



# Third-Quarter 2024 Earnings Review

Thursday, October 24, 2024



# 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, restructuring expectations, productivity, raw material prices and related costs, supply chain, portfolio transformation expectations, asset impairment, debt repayment expectations, and the impact of housing recovery-related benefits on our operations. 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, 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, other public health emergency-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; (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) Whirlpool's 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; (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. Additional information concerning these and other factors can be found in "Risk Factors" in Item 1A of Whirlpool's 2023 Form 10-K report. We undertake no obligation to update any forward-looking statement, and investors are advised to review disclosures in our filings with the SEC. It is not possible to foresee or identify all factors that could cause actual results to differ from expected or historic results. Therefore, investors should not consider the foregoing factors to be an exhaustive statement of all risks, uncertainties, or factors that could potentially cause actual results to differ from forward-looking statements.

# 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 percentage of sales, adjusted effective tax rate, net 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: 5 excludes third quarter 2023 net sales from divested Europe major appliance and MEA business and foreign currency impact. Slide(s): 5, 13

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): 5, 6, 13, 17, 19

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 \$(45) million and \$(96) million for the third quarters of 2024 and 2023, respectively. Management believes segment EBIT provides stockholders with a clearer basis to assess our results over time for each segment. Slide(s): 5, 7, 9, 10, 11

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): 5, 13, 20

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): 5, 13, 14, 18

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): 20

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 net 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.

## Third-Quarter Earnings



Marc Bitzer

**CHAIRMAN AND  
CHIEF EXECUTIVE  
OFFICER**



Jim Peters

**EXECUTIVE VICE PRESIDENT  
AND CHIEF FINANCIAL AND  
ADMINISTRATIVE OFFICER**



# 2024 Third-Quarter Results



## PROFITABLE GROWTH

Net Sales	YoY Change
<b>\$4.0B</b>	<b>(18.9)%</b> (0.7)% organic

- Achieved ~50bps of sequential global ongoing EBIT margin expansion
  - ~100bps MDA North America sequential margin expansion

## MARGIN EXPANSION

Ongoing EBIT Margin	YoY Change
<b>5.8%</b>	<b>(0.7) pts</b>

- Delivered ongoing EPS of \$3.43
- Q3 free cash flow generation ~\$130M, YTD impacted by Europe transaction (\$250-\$300M)

## CASH CONVERSION

YTD Free Cash Flow	FCF as % of Net Sales
<b>\$(586)M</b>	<b>(14.7)%</b>

- Paid \$1.75 dividend per share in Q3
- Reaffirming full-year ongoing guidance

# Ongoing EBIT Margin Drivers



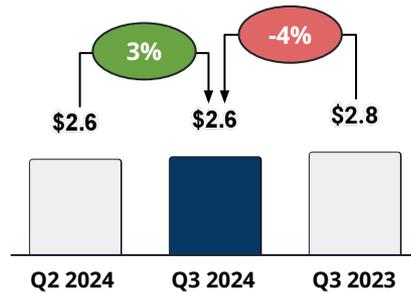
<i>(Approximate impact)</i>	Q2'24 vs Q3'24	Q3'23 vs Q3'24
<b>Ongoing EBIT Margin</b>	<b>5.3%</b>	<b>6.5%</b>
Price/Mix	+0.75	-1.25
Net Cost*	+0.25	+0.50
Raw Material Inflation	nm	nm
Marketing & Technology Investments	nm	nm
Currency	-0.25	-0.50
Europe Transaction	-0.25	+0.50
<b>2024 Ongoing EBIT Margin</b>	<b>5.8%</b>	<b>5.8%</b>

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

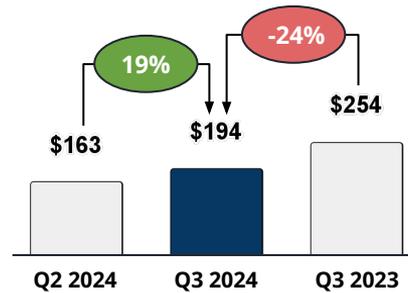
# MDA North America Third-Quarter Results



