Whirlpool
CORPORATION

2004 Summary Annual Report

Customer Loyalty … the Core of Our Strategy

Customer Passion … the Focus of Our Business

"Sensing the Difference"

Whirlpool Europe's version of a global brand positioning campaign conveys the features of the region's *6th Sense* line of innovative products, such as *Origami* – a new line of multi-functional cooktop accessories.

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About the cover:

"Because there are moments when nothing in the world is less important than a few grass stains."

The cover image (from Bauknecht's "Live Today" campaign), and many photos throughout this annual report are taken from Whirlpool's global advertising campaigns. They reflect the essence of our brands, the lifestyles of our customers, and how our products enhance their lives.

Customer Loyalty

The Core of Our Strategy

Over the last decade, Whirlpool Corporation has transformed itself from a regional manufacturing and trade-focused business into a global, consumer-driven enterprise.

Moving the core of our strategy to the next level means focusing our efforts on creating unmatched levels of customer loyalty for our brands … worldwide. Winning and retaining customers, we believe, is increasingly based on the reputation of our brands and the experience consumers have with them over their lifetime of ownership. Rather than competing for the same customer at the point of sale, brand loyalty provides us with a unique advantage as our customers are predisposed to purchase our brands based on past positive experience. Additionally, we gain extra value when loyal customers recommend our brands to relatives, friends and neighbors for their appliance needs.

The ability to earn this loyalty requires that we consistently provide consumers with innovative solutions to meet their daily needs and lifestyles. We must provide them with high-quality, competitively produced products that deliver, and build upon, the positive reputation of our brands. We also must provide them with a positive experience during each step of the ownership cycle.

We do this by partnering with the best added-value trade partners and service providers. We also are increasingly staying in touch with our customers by connecting with them directly during their ownership and building this brand relationship over time.

As a company, we are learning and building new skills that will enable us to better earn customer loyalty. In a rapidly changing global marketplace, our customers are more knowledgeable and have more choices than ever before. We understand this and believe our efforts to build unmatched loyalty for Whirlpool Corporation brands will make them the best choice for many customers and provide Whirlpool with a unique and differentiated value creation strategy.

Jeff Fettig, Chairman, President and Chief Executive Officer

Whirlpool Corporation…
Strongly Positioned to Succeed in a Dynamic Global Environment

In 2004, Whirlpool Corporation continued to successfully execute our brand value creation strategy in the midst of a dynamic global business environment. We benefited from strong consumer demand for major home appliances but were also challenged by unprecedented cost increases for key materials. Against this backdrop, Whirlpool delivered solid financial results and achieved important strategic objectives that strengthened our global leadership position.

2004: A Year of Rapid Change

In 2004, our business landscape changed rapidly. In the first half of the year, we aggressively grew our business and earnings by more than 10 percent. We continued our revenue growth in the second half as raw material costs worldwide increased to unprecedented levels. By the end of the year, our costs for steel, metals, resins and other oil-related products had risen by more than $300 million. We successfully offset a significant portion of the increased costs with record levels of productivity, cost controls and price increases. For the year, we delivered record revenues of $13.2 billion, an increase of 8.6 percent from 2003, reflecting the strong demand for our global brands and new product innovation.

In 2004, our business performance achievements included:

- $406 million net earnings, $5.90 diluted earnings per share;
- $794 million cash provided by operating activities;
- Debt-to-capital ratio reduced from 51 percent to 46 percent;
- $116 million returned to shareholders through dividends, an increase of 26 percent over 2003;
- 3.7 million shares repurchased;
- Continued global growth of the *Whirlpool* brand, the number-one selling appliance brand worldwide;
- Our internal controls over financial reporting were enhanced and assessed to be effective under Section 404 of the Sarbanes-Oxley Act of 2002.

Whirlpool's Brand Value Creation Strategy

The success of Whirlpool's global business is driven by our ability to truly understand and fulfill customer needs, develop highly innovative branded solutions, effectively serve trade partners and continuously improve productivity and quality. These capabilities define our differentiated value creation strategy and give us the advantages we are utilizing to effectively manage the challenges of the global marketplace today and in the years ahead.

Creating unmatched customer loyalty for our brands is the cornerstone of our strategy. This simple idea is based on an in-depth understanding of our customers' needs, wants and expectations, so that we can consistently deliver unique, innovative solutions to meet or exceed those expectations. By consistently satisfying our customers, we will create a distinctive and valuable brand franchise that will continue to reward all of our stakeholders in the years ahead. The benefits will be seen in the form of faster growth due to repeat and cross-brand purchases, proactive recommendations among consumers and higher margins due to the willingness of customers to pay for the value they receive.

The success of our strategy depends on knowing the rational and emotional drivers that build customer loyalty for a brand. Our organization has made the comprehensive understanding of customer loyalty one of our core competencies. We have translated our extensive customer-focused market research into training programs and practical applications so employees and trade partners can better understand both the customer and their role in building loyalty. In 2004, more than 10,000 Whirlpool people completed customer loyalty training sessions and participated in unique customer-focused exercises, such as buying experiences and serving as brand ambassadors for friends and families.

Delivering a continuous stream of innovation to consumers is central to our strategy because it ensures that we are providing a brand experience unmatched within the appliance industry. To accomplish this, our people at every level are harnessing creative thinking and turning it into market realities. Innovation is ingrained in the Whirlpool culture, with over 5,000 employees trained and actively involved in innovation initiatives. Our people have contributed thousands of ideas, with hundreds of commercial concepts currently in our innovation pipeline at various stages of evaluation and development. This rich set of ideas and projects has the potential to generate approximately $2 billion of additional revenue growth in the years ahead.

Building strong relationships with trade partners is crucial to building lifelong loyal customers for our brands. To make sure our customers have a positive experience with those who sell our products, we “partner” with retailers and builders who share our commitment to exceeding expectations for customer service and quality.

A Differentiated Value Creation Strategy

Customer Loyalty Platform

- Customer Focus
- Innovation
- Brand Focus
- Growth

Best Customer Position

Trade Management Platform

- Partnerships
- Share of Business
- Coverage
- Cost to Serve

Best Trade Position

Global Operating Platform

- Total Cost Productivity
- Working Capital
- Quality
- Fixed Asset Turnover

Best Cost Position

Our business model is based on developing efficient and effective business-to-business systems and an integrated supply chain that ensures products are available when and where our customers want them. The strategic alignment is built around innovation, training, customer service and total customer experience–the areas where customer loyalty begins. This shared customer perspective creates opportunities as well as value for Whirlpool, our trade partners and our customers.

Improving global operating efficiency is a fundamental requirement to meeting the expectations of our customers and shareholders. Our teams employ rigorous processes and measurement tools to ensure the efficiency of our global operating platform and leverage the assets of our operations worldwide. By managing each of our facilities from a global perspective, our asset-utilization rates, productivity and quality assurance systems are driving toward best-in-class levels within the global major home appliance industry.

To achieve this, we set aggressive goals and use a disciplined approach to evaluate progress. Since 1997, we have successfully applied Six Sigma and Lean Manufacturing processes across our global operating platform, and certified over 1,500 black belts and master black belts. Consequently, we are generating millions of dollars in annual cost savings.

Today, 34 percent of our manufacturing production is located in low-cost locations, and Whirlpool exports between regions now represent 15 percent of sales, which further improves our asset efficiency. Additionally, we are

leveraging our technology, design, procurement, innovation and supply chain globally, making us faster and more efficient.

Outlook

For 2005, we expect moderate growth in global consumer demand and continued increases in raw material costs such as steel, metals, resins and other oil-related products.

Within this environment, we are focused on driving revenue growth, earnings and cash flow improvements by continuing to successfully execute our strategies. In particular, we have taken actions to:

- Implement global price increases of approximately 5-to-10 percent in most key markets around the world.
- Drive record levels of productivity, leverage our global operating platform, and reduce non-product investment-related spending.
- Accelerate the rate of innovation to the market and introduce a large number of new products from our innovation pipeline throughout the year.

We are confident that these plans will result in business growth and solid financial performance during the year.

Corporate Responsibility

Customers worldwide continue to rank corporate social responsibility as an important driver of their brand loyalty. We couldn't be more delighted, as Whirlpool has a strong history of various social philanthropic programs. This core value, central to our company's culture, has remained constant during years of growth and change.

Most noteworthy is Whirlpool Corporation's five-year, $25 million commitment to Habitat for Humanity International. This partnership has provided more than 50,000 appliances to Habitat homes built in North America, and has recently expanded into Europe. Broad employee participation in the program includes the personal commitment of more than 3,500 Whirlpool people involved in building Habitat homes. The Whirlpool Foundation has contributed more than $1.2 million in matching funds for employee contributions and direct grants to Habitat. The ideals of this program reflect Whirlpool's belief that communities and individuals must work together to strengthen families in ways that are measurable and sustainable.

Leadership Transition

June 30, 2004, marked an important milestone for Whirlpool Corporation. Dave Whitwam, Chairman and CEO since 1987, retired after 38 years of dedicated service to our company. During Dave's tenure as CEO, Whirlpool changed from a $4 billion U.S. appliance company to a $13 billion leader in the global appliance industry. His vision to transform Whirlpool into a global, consumer branded business has left a lasting mark on our company. Dave's leadership, inspiration and dedication to our company are greatly appreciated by all of us who have worked with him.

Today, Whirlpool is well prepared to lead and shape the global business that we operate. We are the global leader in this industry. We've built a competitive global operating platform. We have the leading appliance brands around the world, and we are developing the skills and capabilities required to succeed at the next level.

I am personally honored to have become Chairman, President and CEO of Whirlpool Corporation. Our leadership team, our 68,000 employees and I are committed to the future success of our company. Our focus is to create value for our shareholders, customers and employees. We look forward to delivering on this commitment in 2005.

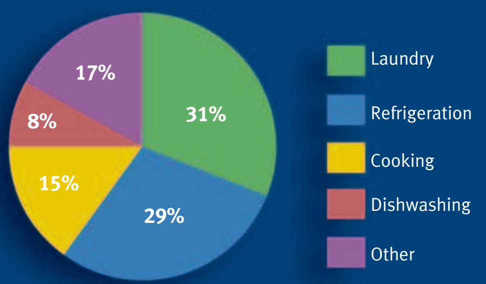
Jeff M. Fettig
Chairman, President
and Chief Executive Officer

Financial Highlights

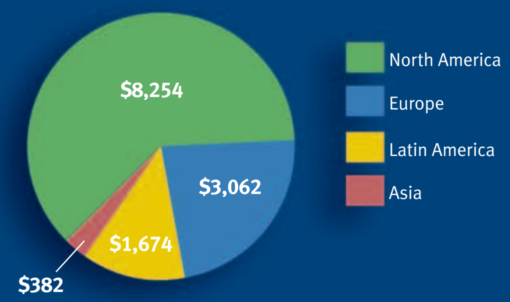
(millions of dollars, except per share data)	2004	2003	% Change
Net sales	$13,220	$12,176	8.6%
Net earnings	$ 406	$ 414	(1.9)%
Per share on a diluted basis	$ 5.90	$ 5.91	(0.2)%
Stockholders' equity	$ 1,606	$ 1,301	23.4%
Total assets	$ 8,181	$ 7,361	11.1%
Return on equity *	30.3%	42.9%	
Book value per share	$ 23.31	$ 18.56	25.6%
Dividends per share	$ 1.72	$ 1.36	26.5%
Share price			
High	$ 80.00	$ 73.35	
Low	$ 54.53	$ 42.80	
Close	$ 69.21	$ 72.65	(4.7)%
Shares outstanding at December 31 (in 000's)	66,604	68,931	(3.4)%
Number of employees	68,125	68,407	(0.4)%

* Refer to Eleven-Year Consolidated Statistical Review (pages 32-33) for more information about return on equity calculation.

