



**SUPPLEMENTAL INFORMATION
FIRST-QUARTER 2022
APRIL 25, 2022**

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, 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 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 and adjusted 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 adjusted 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 adjusted 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 forward-looking long-term value creation goals, such as organic net sales, EBIT, free cash flow conversion, ROIC and gross debt/EBITDA, as these long-term management goals are not annual guidance, and the reconciliation of these long-term measures 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 an important financial metric 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.

FIRST-QUARTER 2022 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 March 31, 2022. 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 first-quarter GAAP tax rate was 24.8%. The aggregate income tax impact of the taxable components of each adjustment is presented in the income tax impact line item at our first-quarter adjusted tax rate (non-GAAP) of 25.0%.

	Three Months Ended March 31, 2022
Earnings Before Interest & Taxes Reconciliation:	
Net earnings (loss) available to Whirlpool	\$ 313
Net earnings (loss) available to noncontrolling interests	3
Income tax expense (benefit)	106
Interest expense	41
Earnings before interest & taxes	<u>\$ 463</u>
Net sales	\$ 4,920
Net earnings margin	6.4 %

Results classification	Earnings before interest & taxes	Earnings per diluted share
Reported measure	\$ 463	\$ 5.33
Normalized tax rate adjustment ^(b)		(0.02)
Ongoing measure	<u>\$ 463</u>	<u>\$ 5.31</u>
Net sales	\$ 4,920	
Ongoing EBIT margin	9.4 %	

Note: Numbers may not reconcile due to rounding

FIRST-QUARTER 2021 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 March 31, 2021. 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 first-quarter GAAP tax rate was 26.5%. The aggregate income tax impact of the taxable components of each adjustment is presented in the income tax impact line item at our first-quarter adjusted tax rate (non-GAAP) of 25.0%.

Earnings Before Interest & Taxes Reconciliation:		Three Months Ended March 31, 2021
Net earnings (loss) available to Whirlpool	\$	433
Net earnings (loss) available to noncontrolling interests		7
Income tax expense (benefit)		159
Interest expense		45
Earnings (loss) before interest & taxes	\$	644
Net sales	\$	5,358
Net earnings margin		8.1 %

Results classification		Earnings before interest & taxes	Earnings per diluted share
Reported measure		\$ 644	\$ 6.81
Restructuring expense ^(a)	Restructuring expense	20	0.31
Income tax impact		—	(0.08)
Normalized tax rate adjustment ^(b)		—	0.16
Ongoing measure		\$ 664	\$ 7.20
Net sales		\$ 5,358	
Ongoing EBIT margin		12.4 %	

Note: Numbers may not reconcile due to rounding

ORGANIC NET SALES

The reconciliation provided below reconciles the non-GAAP financial measure organic net sales to GAAP reported net sales, for three months ended March 31, 2020 and 2022 for the company.

	Three Months Ended		Change
	2020	2022	
Net Sales	\$ 4,325	\$ 4,920	13.8 %
Less: Whirlpool China Divestiture	(64)	—	
Add-Back: Currency	—	79	
Organic Net Sales	<u>\$ 4,261</u>	<u>\$ 4,999</u>	17.3 %

Note: Numbers may not reconcile due to rounding

FOOTNOTES

- a. **RESTRUCTURING EXPENSE** - In 2022, and moving forward, we will only exclude restructuring actions greater than \$50 million from our ongoing results. In 2021, these costs were primarily related to actions that right-size and reduce the fixed cost structure of our EMEA business and other centralized functions.
- b. **NORMALIZED TAX RATE ADJUSTMENT** - During the first quarter of 2022, the Company calculated ongoing earnings per share using an adjusted tax rate of 25.0% to reconcile to our anticipated full-year effective tax rate between 24.0% and 26.0%. During the first quarter of 2021, the Company calculated ongoing earnings per share using an adjusted tax rate of 25.0%, to reconcile to our anticipated full-year 2021 effective tax rate between 24% and 26%.

FREE CASH FLOW

Free cash flow is cash provided by (used in) operating activities after capital expenditures. The reconciliation provided below reconciles three months ended March 31, 2022 and 2021 and 2022 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.

(millions of dollars)	Three Months Ended March 31,		
	2022	2021	2022 Outlook
Cash provided by (used in) operating activities	\$(328)	\$182	\$1,950
Capital expenditures	(87)	(73)	(700)
Free cash flow	<u>\$(415)</u>	<u>\$109</u>	<u>\$1,250</u>
Cash provided by (used in) investing activities*	(12)	(60)	
Cash provided by (used in) financing activities*	(631)	(234)	

Throughout 2021 and comparable periods, the Company defined adjusted free cash flow as cash provided by (used in) operating activities less capital expenditures and including proceeds from the sale of assets/businesses, and changes in restricted cash. Starting in 2022, the Company presents free cash flow which is cash provided by (used in) operating activities less capital expenditures. Adjusted free cash flow of \$132 million for the first quarter of 2021 has been restated to \$109 million free cash flow measure to conform with current year presentation.

Adjusted Free Cash Flow (FCF) Reconciliation: in millions		Three Months Ended March 31, 2021	
Cash provided by (used in) operating activities	\$		182
Capital expenditures			(73)
Proceeds from sale of assets and business			13
Change in restricted cash			10
Adjusted free cash flow	<u>\$</u>		<u>132</u>
Cash provided by (used in) investing activities	\$		(60)
Cash provided by (used in) financing activities			(234)

**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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