile quarterly tax rates to full-year tax rate expectations. We strongly encourage investors and stockholders to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

Third-Quarter 2020 Ongoing Earnings Before Interest and Taxes and Ongoing Earnings per Diluted Share

The reconciliation provided below reconciles the non-GAAP financial measures ongoing earnings before interest and taxes and ongoing earnings per diluted share, with the most directly comparable GAAP financial measures, net earnings available to Whirlpool and net earnings per diluted share available to Whirlpool, for the three months ended September 30, 2020. Net earnings margin is calculated by dividing net earnings available to Whirlpool by net sales. Ongoing EBIT margin is calculated by dividing ongoing EBIT by net sales. EBIT margin is calculated by dividing EBIT by net sales. The earnings per diluted share GAAP measure and ongoing measure are presented net of tax, while each adjustment is presented on a pre-tax basis. Our third-quarter GAAP tax rate was 26.4%. The aggregate income tax impact of the taxable components of each adjustment is presented in the income tax impact line item at our third-quarter adjusted tax rate (non-GAAP) of 25.0%.

Earnings Before Interest & Taxes Reconciliation:	Three Months Ended September 30, 2020
Net earnings (loss) available to Whirlpool	$ 397
Net earnings (loss) available to noncontrolling interests	1
Income tax expense (benefit)	143
Interest expense	51
Earnings before interest & taxes	$ 592
Net sales	$ 5,291
Net earnings margin	7.5 %

	Results classification	Earnings before interest & taxes	Earnings per diluted share
Reported measure		$ 592	$ 6.27
Restructuring costs[a]	Restructuring costs	63	1.00
Corrective action recovery[f]	Cost of products sold	(13)	(0.20)
(Gain) loss on sale and disposal of businesses[d]	(Gain) loss on sale and disposal of businesses	(7)	(0.10)
Income tax impact		—	(0.17)
Normalized tax rate adjustment[b]		—	0.11
Ongoing measure		$ 635	$ 6.91
Net sales		$ 5,291	
Ongoing EBIT margin		12.0 %	

Note: Numbers may not reconcile due to rounding

Third-Quarter 2019 Ongoing Earnings Before Interest and Taxes and Ongoing Earnings per Diluted Share

The reconciliation provided below reconciles the non-GAAP financial measures ongoing earnings before interest and taxes and ongoing earnings per diluted share, with the most directly comparable GAAP financial measures, net earnings available to Whirlpool and net earnings per diluted share available to Whirlpool, for the three months ended September 30, 2019. Net earnings margin is calculated by dividing net earnings available to Whirlpool by net sales. Ongoing EBIT margin is calculated by dividing ongoing EBIT by net sales. EBIT margin is calculated by dividing EBIT by net sales. The earnings per diluted share GAAP measure and ongoing measure are presented net of tax, while each adjustment is presented on a pre-tax basis. Our third-quarter GAAP tax rate was 46.3%. The aggregate income tax impact of the taxable components of each adjustment is presented in the income tax impact line item at our third-quarter adjusted tax rate (non-GAAP) of 17.5%.

Earnings Before Interest & Taxes Reconciliation:	Three Months Ended September 30, 2019	
Net earnings (loss) available to Whirlpool	$	358
Net earnings (loss) available to noncontrolling interests		6
Income tax expense (benefit)		313
Interest expense		45
Earnings (loss) before interest & taxes	$	722
Net sales	$	5,091
Net earnings margin		7.0 %

	Results classification	Earnings before interest & taxes		Earnings per diluted share	
Reported measure		$	722	$	5.57
Restructuring costs[(a)]	Restructuring costs		56		0.88
Divestiture related transition costs[(c)]	Selling, general and administrative		(14)		(0.22)
Divestiture related transition costs[(c)]	Interest and sundry (income) expense		(3)		(0.05)
(Gain) loss on sale and disposal of businesses[(d)]	(Gain) loss on sale and disposal of businesses		(516)		(8.03)
Product warranty and liability expense[(e)]	Cost of products sold		119		1.85
Income tax impact			—		0.97
Normalized tax rate adjustment[(b)]			—		2.99
Ongoing measure		$	364	$	3.97
Net sales		$	5,091		
Ongoing EBIT margin			7.2 %		