2004 Sales by Product Class



2004 Sales by Geographic Region (in millions)

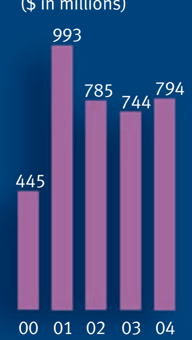


2004 Sales exclude other/eliminations of $(152).

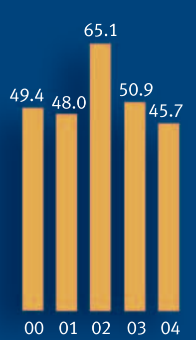
Revenue
($ in billions)

Operating Profit
($ in millions)

Cash Provided by Operating Activities
($ in millions)



Debt/Total Capital
(percent)



Whirlpool's global operating platform is the foundation for achieving best-in-class cost structure, product quality and asset efficiency

Whirlpool today operates an integrated global supply chain that's directly tied to designing, producing and delivering the best cost and highest quality products to customers in each market we serve.

Our global operating platform provides the foundation of Whirlpool's differentiated value creation strategy. By effectively managing the entire supply chain with a global mind set–from procurement and product development to manufacturing and distribution–we are continually realizing the benefits of higher levels of productivity and quality. These capabilities allow us to simplify processes, shorten development cycles and better utilize assets, which helps open up additional opportunities to create innovation and value for our trade partners and customers.

Our platform integrates Whirlpool's global manufacturing network, which includes production capacity in low-cost regions worldwide. In 2004, Whirlpool announced significant investments for its facilities in Mexico and Poland, as well as in the United States, to speed new kitchen and laundry innovations to customers throughout North America and Europe. Increasing levels of exports from our existing production facilities in China, India, Central Europe and Brazil are allowing us to expand into new markets and improve product mix within our established markets.

Quality and productivity remain vital value creating levers for the company and are a key focus of our global operations. Operational Excellence, our Six Sigma process, and Lean Manufacturing are the tools we use across the enterprise to continually improve productivity and sustain cost savings.

Whirlpool is continuing to build toward the best-in-class cost position by focusing on training; pursuing global sources of commodities and components; optimizing the right global mix and location for our core manufacturing, technology and design capabilities; outsourcing non-core processes as appropriate; and executing an effective overall global supply chain.

Looking ahead over the next several years, the contribution from this strategic part of our business will continue to evolve and grow. For example, we expect technology capabilities and resources to increase 25 percent without raising current cost levels, capital efficiency to increase 25 percent, and fixed-asset turnover to improve 30-to-50 percent.

The most important contribution, however, is the role that the global operating platform will continue to play as the foundation from which our brands create and deliver differentiated value.

Whirlpool's Manufacturing Network Creates Global Scale

Whirlpool's global manufacturing footprint enables efficient and effective use of resources and flexibility of product distribution. The network is "best in class" for low-cost manufacturing, quality and safety. Transregional sales have doubled in the past five years, resulting in more than six million products distributed from Whirlpool manufacturing and technology centers in 2004.

"The Choice of the Brazilian Woman"

Consul brand's new positioning campaign recognizes the importance of women in the home appliance decision-making process and includes products depicted in the artwork of four Brazilian female folk artists.

"Two in One"

The Drawer Dishwasher, offering two dishwashers in the space of one, was first launched in Europe, and more recently in the U.S.

Water, water...everywhere

Brand elasticity and a strong relationship creates an exclusive win-win

When Lowe's first approached us to provide a new line of water softeners, filters, coolers and heaters, it was a potential opportunity to simultaneously leverage the strength of both the *Whirlpool* brand and our relationship with a key trade partner. Lowe's was looking to introduce a solution to their newly discovered customer insight: strong interest in water filtration. And they sought the strength of the *Whirlpool* brand to support their new initiative. Our own brand elasticity study concluded that *Whirlpool* was a match.

Though we don't manufacture these types of products, the opportunity seemed promising. Together, we worked actively with licensee partners (including one of our refrigerator filter makers) to launch a new program with record speed to market: only four months per product line. In return, Lowe's provided significant, dedicated floor space in their stores and a new television advertisement (images at right) leveraging the strength of both brands, product ease of use, and exclusive launch at Lowe's.

In short, it's a good example of leveraging the strength of a Whirlpool trade relationship and the strength of the brand into a profitable contribution to our bottom line. The success of the brand licensing business has convinced us that such partnerships offer opportunities for appropriate extensions of the *Whirlpool* brand into other product areas moving forward.

Building Trade Partner Relationships

Whirlpool offers its innovative products to consumers through a worldwide network of leading trade partners–retailers, home builders, kitchen designers and architects–who share a common commitment to creating and delivering a positive customer experience. By working together to satisfy customers, we all win greater loyalty to our brands and, as a result, deliver better returns to our investors.

Our trade partner strategy is based on differentiating ourselves through value-added partnerships to deliver innovation and unmatched purchase experiences to our customers. As a result, we share our in-depth understanding of consumers and their purchase experiences with our trade partners to help them understand the value of innovation and customer loyalty.

We also help our trade partners apply our branding and consumer knowledge to the benefit of their own businesses. Together, we create innovative training programs, exciting brand-focused product displays, and a superior purchase experience for customers. We collaborate behind the scenes as well, sharing information about consumer patterns and sales forecasting, and integrating supply chain systems.

Thousands of trade partners have visited our *Insperience* Studio retail showroom in the United States to better understand brand presentation through innovative floor displays, and to experience effective sales and customer service training. Whirlpool also provides direct sales and technical service training to trade partners in every region of the world, and offers time saving online tools to simplify routine business transactions. Additionally, we've developed sophisticated category management systems to share with trade partners that will strengthen our existing relationships and create higher-value, mutually successful results.

We're leveraging these tools, competencies and best practices around the world to help trade partners participate directly in providing an unmatched customer experience with our brands. This strategy delivers value to Whirlpool as well as our trade partners through better product mix, increased sales of high-end innovative products, and higher levels of loyalty for our brands.

Design Innovation:
Changing the face of the built-in kitchen industry

Whirlpool Europe marked 15 years of business in 2004. During its milestone anniversary, the organization unveiled the critically acclaimed series of revolutionary built-in kitchen concepts entitled "*in.kitchen*: design landscapes for a new built-in experience."

Based on deep consumer insights and trends research, *in.kitchen* is Whirlpool's vision for built-in kitchens that are based on the culinary level and domestic space of individual users, and are more highly integrated solutions than those currently available in the marketplace. Rather than design distant product hopes, the project team created glimpses of possible domestic experiences that could be achieved in the near future through well-orchestrated partnerships within the kitchen industry.

In creating *in.kitchen*, Whirlpool is promoting greater dialogue within the industry–kitchen designers, cabinet manufacturers, and others–to move beyond Whirlpool's traditional role of providing a high-tech appliance 'box' to fill a functional 'hole' inside the consumer's kitchen. The effort has already attracted the attention of one high-end Italian kitchen manufacturer to turn the *in.kitchen* concept into a reality, thus dramatically changing the face of built-in kitchens and how people experience the domestic "heart" of their homes.

The Value of Customer Loyalty

Whirlpool's customer loyalty strategy is a long-term commitment that builds upon our strengths in global manufacturing productivity, trade partner management, innovative products and strong brands.

Whirlpool's focus on customer loyalty is recognition that winning the rational and the emotional loyalty of consumers differentiates our brands and directly influences purchasing behavior. Loyalty for our portfolio of products and brands also will further extend our business into new areas of the home.

Creating unmatched customer loyalty requires unique solutions built on a platform of innovation. In 2005, we will accelerate the rate of new product introduction from our innovation pipeline, which is featured later in this report. The current pipeline is robust and growing, fed by the new ideas and possibilities that continually emerge from our company-wide innovation process. The ever-increasing rate of commercial introductions from this pipeline will help grow our business well into the future.

Perhaps the most compelling part of this strategy is in the potential return on our investment. What is customer loyalty worth? We believe every point of increased customer loyalty will create millions of dollars in additional revenue. Accordingly, we've set ambitious business goals to double our customer loyalty performance in the years ahead.

We also made significant advances instilling the customer loyalty concept throughout the entire network of Whirlpool people worldwide, leading to greater integration of loyalty initiatives within our short- and long-term strategic planning processes.

Today, our brands are creating memorable purchase and ownership experiences for our customers based on the foundation of our industry leading manufacturing infrastructure, strong trade partner relationships, and our robust innovation pipeline of products and new business opportunities.

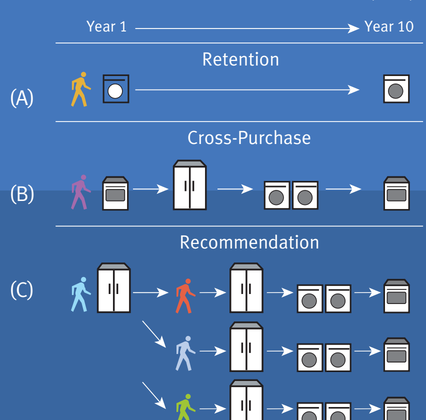
Customer loyalty is about winning the hearts and minds of consumers worldwide. Indeed, it's the heart of our strategy and the daily mission of Whirlpool people everywhere.

Whirlpool Duet Laundry Success Confirms Strategy

The *Whirlpool Duet* laundry machine was the first product to provide clear evidence that customer decisions involve both rational and emotional decision factors, based on a groundswell of consumer demand and preference unlike any we had seen previously. Today, three years after its introduction, the *Duet* laundry machine is the #1 selling front-loader in the industry and sales continue to grow along a robust price/volume demand curve. The results confirm that our strategy is working, and that loyal customers are willing to pay for the value it delivers.

Customer Loyalty is a *Behavior*

The Evolution of Customer Loyalty



(A) Winning the loyalty of customers means more than hoping they're satisfied enough at the end of the product life cycle to repurchase the same brand.

(B) For Whirlpool, it means leveraging the strength of our brands and innovative products to create an emotional link with customers that leads to cross-purchase of other products for the home.

(C) The ultimate level of customer loyalty is achieved when appliance owners, impressed with their products, become "evangelists" recommending the brand to others who begin cross-purchasing behavior, thus dramatically influencing sales growth through repeat purchases and brand extensions. Likewise, loyalty delivers better shareholder value because of lower costs for customer acquisition and retention, and higher profitability from customers who are willing to pay for relevant innovation and brand value.

Cook for the Cure

Cook for the Cure presented by KitchenAid was created to give passionate cooks a way to support the Susan G. Komen Breast Cancer Foundation and the fight against breast cancer. To date, the program has raised over $2.3 million for the cause through donation-with-purchase programs, special fundraising events, auctions and grass roots initiatives.

The Woman's Consulate

A *Consul* brand initiative and social responsibility project for Whirlpool Latin America creates employment and income opportunities for women with low levels of income and schooling. The program promotes citizenship development for women through access to information and education, stimulating their participation in and contribution to the community.

REBA
Habitat for Humanity®
CONCERT TOUR PRESENTED BY
Whirlpool®

Loyalty to a Cause

Five years ago, Whirlpool's relationship with Habitat for Humanity International began as an idea from one of our employees who held a deep passion for the organization. Since then, Whirlpool Corporation and thousands of Whirlpool employees have been partnering with Habitat to eliminate poverty housing and homelessness worldwide.

A few years into our relationship, Habitat for Humanity wanted to raise public awareness of its mission and encourage more people to get involved. At the time, *Whirlpool* brand was exploring the strong connection between music and loyalty. To make this connection for Habitat, Whirlpool reached out to Reba McEntire, a celebrity with a strong commitment to Habitat, and soon plans were in place for a 2004 television campaign and concert tour. Reba's tour carried Habitat's message to over a half-million people in the United States, and the commercial in which she starred touched millions more.

Customer loyalty research tells us that efforts such as this are important to consumers. For Whirlpool and our employees, this simply confirms what we already know ... that making a difference in the communities in which we work is the right thing to do.