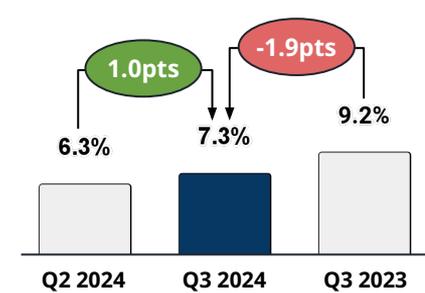
## NET SALES (\$B)



## EBIT (\$M)



## EBIT MARGIN



- Delivered ~100bps sequential margin improvement driven by pricing actions
- Discretionary demand remains soft with weak replacement driven mix
- Expect margin progression to continue through 2024

# Continuing to Win With Product Leadership in North America



## WHIRLPOOL FRONT LOAD

The innovative new *FreshFlow* Vent System is the first fan-powered system with antimicrobial protection designed to help keep your clothes and washer fresh.



## MAYTAG PET PRO FRONT LOAD

With help from the Pet Pro Filter, the Pet Pro Option unleashes additional water and a deep rinse, lifting and removing pet hair from clothes\*.



*\*Results vary by load size and pet hair type.*

## KITCHENAID 4-DOOR REFRIGERATOR

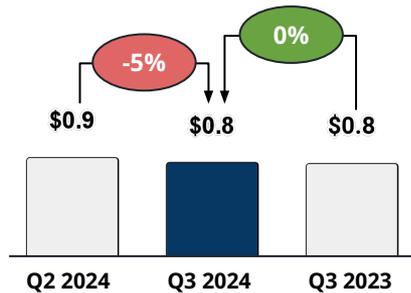
Experience our most customizable multi-zone cooling system, including a Flexible Temperature Zone, that goes from refrigerator to freezer to wine cellar at the touch of a button.



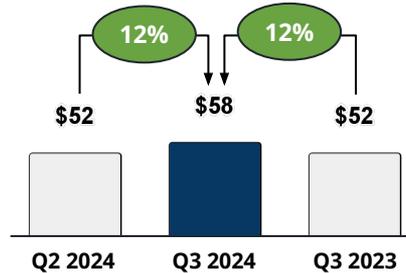
# MDA Latin America Third-Quarter Results



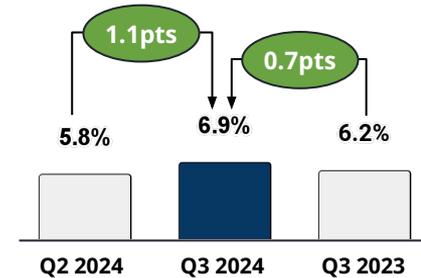
## NET SALES (\$B)



## EBIT (\$M)



## EBIT MARGIN

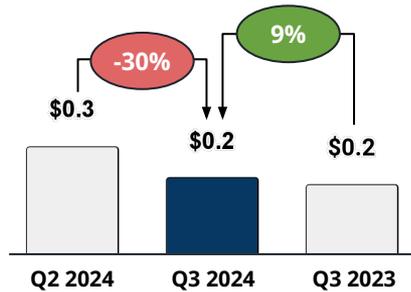


- Net sales excluding currency increased ~9% year-over-year due to industry growth in both Brazil and Mexico
- Achieved ~110bps sequential EBIT margin expansion from improved price/mix
- Sustained solid EBIT margins expected for full-year

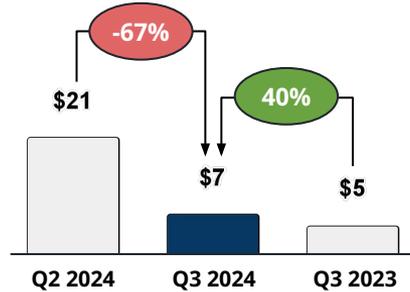
# MDA Asia Third-Quarter Results



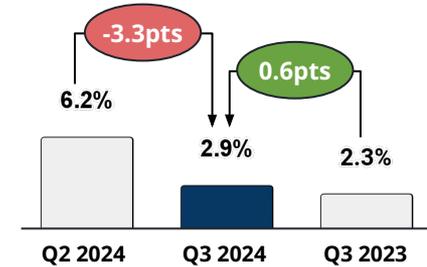
## NET SALES (\$B)