Note: Numbers may not reconcile due to rounding

Ongoing Segment Earnings Before Interest and Taxes

The reconciliation provided below reconciles ongoing segment EBIT with segment EBIT, for the three months ended September 30, 2020. Ongoing segment EBIT margin is calculated by dividing ongoing segment EBIT by segment net sales. Segment EBIT margin is calculated by dividing segment EBIT by segment net sales.

Three Months Ended September 30, 2020

	Segment earnings (loss) before interest and taxes	Restructuring costs[a]	(Gain) loss on sale and disposal of businesses[d]	Corrective Action Recovery[f]	Ongoing segment earnings (loss) before interest and taxes
North America	$ 567	$ —	$ —	$ —	$ 567
EMEA	43	—	—	—	43
Latin America	77	—	—	—	77
Asia	6	—	—	—	6
Other/Eliminations	(101)	63	(7)	(13)	(57)
Total Whirlpool Corporation	$ 592	$ 63	$ (7)	$ (13)	$ 635

The reconciliation provided below reconciles ongoing segment EBIT with segment EBIT, for the three months ended September 30, 2019. Ongoing segment EBIT margin is calculated by dividing ongoing segment EBIT by segment net sales. Segment EBIT margin is calculated by dividing segment EBIT by segment net sales.

Three Months Ended September 30, 2019

	Segment earnings (loss) before interest and taxes	Restructuring costs[a]	Divestiture related transition costs[c]	(Gain) loss on sale and disposal of businesses[d]	Product warranty and liability expense[e]	Ongoing segment earnings (loss) before interest and taxes
North America	$ 387	$ —	$ —	$ —	$ —	$ 387
EMEA	(18)	—	—	—	14	(4)
Latin America	29	—	—	—	—	29
Asia	9	—	—	—	—	9
Other/Eliminations	315	56	(17)	(516)	105	(57)
Total Whirlpool Corporation	$ 722	$ 56	$ (17)	$ (516)	$ 119	$ 364

Note: Numbers may not reconcile due to rounding

Full-Year 2020 Outlook for Ongoing Earnings Before Interest and Taxes and Ongoing Earnings per Diluted Share

The reconciliation provided below reconciles the non-GAAP financial measures ongoing earnings before interest and taxes and ongoing earnings per diluted share, with the most directly comparable GAAP financial measures, net earnings (loss) available to Whirlpool and net earnings (loss) per diluted share available to Whirlpool, for the twelve months ended December 31, 2020. Net earnings margin is calculated by dividing net earnings available to Whirlpool by net sales. Ongoing EBIT margin is calculated by dividing ongoing EBIT by net sales. EBIT margin is calculated by dividing EBIT by net sales. The earnings per diluted share GAAP measure and ongoing measure are presented net of tax, while each adjustment is presented on a pre-tax basis. The aggregate income tax impact of the taxable components of each adjustment is presented in the income tax impact line item at our anticipated full-year tax rate between 23% and 25%.

		Twelve Months Ending December 31, 2020	
	Results classification	Earnings before interest & taxes*	Earnings (loss) per diluted share
Reported measure		$ 1,438	$14.90 - $15.40
Restructuring costs[a]	Restructuring costs	300	4.74
Corrective action recovery[f]	Cost of products sold	(13)	(0.20)
(Gain) loss on sale and disposal of businesses[d]	(Gain) loss on sale and disposal of businesses	(7)	(0.10)
Expected gain on assets[h]	Cost of products sold	(114)	(1.80)
Expected impact from benefits transaction[g]	All other income and expense (benefit)	50	0.79
Income tax impact		—	(0.83)
Ongoing measure		$ 1,655	$17.50 - $18.00

Note: Numbers may not reconcile due to rounding

*Earnings Before Interest & Taxes (EBIT) is a non-GAAP measure. The Company does not provide a forward-looking quantitative reconciliation of EBIT to the most directly comparable GAAP financial measure, net earnings available to Whirlpool, because the net earnings available to noncontrolling interests item of such reconciliation -- which has historically represented a relatively insignificant amount of the Company's overall net earnings -- implicates the Company's projections regarding the earnings of the Company's non wholly-owned subsidiaries and joint ventures that cannot be quantified precisely or without unreasonable efforts.