Building unmatched customer loyalty requires unique solutions… built on a platform of innovation

In 1999, Whirlpool began investing in a strategy of innovation to create value for our customers and loyalty for our brands. Between 2001 and 2004, more than 30 new innovations were introduced into the market globally, driving additional sales and contributing to profitability. In 2005, Whirlpool is accelerating the introduction of new innovation from our pipeline. Our investment strategy for the innovation pipeline is simple … maintain a planned rate of compelling product innovation that:

- Delivers new and differentiated solutions to our consumers
- Establishes sustainable competitive advantage
- Creates differentiated shareholder value

Today our pipeline is filled with ideas and products that will help drive new revenue and loyalty growth for Whirlpool in 2005 and over the coming years.

In.kitchen "Ritual Concept"
Currently under development with a high-end Italian kitchen manufacturer, "Ritual" is one of Whirlpool's critically acclaimed built-in kitchen concepts (unveiled in 2004). "Ritual" blends two environments–the kitchen and the dining room–into a single unit that hosts all kitchen appliances and a table upon which to present a meal. It is expected to enter the marketplace in 2006.

Advanced Dispenser
This advanced ice and water dispenser fills any size container twice as fast as previous Whirlpool models. The oversized dispenser cavity accommodates both large and small containers. The patented filtration system includes touch-button measured filling (in ounces, cups or liters), and a slide-out dispenser tray provides a sturdy platform for hands-free filling from a 180° rotating faucet.

Fabric Freshener
With the simple touch of a button, the collapsible *Whirlpool* Fabric Freshener conveniently takes out wrinkles while freshening fabrics. Leveraging key learnings from another innovative product, *Whirlpool Personal Valet*, the compact, portable Fabric Freshener was designed to meet customer needs by providing a clothes-refreshing device that removes odors, quickly and easily without chemicals or detergents, reduces wrinkles, provides gentle drying, and extends wearability and garment life.

Consumer-Driven Innovation

Whirlpool's innovation pipeline begins with brand-based customer loyalty research, which is applied to new business and product ideas that are brought to market through a multi-leveled commercial development process.

New Business

Opportunities are developed to create new customers and business models.

New Products

Completely new product lines are created to solve previously unmet consumer needs.

Marketable Innovation

Unique, innovative features are designed to update existing products and present new product attributes to the marketplace.

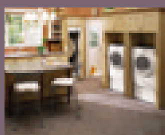
Product Replacement

Existing product lines are replaced with updated innovation based on key learnings.

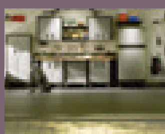
NA – NORTH AMERICA LA – LATIN AMERICA EU – EUROPE AA – ASIA

2001 → 2004

New Business and Product Innovations

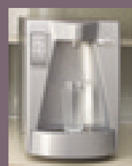


Family Studio
First in a family of fabric care centers NA ■



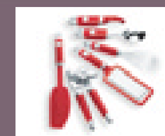
***Gladiator* GarageWorks**
Garage organizing appliances and solutions NA ◆ ✶

Economic House
A water solution that provides filtered, chilled water replacing bottled water LA ✶



Pure
Provides filtered, chilled and carbonated water EU ✶

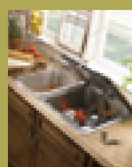
Outdoor Entertaining
Stainless steel and built-in outdoor appliances, including refrigerators and grills NA ✶ ● ◆



Brand Licensing
Extends the *KitchenAid* brand reach through gadgets, bakeware, cookware, linens, etc. NA ✶

Polara
Refrigerated free-standing range NA ●

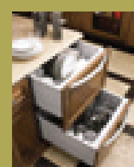
Laundry Pedestals
Family of pedestals for front-loading washer and matching dryer NA ■



***briva* In-Sink Dishwasher**
First-of-its kind stainless-steel double sink with powerful built-in dishwasher NA ▲

Semi-Professional Laundry Pair
Heavy duty washer and dryer & after-sales service EU ■

Trolley
Pedestal with removable trolley to improve loading & unloading front-loading washing machine EU ■



Drawer Dishwasher
Unique dishwasher in single or double drawers NA EU ▲

***Mini BI* Microwave**
Space saving, easy to install microwave EU ●

Dish pedestal
Dishwasher pedestal with drawer NA ▲

Text Assistant Display (TAD) Oven
User-friendly LCD interface including assisted, manual, memo & demo modes EU ●

Design Your Own Sink
Consumer customizable sink system NA ▲

Design Your Own Refrigerator
Consumer customizable refrigerator NA LA ◆

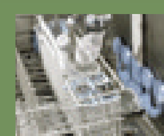
Design Your Own Dishwasher
Consumer customizable dishwasher NA ▲

One Touch Sensor
Advanced sensor dishwasher control for all levels of cleaning needs EU ▲

***Pro Line Total Legendary Care* (TLC)**
Premium customer care program NA ✶

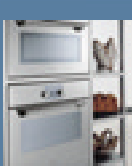
Scrubber Lid for Volcan Washer
Innovative scrubber lid feature that replaces standard metal lid NA ■

Kitchen Portables
Countertop appliances offered in an expansive array of colors NA ✶



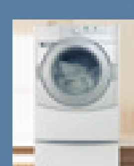
***Turbozone* Dishwasher**
Intensified wash zone for heavily soiled dishes NA ▲

***6th Sense* Technology**
Sophisticated sensors that automatically control all product functions to ensure optimum results EU LA AA
◆ ▲ ● ■



Twin
Fully integrated built-in microwave oven EU ●

Jobim
Range with Improved ovens & burners, better power and more conveniences LA ●



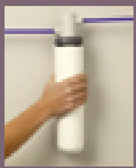
Big/Dreamspace
Large capacity washing machine designed for big items EU ■

***Pro Line* Appliances**
Series of large and small coordinated appliances NA ✶

● COOKING ■ FABRIC CARE ▲ CLEANING ◆ REFRIGERATION ✶ OTHER

2005

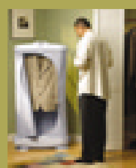
New Business and Product Innovations Planned for Commercialization



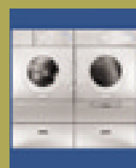
Water Domain
Multi-phase licensing project including water softeners, filters and dispensers NA ✶

Laundry Payment Station
Commercial laundry centralized payment station NA ■

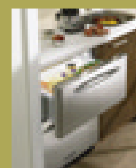
JetChef
Three-in-one oven combining conventional, steam & microwave technology for high-speed cooking with programmable ease EU ●



Fabric Freshener
Collapsible in-home clothes revitalizing system that provides wrinkle and odor removal and is easily stored NA EU ■



***Pro Line* Laundry**
Laundry pair with commercial-quality durability and stainless steel interior & exterior NA ■



Ingredient Center
New refrigerated drawers for fresh produce at the countertop NA ◆

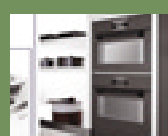
Max! Fitness, Max! Magnum, Max! Moka
Max! microwave ovens with unique accessory algorithms to prepare healthy food and dense hot chocolate as well as brew fresh espresso EU ●

SNABBT (Quick)
Kid-friendly, customizable microwave oven that matches Ikea's "Living with Children" theme EU ●

High Efficiency Wash
Soak and pulse dishwasher filter for easy cleaning and improved performance EU ▲

Soft Dry
New condenser dryer equipped with space-saving accessory to dry delicates EU ■

Advanced Water Dispenser
New ice and water dispenser with pre-programmed quantities NA ◆



***Titanium* Appliance Line**
Line of cooking appliances made of real titanium – a highly durable, fingerprint-resistant material EU ●

Origami
Multi-functional cooktop accessories EU ●

Hygienic Refrigerator
Anti-bacterial air filtration solution for freezer and refrigerator EU ◆

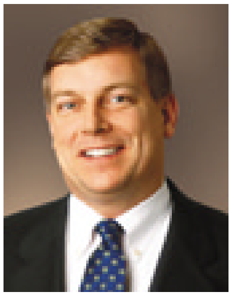
Crystal Coating
Protective layer that reduces thermal & abrasive effects on stainless steel & aluminum cooktops NA ●

Speedcook Appliance
High-speed microwave hood combo with built-in look and increased capacity NA ●

Moka II
A Max! microwave oven with an innovative "Espresso Moka" accessory EU ●

Coffee Grinder
Reintroduction of the *KitchenAid* retro Burr coffee grinder NA ✶

North America Operating Review



David L. Swift
Executive Vice President, North American Region

Significant New Product Introductions:

- The stylish new *KitchenAid Ensemble* front-loading washer and dryer delivers high water and energy efficiency and extends the *KitchenAid* brand into other areas of the home.

- *KitchenAid* brand expanded its *Pro Line* series of professional-style countertop appliances with the introduction of a commercial-quality food processor.

Whirlpool North America made significant advances in our customer loyalty strategy during 2004, while confronting unprecedented increases in raw material and oil-related costs. Our people met these challenges by delivering record manufacturing productivity gains, new product innovations, and effective brand and product mix.

Consumer demand remained strong throughout 2004 as low interest rates in the United States helped maintain the momentum of new housing starts, sales of existing homes and spending on durable goods. Whirlpool North America posted record revenue of $8.3 billion in 2004. Operating profit declined 4 percent to $778 million, largely because of the costs of key raw materials and logistics.

During 2004, we made a commitment for a $180 million multi-year investment to strengthen our North American manufacturing base and extend our leadership position in the U.S. appliance industry. The investment is expected to deliver a series of innovative new products to consumers in the U.S. domestic market and throughout the world. In addition, the investment will help us improve the efficiency and productivity of our North American manufacturing platform.

We made significant progress across the region with another year of record sales in Canada and further integration of Whirlpool Mexico into our regional operations. In 2005, and in the years ahead, the operation will play a strategic role within Whirlpool Corporation's global operating platform, serving as an important product export, manufacturing and supply-chain provider for North America and other global markets. A prime example of Whirlpool Mexico's growing importance is the pending launch of a super efficient and affordable front-loading clothes washer at the company's expanded Monterrey facility.

We continued to make significant inroads with our strategy of focusing our operations on customers. Meeting their needs and simplifying their lives is crucial in building loyalty to the company's brands, as exemplified by the *Whirlpool, KitchenAid* and *Gladiator* brands. In line with this strategy, teams of Whirlpool engineers, designers and marketers are constantly undertaking dozens of customer-loyalty initiatives to deliver unique solutions to our customers.

Whirlpool North America continued to make rapid strides in broadening our innovation strategy through partnerships, exclusive arrangements and licensing agreements with like-minded innovative companies. These affiliations speed up Whirlpool's introduction of unique solutions that better fulfill customer needs and desires. Through an innovative licensing agreement, we successfully launched a new line of water products with Lowe's that extended the reach of the *Whirlpool* brand and strengthened our trade relationship with this retailer. Likewise, the *KitchenAid* brand was extended into kitchen gadgets, cookware and linens through innovative licensing agreements.

The strength of our brands and our relationships with trade partners have secured leadership positions with the top American retailers and buying groups that represent more than 80 percent of all retail appliance purchases in the U.S. Likewise, our strong position with contract builders continues to grow, with *KitchenAid*

Key Statistics

- No. 1 position in the industry
- $8.3 billion in 2004 sales
- $778 million in 2004 operating profit
- Approximately 28,000 employees

Brands

United States
Whirlpool, KitchenAid, Gladiator, Roper, Estate

Mexico
Whirlpool, Acros, Supermatic, Crolls

Canada
Inglis, Whirlpool, KitchenAid

Locations

Headquarters:
Benton Harbor, MI

Manufacturing Locations:

United States
LaVergne, TN; Findlay, OH; Marion, OH; Greenville, OH; Clyde, OH; Benton Harbor, MI; Evansville, IN; Fort Smith, AR; Tulsa, OK; Oxford, MS

Mexico
Monterrey, Celaya, Puebla

Principal Products

Air Purifiers, Automatic Dryers, Automatic Washers, Built-in Ovens, Countertop Appliances, Dehumidifiers, Dishwashers, Fabric Fresheners, Freezers, Hot Water Heaters, Ice Makers, Microwave Ovens, Ranges, Refrigerators, Room Air Conditioners, Trash Compactors, Water Dispensers

• The rugged design of the new *Gladiator* GarageWorks *Freezerator* refrigerator enables it to cope with temperature extremes in the garage.

