Third-Quarter 2018 Earnings Review

Whirlpool CORPORATION



GLOBAL OVERVIEW



Marc Bitzer

President and
Chief Executive Officer



2018 THIRD-QUARTER HIGHLIGHTS

- All-time record ongoing EPS of $4.55 and EBIT margin expansion in 3 of 4 regions
- Very strong price/mix improvement; positive in all regions
- North America delivered strong revenue and share growth with ongoing EBIT margin expansion to 12%
- Announced new strategic actions to refocus and right-size the EMEA business
- Recently announced cost-based price increases, including U.S. kitchen and Brazil
- Tax rate favorability driven by tax planning and pension pre-funding

PROGRESS TOWARD LONG-TERM GOALS

	Profitable Growth	Margin Expansion	Cash Conversion
Long-Term Goals	**3-5%** Annual Organic Net Sales Growth	**10%** EBIT Margin	**5-6%** FCF as % of Net Sales
	Net Sales / YoY Change	Ongoing EBIT Margin(1) / YoY Change	Free Cash Flow(2) / FCF as % of Net Sales
Q3 2018	$5.3B / (2)% *(~1.5% ex currency)*	6.2% / (0.4)pts	$(874)M* / nm
FY 2018 (Forecast)	~$21.2B / Flat	~6.4% / Flat	~$600M** / ~3%

*Includes ~$350M pension contribution

**Includes ~$200M of voluntary items, including pension contribution

Record Ongoing EPS of $4.55

Expect Full Year Ongoing EPS of $14.50-$14.80 (High End of Previous Range)

Q3 2018 ONGOING EBIT MARGIN(1) DRIVERS

(Approximate impact)	Q3
2017 Ongoing EBIT Margin	**6.6%**
Price / Mix	+2.50
Net Cost (excluding Raw Material/Tariff Inflation)*	+0.25
Raw Material/Tariff Inflation	-1.75
Marketing & Technology Investments	-0.75
Currency	-0.50
2018 Ongoing EBIT Margin	**6.2%**

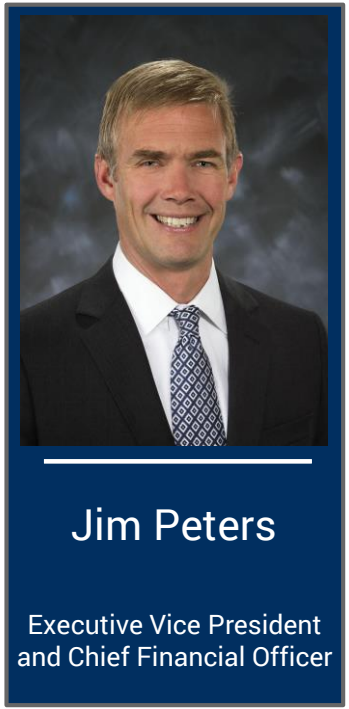
*Inclusive of Fixed Cost Takeout, Ongoing Cost Productivity (including conversion and freight and warehousing) and Restructuring Benefits

KEY PERFORMANCE DRIVER: PRODUCT PRICE/MIX

Region	Q3 2018	Q3 2018 Drivers
Total Company	**+2.5%**	
North America	Up	• Benefits of price/mix actions • Launch of *Whirlpool* brand connected kitchen products
EMEA	Up	• Benefits of price/mix actions across the region
Latin America	Up	• Benefits of price/mix actions, primarily in Brazil
Asia	Up	• Benefits of price/mix actions