Full-Year 2019 Ongoing Earnings Before Interest and Taxes and Ongoing Earnings per Diluted Share

The reconciliation provided below reconciles the non-GAAP financial measures ongoing earnings before interest and taxes and ongoing earnings per diluted share, with the most directly comparable GAAP financial measures, net earnings available to Whirlpool and net earnings per diluted share available to Whirlpool, for the twelve months ended December 31, 2019. Ongoing EBIT margin is calculated by dividing ongoing EBIT by net sales. EBIT margin is calculated by dividing EBIT by net sales. The earnings per diluted share GAAP measure and ongoing measure are presented net of tax, while each adjustment is presented on a pre-tax basis. Our full-year GAAP tax rate of approximately 22.8% includes the impact of the gain on sale of Embraco. The aggregate income tax impact of the taxable components of each adjustment is presented in the income tax impact line item at our full-year adjusted tax rate of approximately 15.3%.

Earnings Before Interest & Taxes Reconciliation:	Twelve Months Ended December 31, 2019
Net earnings (loss) available to Whirlpool	$ 1,184
Net earnings (loss) available to noncontrolling interests	14
Income tax expense (benefit)	354
Interest expense	187
Earnings before interest & taxes	$ 1,739
Net sales	$ 20,419
Net earnings margin	5.8 %

	Results classification	Earnings before interest & taxes	Earnings (loss) per diluted share
Reported measure		$ 1,739	$ 18.45
Restructuring costs[a]	Restructuring costs	188	2.93
Brazil indirect tax credit[i]	Interest and sundry (income) expense	(180)	(2.80)
(Gain) loss on sale and disposal of businesses[d]	(Gain) loss on sale and disposal of businesses	(437)	(6.79)
Product warranty and liability expense[e]	Cost of products sold	126	1.96
Product warranty and liability expense[e]	Interest and sundry (income) expense	5	0.08
Sale leaseback, real estate and receivable adjustments[j]	Cost of products sold	(95)	(1.48)
Sale leaseback, real estate and receivable adjustments[j]	Interest and sundry (income) expense	9	0.14
Trade customer insolvency claim settlement[k]	Interest and sundry (income) expense	59	0.92
Income tax impact		—	0.75
Normalized tax rate adjustment[b]			1.84
Ongoing measure		$ 1,414	$ 16.00
Net Sales		$ 20,419	
Ongoing EBIT margin		6.9 %	

Note: Numbers may not reconcile due to rounding

Organic Net Sales

The reconciliation provided below reconciles the non-GAAP financial measure forecasted organic net sales decline with forecasted GAAP net sales decline, for the twelve months ending December 31, 2020 for the Company.

	Twelve Months Ending December 31, 2020
GAAP net sales (% decline)	5% - 7%
Less: Embraco net sales	~(3)%
Less: currency	~(3)%
Organic net sales (% decline)	0% - 1%

Note: Currency reflects the Company's current full-year forecast

The reconciliation provided below reconciles the non-GAAP financial measure organic net sales with reported net sales, for the three months ended September 30, 2020 and September 30, 2019 for the Company.

	Three Months Ended September 30,		
	2020	2019	Change
Net sales	$ 5,291	$ 5,091	3.9 %
Less: Embraco net sales	—	—	
Add-Back: currency	157	—	
Organic net sales	$ 5,448	$ 5,091	7.0 %

The reconciliation provided below reconciles the non-GAAP financial measure organic net sales with reported net sales, for the three months ended September 30, 2020 and September 30, 2019 for Whirlpool Latin America.

