



First-Quarter 2023  
Earnings Review

TUESDAY, APRIL 25, 2023

# 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, portfolio transformation, restructuring, repurchase expectations, productivity, direct-to-consumer sales growth, raw material prices, cost takeout, raw material prices, transaction closing expectations, and external environment expectations, including industry demand, net cost, inflation and the impact of COVID-19 and the Russia/Ukraine conflict on our operations. Such statements can be identified by the use of terminology such as "may," "could," "will," "should," "possible," "plan," "predict," "forecast," "potential," "anticipate," "estimate," "expect," "project," "intend," "believe," "may impact," "on track," and similar words or expressions. 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; (3) Whirlpool's ability to maintain its reputation and brand image; (4) the ability of Whirlpool to achieve its business objectives and leverage its global operating platform, and accelerate the rate of innovation; (5) Whirlpool's ability to understand consumer preferences and successfully develop new products; (6) Whirlpool's ability to obtain and protect intellectual property rights; (7) acquisition, divestiture, and investment-related risks, including risks associated with our past acquisitions; (8) the ability of suppliers of critical parts, components and manufacturing equipment to deliver sufficient quantities to Whirlpool in a timely and cost-effective manner; (9) COVID-19 pandemic-related business disruptions and economic uncertainty; (10) Whirlpool's ability to navigate risks associated with our presence in emerging markets; (11) risks related to our international operations, including changes in foreign regulations; (12) Whirlpool's ability to respond to unanticipated social, political and/or economic events; (13) information technology system failures, data security breaches, data privacy compliance, network disruptions, and cybersecurity attacks; (14) product liability and product recall costs; (15) our ability to attract, develop and retain executives and other qualified employees; (16) the impact of labor relations; (17) fluctuations in the cost of key materials (including steel, resins, base metals) and components and the ability of Whirlpool to offset cost increases; (18) Whirlpool's ability to manage foreign currency fluctuations; (19) impacts from goodwill impairment and related charges; (20) triggering events or circumstances impacting the carrying value of our long-lived assets; (21) inventory and other asset risk; (22) health care cost trends, regulatory changes and variations between results and estimates that could increase future funding obligations for pension and postretirement benefit plans; (23) 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; (24) the effects and costs of governmental investigations or related actions by third parties; (25) changes in the legal and regulatory environment including environmental, health and safety regulations, data privacy, and taxes and tariffs; (26) Whirlpool's ability to respond to the impact of climate change and climate change regulation; and (27) the uncertain global economy and changes in economic conditions which affect demand for our products. 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. These cautionary statements should not be construed by you to be exhaustive and the forward-looking statements are made only as of the date of this presentation. Price increases and/or actions referred to throughout the document reflect previously announced cost-based price increases.

# Non-GAAP Measures



This presentation includes certain non-GAAP financial measures. 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, and ongoing earnings per diluted share. Other non-GAAP financial measures that may be included in this presentation are free cash flow, free cash flow as a percentage of sales, net sales excluding currency, organic net sales, adjusted effective tax rate, gross debt leverage and return on invested capital (ROIC).

Organic net sales: Sales excluding the impact of certain acquisitions or divestitures, and foreign currency. 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 certain acquisitions and/or divestitures. Slide(s): 6 (InSinkErator acquisition, Russia divestiture impact), 13 (Russia divestiture impact)

Ongoing EBIT margin: Ongoing EBIT divided by net sales. 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. Slide(s): 6, 7, 17, 27

Segment EBIT: 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 \$(359) million and \$(32) million for the first quarters of 2023 and 2022, respectively, and \$(1,688) million for the fourth quarter of 2022. Management believes segment EBIT provides stockholders with a clearer basis to assess our results over time for each segment. Slide(s): 11, 13, 14, 15, 28

Ongoing earnings per diluted share: Diluted net earnings per share from continuing operations, adjusted to exclude items that may not be indicative of, or are unrelated to, results from our ongoing operations. Ongoing measures provide a better baseline for analyzing trends in our underlying businesses. Slide(s): 6, 17

Free cash flow: Cash provided by (used in) operating activities less capital expenditures. Management believes that free cash flow and free cash flow as a percentage of sales provides stockholders with a relevant measure of liquidity and a useful basis for assessing Whirlpool's ability to fund its activities and obligations. Slide(s): 6, 29

Adjusted effective tax rate: Effective tax rate, excluding pre-tax income and tax effect of certain unique items. Management believes that adjusted tax rate provides stockholders with a meaningful, consistent comparison of the Company's effective tax rate, excluding the pre-tax income and tax effect of certain unique items. Slide(s): 26

Please refer to the supplemental information pack located in the events section of our Investor Relations website at [investors.whirlpoolcorp.com](https://investors.whirlpoolcorp.com) for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures. Whirlpool does not provide a Non-GAAP reconciliation for its forward-looking long-term value creation goals, such as organic net sales, ongoing EBIT, free cash flow conversion, ROIC and gross debt leverage, 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.