Cost-Based Price Increases Have Delivered Significant Benefits Year-to-Date

REGIONAL OVERVIEW

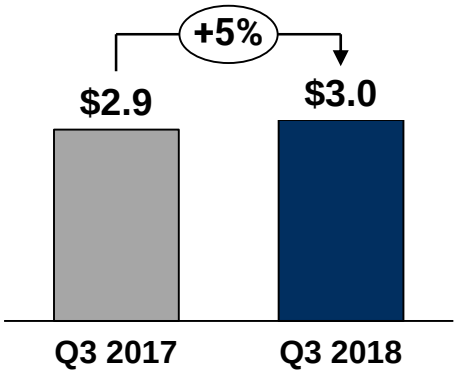


Jim Peters

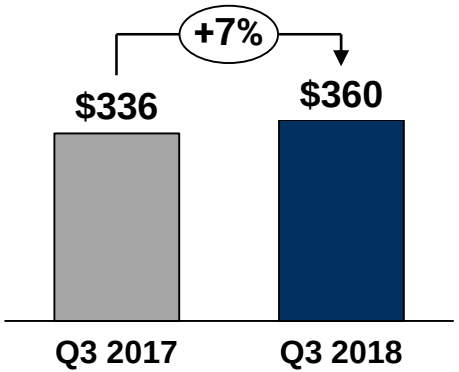
Executive Vice President
and Chief Financial Officer

NORTH AMERICA THIRD-QUARTER RESULTS

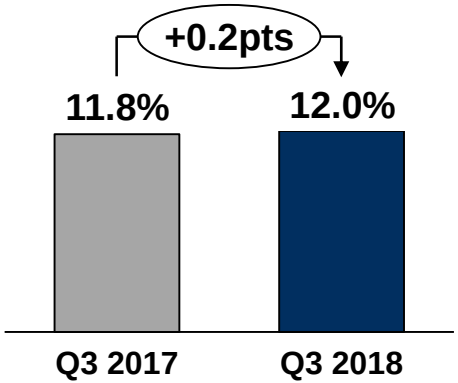
Net Sales ($B)



Ongoing EBIT[3] ($M)



Ongoing EBIT Margin[3]



- Strong top line growth driven by positive price/mix and share gains, despite soft industry demand
- Record ongoing EBIT, despite ~$40M raw material/tariff inflation and ~$25M higher freight costs
- Announced cost-based price increase on U.S. kitchen effective late December 2018

LAUNCH OF INNOVATIVE NEW PRODUCTS ACROSS NORTH AMERICA

New Connected Kitchen



- Integrated with *Yummly* Guided Cooking and Voice-Enabled devices
- Industry-first low profile microwave that fits and vents like a hood

Launched in Q3 2018

New Connected Front Load



- Includes connected, All-in-One Washer/Dryer
- Industry leading innovations across the line

Launching in Q4 2018

New Connected Top Load

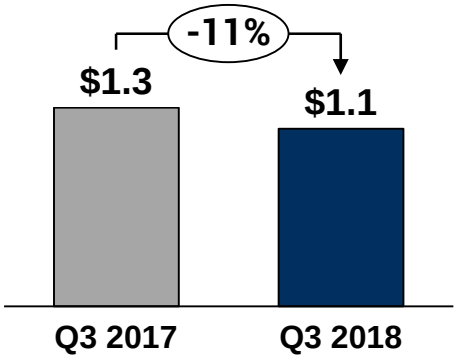


- New consumer-relevant innovation and aesthetics across mass and premium top load laundry

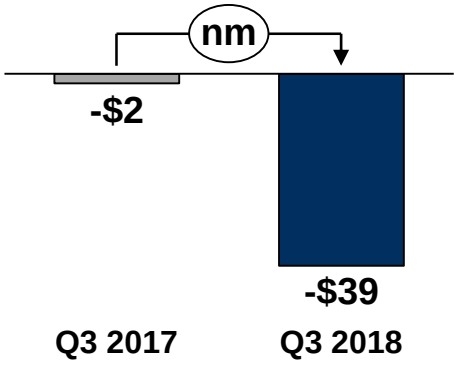
Launching in 2019

EMEA THIRD-QUARTER RESULTS

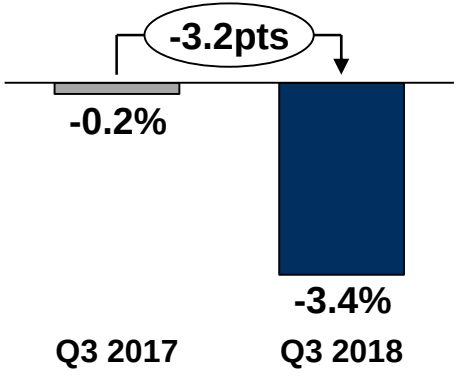
Net Sales ($B)