• A variety of new *Whirlpool* brand ovens and ranges were introduced in 2004 with unique features such as sophisticated glass touch controls for ease of use and cleaning.

• The new *Whirlpool Gold* super capacity dishwasher with *AccuSense* adaptive wash cycle automatically selects the right wash cycle based on load size and food deposits.

brand channel revenue growing 20 percent in 2004. Total sales have grown at an average annual rate of 10 percent for each of the past five years. Additionally, our market share among the top 30 national builders was up 33 percent in 2004 versus 2002.

Energy and water conservation continue to be a primary concern of Whirlpool, and we continued to work closely with the U.S. Environmental Protection Agency and the U.S. Department of Energy during 2004 to reduce greenhouse gas emissions through the introduction of energy-efficient, ENERGY STAR® qualified appliances. As a result, Whirlpool was named an ENERGY STAR® *Partner of the Year* for the sixth time.

We upgraded our commitment to Habitat for Humanity last year through increased donations, products and employee involvement. Once a partnership only in North America where the company donates an ENERGY STAR® qualified refrigerator and range for every Habitat home, Whirlpool now partners with Habitat in 18 countries around the world. In addition to sponsoring a summer concert tour for Reba McEntire on behalf of Habitat, we cosponsored the 2004 Jimmy Carter Work Project (JCWP) in Mexico to help generate enthusiasm for the 2005 JCWP in Whirlpool's headquarter community of Benton Harbor, Michigan, where we will build 24 homes in two weeks.

Our commitment to social causes also extended to *KitchenAid* brand's fundraising partnership with The Susan G. Komen Breast Cancer Foundation. In 2004 alone, KitchenAid raised more than $750,000 for the fight against cancer through the sale of special pink-colored *KitchenAid* products and other fund-raising efforts, bringing total donations since 2001 to $2.3 million.

Outlook

In 2005, Whirlpool North America expects to continue successfully executing our customer loyalty strategy, with strong brands and innovative products attracting and retaining customers for life. We expect modest growth of 2 percent in industry shipments in the United States.

To reduce the impact of significantly higher materials and logistics costs, we have implemented price increases ranging from 5-to-10 percent, effective in early January 2005. We are also focusing on additional productivity initiatives, reducing non-product-related spending and increasing the pace of innovative product introduction in 2005.

Awards:

- *International Design* magazine named Whirlpool Corporation one of the ten best companies for global design leadership, citing "visionary scenarios" created by the company for what the future may hold in the areas of fabric care and the kitchen.
- Whirlpool Corporation was, for the sixth time, named an ENERGY STAR® *Partner of the Year* by the U.S. Department of Energy and U.S. Environmental Protection Agency.
- Whirlpool Corporation is the first recipient of the Home Safety Council Product Innovation for Consumer Safety Award, recognizing outstanding product innovations that help reduce the risk of injury and enhance consumer safety at home.
- Whirlpool Canada was named one of the top 50 places to work in Canada among a national survey of employers.

Europe Operating Review

Michael A. Todman
Executive Vice President and President, Whirlpool Europe

Significant New Product Introductions:

- *6th Sense* Technology: Introduced in 2004, *Whirlpool's* unique *6th Sense* technology has been applied across all product lines (such as this refrigerator) to save time and energy for users, while also providing them choice, flexibility, simplicity and excellent results in their household tasks.

- The *Whirlpool JetChef* three-in-one oven combines conventional, steam and microwave technology for high-speed cooking, while *6th Sense* technology adjusts the settings for the best results based on the food type.

- The *Whirlpool* Progressive Collection provides cutting-edge technology in a complete range of innovative products with clean, essential design, using stylish, functional glass and stainless steel.

Whirlpool Europe achieved significant performance improvements in 2004, with revenue up 13.8 percent to $3.1 billion and operating profit increasing 34.5 percent to $166 million.

The continued performance improvement is due in part to the successful pan-European expansion of our built-in appliance business, reflected in a 17-percent increase in the number of units sold last year. The strong growth rates of our two major pan-European kitchen trade partners, IKEA and Alno, contributed to this success. Innovative *Whirlpool* brand products like the *6th Sense* product line, the new *JetChef* three-in-one oven and the *Mini-BI* built-in oven contributed to the performance improvement, while record levels of productivity during 2004 also helped offset increased material costs in the region.

Whirlpool Europe's core strategy continues to focus on effectively building lifelong customer loyalty across all of the varied markets of the region. In 2004, we began consolidation of the company's 32 different market organizations into a few key "market regions" to improve our efficiency and execution of our customer loyalty initiatives. The new organization of combined markets will also reduce complexity, improve execution and bring about cost efficiencies.

During 2004, we continued to strengthen our regional operating position through strategic changes to our manufacturing footprint and the continued application of Lean Manufacturing and Six Sigma. Our people used these tools to achieve record productivity last year. In Central Europe, we expanded production of refrigerators and dishwashers in Wroclaw, Poland–which also is the site of our new cooking manufacturing facility, currently under construction.

We significantly strengthened our trade-partner relationships in 2004 while marking our 15th anniversary of business and brand leadership in the region. Whirlpool Europe welcomed more than 2,000 European retail trade partners and members of the media at an award-winning event that strengthened brand positioning in the region, unveiled *in.kitchen*–our concept kitchens of the future–and presented product innovations, such as the new *Whirlpool* brand Progressive Collection line of kitchen appliances.

Lastly, we're proud to have leveraged Whirlpool Corporation's long-standing commitment to social causes and its successful relationship with Habitat for Humanity International in 2004 by launching a building and product-donation program in Europe.

Outlook

Consumer demand for our products and brands, especially the *Whirlpool* brand, is expected to result in improved regional sales growth. Our built-in appliance business should continue to contribute to our performance during the year. We also are carrying out plans to mitigate higher raw material costs and improve profitability through price increases, productivity improvements and innovation. We anticipate modest industry shipment growth across Europe in 2005.

Awards:

- The European Incentive & Business Travel & Meeting Exhibition awarded Whirlpool Europe the "Best Business to Business Event" for "Experience the Vision," Whirlpool Europe's 15th anniversary event held in Cannes, France, in March 2004.
- Whirlpool France won the 2004 Janus de la Santé award in partnership with Handicap Zero, a well-known French charity dedicated to the blind.

Key Statistics

- No. 3 position in Western and Central Europe
- $3.1 billion in 2004 sales
- $166 million in 2004 operating profit
- Approximately 14,000 employees

Brands

Whirlpool, Bauknecht, Ignis, Polar, Laden

Locations

Operations Center: Comerio, Italy

Manufacturing Locations:

France Amiens

Germany Neunkirchen, Schorndorf

Italy Naples, Siena, Cassinetta, Trento

Poland Wroclaw

Slovakia Poprad

South Africa Isithebe

Sweden Norrköping

Principal Products

Automatic Dryers, Automatic Washers, Built-in Hobs, Built-in Ovens, Dishwashers, Free-standing Cookers, Freezers, Microwave Ovens, Ranges, Refrigerators

Latin America Operating Review

Paulo F. M. Periquito
Executive Vice President and President, Latin America

Significant New Product Introductions:

- The *Brastemp 6th Sense* technology line is a new portfolio of refrigerators, ranges and washing machines - each one with unmatched design, technology and performance. The *Brastemp You* refrigerator, which includes *6th Sense* technology, is the first fully customizable refrigerator in Latin America.

- The *Consul* frost-free refrigerator with water dispensing combines convenience ease of use and an affordable price.

- The new *Consul Séc Fácil* is the brand's first laundry dryer and combines drastically reduced clothes drying time with low energy consumption.

Whirlpool Latin America expanded our market share during 2004, driven by strong consumer demand for our brands, several innovative new product launches and targeted customer loyalty actions.

Regional revenue of $1.7 billion increased 24 percent compared to 2003. Operating profit of $65 million declined 27 percent, due primarily to increases in the costs of key commodities and logistics.

Our efforts to drive customer loyalty were most clearly seen in the new innovations and products introduced during the year. For example, we introduced the *6th Sense* appliance control technology in products across the *Brastemp* portfolio of refrigerators, ranges and washing machines. We also brought to market the first customizable *Brastemp* refrigerator that gives consumers the ability to pick the exact colors and features they want.

Innovations from *Consul* brand led to an expanded fabric care line in 2004 with the launch of the brand's first clothes dryer. Other *Consul* brand product introductions included a new water-dispensing refrigerator and *Consul's* first ceiling fan–which extends the brand to other areas of the home.

Consul brand unveiled its new brand positioning campaign as part of a loyalty-building initiative that recognizes the importance and decision-making role of women in the home. The campaign presents *Consul* products depicted in the artwork created by four Brazilian female folk artists.

Our Multibrás subsidiary instituted an integrated management system that gives suppliers the information they need to deliver the continual improvements in quality, technology and productivity.

As a key production source for Whirlpool's global manufacturing network, we were particularly proud to receive independent certification of our manufacturing processes in the areas of the environment, health and safety and quality management (ISO 9001, ISO 14001 and OHSAS 18001).

During 2004, our operation exported more than 27 percent of our production to Whirlpool markets worldwide. Through the application of the company's Lean Manufacturing process, our regional manufacturing organization turned in a strong year of productivity.

Whirlpool's Brazil-based compressor operation, Embraco, maintained its global market leadership during 2004, as reflected in a 25-percent market share. The operation also improved its position in the commercial refrigeration segment by introducing 17 new products to the market, including environmentally compliant carbon dioxide compressors.

Outlook

Whirlpool Latin America expects continued sales growth driven by a moderate increase in overall demand, strong brands and innovative product launches in 2005. Exports will continue to be a priority for the region as we continue to leverage our manufacturing cost and quality position within Whirlpool's global operating platform. We also expect improved profitability based on achieving further price increases and delivering significant productivity gains.

Awards:

- *Brastemp* was again recognized as one of the most important brands in Brazil in 2004. According to a "Top of Mind" survey compiled by the newspaper *Folha de São Paulo*, the brand ranked fourth for the 14th consecutive year. In the same ranking, *Consul* was the most mentioned brand in the refrigerator category for the 13th year and was among the top three growing ratio brands.
- Multibrás was recognized for the eighth time on the list of "Top 100 Best Companies to Work for" in Brazil, by *Exame*, the major business magazine in Brazil.
- Multibrás was recognized by the *Carta Capital* magazine and the Interscience Informação e Tecnologia Aplicada as one of "The most admired (companies) in Brazil" in the home appliances segment.

Key Statistics

- No. 1 market position in the industry
- $1.7 billion in 2004 sales
- $65 million in 2004 operating profit
- Approximately 21,000 employees

Brands

Whirlpool, Brastemp, Consul, Embraco, Eslabón de Lujo

Locations

Headquarters: São Paulo, Brazil

Manufacturing Locations:
Brazil Manaus, Rio Claro, Joinville, São Paulo

Embraco (International)
Riva di Chieri, Italy; Spisska Nova Ves, Slovakia; Beijing, China

Principal Products

Automatic Washers, Compressors, Countertop Appliances, Dishwashers, Fabric Dryers, Freezers, Microwave Ovens, Ranges, Refrigerators, Room Air Conditioners

Asia Operating Review

Mark Hu
Executive Vice President and President, Whirlpool Asia

Significant New Product Introductions:

- The innovative *Whirlpool Mercury* line of high-capacity clothes washers has quickly become one of China's top-selling washers.