*(1) €6 billion reference based on the combined 2021 revenues of Whirlpool and Arcelik European businesses. Final post-closing ownership ratio will be determined after taking into account the respective 2022 EBITDA, net asset values, net indebtedness, and net working capital of the parties. Arcelik's wholly owned subsidiary Ardutch B.V. has entered into the contribution agreement with 75% ownership. Agreement in principle to sell Middle East and Africa relates to sale of wholly-owned subsidiaries in UAE and Morocco and operations in various North Africa countries.*

## First-Quarter Earnings & 2023 Perspective



Marc Bitzer

CHAIRMAN AND  
CHIEF EXECUTIVE  
OFFICER



Jim Peters

EXECUTIVE VICE  
PRESIDENT AND CHIEF  
FINANCIAL OFFICER



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# 2023 First-Quarter Results



## PROFITABLE GROWTH

Net Sales	YoY Change
<b>\$4.6B</b>	<b>(5.5)%</b> (5.2)% organic

- Solid Q1 performance, in line with expectations
  - Net sales decline of 5.5% driven by global demand softness
  - Cost take out actions largely on track

## MARGIN EXPANSION

Ongoing EBIT Margin	YoY Change
<b>5.4%</b>	<b>(4.0) pts</b>

- Sequential ongoing margin expansion of ~200 basis points
  - North America margins of 10%

## CASH CONVERSION

Free Cash Flow	FCF as % of Net Sales
<b>\$(573)M</b>	<b>(12.3)%</b>

- Delivered ongoing EPS of \$2.66
- Reaffirming full-year ongoing EPS of \$16.00 - \$18.00

# Ongoing EBIT Margin Drivers



<i>(Approximate impact)</i>	Q4 vs Q1	Q1 vs Q1
<b>2022 Ongoing EBIT Margin</b>	<b>3.5%</b>	<b>9.4%</b>
Price/Mix	+1.00	-2.75
Net Cost*	--	-0.75
Raw Material Inflation	+0.50	+0.50
Marketing & Technology Investments	+0.50	-0.75
Currency	--	-0.25
<b>2023 Ongoing EBIT Margin</b>	<b>5.4%</b>	<b>5.4%</b>

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

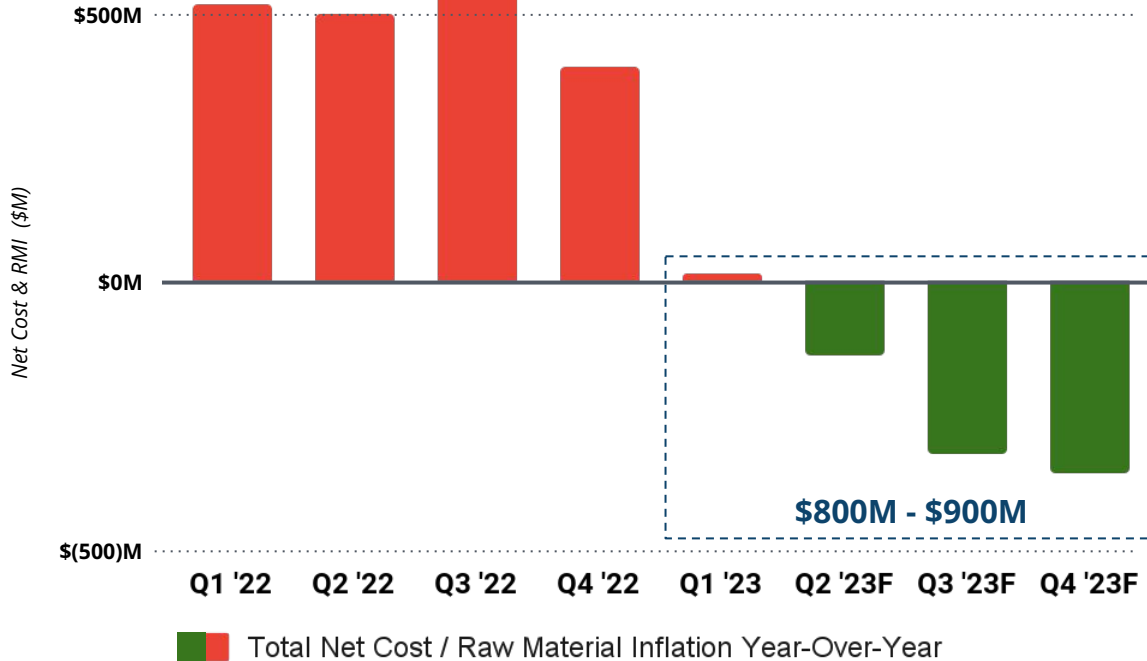
# Operational Priority: Responsive & Adaptive Supply Chain