	Three Months Ended September 30,		
	2020	2019	Change
Net sales	$ 719	$ 632	13.7 %
Less: Embraco net sales	—	—	
Add-Back: currency	166	—	
Organic net sales	$ 885	$ 632	40.0 %

Note: Numbers may not reconcile due to rounding

Footnotes:

a. **RESTRUCTURING COSTS** - In 2019, these costs are primarily related to actions that right-size our EMEA business and certain other unique restructuring events, including restructuring of the Naples, Italy manufacturing plant. In 2020, these costs are primarily related to actions that right-size and reduce the fixed cost structure of our global business, attributable primarily to the current macroeconomic uncertainties caused by COVID-19. This includes costs of approximately $100 million related to restructuring in the United States, approximately $86 million related to restructuring outside of the United States and approximately $83 million related to the exit of our Naples facility.

b. **NORMALIZED TAX RATE ADJUSTMENT** - During the third quarter of 2019, the Company calculated ongoing earnings per share using an adjusted tax rate of 17.5%, to reconcile to our anticipated full-year 2019 effective tax rate between 15% and 20%, which excludes the gain on sales of the Embraco compressor business, the Brazil indirect tax credit, and the sale and disposal of businesses. During the third quarter of 2020, the Company calculated ongoing earnings per share using an adjusted tax rate of 25%, to reconcile to our anticipated full-year effective tax rate between 23% and 25%.

c. **DIVESTITURE RELATED TRANSITION COSTS** - During the first and second quarter of 2019, the Company recognized additional transition costs of $6 million and $11 million, respectively. In the third quarter of 2019, the Company reclassified approximately $17 million of first half 2019 divestiture related transition costs into "(Gain) loss on sale and disposal of businesses" to fully reflect the net impact from the gain on the sale of the Embraco compressor business.

d. **(GAIN) LOSS ON SALE AND DISPOSAL OF BUSINESSES -** During the second quarter of 2019, the Company entered into an agreement to sell its South Africa operations. As a result, the Company recorded a charge of $35 million for the write-down of the assets of the disposal group to fair value and $33 million of cumulative foreign currency translation adjustments included in the carrying amount of the disposal group to calculate the impairment. The Company also incurred charges of approximately $11 million, primarily inventory liquidation costs, related to the exit of our domestic sales operations in Turkey. Total charges recorded in the second quarter of 2019 were approximately $79 million.

   On July 1, 2019 the Company closed the sale of the Embraco compressor business. As a result, the Company recorded a gain, before taxes, of approximately $511 million. Included in this amount are closing costs related to the sale and previously disclosed divestiture related transition costs. To report the full gain amount as net of these costs, the Company reclassified previously disclosed divestiture related transition costs from their original accounts into the account for the gain. Approximately $14 million of previously disclosed charges were reclassified out of "Selling, general and administrative" into "(Gain) loss on sale and disposal of businesses." Approximately $3 million of previously disclosed charges were reclassified out of "Interest and sundry (income) expense" into "(Gain) loss on sale and disposal of businesses." During the third quarter of 2019, the Company incurred approximately $17 million of additional divestiture related transition costs, resulting in a year-to-date total of approximately $34 million, which are fully reflected in the gain, before taxes, of approximately $511 million.