EBIT[3] ($M)



EBIT Margin[3]

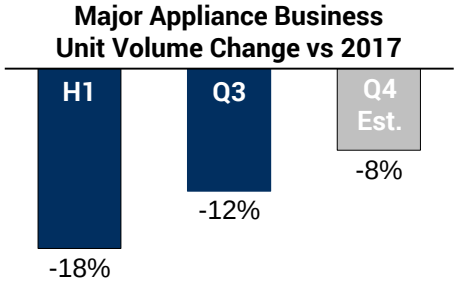


- Volume declines lessened in the quarter, but continued to negatively impact productivity
- Continued raw material inflation unfavorably impacted EBIT[3] by ~$20M
- Operational and currency related challenges in Turkey unfavorably impacted EBIT by ~$20M
- Announced strategic actions to drive the region back to profitability

ACTIONS TO REFOCUS EMEA BUSINESS

Stabilize Volumes While Sustaining Price/Mix

- Restore trade relationships and recover lost flooring
- Refocus marketplace investments to most profitable segments
- Realize benefits from new product launches



Refocus and Right-Size Our Business

- Exit Turkey domestic sales operations*
- Exit Hotpoint small appliances
- Evaluating South Africa operations
- New $50M fixed-cost reduction

Represents
~$230M Net Sales
~$(60)M EBIT

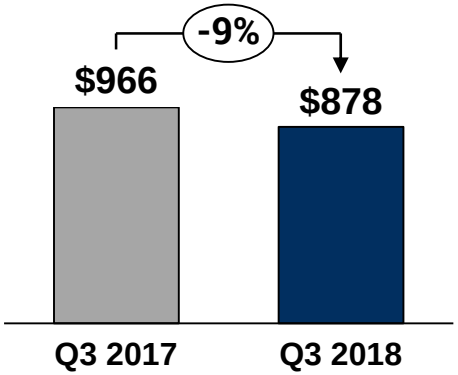
$100 Million
Annualized EBIT
Improvement Opportunity

* Does not include existing manufacturing operations

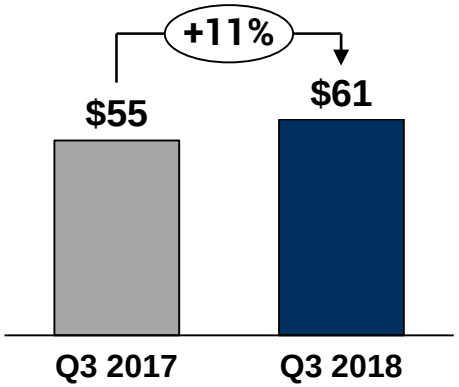
Committed to Returning to Profitability

LATIN AMERICA THIRD-QUARTER RESULTS

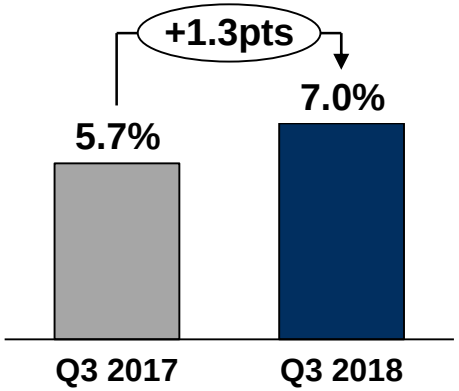
Net Sales ($M)



Ongoing EBIT[3] ($M)