Operational Target	Actions	Status
Flawless execution of supply chain	De-risking, creating responsive and adaptive supply chain	<b>ON TRACK</b>
Aggressive expansion of dual sourcing	Continue to expand dual supply strategy	<b>ON TRACK</b>
Strong focus on complexity reduction and simplification	Reduced active parts by ~5% in Q1	<b>ON TRACK</b>



# Substantial Cost Takeout Actions on Track



**Cost structure reset expected to deliver \$800M - \$900M benefit**

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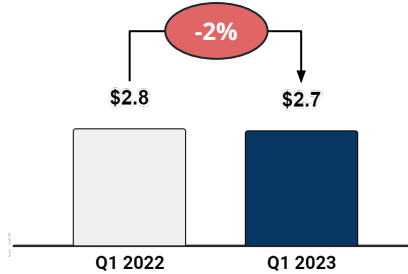
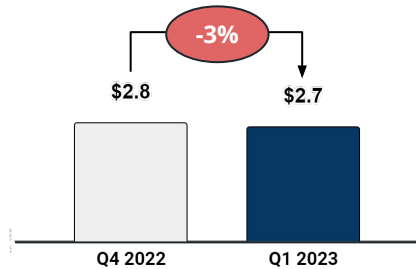
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# North America First-Quarter Results

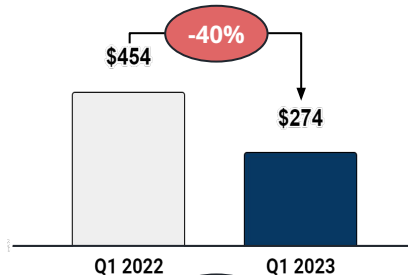
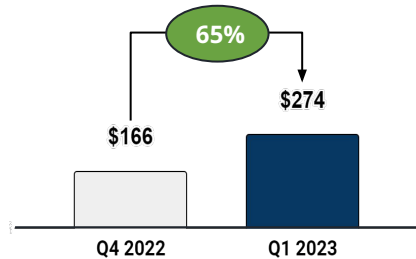
## Sequential

## Year-over-Year

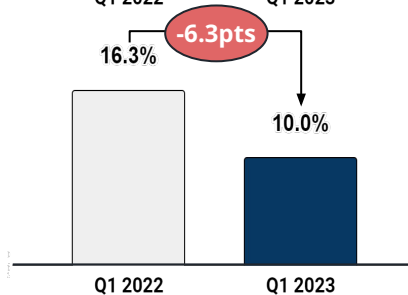
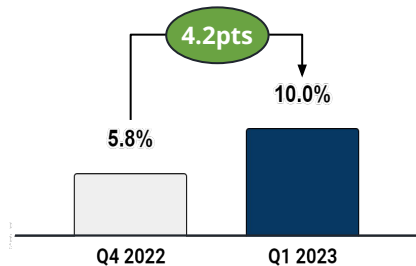
NET SALES (\$B)



EBIT (\$M)