   During the third quarter of 2019, the Company reserved approximately $7 million for an expected change in purchase price for the sale of the Embraco compressor business. Adjustments to the final purchase price were finalized as of the third quarter 2020, with no resulting change to the final purchase price, and the reserve was released and recognized as a gain during the quarter.

e. **PRODUCT WARRANTY AND LIABILITY EXPENSE -** In September 2015, the Company recorded a liability related to a corrective action affecting certain legacy Indesit products. During the second and third quarters of 2019, the Company incurred additional product warranty expense related to our previously disclosed legacy Indesit dryer corrective action campaign in the UK for approximately $12 million and $14 million, respectively. In the third quarter of 2019, the Company recorded a charge of approximately $105 million for estimated product warranty expense related to certain EMEA-produced washers for which the Company is conducting an ongoing corrective action.

f. **CORRECTIVE ACTION RECOVERY** - In Q3 2020, the Company recorded a benefit of $13 million related to a vendor recovery in our ongoing EMEA-produced washer corrective action. The Company anticipates recording additional immaterial vendor recovery benefits in one or more future quarters.

g. **EXPECTED IMPACT FROM BENEFITS TRANSACTION** - In the fourth quarter, we anticipate recording charges in accordance with planned transactions related to employee benefits.

h. **EXPECTED GAIN ON ASSETS** - Real estate portfolio optimization in the fourth quarter of 2020.

i. **BRAZIL INDIRECT TAX CREDIT** - During the first half of 2019, the Company received favorable, non-appealable decisions related to the recovery of certain taxes previously paid over gross sales. As a result, the Company recorded a gain in interest and sundry (income) expense during the first and second quarter of 2019 in the amount of $127 million and $53 million, respectively, in connection with these decisions.

j. **SALE LEASEBACK, REAL ESTATE AND RECEIVABLE ADJUSTMENTS** - In the fourth quarter of 2019, the Company sold certain owned properties, primarily warehouses, while agreeing to lease these same properties from the purchaser. As part of the sale, the Company recognized a pre-tax gain on sale of the group of properties of approximately $111 million and a cash benefit of approximately $140 million. In addition, the Company wrote-off the full loan receivable amount outstanding of approximately $18 million related to a previous loan between the Company and a non-profit entity in connection with a community and economic development project. The Company also wrote-down the book value of certain real estate properties, recognizing a loss of approximately $7 million.

k. **TRADE CUSTOMER INSOLVENCY CLAIM SETTLEMENT** - In 2017, Alno AG and certain affiliated companies filed for insolvency protection in Germany. Bauknecht Hausgeräte GmbH companies, a subsidiary of the Company, was a long-standing supplier to Alno and certain of its affiliated companies. The Company was also a former indirect minority shareholder of Alno. In August 2018, the insolvency trustee asserted €174.5 million in clawback and related claims against Bauknecht. In January 2020, we entered into an agreement with the insolvency trustee to settle all potential claims that the insolvency trustee may have related to this matter, resulting in a one-time charge of €52.75 million ($59 million as of December 31, 2019).

Free Cash Flow

As defined by the Company, free cash flow is cash provided by (used in) operating activities after capital expenditures, proceeds from the sale of assets and businesses and changes in restricted cash. The reconciliation provided below reconciles nine months ended September 30, 2020 and 2019 and projected 2020 full-year free cash flow with cash provided by (used in) operating activities, the most directly comparable GAAP financial measure. Free cash flow as a percentage of net sales is calculated by dividing free cash flow by net sales.

	Nine Months Ended September 30,		
(millions of dollars)	2020	2019	2020 Outlook
Cash provided by (used in) operating activities	$407	$(566)	~$1,240
Capital expenditures, proceeds from sale of assets/ businesses and change in restricted cash*	(237)	(239)	(340)
Free cash flow	$170	$(805)	~$900
Cash provided by (used in) investing activities	(224)	723	
Cash provided by (used in) financing activities	1,531	(641)	

*In 2018 and 2019, restricted cash was used to fund capital expenditures and technical resources to enhance Whirlpool China's research and development and working capital, as required by the terms of the Whirlpool China (formerly Hefei Sanyo) acquisition. In 2020, restricted cash represents contributions held as part of the Company's Charitable Foundation which is consolidated as of September 30, 2020.

**Financial guidance on a GAAP basis for cash provided by (used in) financing activities and cash provided by (used in) investing activities has not been provided because in order to prepare any such estimate or projection, the Company would need to rely on market factors and certain other conditions and assumptions that are outside of its control.

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