## EBIT (\$M)



## EBIT MARGIN

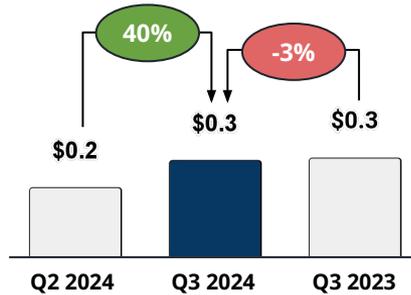


- Net sales excluding currency increased ~10% year-over-year
- Share gains year-over-year delivering strong volume growth
- EBIT margin expansion year-over-year from improved price/mix and fixed cost leverage

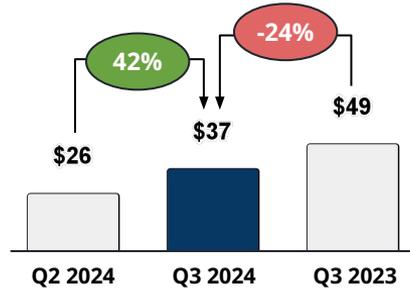
# SDA Global Third-Quarter Results



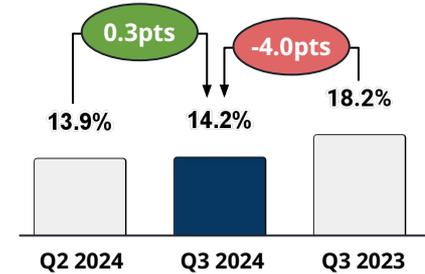
## NET SALES (\$B)



## EBIT (\$M)



## EBIT MARGIN



- Net sales decrease year-over-year impacted by industry decline in the U.S.
- Strong direct-to-consumer sales and product launches offset by soft industry
- Q3 EBIT margin impacted by continued marketing investments in new product launches

# Continuing to Win With Product Leadership in SDA Global



## **KITCHENAID EVERGREEN STANDMIXER**

The true walnut wood bowl features a unique wood grain design: a first for *KitchenAid* brand.



## **KITCHENAID GO CORDLESS SYSTEM**

The *KitchenAid Go* Cordless System is powered by a single removable battery so you can make your favorite recipes—no cord needed.

### **TOP DOWN CHOPPER**

Top-down design allows you to chop, prep and store all in one bowl.



### **CITRUS JUICER**

Versatile reamer juices any size citrus, with forward and reverse movement for better extraction.



### **HAND BLENDER**

Upgraded model includes a larger blending pitcher, new whisk and chopper attachments.



# Reaffirming 2024 Full-Year Guidance



## PROFITABLE GROWTH

**~\$17.2B**

ANNUAL ORGANIC NET SALES

Net Sales      YoY Change

~\$16.9B

~\$16.9B      ~Flat

## MARGIN EXPANSION

**~9.0%**

ONGOING EARNINGS BEFORE INTEREST  
AND TAX, % OF NET SALES

Ongoing EBIT  
Margin      YoY Change

~6.9%

~6.0%      ~(1.0)%

## CASH CONVERSION

**~7.0%**

FREE CASH FLOW  
AS % OF NET SALES

Free  
Cash Flow      FCF as % of  
Net Sales

N/A

~\$500M      ~3.0%

2026  
GOALS

2023  
LIKE FOR LIKE  
excludes MDA Europe Q2 - Q4

2024 GUIDANCE

**Full-year ongoing EPS ~\$12.00**

# 2024 Capital Allocation Priorities

## 2024 Cash Expectations

Beginning Cash on Hand **~\$1.6B**

2024 FCF **~\$0.5B**

India share sale & Brastemp water business **~\$0.5B**

## Clear Capital Allocation Priorities

 \$500M of term loan repaid in April

 ~\$400M dividends in 2024

 ~\$50M share buyback in H1

# Closing Summary



- Implemented actions leading to sequential margin expansion, globally and in North America
- MDA North America well positioned for expected growth and further margin expansion, supported by:
  - Interest rate moderation leading to future housing recovery
  - Strong product pipeline supporting our leading brand portfolio
  - Additional structural cost opportunities