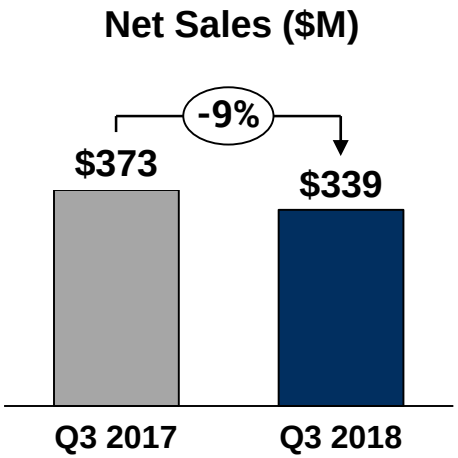


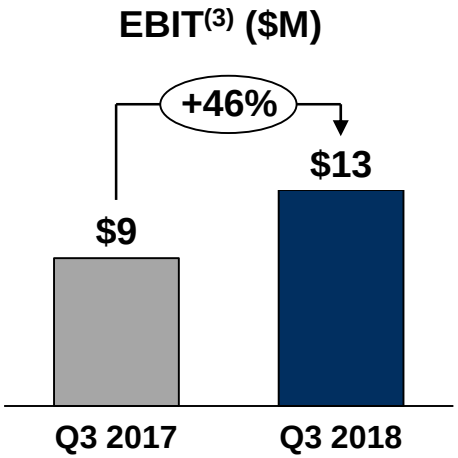
Ongoing EBIT Margin[3]

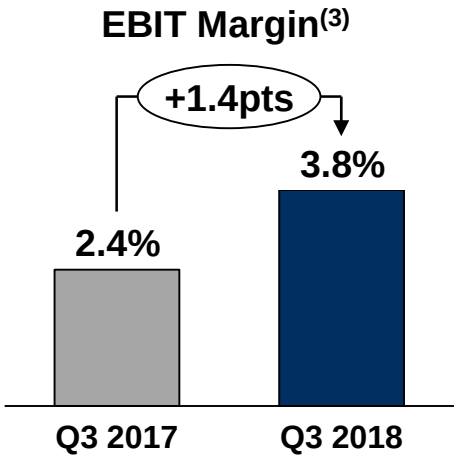


- Strong improvement in home appliance EBIT margin
- Solid share gains and ex-currency revenue growth of ~2%
- Positive price/mix more than offset raw material inflation and currency of ~$15M

ASIA THIRD-QUARTER RESULTS







- Strong EBIT improvement in China, despite weak industry demand
- Solid margin performance in India tempered by short-term industry demand softness
- Positive price/mix more than offset raw material inflation of ~$10M

2018 GUIDANCE



Marc Bitzer

President and
Chief Executive Officer



Jim Peters

Executive Vice President
and Chief Financial Officer



2018 GUIDANCE OVERVIEW

	Profitable Growth	Margin Expansion	Cash Conversion
Long-Term Goals	**3-5%** Annual Organic Net Sales Growth	**10%** EBIT Margin	**5-6%** FCF as % of Net Sales
	Net Sales	YoY Change	Ongoing EBIT Margin(1)	YoY Change	Free Cash Flow(2)	FCF as % of Net Sales
FY 2018 (Forecast)	~$21.2B	Flat	~6.4%	Flat	~$600M*	~3%

*Includes ~$200M of voluntary items, including pension contribution

Expect to Deliver Record Ongoing Earnings Per Share(1) of $14.50 - $14.80 in 2018