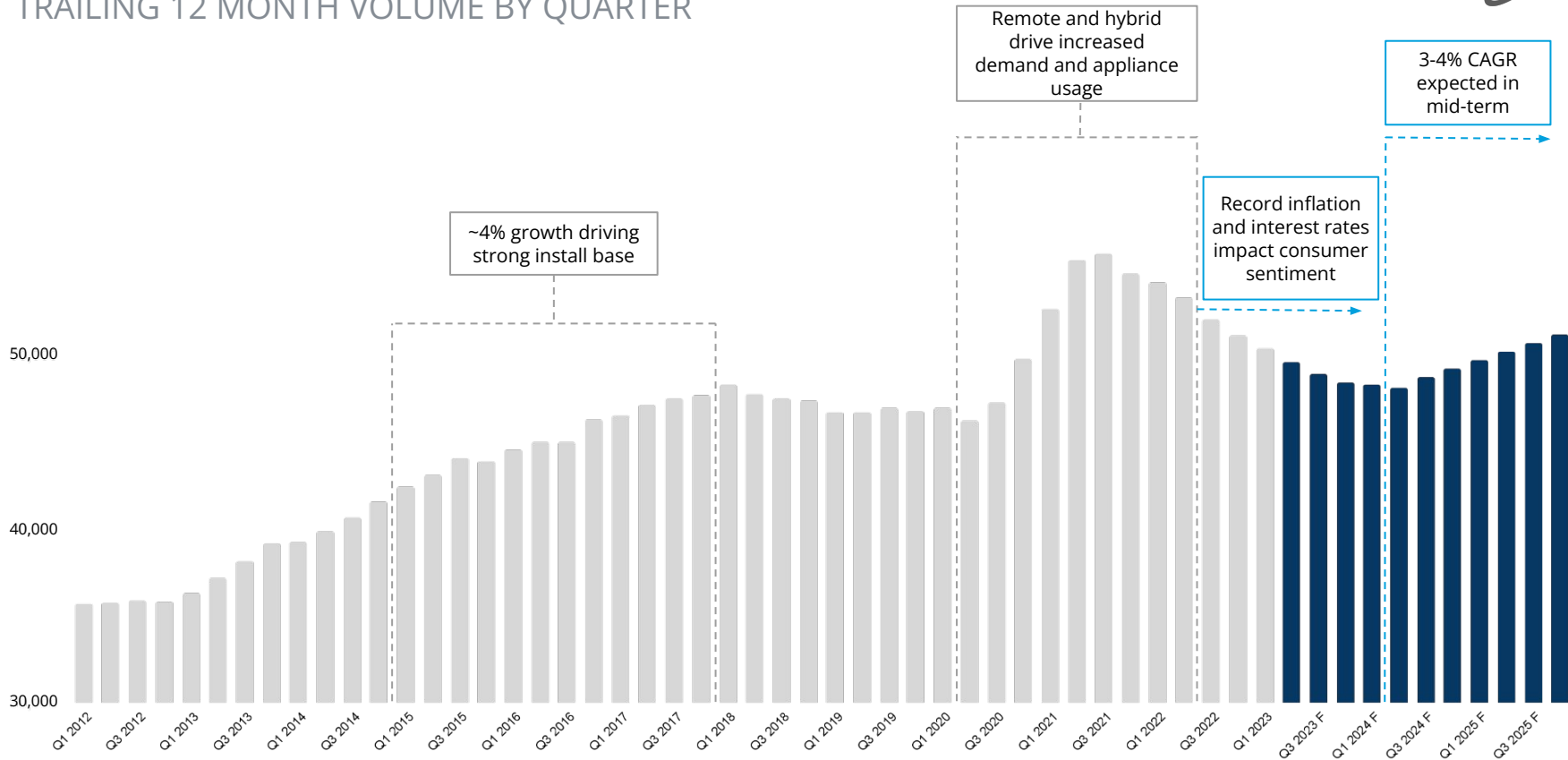
EBIT MARGIN



- Sequential and year-over-year share gains of 1pt, offset by ~5.5% industry decline
- Solid margins of 10%; Significant sequential margin expansion of over 400 basis points
- EBIT impacted by negative price/mix partially offset by InSinkErator

# Industry Trends Support Continued Growth

TRAILING 12 MONTH VOLUME BY QUARTER



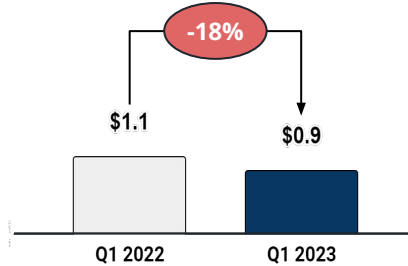
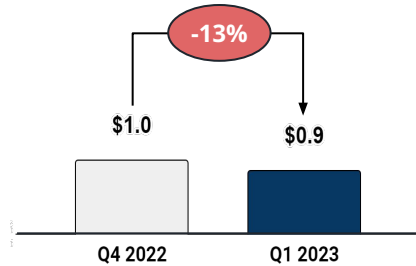
Note: Graph reflects AHAM trailing 12 month volume by quarter, forecast reflects internal expectation

# EMEA First-Quarter Results

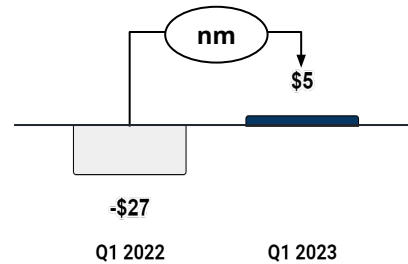
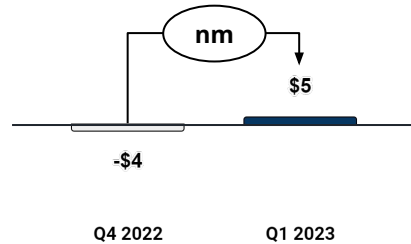
## Sequential