# Closing Remarks and Q&A



# Ongoing EBIT Margin Guidance Remains Unchanged



<i>(Approximate impact)</i>	Current	Comments
<b>2023 Ongoing EBIT Margin</b>	<b>6.1%</b>	
Price/Mix	-2.00	<ul style="list-style-type: none"> <li>• ~5% promotional program actions</li> <li>• 2023 lower promotional spend</li> </ul>
Net Cost*	+1.50 to +1.75	<ul style="list-style-type: none"> <li>• Cost actions expected to deliver ~\$300M benefit</li> </ul>
Raw Material Inflation	nm	
Marketing & Technology Investments	-0.25	<ul style="list-style-type: none"> <li>• Increased brand and new product investments</li> </ul>
Currency	-0.25	<ul style="list-style-type: none"> <li>• Primarily BRL</li> </ul>
Europe Transaction	+0.75	
<b>2024 Ongoing EBIT Margin</b>	<b>~6.0%</b>	

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

# 2024 Free Cash Flow Guidance Remains Unchanged



<i>(Approximate impact in millions)</i>	2023	2024	Comments
Cash Earnings and Other Operating Items	\$910	~\$975	
Capital Expenditures	\$(549)	~\$(550)	• Innovation, digital transformation and capacity investments
Working Capital	\$37	~\$150	• Inventory reduction
Restructuring Cash Outlays	\$(32)	~\$(80)	• Driven by previously executed actions and complexity reduction
<b>Free Cash Flow</b>	<b>\$366M</b>	<b>~\$500M</b>	• 2024 includes \$250-\$300M of MDA Europe cash usage

# 2024 Guidance Bridge



<i>In billions</i>	2023 As Reported	Q2-Q4 2023 MDA Europe*	2023 Like for Like	2024 Guidance**
Net Sales	\$19.46	\$2.56	\$16.90	~\$16.95
Ongoing EBIT	\$1.19	\$0.03	\$1.16	~\$1.00
Ongoing EBIT Margin	6.1%	1.2%	~6.9%	~6.0%

\*Q2-Q4 historical segment financial data (unaudited)

\*\*2024 guidance does not include equity method losses related to Whirlpool's partial ownership of Beko Europe B.V.

# Key Assumptions - Guidance



Income Statement	FY2023	FY2024E
Raw Material (Inflation) / Deflation	\$460M	nm
Restructuring Costs*	\$16M	~\$85M
Interest Expense	\$351M	~\$365M
Corporate Center	\$200M	~\$200M
Weighted-Average Diluted Shares Outstanding	55.2M	55.2M**
GAAP Earnings per Diluted Share	\$8.72	~\$0.50
Ongoing Earnings per Diluted Share	\$16.16	~\$12.00
GAAP Tax Rate	13.0%	~65%
Adjusted (non-GAAP) Tax Rate	(6.7)%	(18)-(22)%

Cash Flow Statement	FY2023	FY2024E
Capital Expenditures	\$549M	~\$550M
Dividends Paid	\$384M	~\$400M
Amount of Stock Repurchased	-	~\$50M
Restructuring Cash Outlays	\$32M	~\$80M
Cash Tax Rate	20.2%	~20%

\*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 9/30/2024; Does not reflect potential additional 2024 share repurchases or share dilution

# Interest and Sundry (Income) Expense



<i>(Approximate impact in millions)</i>	Q3		Comments
	2023	2024	
Net Foreign Exchange	\$9	\$6	• Includes foreign exchange and hedge (gain)/loss
Interest (Income) Expense/Other	\$(20)	\$(13)	• 2024 interest income
Equity Method Investment (Income) Loss*	\$1	\$20	• 2024 EMEA minority interest
<b>Interest and Sundry (Income) Expense</b>	<b>\$(10)</b>	<b>\$13</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>	2023	2024E	Comments
COVID-19 Related Actions	\$20	\$0	
Other Initiatives	\$12	~\$80	<ul style="list-style-type: none"><li>Primarily due to organizational simplification</li></ul>
<b>Total</b>	<b>\$32</b>	<b>~\$80</b>	

Note: Numbers may not reconcile due to rounding



Whirlpool

**KitchenAid**

JENN AIR

**MAYTAG**

**AMANA**

**BRASTEMP**

**Consul**

in **sink** erator