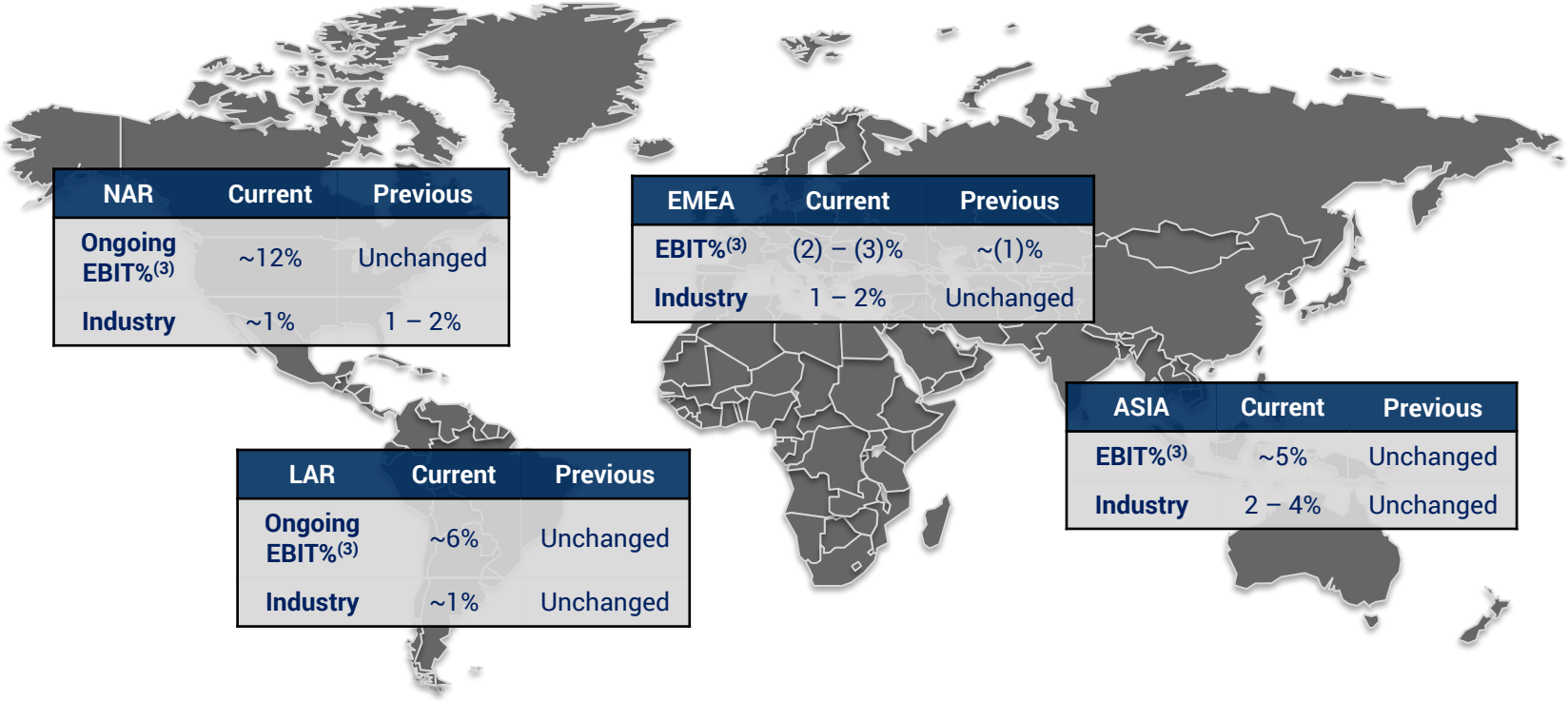
2018 ONGOING EBIT MARGIN(1) GUIDANCE PROGRESSION

(Approximate impact)	Current	Previous	Comments
2017 Ongoing EBIT Margin	**6.4%**	**6.4%**	
Price / Mix	+2.0	+2.0	• Global price/mix actions on-track
Net Cost (excluding Raw Material/Tariff Inflation)*	+0.75	+1.25	• Fixed cost reduction fully-implemented and on-track • Volume weakness impacting conversion/productivity • Fuel inflation impacting freight costs
Raw Material/Tariff Inflation	-1.75	-1.75	• Continue to expect ~$350M cost increase
Marketing & Technology Investments	-0.75	-0.75	• Supporting global and regional product launches
Currency	-0.25	-0.25	• Currency volatility impacting GBP, BRL and RUB
2018 Ongoing EBIT Margin	**~6.4%**	**~6.9%**	