## Year-over-Year

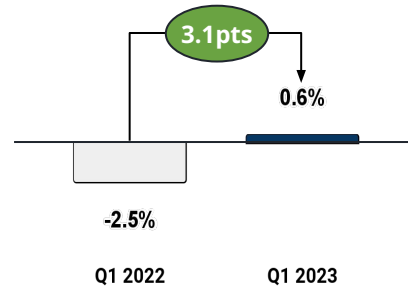
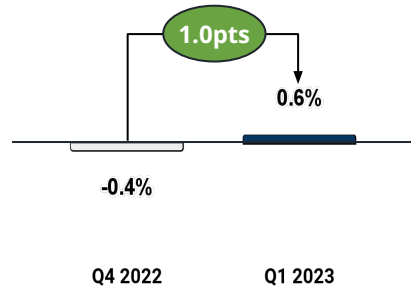
NET SALES (\$B)



EBIT (\$M)



EBIT MARGIN

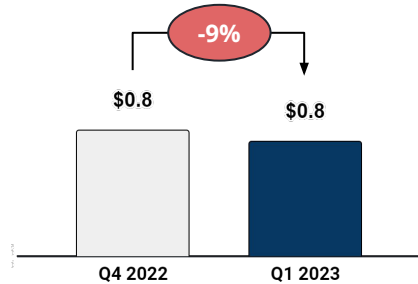


- Continued demand weakness across key countries; organic net sales decline ~8% year-over-year
- Held for sale benefits and cost takeout actions driving positive EBIT
- EMEA transaction on track, expected to close in the second half of 2023

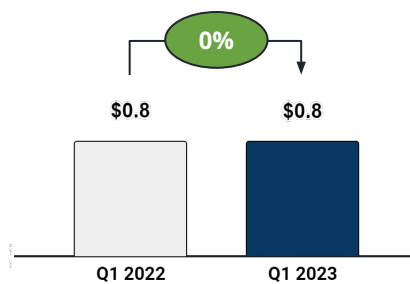
# LAR First-Quarter Results

NET SALES (\$B)

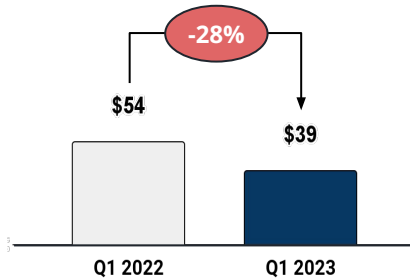
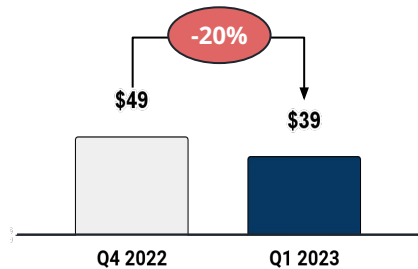
## Sequential



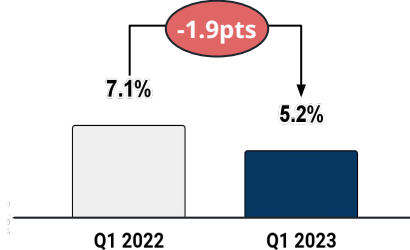
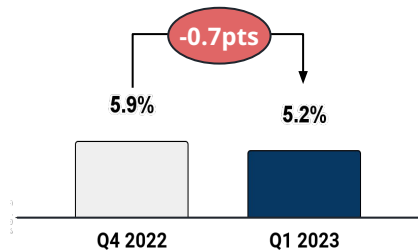
## Year-over-Year



EBIT (\$M)



EBIT MARGIN

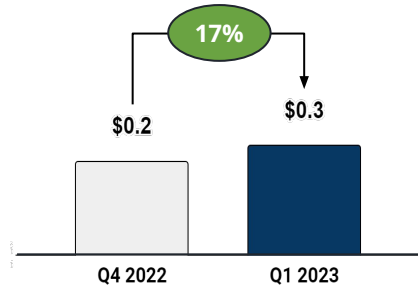


- Continued signs of demand improvement in Mexico, with softer demand in Brazil
- Flat net sales driven by cost-based pricing actions
- EBIT margins impacted by cost inflation and foreign currency

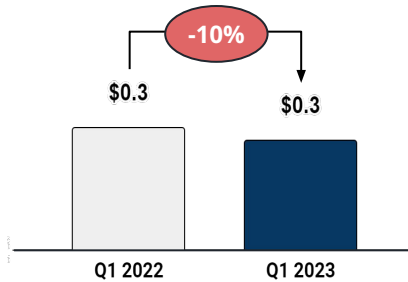
# Asia First-Quarter Results

NET SALES (\$B)