- The *Ice Magic* frost-free refrigerator with *6th Sense* technology is the only refrigerator on the Indian market that senses the loss of cold air and lowers the temperature through its dynamic airflow control system.

- Whirlpool India introduced the world's first frost control refrigerator with *6th Sense* technology, a high-capacity, single-door refrigerator that automatically defrosts the freezer.

In 2004, Whirlpool Asia laid the groundwork for future growth and performance improvement by changing a longstanding trade inventory management practice in India.

Last year, we introduced new trade terms to encourage our trade partners to become more efficient and reduce trade inventory levels. Trade partners responded by reducing their excess inventory, which affected sales and profit for the region. Full-year sales of $382 million decreased 8.2 percent, and operating profit declined significantly from the prior year.

The new trade terms have resulted in more efficient trade inventory levels and a supply chain directly tied to the demands of the market. In addition, the improved distribution efficiency will allow us to more quickly introduce our slate of innovative new products to consumers in the world's fastest-growing region.

Whirlpool Asia introduced a number of innovative appliances last year, including two new frost control refrigerators with *6th Sense* technology in India, and a new line of *Whirlpool Mercury* high-capacity clothes washers in China. For these and other innovative products, *Whirlpool* brand was featured by SUPERBRANDS, a global brand-ranking organization, in its first edition of India's Superbrands.

Whirlpool India is pursuing opportunities to extend the *Whirlpool* brand, a leading brand in clothes washers and refrigerators, to the cooking category. New products that will be featured include cooking ranges, ovens and electric exhaust hoods.

Our manufacturing facilities in India and China have become key procurement and product sources for the Company's global operating platform. Whirlpool Asia technology centers play a significant role in the company's global technology organization, and increasingly serve markets worldwide with efficient manufacturing and innovation. For example, Whirlpool's plant in Shunde, China, is the company's primary manufacturer for microwave ovens globally, while the washer facility in Shanghai has started exporting products to the Middle East. Exports from Whirlpool India increased 18 percent in 2004, adding another 10 national markets to its expanding export network.

Outlook

For 2005, Whirlpool Asia anticipates strong revenue growth as we introduce new, innovative products and as the company's product distribution network throughout the region continues to expand. Exports from Asia will continue to fuel growth as a significant source for Whirlpool's sales networks.

Price increases have been implemented across the region to address rising material costs. Based on current economic conditions, we expect full-year industry unit shipments to increase 3-to-5 percent.

Awards:

- Whirlpool Asia's clothes washers were recognized by the Chinese government's product-standard agency as among the best performing, high-quality appliances on the market.
- *Whirlpool* brand was featured by SUPERBRANDS, a global brand-ranking organization, in its first edition of India's Superbrands.

Key Statistics

- Leader among Western companies
- $382 million in 2004 sales
- $25 million in 2004 operating loss
- Approximately 5,000 employees

Brands

Whirlpool

Locations

Headquarters: Shanghai, PRC

Manufacturing Locations:
India Faridabad, Pune, Pondicherry
China Shanghai, Shunde

Principal Products

Air Conditioners, Microwave Ovens, Refrigerators, Washers

Financial Summary

The following is a summary of the Company's financial condition and results of operations for 2004 and 2003. For a more complete understanding of the Company's financial condition and results, this summary should be read together with the Company's Consolidated Financial Statements and related notes, and the "Management's Discussion and Analysis." This information appears in the Financial Supplement to the Company's Proxy Statement and in the Financial Supplement to the 2004 Annual Report on Form 10-K, both of which are available through the Internet at www.whirlpoolcorp.com.

Executive Level Overview

Whirlpool Corporation is the largest global manufacturer of major appliances worldwide with 2004 revenues of $13.2 billion and net earnings of $406 million. The Company's four reportable segments are based on geography and consist of North America (61% of revenue), Europe (23% of revenue), Latin America (13% of revenue), and Asia (3% of revenue). The Company is the market share leader in North America and Latin America and has significant market presence in Europe, India and China.

The Company's growth strategy over the past several years has been to introduce innovative new products, strengthen customer loyalty for its brands, continue to expand its global footprint, add or enhance distribution channels and, where appropriate, make strategic acquisitions which enhance the Company's innovative global product offering.

The Company monitors country economic factors such as gross domestic product, consumer interest rates, consumer confidence, housing starts, existing home sales and mortgage refinancing as key indicators of industry demand. Management also focuses on country, brand, product and channel market share, average sales values, and profitability when assessing and forecasting financial results. The Company intends to leverage its global manufacturing, procurement and technology footprint to strengthen Whirlpool's brand leadership position in the global appliance industry.

Overall Results of Operations

Net Sales

The total number of units sold in 2004 increased 4.9% over 2003. Consolidated net sales increased 8.6% over 2003, which includes a positive impact from currency fluctuations. Excluding currency, net sales increased approximately 6%. Total number of units sold in 2003 increased 5.6% over 2002. Consolidated net sales increased 10.5% over 2002, which includes a positive impact from currency fluctuations. Excluding currency fluctuations and the acquisitions of Vitromatic ("Whirlpool Mexico") and Polar, the total number of units and dollars sold increased approximately 4% and 5%, respectively.

Significant regional trends were as follows:

- In 2004, North American unit volumes increased 4.6% versus 2003 due to higher *Whirlpool* and *KitchenAid* brand growth, combined with strong Canadian performance. Sales improved 4.8% to a record $8.3 billion. Currency did not materially impact sales comparisons. In 2003, North American unit volumes increased 7.5% versus 2002. Volume increases were driven by the full-year acquisition impact of Whirlpool Mexico, strong performance in Canada and volume gains in *Whirlpool* and *KitchenAid* brands. Excluding the acquisition of Whirlpool Mexico, North American unit volumes increased 5%. The North American net sales increase adjusted for the acquisition and currency impact was slightly greater than growth in unit volumes due to favorable brand mix as well as the introduction of higher sales value innovative products.

- Record European unit volumes increased 4.4%, ahead of industry growth, when compared to 2003, driven largely by strong *Whirlpool* brand performance and expansion of the Company's built-in appliance business. European net sales increased 13.8% and were approximately 3% higher, excluding currency. Overall market share improved due to *Whirlpool* brand performance and the introduction of new products. During 2003, European unit volumes increased 5.1% versus 2002. Excluding the acquisition of Polar, unit volumes increased 4%. Net sales increased 22.4%, due primarily to positive currency impact. Excluding currency impact and the Polar acquisition, net sales increased approximately 3%, lagging unit growth due to marketplace pricing pressures. The region experienced improvement in industry volumes as overall economic indicators and consumer confidence edged up in several key markets within the region.

- Strong demand for appliances in Latin America during 2004 resulted in a 14.9% increase in unit volumes versus 2003. Economic conditions within Brazil were strong during 2004, driven by GDP expansion, lower unemployment and positive real wage growth. Sales increased 24% in the region during 2004 and were up approximately 20%, excluding currency, due to market share gains, strong volume, price increases and favorable product mix. During 2003, appliance unit volumes in Latin America declined 2.7% versus 2002, due primarily to the weak economic environment in the region. Overall industry demand in Brazil declined by 11% for the year. In 2003, the region's sales increased 6.7% and increased approximately 9% excluding currency impact when compared to 2002, mainly the result of price increases necessitated by higher material costs.

- During 2004, Asia's unit volumes declined 8.6% versus 2003, with a corresponding decline in net sales of 8.2%. Excluding currency, net sales declined approximately 12%. The decision by management to implement a trade inventory reduction strategy in India negatively impacted 2004 volume and sales. The strategy change will improve the speed, flexibility and overall efficiency within sales and distribution processes, and will enable the Company to launch new product introductions more frequently and faster to the market. During 2003, Asia's unit volumes increased 2.9% over 2002, while net sales increased by 6.6%. Excluding currency impact, net sales increased approximately 1%. The region experienced a number of challenges, which negatively impacted its performance, including significant pricing pressures in China and India.

Gross Margin

The consolidated gross margin percentage in 2004 decreased 90 basis points versus 2003, primarily due to second-half material cost increases and global pricing pressures. These costs were somewhat mitigated by higher volume and record levels of controllable productivity. The consolidated gross margin percentage declined 60 basis points in 2003 versus 2002, due primarily to higher U.S. pension and medical expenses coupled with reduced Befiex credits, an increase in expense due to the decline of the U.S. dollar and higher material costs in Latin America. The higher expense was partially offset by productivity improvements in North America and Europe and lower restructuring and related expense.

Significant regional trends were as follows:

- North American gross margin decreased 70 basis points compared to 2003, primarily due to elevated material costs for steel and resins. In addition, the market continued to experience competitive pricing during 2004. Margin declines were partially offset by higher volume, productivity improvements and some price increases. The decline in 2003 versus 2002 was due to increased pension and medical expense, partially offset by productivity improvements.

- European gross margin improved slightly in 2004 versus 2003 as productivity improvements and volume leverage more than offset pricing pressure. In 2003, the gross margin increased from 2002 levels due to an improvement in the product and brand mix and productivity improvements, partially offset by pricing pressures. European operations continue to realize savings from ongoing restructuring efforts in Europe.

- In 2004, Latin American gross margin declined versus 2003, primarily due to increased material costs for steel and resins. Higher costs were partially offset by increased volume and price increases on both appliances and compressors and favorable product mix. The 2003 gross margin declined versus 2002 due to significantly higher material costs and reduced Befiex credits. The decline was partially offset by higher appliance pricing. Price increases throughout the year helped mitigate the margin erosion, but were not enough to offset the increase in material costs.

- Asian gross margin declined in 2004 versus 2003, primarily due to the trade inventory reduction strategy in India and regional pricing pressures. Asian gross margin decreased in 2003 versus 2002, due to significant pricing pressure across the region and unfavorable product mix.

Selling, General and Administrative

Consolidated selling, general and administrative expenses in 2004, as a percent of consolidated net sales, remained relatively unchanged versus 2003 and 2002. Higher freight rates in North and Latin America were partially offset by productivity in other non-logistic areas. Europe benefited from leverage on higher sales and lower administrative costs. The increase in Asia's selling, general and administrative expenses, as a percent of sales, was due primarily to lower overall sales and higher administrative support costs. In 2003, higher pension and freight costs in North America were partially offset by cost controls on discretionary spending. The European increase in 2003 was a result of expense reclassification into selling, general and administrative expenses, while Latin America's improvement was primarily driven by lower bad debt expense in 2003. Asia's higher selling, general and administrative expenses, as a percent of sales in 2003 and 2002, were due to higher operating reserves.

Restructuring and Related Charges

Restructuring initiatives resulted in pre-tax restructuring charges of $15 million, $3 million and $101 million in 2004, 2003 and 2002, respectively. These amounts have been identified as a separate component of operating profit. As a result of the Company's restructuring activity, it also recognized $7 million, $11 million and $60 million in pre-tax restructuring related charges during 2004, 2003 and 2002, respectively, which were recorded primarily within cost of products sold.

During the fourth quarter of 2002, the Company recognized the vast majority of remaining charges for the global restructuring plan that was originally announced in December of 2000. The plan, which had a total restructuring and related pre-tax cost of $387 million, is expected to result in more than $200 million in annualized savings. At December 31, 2004, a liability of $13 million remains for actions yet to be completed under the plan. Actions under the plan include the elimination of over 7,500 positions worldwide, of which approximately 7,100 had been eliminated as of December 31, 2004.

Other Income and Expense

Interest income and sundry expense decreased approximately 66% compared to 2003. The improvement is primarily attributable to lower losses of $17 million on foreign currency balance sheet positions, primarily in Europe, and a $9 million gain on the sale of a partial interest in an equity investment in Latin America. Interest income and sundry expense in 2003 decreased approximately 24% compared to 2002. The improvement is largely attributable to lower foreign currency losses, as well as lower losses in asset dispositions and the absence of a 2002 fire loss within a Mexican facility.