*Inclusive of Fixed Cost Takeout, Ongoing Cost Productivity (including conversion and freight and warehousing) and Restructuring Benefits

Expect to Deliver Margin Expansion Through Price/Mix and Fixed Cost Takeout

2018 REGIONAL GUIDANCE



NAR	Current	Previous
Ongoing EBIT%[3]	~12%	Unchanged
Industry	~1%	1 – 2%

EMEA	Current	Previous
EBIT%[3]	(2) – (3)%	~(1)%
Industry	1 – 2%	Unchanged

LAR	Current	Previous
Ongoing EBIT%[3]	~6%	Unchanged
Industry	~1%	Unchanged

ASIA	Current	Previous
EBIT%[3]	~5%	Unchanged
Industry	2 – 4%	Unchanged

Strong Performance in NAR, LAR and Asia Offset by Weakness in EMEA

2018 FREE CASH FLOW(2) DRIVERS

(Approximate impact)	Current	Previous	Comments
2017 Free Cash Flow	**$707M**	**$707M**	
Cash Earnings	~$50M	~$150M	• Continued business weakness in EMEA • Raw material/tariff and freight headwinds
Working Capital	~$125M	~$125M	• Significant inventory reduction in NAR and EMEA
Restructuring Cash Outlays	~$(125)M	~$(125)M	• Higher cash outlays related to Embraco Italy plant closure • Global fixed cost reduction initiative
Capital Expenditures	~$50M	-	• Reduced capital expenditures related to project timing
Excluding Voluntary Items	**~$800M**	**~$850M**	
Pension Funding/Other Item	~$(200)M	-	• Opportunistic pension pre-funding of ~$350M in Q3 partially offset by real estate portfolio optimization in Q4
2018 Free Cash Flow	**~$600M**	**~$850M**	

Strong Free Cash Flow Enabled Us to Take Avantage of Pension Pre-Funding Opportunity

2018 CAPITAL ALLOCATION STRATEGY

Fund the Business	Target	Status
Capex / R&D	Capex: ~3.5% of net sales R&D: ~3% of net sales	✓ • On-track • On-track
Mergers & Acquisitions	Explore value-creating M&A to accelerate strategy	✓ • Embraco sale, expected closing 2019 • Continue to be opportunistic

Return to Shareholders	Target	Status
Dividends	25-30% of trailing 12-month earnings	✓ • Increased quarterly dividend for 6th consecutive year
Share Repurchase	Continue repurchasing	✓ • Repurchased $1.1B year-to-date • ~$850M authorization remaining
Targeted Capital Structure	Maintain strong investment grade rating	✓ • On-track

CURRENT PLANNING ASSUMPTIONS FOR 2019

Guidance Component	Expectations
Industry Growth	• Modest global industry growth of 0-2% • U.S. Industry growth of approximately 1%
Cost Inflation	• Sustained (but not increasing) raw material/tariff inflation headwinds of approximately $300M
EBIT Margin	• Previously-announced cost-based price increases, mix opportunities from new product launches, and strong cost discipline to mitigate headwinds • Expect to deliver EBIT margin expansion
Restructuring Expenses & Tax	• Significantly reduced restructuring expenses • Effective 2019 tax rate expectation of less than 20%

Full 2019 Guidance Will Be Provided on Our January Earnings Call

Q&A AND CLOSING REMARKS




Whirlpool
CORPORATION

APPENDIX



2018 GUIDANCE COMPONENTS (APPROXIMATE IMPACT)

Income Statement	FY2018E	FY2017A
Raw Material Inflation	$(350)M	$(350)M
Restructuring Expense	$250M	$275M
Interest Expense	$190M	$162M
Adjusted Tax Rate	~10.5%	14.7%
Weighted-Average Diluted Shares Outstanding	68.1M*	74.4M

Cash Flow Statement	FY2018E	FY2017A
Capital Expenditures	$625M	$684M
Pension Contributions	~$350M	$42M
Dividends Paid	$232M**	$312M
Amount of Stock Repurchased	$1,100M**	$750M
Restructuring Cash Outlays	$300M	$175M
EMEA Legacy Product Warranty	n/a	$69M