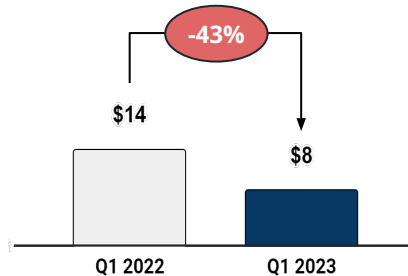
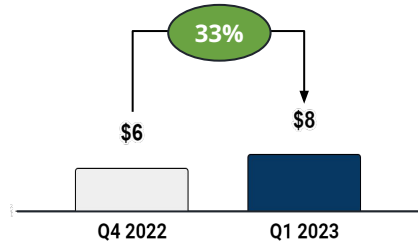
## Sequential



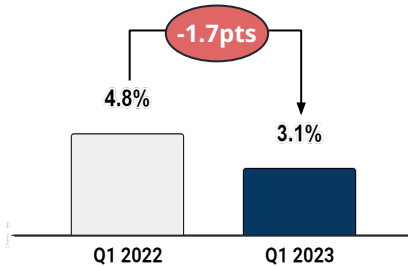
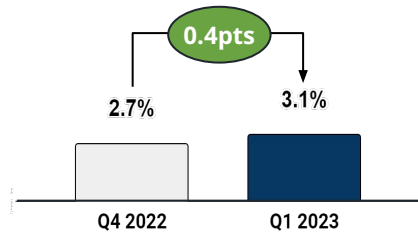
## Year-over-Year



EBIT (\$M)



EBIT MARGIN



- Consumer demand not fully recovered; excluding currency, net sales decline ~3%
- EBIT impacted by negative price/mix and foreign currency
- Strong cost takeout actions gaining traction

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# 2023 Guidance Remains Unchanged



## PROFITABLE GROWTH

**5-6%**

ANNUAL ORGANIC NET SALES GROWTH

Net Sales      YoY Change

2022 ACTUAL

\$19.7B      (10)%

2023 GUIDANCE

~\$19.4B      (1)-(2)%

## MARGIN EXPANSION

**11-12%**

ONGOING EARNINGS BEFORE INTEREST  
AND TAX, % OF NET SALES

Ongoing EBIT  
Margin      YoY Change

6.9%      (390)bps

~7.5%      ~60bps

## CASH CONVERSION

**7-8%**

FREE CASH FLOW  
AS % OF NET SALES

Free  
Cash Flow      FCF as % of  
Net Sales

\$820M      4.2%

~\$800M      ~4.1%

**Reaffirming full-year ongoing EPS of \$16.00 - \$18.00**

# Balanced Capital Allocation Priorities



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	Share repurchase authorization of ~\$2.6B remaining
Targeted Capital Structure	Maintain commitment to strong investment grade rating and gross debt leverage of 2.0x or below