Interest expense reductions during 2004 and 2003 of $9 million and $6 million, respectively, are attributable to a lower overall U.S. interest rate environment, a decrease in borrowings in countries with higher interest rates, primarily Europe, and maturity of the $200 million 9% Debentures in March 2003, which was replaced with lower rate debt.

Income Taxes

The effective income tax rate was 33.9% in 2004, compared to 35% in 2003 and 39% in 2002. The impact of audit settlements and tax planning, as well as the dispersion of global income, has contributed to changes in the Company's effective tax rate over the periods presented.

Equity in Loss of Affiliated Companies and Minority Interests

Changes in equity in loss of affiliated companies and minority interests reflect lower earnings in Latin America and India during 2004. The 2003 results improved $30 million versus 2002. The 2002 results were reduced by a $22 million after-tax impairment charge related to the Company's minority investments in and advances to Wellmann, a German kitchen cabinet manufacturer. During 2003, the Company's investment in the equity of Wellmann was sold to Alno, a prominent German kitchen cabinet manufacturer. The sale did not have a material impact to the Company's financial position or results of operations. The 2002 results were also impacted by a $4 million charge related to a minority interest in an Asian entity.

Earnings from Continuing Operations

Earnings from continuing operations were $406 million in 2004 versus $414 million and $262 million in 2003 and 2002, respectively. Full-year 2004 earnings were significantly impacted by increases in material and logistics costs, particularly in the second half of 2004. These higher costs were partially offset by productivity improvements, lower foreign currency losses on balance sheet positions, an effective tax rate reduction, lower financing costs and reduced minority interest earnings. The significant increase in 2003 relates primarily to approximately $147 million of higher restructuring and related charges in 2002, the full-year impact of acquisitions, strong volume growth, productivity improvements and absence of an equity investment write-off, partially offset by an increase in expense due to the decline of the U.S. dollar.

Discontinued Operations

The Company wrote off its investment in leveraged aircraft leases during the fourth quarter of 2002 as a result of the United Airlines bankruptcy filing in December 2002. The write-off resulted in a non-cash charge to discontinued operations of approximately $68 million, or $43 million after tax. These leveraged lease assets were part of the Company's previously discontinued finance company, Whirlpool Financial Corporation.

Although most of its assets have been divested, Whirlpool Financial Corporation remains a legal entity with assets consisting primarily of a leveraged lease portfolio. As of December 31, 2004 and 2003, the portfolio totaled $15 million and $42 million, respectively, net of related reserves. The Company continues to monitor its arrangements with the lessees and the value of the underlying assets.

Cumulative Effect of Change in Accounting Principle

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets," on January 1, 2002. As a result of this adoption, the Company recorded a non-cash, after-tax charge of $613 million in 2002.

Forward-Looking Perspective

During 2004, the Company incurred approximately $300 million of higher material and oil-related costs. The Company expects higher material costs, primarily within North and Latin America, of $500 to $550 million during 2005, primarily due to higher prices for steel and resins. To address this challenging environment, the Company has implemented global price increases of approximately 5-to-10%, effective January 2005, in most key markets around the world. The Company has also initiated actions to drive record levels of controllable productivity, leverage its global operating platform, reduce non-product related spending and accelerate the rate of new product innovation to the market. The full effect of these cost increases will be reflected in the Company's cost structure from the start of 2005, while benefits of both price increases and productivity improvements will build throughout the year.

North America and Europe, the Company's two largest segments, expect 2005 industry growth of approximately 2% and 1%, respectively. The Company's efforts in these two regions during 2005 will be to execute previously announced price increases, drive record levels of controllable productivity, and expand its market share through leveraging its strong brand portfolio, expanding key market leadership and introducing continuous, relevant, branded innovations to the market.

Macroeconomic conditions in Latin America are expected to remain positive during 2005, and the Company expects industry shipments to increase 4-to-5%. Price increases implemented throughout 2004, and additional increases enacted for 2005, are expected to offset significant material cost increases. Manufacturing and supply chain productivity is anticipated to contribute to improved operating profit margin performance and exports to the Company's global operations are expected to increase.

Asia results will benefit from new product introductions, improved product mix and favorable comparisons to last year's results that reflected the Company's inventory trade-reduction strategy in India. The Company will continue to expand its China procurement and technology base to support its global operations, expand domestic sales within China and India, and increase global exports of components and finished product.

Cash Flows

Whirlpool's main source of cash flow is from operating activities. The Company's 2004 cash provided by operating activities benefited from lower after-tax pension contributions of approximately $62 million and lower restructuring spending of approximately $56 million. Cash flow was negatively impacted by higher working capital requirements of about $70 million, driven largely by material cost increases and higher inventory levels to support higher volumes and increased trans-regional shipments. The Company's 2003 cash provided by operating activities benefited from higher earnings, primarily within the European and North American business segments, as well as continued improvement in working capital management. Cash flow was negatively impacted by a voluntary, after-tax pension contribution to the Company's U.S. pension plans of $97 million. In comparison, after-tax U.S. pension contributions made during 2002 were $5 million. The 2003 results were also negatively impacted by restructuring spending, primarily related to

2002 projects, as well as the timing of promotional payments. Combined, these negative 2003 cash outflows were essentially offset by the absence of $239 million in product recall spending, which occurred during 2002. Cash provided by operating activities was also negatively impacted in 2002 by a one-time tax payment of $86 million on a cross-currency interest rate swap gain, which occurred during 2001.

The principal recurring investing activities are capital expenditures to support the Company's investment in its global operating platform to deliver innovative solutions for consumers. During 2004 and 2003, Whirlpool entered into separate sale-leaseback transactions whereby the Company sold and leased back its owned properties. Proceeds related to the sale-leaseback of six properties in 2004, net of related fees, were approximately $66 million. In 2003, proceeds related to the sale-leaseback of four properties, net of related fees, were approximately $65 million.

Total repayments of short-term and long-term debt, net of new borrowings, were $58 million, $208 million and $236 million in 2004, 2003 and 2002, respectively. Dividend payments to stockholders totaled $116 million, $94 million and $91 million in 2004, 2003 and 2002, respectively. The Company repurchased approximately 3.7 million shares, 1 million shares and 0.7 million shares of Whirlpool common stock for $251 million, $65 million and $46 million in 2004, 2003 and 2002, respectively. The stock repurchases were previously authorized by the Board of Directors.

The Company also redeemed $33 million and $25 million in 2003 and 2002, respectively, in preferred stock of its discontinued finance company, Whirlpool Financial Corporation. Whirlpool received proceeds of $64 million in 2004, $65 million in 2003 and $80 million in 2002 related to the exercise of Company stock options.

Financial Condition and Liquidity

The Company's objective is to finance its business through the appropriate mix of long-term and short-term debt. Whirlpool has varying needs for short-term working capital financing as a result of the nature of its business. The volume and timing of refrigeration and air-conditioning production impact the Company's cash flows with increased production in the first half of the year to meet increased demand in the summer months. The Company finances its working capital needs primarily through the commercial paper markets in the U.S., Europe and Canada. These commercial paper programs are supported by committed bank lines. In addition, outside the U.S., short-term funding is also provided by bank borrowings on uncommitted lines. The Company has access to long-term funding in the U.S., European and other public bond markets.

The Company's financial position remains strong. At December 31, 2004, Whirlpool's total assets were $8.2 billion versus $7.4 billion at December 31, 2003. Stockholders' equity increased from $1.3 billion at the end of 2003 to $1.6 billion at the end of 2004. The increase in equity is primarily attributed to net earnings retention and a $174 million increase in equity through foreign currency translation adjustments offset by share repurchases of $251 million.

The Company's overall debt levels have remained relatively unchanged versus 2003. Cash flows from operations have been used to repurchase stock, fund higher capital expenditures and pay increased dividends.

In May 2004, Whirlpool allowed its $400 million committed 364-day credit facility to expire. Simultaneously, the Company increased the size of its $800 million committed credit facility to $1.2 billion and extended its maturity from 2006 to 2009. This committed facility supports commercial paper programs and other operating needs. There were no borrowings under these facilities during 2004 or 2003. Whirlpool was in full compliance with its bank covenants throughout both 2004 and 2003. None of the Company's material debt agreements requires accelerated repayment in the event of a decrease in credit ratings.

In 2004, the Company announced that it plans to invest approximately $180 million to strengthen Whirlpool's brand leadership position in the global appliance industry. The Company plans to continue its comprehensive worldwide effort to optimize its regional manufacturing facilities, supply base, product platforms and technology resources to better support its global brands and customers. Approximately $100 million of the investment will fund initiatives at the Company's manufacturing facilities in the United States, and the remainder will be used to begin work on the expansion of the Company's washer production facility in Monterrey, Mexico, and the construction of a new refrigeration facility in Ramos Arispe, Coahuila, Mexico.

Other Matters

While lower discount rates increased Whirlpool's pension obligations during 2004, improvement in equity market performance during the year increased the value of pension fund assets. Whirlpool also contributed approximately $49 million pre-tax ($31 million to funded plans) to its U.S. pension plans during 2004, of which $31 million was a voluntary contribution and $18 million was required. The Company also contributed $21 million to its foreign plans during 2004. At December 31, 2004, the Company's defined benefit pension plans still remain underfunded on a combined basis.

The Company recognized consolidated pre-tax pension cost (credits) of $91 million, $78 million and $(37) million in 2004, 2003 and 2002, respectively. The Company currently expects that U.S. pension cost for 2005 will be approximately $66 million, based on a plan amendment, an expected rate of return on assets assumption of 8.75% and a lower discount rate of 5.80%. The $66 million compares to pension cost of $68 million in 2004. Consolidated pension cost in 2005 is anticipated to be approximately $91 million, relatively unchanged from 2004.

In January 2005, the Company amended the Whirlpool Employees Pension Plan. The effect of this amendment will be to reduce the projected benefit obligation by approximately $80 million. The accumulated benefit obligation will not be affected by the amendment.

The Company is involved in various legal actions arising in the normal course of business. Management, after taking into consideration legal counsel's evaluation of such actions, is of the opinion that the outcome of these matters will not have a material adverse effect on the Company's financial position or results of operations.

Market Risk

The Company is exposed to market risk from changes in foreign currency exchange rates, domestic and foreign interest rates, and commodity prices, which can affect the Company's operating results and overall financial condition. Whirlpool manages its exposure to these market risks through its operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. Derivative financial instruments are viewed as risk management tools and are not used for speculation or for trading purposes. Derivative financial instruments are entered into with a diversified group of investment grade counterparties to reduce its exposure to nonperformance on such instruments. The Company's sensitivity analysis reflects the effects of changes in market risk but does not factor in potential business risks of the counterparties or appropriate use of instruments.

Whirlpool uses foreign currency forward contracts, currency options and currency swaps to hedge the price risk associated with firmly committed and forecasted cross-border payments and receipts related to its ongoing business and operational financing activities. Foreign currency contracts are sensitive to changes in foreign currency exchange rates.