*Estimated full-year weighted-average diluted shares outstanding inclusive of actual share repurchases as of 9/30/2018
**YTD as of 9/30/2018

CAUTIONARY STATEMENT

This presentation contains forward-looking statements about Whirlpool Corporation and its consolidated subsidiaries ("Whirlpool") that speak only as of this date. Whirlpool disclaims any obligation to update these statements. Forward-looking statements in this presentation may include, but are not limited to, statements regarding expected earnings per share, cash flow, productivity and raw material prices. Many risks, contingencies and uncertainties could cause actual results to differ materially from Whirlpool's forward-looking statements. Among these factors are: (1) intense competition in the home appliance industry reflecting the impact of both new and established global competitors, including Asian and European manufacturers, and the impact of the changing retail environment; (2) Whirlpool's ability to maintain or increase sales to significant trade customers and the ability of these trade customers to maintain or increase market share; (3) Whirlpool's ability to maintain its reputation and brand image; (4) the ability of Whirlpool to achieve its business plans, productivity improvements, and cost control objectives, and to leverage its global operating platform, and accelerate the rate of innovation; (5) Whirlpool's ability to obtain and protect intellectual property rights; (6) acquisition and investment-related risks, including risks associated with our past acquisitions, and risks associated with our increased presence in emerging markets; (7) risks related to our international operations, including changes in foreign regulations, regulatory compliance and disruptions arising from political, legal and economic instability; (8) information technology system failures, data security breaches, network disruptions, and cybersecurity attacks; (9) product liability and product recall costs; (10) the ability of suppliers of critical parts, components and manufacturing equipment to deliver sufficient quantities to Whirlpool in a timely and cost-effective manner; (11) our ability to attract, develop and retain executives and other qualified employees; (12) the impact of labor relations; (13) fluctuations in the cost of key materials (including steel, resins, copper and aluminum) and components and the ability of Whirlpool to offset cost increases; (14) Whirlpool's ability to manage foreign currency fluctuations; (15) impacts from goodwill impairment and related charges; (16) triggering events or circumstances impacting the carrying value of our long-lived assets; (17) inventory and other asset risk; (18) the uncertain global economy and changes in economic conditions which affect demand for our products; (19) health care cost trends, regulatory changes and variations between results and estimates that could increase future funding obligations for pension and postretirement benefit plans; (20) litigation, tax, and legal compliance risk and costs, especially if materially different from the amount we expect to incur or have accrued for, and any disruptions caused by the same; (21) the effects and costs of governmental investigations or related actions by third parties; and (22) changes in the legal and regulatory environment including environmental, health and safety regulations, and taxes and tariffs.

Additional information concerning these and other factors can be found in Whirlpool's filings with the Securities and Exchange Commission, including the most recent annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K.

USE OF NON-GAAP FINANCIAL MEASURES

This presentation includes certain non-GAAP financial measures, which we refer to as "ongoing"(1) measures:

> Ongoing net sales, ongoing earnings per diluted share, earnings before interest and taxes (EBIT), EBIT margin, ongoing EBIT, ongoing EBIT margin, ongoing segment EBIT, ongoing segment EBIT margin

Other non-GAAP financial measures included in this presentation are free cash flow(2), free cash flow as percentage of sales and net sales (excluding currency), which we also refer to as organic net sales.

Please refer to the supplemental information pack located in the events section of our Investor Relations website at investors.whirlpoolcorp.com for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures.

(1) Ongoing measures are non-GAAP measures. See our website for reconciliation information.

(2) Free cash flow is a non-GAAP measure. See our website for reconciliation information.

(3) Segment EBIT (including ongoing segment EBIT) represents our consolidated EBIT broken down by the Company's reportable segments. Consolidated EBIT also includes corporate "Other/Eliminations" of $(944) million.