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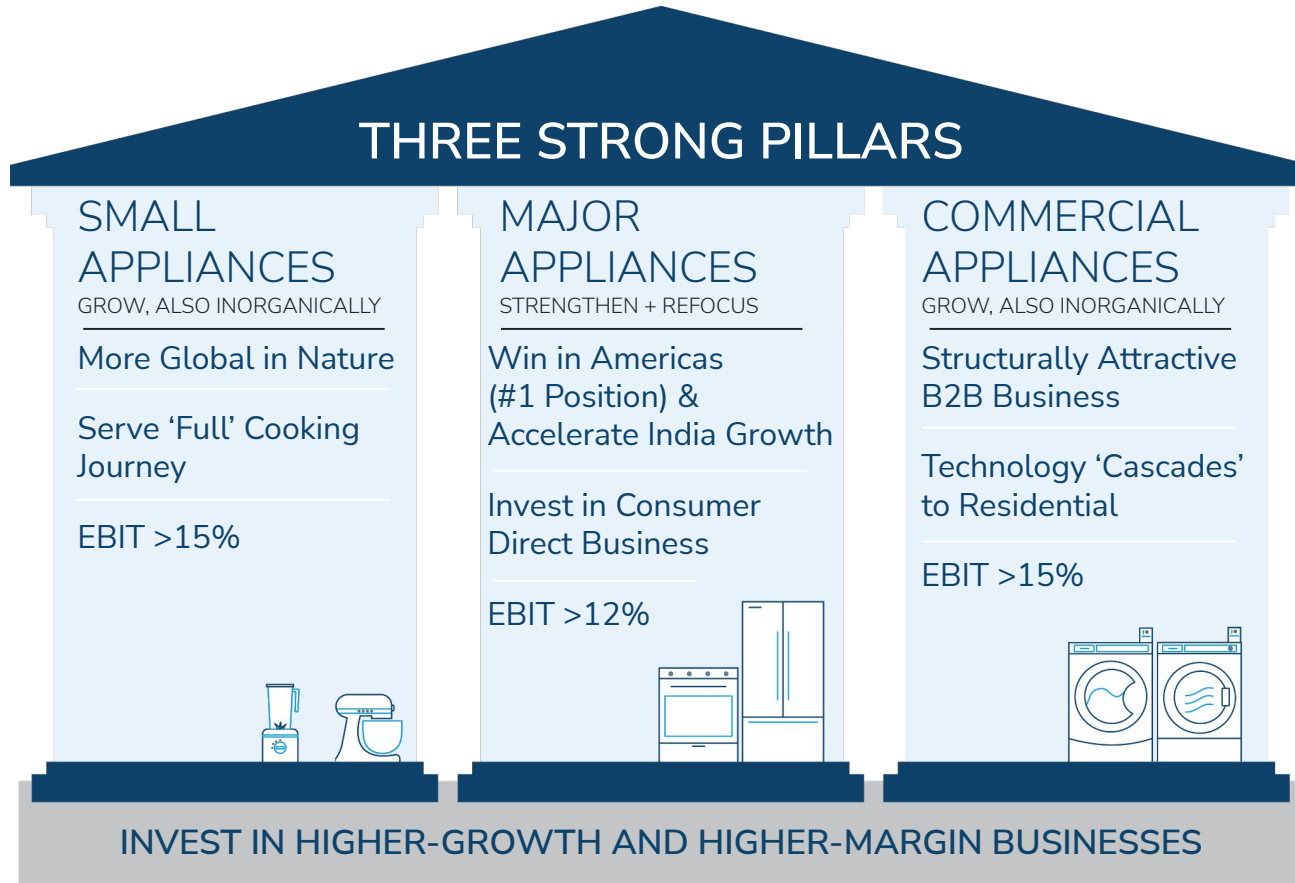
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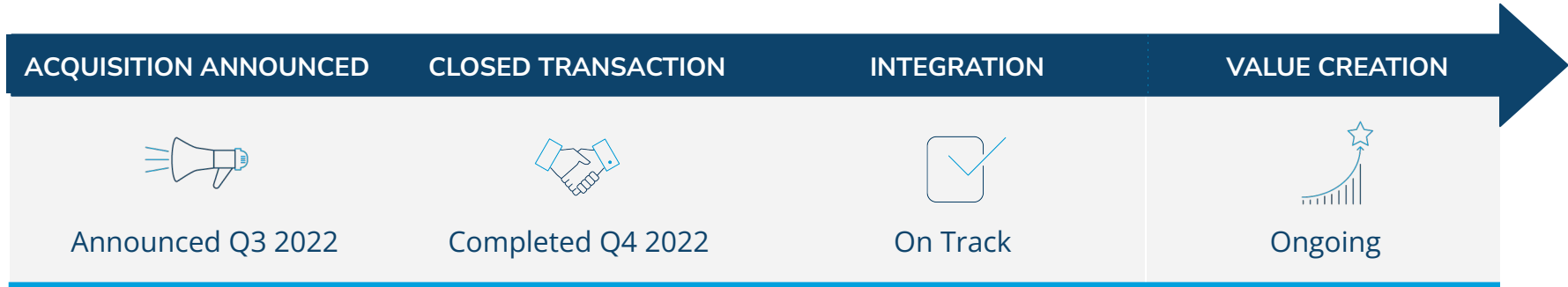
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# Portfolio Transformation Well Underway



# Successful InSinkErator Integration



## 70% Market Share

U.S. Food Waste Disposal  
Market Share in 2022

## 80+

Years of Experience  
in Food Waste Disposal Industry

## 4%+ CAGR

Delivering Growth  
Over 5 and 10 Years

## Strong margins and free cash flow

~50bps Consolidated EBIT Margin Lift  
\$600M+ Revenue 2023E

## Largest new product launch in 10+ years

InSinkErator Product Launch  
Expected in Mid-2023

# The 'Next Generation' Launches Summer 2023



## NextGen Product Launch

Redesigned Power and Advanced series disposers expected to launch in 2023

- Up to 4 stages of Enhanced MultiGrind™ Technology
- SoundSeal™ Noise Reduction
- Induction Motor Driven
- Our Easiest Installation Ever
- Manufactured in Racine, Wisconsin

**New disposer represents the most significant innovation in last decade**

# EMEA Transaction Update

- Regulatory process progressing
- Continue to expect closing in second half 2023
- Retaining 25% stake<sup>(1)</sup> in a newly formed European appliance company
- \$750M+ net present value of predictable cash flows of Whirlpool brand and potential monetization of minority interest

# On Track to Deliver Strong Value Creation



- Operational priorities are on track
  - NAR share gains driven by product innovations and improved supply chain execution
  - Cost takeout actions expected to deliver \$800 - \$900M
- Delivered strong sequential margin expansion
- Reaffirming 2023 guidance
- Portfolio transformation well on its way to delivering a higher-growth, higher-margin business