Consolidated Condensed Statements of Operations

Year Ended December 31 (millions of dollars except per share data)	2004	2003	2002
Net sales	$13,220	$12,176	$11,016
Expenses			
Cost of products sold	10,358	9,423	8,473
Selling, general and administrative	2,087	1,916	1,736
Intangible amortization	2	4	14
Restructuring costs	15	3	101
Operating Profit	758	830	692
Other Income (Expense)			
Interest and sundry income (expense)	(14)	(41)	(54)
Interest expense	(128)	(137)	(143)
Earnings from continuing operations before income taxes and other items	616	652	495
Income taxes	209	228	193
Earnings from continuing operations before equity earnings and minority interests	407	424	302
Equity in loss of affiliated companies	(1)	-	(27)
Minority interests	-	(10)	(13)
Earnings from continuing operations	406	414	262
Discontinued operations, net of tax	-	-	(43)
Cumulative effect of change in accounting principle, net of tax	-	-	(613)
Net earnings (loss)	$ 406	$ 414	$ (394)
Per share of common stock:			
Basic earnings from continuing operations	$ 6.02	$ 6.03	$ 3.86
Discontinued operations, net of tax	-	-	(0.62)
Cumulative effect of change in accounting principle, net of tax	-	-	(9.03)
Basic net earnings (loss)	$ 6.02	$ 6.03	$ (5.79)
Diluted earnings from continuing operations	$ 5.90	$ 5.91	$ 3.78
Discontinued operations, net of tax	-	-	(0.62)
Cumulative effect of change in accounting principle, net of tax	-	-	(8.84)
Diluted net earnings (loss)	$ 5.90	$ 5.91	$ (5.68)
Dividends	$ 1.72	$ 1.36	$ 1.36
Weighted-average shares outstanding: (millions)			
Basic	67.4	68.7	67.9
Diluted	68.9	70.1	69.3

Consolidated Condensed Balance Sheets

December 31 (millions of dollars)	2004	2003
ASSETS		
Current assets		
Cash and equivalents	$ 243	$ 249
Trade receivables, less allowances (2004: $107; 2003: $113)	2,032	1,913
Inventories	1,701	1,340
Prepaid expenses	74	62
Deferred income taxes	189	129
Other current assets	275	172
Total Current Assets	4,514	3,865
Other assets		
Investment in affiliated companies	16	11
Goodwill, net	168	165
Other intangibles, net	108	85
Deferred income taxes	323	268
Prepaid pension costs	329	357
Other assets	140	154
	1,084	1,040
Property, plant and equipment		
Land	91	84
Buildings	1,073	1,004
Machinery and equipment	5,933	5,391
Accumulated depreciation	(4,514)	(4,023)
	2,583	2,456
Total Assets	$ 8,181	$ 7,361

December 31 (millions of dollars)	2004	2003
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Notes payable	$ 244	$ 260
Accounts payable	2,297	1,944
Employee compensation	300	303
Deferred income taxes	57	48
Accrued expenses	811	701
Restructuring costs	13	45
Income taxes	110	95
Other current liabilities	146	174
Current maturities of long-term debt	7	19
Total Current Liabilities	3,985	3,589
Other liabilities		
Deferred income taxes	240	236
Pension benefits	367	298
Postemployment benefits	499	489
Other liabilities	256	251
Long-term debt	1,160	1,134
	2,522	2,408
Minority interests	68	63
Stockholders' equity		
Common stock, $1 par value:	90	88
Shares authorized - 250 million		
Shares issued - 90 million (2004); 89 million (2003)		
Shares outstanding - 67 million (2004); 69 million (2003)		
Paid-in capital	737	659
Retained earnings	2,596	2,276
Accumulated other comprehensive loss	(601)	(757)
Treasury stock - 23 million shares (2004); 20 million shares (2003)	(1,216)	(965)
Total Stockholders' Equity	1,606	1,301
Total Liabilities and Stockholders' Equity	$ 8,181	$7,361

Consolidated Condensed Statements of Cash Flows

Year Ended December 31 (millions of dollars)	2004	2003	2002
Operating activities			
Net earnings (loss)	$ 406	$ 414	$(394)
Adjustments to reconcile net earnings (loss) to net cash provided by (used in) operating activities:			
Cumulative effect of a change in accounting principle	-	-	613
Equity in losses of affiliated companies, less dividends received	1	-	27
(Gain) loss on disposition of assets	(7)	6	5
Loss on discontinued operations	-	-	43
Depreciation and amortization	445	427	405
Changes in assets and liabilities, net of business acquisitions:			
Trade receivables	(16)	4	(67)
Inventories	(266)	(127)	101
Accounts payable	253	163	63
Product recalls	12	6	(239)
Restructuring charges, net of cash paid	(33)	(89)	33
Taxes deferred and payable, net	(18)	55	157
Tax paid on cross currency interest rate swap gain	-	-	(86)
Accrued pension	6	(109)	(37)
Other - net	11	(6)	161
Cash Provided by Operating Activities	$ 794	$ 744	$ 785
Investing activities			
Capital expenditures	$(511)	$(423)	$(430)
Proceeds from sale of assets	74	75	27
Acquisitions of businesses, less cash acquired	(2)	(4)	(179)
Cash Used for Investing Activities	$(439)	$(352)	$(582)
Financing activities			
Net (repayments) proceeds of short-term borrowings	$ (37)	$ 7	$(165)
Proceeds of long-term debt	-	6	6
Repayments of long-term debt	(21)	(221)	(77)
Dividends paid	(116)	(94)	(91)
Purchase of treasury stock	(251)	(65)	(46)
Redemption of WFC preferred stock	-	(33)	(25)
Common stock issued under stock plans	64	65	80
Other	3	(10)	(5)
Cash Used for Financing Activities	$(358)	$(345)	$(323)
Effect of Exchange Rate Changes on Cash and Equivalents	$ (3)	$ 10	$ (4)
(Decrease) Increase in Cash and Equivalents	$ (6)	$ 57	$(124)
Cash and Equivalents at Beginning of Year	249	192	316
Cash and Equivalents at End of Year	$ 243	$ 249	$ 192

Management Letter of Responsibility

The Consolidated Condensed Financial Statements in this Summary Annual Report were derived from the Consolidated Financial Statements that appear in the Financial Supplement to the 2004 Annual Report on Form 10-K, and to the 2005 Proxy Statement. Management of Whirlpool Corporation is responsible for the accuracy and completeness of the information in this Summary Annual Report. The financial and operating information was prepared from the Company's accounting records, books and accounts which, in reasonable detail, accurately and fairly reflect all material transactions. The Company maintains a system of internal controls designed to provide reasonable assurance that the Company's accounting records, books and accounts are accurate and that transactions are properly recorded in the Company's books and records, and the Company's assets are maintained and accounted for, in accordance with management's authorizations. The Company's accounting records, policies and internal controls are regularly reviewed by an internal audit staff.

The Audit Committee of the Board of Directors of the Company appointed Ernst & Young LLP, an independent registered public accounting firm, to audit the Consolidated Financial Statements included in the Financial Supplement to the 2004 Annual Report on Form 10-K, and to the 2005 Proxy Statement. Their report on the Consolidated Financial Statements is included in the Financial Supplement. Their report on the Consolidated Condensed Financial Statements appears below.

Roy W. Templin
Executive Vice President and Chief Financial Officer
March 4, 2005

Report of Independent Registered Public Accounting Firm on Consolidated Condensed Financial Statements

The Stockholders and Board of Directors
Whirlpool Corporation
Benton Harbor, Michigan

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) the consolidated balance sheets of Whirlpool Corporation as of December 31, 2004 and 2003, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2004 (not presented separately herein), and in our report dated March 4, 2005, we expressed an unqualified opinion on those consolidated financial statements that included an explanatory paragraph that discussed a change in accounting principles related to goodwill and other intangible assets. In our opinion, the information set forth in the accompanying consolidated condensed financial statements (presented on pages 25 through 28) is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Whirlpool Corporation's internal control over financial reporting as of December 31, 2004, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 4, 2005 expressed an unqualified opinion thereon.

Ernst + Young LLP

Chicago, Illinois
March 4, 2005

Management's Report on Internal Control Over Financial Reporting

The management of Whirlpool Corporation is responsible for establishing and maintaining adequate internal control over financial reporting. Whirlpool's internal control system is designed to provide reasonable assurance to the Company's management and board of directors regarding the reliability of financial reporting and the preparation and fair presentation of published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The management of Whirlpool assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2004. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework*. Based on our assessment and those criteria, management believes that the Company maintained effective internal control over financial reporting as of December 31, 2004.

Whirlpool Corporation's independent registered public accounting firm has issued an audit report on our assessment of the Company's internal control over financial reporting. This report appears on page 31.

Jeff M. Fettig
Chairman of the Board, President and
Chief Executive Officer
March 4, 2005

Roy W. Templin
Executive Vice President and
Chief Financial Officer
March 4, 2005

Report of Independent Registered Public Accounting Firm

The Stockholders and Board of Directors
Whirlpool Corporation
Benton Harbor, Michigan

We have audited management's assessment, included in the accompanying Management's Report on Internal Control Over Financial Reporting, that Whirlpool Corporation maintained effective internal control over financial reporting as of December 31, 2004, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Whirlpool Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion on the effectiveness of the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management's assessment that Whirlpool Corporation maintained effective internal control over financial reporting as of December 31, 2004, is fairly stated, in all material respects, based on the COSO criteria. Also, in our opinion, Whirlpool Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2004, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Whirlpool Corporation as of December 31, 2004 and 2003, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2004 (not presented separately herein), and our report dated March 4, 2005 expressed an unqualified opinion thereon.

Ernst & Young LLP

Chicago, Illinois
March 4, 2005

Eleven-Year Consolidated Statistical Review

(Millions of dollars except share and employee data)	2004	2003	2002
Consolidated operations			
Net sales	$ 13,220	$ 12,176	$ 11,016
Operating profit (1)	758	830	692
Earnings (loss) from continuing operations before income taxes and other items	616	652	495
Earnings (loss) from continuing operations	406	414	262
Earnings (loss) from discontinued operations (2)	–	–	(43)
Net earnings (loss) (3)	406	414	(394)
Net capital expenditures	511	423	430
Depreciation	443	423	391
Dividends	116	94	91
Consolidated financial position			
Current assets	4,514	3,865	3,327
Current liabilities	3,985	3,589	3,505
Working capital	529	276	(178)
Property, plant and equipment-net	2,583	2,456	2,338
Total assets	8,181	7,361	6,631
Long-term debt	1,160	1,134	1,092
Stockholders' equity	1,606	1,301	739
Per share data			
Basic earnings (loss) from continuing operations before accounting change	6.02	6.03	3.86
Diluted earnings (loss) from continuing operations before accounting change	5.90	5.91	3.78
Diluted net earnings (loss) (3)	5.90	5.91	(5.68)
Dividends	1.72	1.36	1.36
Book value	23.31	18.56	10.67
Closing stock price - NYSE	69.21	72.65	52.22
Key ratios (4)			
Operating profit margin	5.7%	6.8%	6.3%
Pre-tax margin (5)	4.7%	5.4%	4.5%
Net margin (6)	3.1%	3.4%	2.4%
Return on average stockholders' equity (7)	30.3%	42.9%	(26.5)%
Return on average total assets (8)	5.2%	5.9%	(5.8)%
Current assets to current liabilities	1.1 x	1.1 x	0.9 x
Total debt-appliance business as a percent of invested capital (9)	45.7%	50.9%	65.1%
Price earnings ratio	11.7 x	12.3 x	(9.2)x
Interest coverage (10)	5.8 x	5.7 x	(0.4)x
Other data			
Number of common shares outstanding (in thousands):			
Average - on a diluted basis	68,902	70,082	69,267
Year-end	66,604	68,931	68,226
Number of stockholders (year-end)	7,826	8,178	8,556
Number of employees (year-end)	68,125	68,407	68,272
Total return to shareholders (five-year annualized) (11)	3.7%	8.1%	1.4%

(1) Restructuring and special operating charges were $22 million in 2004, $14 million in 2003, $161 million in 2002, $212 million in 2001, $405 million in 1997, $30 million in 1996, and $250 million in 1994.

(2) The company's financial services business was discontinued in 1997.

(3) Includes cumulative effect of accounting changes: 2002 - Accounting for goodwill under SFAS No.141 and 142 and impairments of $(613) million or $(8.84) per diluted share; 2001 - Accounting for derivative instruments and hedging activities of $8 million or $0.12 per diluted share; 1993 - Accounting for postretirement benefits other than pensions of $(180) million or $(2.42) per diluted share.

(4) Key ratios include charges for restructuring and related charges, as well as other non-recurring items, which increased (decreased) operating profit, earnings before tax and net earnings in the following years: 2002 - Accounting for goodwill under SFAS No. 141 and 142 and impairments of $0, $0, and $(613) million, restructuring and related charges $(161) million, $(161) million and $(121) million, discontinued operations and accounting changes of $(19) million, $(19) million and $(57) million, and a minority investment write-off in a European business of $0, $0 and $(22) million; 2001 - Restructuring and related charges of $(212) million, $(212) million and $(156) million, product recalls of $(295) million, $(295) million and $(181) million, and discontinued operations and accounting changes of $0, $0 and $(13) million; 1999 - Brazil devaluation of $0, $(158) million and $(60) million; 1998 - Gain from discontinued operations of $0, $0 and $15 million; 1997 - Restructuring and related charges of $(396) million, $(401) million and $(252) million.

2001	2000	1999	1998	1997	1996	1995	1994
$ 10,343	$ 10,325	$ 10,511	$ 10,323	$ 8,617	$ 8,523	$ 8,163	$ 7,949
306	807	875	688	11	278	366	370
93	577	514	564	(171)	100	214	269
34	367	347	310	(46)	141	195	147
(21)	–	–	15	31	15	14	11
21	367	347	325	(15)	156	209	158
378	375	437	542	378	336	483	418
368	371	386	399	322	318	282	246
113	70	103	102	102	101	100	90
3,311	3,237	3,177	3,882	4,281	3,812	3,541	3,078
3,102	3,303	2,892	3,267	3,676	4,022	3,829	2,988
209	(66)	285	615	605	(210)	(288)	90
2,052	2,134	2,178	2,418	2,375	1,798	1,779	1,440
6,967	6,902	6,826	7,935	8,270	8,015	7,800	6,655
1,295	795	714	1,087	1,074	955	983	885
1,458	1,684	1,867	2,001	1,771	1,926	1,877	1,723
0.51	5.24	4.61	4.09	(0.62)	1.90	2.64	1.98
0.50	5.20	4.56	4.06	(0.62)	1.88	2.60	1.95
0.31	5.20	4.56	4.25	(0.20)	2.08	2.78	2.10
1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.22
21.44	23.84	24.55	26.16	23.71	25.93	25.40	23.21
73.33	47.69	65.06	55.38	55.00	46.63	53.25	50.25
3.0%	7.8%	8.3%	6.7%	0.1%	3.3%	4.5%	4.7%
0.9%	5.6%	4.9%	5.5%	(2.0)%	1.2%	2.6%	3.4%
0.3%	3.6%	3.3%	3.0%	(0.5)%	1.7%	2.4%	1.8%
1.3%	20.7%	17.9%	17.2%	(0.8)%	8.2%	11.6%	9.5%
0.3%	5.4%	4.7%	4.0%	(0.2)%	2.0%	2.9%	2.5%
1.1 x	1.0 x	1.1 x	1.2 x	1.2 x	0.9 x	0.9 x	1.0 x
48.0%	49.4%	37.7%	43.5%	46.1%	44.2%	45.2%	35.6%
236.5 x	9.2 x	14.3 x	13.0 x	--	22.4 x	19.2 x	23.9 x
1.4 x	4.1 x	4.3 x	3.1 x	0.9 x	2.5 x	3.4 x	4.2 x
68,036	70,637	76,044	76,507	74,697	77,178	76,812	77,588
67,215	66,265	74,463	76,089	75,262	74,415	74,081	73,845
8,840	11,780	12,531	13,584	10,171	11,033	11,686	11,821
61,923	62,527	62,706	59,885	62,419	49,254	46,546	39,671
12.2%	0.3%	7.9%	(1.2)%	6.8%	6.3%	20.8%	12.0%

(5) Earnings from continuing operations before income taxes and other items, as a percent of sales.
(6) Earnings from continuing operations, as a percent of sales.
(7) Net earnings (loss), divided by average stockholders' equity. Average stockholders' equity is computed on a 13-month average beginning in 2001.
(8) Net earnings (loss), divided by average total assets.
(9) Debt divided by debt, stockholders' equity and minority interests.
(10) Ratio of earnings before interest and income tax expense to interest expense.
(11) Stock appreciation plus reinvested dividends.

Shareholders' and Other Information

Financial Information

Whirlpool Corporation's annual report on Form 10-K, a cassette-tape recording of the annual report to shareholders and other financial information is available free of charge to stockholders of record.

The Financial Summary contained in this Summary Annual Report should be read together with the Company's Consolidated Financial Statements and related notes, and the "Management's Discussion and Analysis." This information appears in the Financial Supplement to the Company's Proxy Statement and in the Financial Supplement to the 2004 Annual Report on Form 10-K, both of which are available through the Internet at www.whirlpoolcorp.com.

Company earnings releases for each quarter - typically issued in April, July, October and February - can be obtained by contacting:

Larry Venturelli
Vice President, Investor Relations
Whirlpool Corporation, 2000 N. M-63,
Mail Drop 2800
Benton Harbor, MI 49022-2692
Telephone: 269.923.4678
Fax: 269.923.3525
Email: larry_m_venturelli@whirlpool.com

Certifications

The most recent certifications by the Company's Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 are filed as exhibits to our Annual Report on Form 10-K. The Chief Executive Officer's most recent certification to the New York Stock Exchange pursuant to Section 303A.12(a) the NYSE's Listed Company Manual was submitted May 10, 2004.

Transfer Agent, Shareholder Records, Dividend Disbursements and Corporate Secretary

For information about or assistance with individual stock records, transactions, dividend checks or stock certificates, contact:

EquiServe Trust Company, N.A.
Shareholder Services
P.O. Box 43069
Providence, RI 02940-3069
Telephone: 877.498.8861
Outside the United States: 781.575.2879
TDD/TTY for hearing impaired:
201.222.4955
www.equiserve.com
Internet account access:
http://gateway.equiserve.com

For additional information about the Company, contact:

Robert T. Kenagy
Corporate Secretary
Whirlpool Corporation, 2000 N. M-63,
Mail Drop 2200
Benton Harbor, MI 49022-2692
Telephone: 269.923.3910
Fax: 269.923.3722
Email: robert_t_kenagy@whirlpool.com

Direct Stock Purchase Plan

As a participant in the DirectSERVICE Investment and Stock Purchase PROGRAM, you can be the direct owner of your shares of Whirlpool Common Stock. Non-shareholders may purchase their initial shares through the plan for a minimum investment of $250, or through automatic bank account debits of $50 for five months. Participants may make cash contributions of up to $250,000 annually, invested daily, with or without reinvesting their dividends, and can sell part of the shares held in the program without exiting the plan. There are modest transaction processing fees and brokerage commissions for purchases, sales and dividend reinvestment.

For details, contact EquiServe or visit their Direct Stock Purchase Plan Website to enroll.

Annual Meeting

Whirlpool Corporation's next annual meeting is scheduled for April 19, 2005, at 8:00 a.m. (Central Time), at 120 East Delaware Place, 8th Floor, Chicago, Illinois.

Stock Exchanges

Common stock of Whirlpool Corporation (exchange symbol: WHR) is listed on the New York and Chicago stock exchanges.

Stock-Split Exchange and Dividend History

March 1952, 2-for-1 stock exchange
December 1954, 100% stock dividend
May 1965, 2-for-1
May 1972, 3-for-1
December 1986, 2-for-1

Example: 100 shares of Whirlpool common stock purchased in February 1952 equaled 4,800 shares in January 2005.

Common Stock

Market Price	High	Low	Close
4Q 2004	$69.77	$54.53	$69.21
3Q 2004	$68.88	$58.15	$60.09
2Q 2004	$70.98	$61.05	$68.60
1Q 2004	$80.00	$66.60	$68.87
4Q 2003	$73.35	$65.52	$72.65
3Q 2003	$71.95	$62.25	$67.77
2Q 2003	$65.66	$48.41	$63.70
1Q 2003	$57.92	$42.80	$49.03

Trademarks

AccuSense, Acros, Bauknecht, big, Brastemp, Brastemp You, briva, Consul, Crolls, Dreamspace, Duet, Embraco, Ensemble, Eslabón de Lujo, Estate, Freezerator, Gladiator, Ice Magic, Ignis, Inglis, Insperience, JetChef, KIC, KitchenAid, Laden, Max! Fitness, Max! Magnum, Max! Moka, Mercury, Mini-BI, Moka II, Origami, Polar, Polara, Pro Line, Roper, Sec Fácil, Supermatic, Titanium, Total Legendary Care, Whirlpool, Whirlpool Gold, and 6th Sense are trademarks of Whirlpool Corporation or its wholly or majority-owned affiliates.

Cook for the Cure is a registered trademark of The Susan G. Komen Breast Cancer Foundation.

Habitat for Humanity is a registered trademark of Habitat for Humanity, Inc.

IKEA is a registered trademark of Inter-Ikea Systems B.V.

Kenmore and Turbozone are trademarks of Sears Brands, LLC.

Lowe's is a registered trademark of LF, LLC.

ENERGY STAR is a U.S. registered mark.

Whirlpool Corporation General Offices

World Headquarters and North America Region
2000 N. M-63
Benton Harbor, MI 49022-2692
Telephone: 269.923.5000

Europe Region
Viale G. Borghi 27
21025 Comerio (VA), Italy
Telephone: 39.0332.759.111
Fax: 39.0332.759.347

Latin America Region
Av. das Nações Unidas N. 12995
São Paulo - S.P. CEP 04578-000, Brazil
Telephone: 55.11.5586.6100
Fax: 55.11.5586.6040

Asia Region
565 Jin Gang Road
Jingqiao Export Processing Zone
Pudong New Area
Shanghai, PRC 201206
Telephone: 86.21.5899.5550
Fax: 86.21.5899.4449

Product and Service Information (North America)
KitchenAid brand: 800.422.1230
Whirlpool brand: 800.253.1301

Internet Address
Whirlpool financial information and more are available at Whirlpool's site on the Internet: www.whirlpoolcorp.com.

Directors & Executive Committee

Directors

Gary T. DiCamillo [1,2]
President and
Chief Executive Officer,
TAC Worldwide Co.

Jeff M. Fettig
Chairman, President and
Chief Executive Officer
of the Company

Allan D. Gilmour [1,3]
Former Vice Chairman,
Ford Motor Company

Kathleen J. Hempel [2,3]
Former Vice Chairman and
Chief Financial Officer,
Fort Howard Corporation

Michael F. Johnston [2,3]
President and
Chief Operating Officer,
Visteon Corporation

James M. Kilts [1,4]
Chairman of the Board and
Chief Executive Officer,
The Gillette Company

Arnold G. Langbo [1,4]
Former Chairman of the Board
and Chief Executive Officer,
Kellogg Company

Miles L. Marsh [2,4]
Former Chairman of the Board
and Chief Executive Officer,
Fort James Corporation

Paul G. Stern [3,4]
Partner, Thayer Capital Partners,
LLP and Arlington Capital
Partners, LLP

Janice D. Stoney [1,4]
Former Executive Vice President,
US WEST Communications
Group, Inc.

Michael D. White [1,2]
Chairman and
Chief Executive Officer,
PepsiCo International

Committees
1. Audit
2. Corporate Governance and Nominating
3. Finance
4. Human Resources

Executive Committee

Jeff M. Fettig
Chairman, President and
Chief Executive Officer

David A. Binkley
Senior Vice President,
Global Human Resources

Mark E. Brown
Senior Vice President,
Global Strategic Sourcing

Daniel F. Hopp
Senior Vice President,
Corporate Affairs and
General Counsel

Mark Hu
Executive Vice President and
President, Whirlpool Asia

Paulo F. M. Periquito
Executive Vice President and
President, Latin America

David L. Swift
Executive Vice President,
North American Region

Roy W. Templin
Executive Vice President and
Chief Financial Officer

Michael D. Thieneman
Executive Vice President and
Chief Technology Officer

Michael A. Todman
Executive Vice President and
President, Whirlpool Europe