# Closing Remarks and Q&A



# Key Assumptions - Guidance



Income Statement	FY2022A	FY2023E
Raw Material (Inflation) / Deflation	\$(1.5)B	~\$300 - \$400M
Restructuring Costs	\$15M	*
Interest Expense	\$190M	~\$325M
Adjusted Effective Tax Rate	4.4%	14 - 16%
Weighted-Average Diluted Shares Outstanding	56.5M	55.2M**

Cash Flow Statement	FY2022A	FY2023E
Capital Expenditures	\$570M	~\$600M
Dividends Paid	\$390M	***
Amount of Stock Repurchased	\$903M	***
Restructuring Cash Outlays	\$40M	~\$25M
Cash Tax Rate	20.5%	20 - 25%

Note: 2023 tax rate guidance reflects adjusted effective tax rate

\*Restructuring expense of less than \$50M will not be included in Company's guidance and will not be removed from ongoing earnings

\*\*Estimated full-year weighted-average diluted shares outstanding inclusive of actual share repurchases as of 3/31/2023; Does not reflect potential additional 2023 share repurchases or share dilution

\*\*\*Not included in Company's guidance

# Ongoing EBIT Margin Guidance Remains Unchanged








<i>(Approximate impact)</i>	Current	Comments
<b>2022 Ongoing EBIT Margin</b>	<b>6.9%</b>	
Price/Mix	<b>-2.25</b>	<ul style="list-style-type: none"> <li>Promotional activities below pre-pandemic levels, partially offset by mix</li> </ul>
Net Cost*	<b>+2.50</b>	<ul style="list-style-type: none"> <li>Strong cost takeout actions delivering ~\$500M benefit</li> </ul>
Raw Material Inflation	<b>+1.75</b>	<ul style="list-style-type: none"> <li>Expect ~\$300 - \$400M of material inflation tailwinds, primarily driven by steel and resins</li> </ul>
Marketing & Technology Investments	<b>-0.75</b>	<ul style="list-style-type: none"> <li>Increased brand and product investments</li> </ul>
Currency	<b>-0.50</b>	<ul style="list-style-type: none"> <li>Primarily EUR, INR</li> </ul>
<b>2023 Ongoing EBIT Margin</b>	<b>~7.5%</b>	

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

# 2023 Regional Guidance Remains Unchanged



		Industry	EBIT %
	North America	(6) - (4)%	~12%
	Europe, Middle East & Africa	(6) - (4)%	~2.5%
	Latin America	(3) - (1)%	~7%
	Asia	2 - 4%	~5.5%
	<b>Total</b>	<b>~(3)%</b>	<b>~7.5%</b>

# 2023 Free Cash Flow Guidance Remains Unchanged



<i>(Approximate impact in millions)</i>	<b>2022</b>	<b>2023</b>	<b>Comments</b>
Cash Earnings and Other Operating Items	\$1,236	~\$1,400	
Capital Expenditures	\$(570)	~\$(600)	<ul style="list-style-type: none"> <li>• Innovation, digital transformation and capacity investments</li> </ul>
Working Capital	\$194	~\$25	<ul style="list-style-type: none"> <li>• Sustained low working capital levels</li> </ul>
Restructuring Cash Outlays	\$(40)	~\$(25)	<ul style="list-style-type: none"> <li>• Driven by previously executed actions</li> </ul>
<b>Free Cash Flow</b>	<b>\$820M</b>	<b>~\$800M</b>	

# Interest and Sundry (Income) Expense



<i>(Approximate impact in millions)</i>	Q1		Comments
	2022	2023	
Net Foreign Exchange	\$14	\$12	• Includes foreign exchange and hedge (gain)/loss
Interest (Income)/Other	(22)	65	• Legacy EMEA legal matters
Equity Method Investment Income (Loss)*	5	(1)	
<b>Interest and Sundry (Income) Expense</b>	<b>\$(2)</b>	<b>\$76</b>	

Note: Numbers may not reconcile due to rounding

\*Equity Method Investment Income (Loss), Net of Tax

# Restructuring Cash Outlays



<i>(Approximate impact in millions)</i>	2022	2023E	Comments
COVID-19 Related Actions	\$10	\$15	
Naples Closure	3	-	• Naples, Italy manufacturing facility
Other Initiatives	27	10	• Primarily previously executed actions
<b>Total</b>	<b>\$40</b>	<b>~\$25</b>	

Note: Numbers may not reconcile due to rounding



Whirlpool

**KitchenAid**<sup>®</sup>

**MAYTAG**<sup>®</sup>

**i** **INDESIT**

in **sink**erator<sup>®</sup>

**AMANA**<sup>®</sup>

**BRASTEMP**

**Hotpoint**<sup>®</sup>

**Bauknecht**

**JENNAIR**<sup>®</sup>

**Consul**

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