
WHIRLPOOL CORPORATION

THIRD-QUARTER EARNINGS REVIEW



i. Overview

ii. North American Operations

iii. International Operations

iv. Financial Review

v. Closing Remarks

Q3 HIGHLIGHTS

- Q3 revenue of \$4.5 billion...down 8% from prior year
 - Unfavorable foreign currency translation
 - Lower unit volumes in Europe & North America

- Earnings per share of \$1.15 versus \$2.15
 - Brazil settlement agreement ~\$(0.50) impact in Q3 2009
 - Strong improvement in North America and Asia

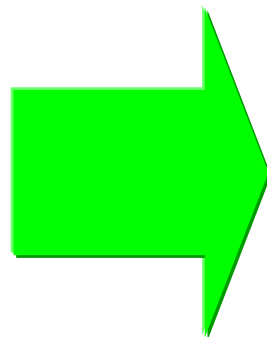
- YTD free cash flow of \$373 million

- Continued strong progress on cost reduction initiatives

KEY OPERATIONAL DRIVERS

Positive Effects

- Significant cost reductions
- Lower working capital
- Reduced capital spending




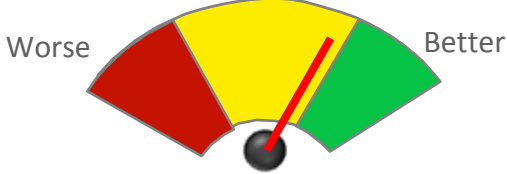

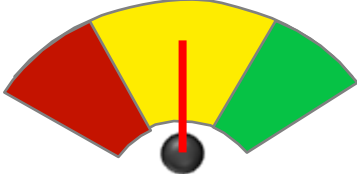

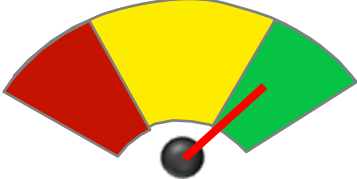

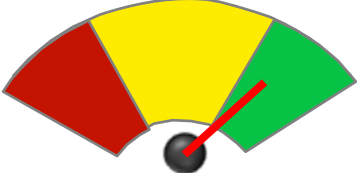
Operating results favorably impacted through execution of key drivers

Negative Effects

- Demand
- Currencies

Third quarter operating results reflect solid progress on key initiatives

GLOBAL INDUSTRY TRENDS

Region	Outlook	Trend
	<p>~ (10)%</p>	<p>No Change</p> 
	<p>~ (13)%</p>	
	<p>Brazil +15%</p>	
	<p>~ +10%</p>	

2009 Guidance⁽¹⁾

Earnings per Share

~ \$4.25

Free Cash Flow

~ \$500 - 600 million

⁽¹⁾ Note: Based upon current economic projections and business plans.

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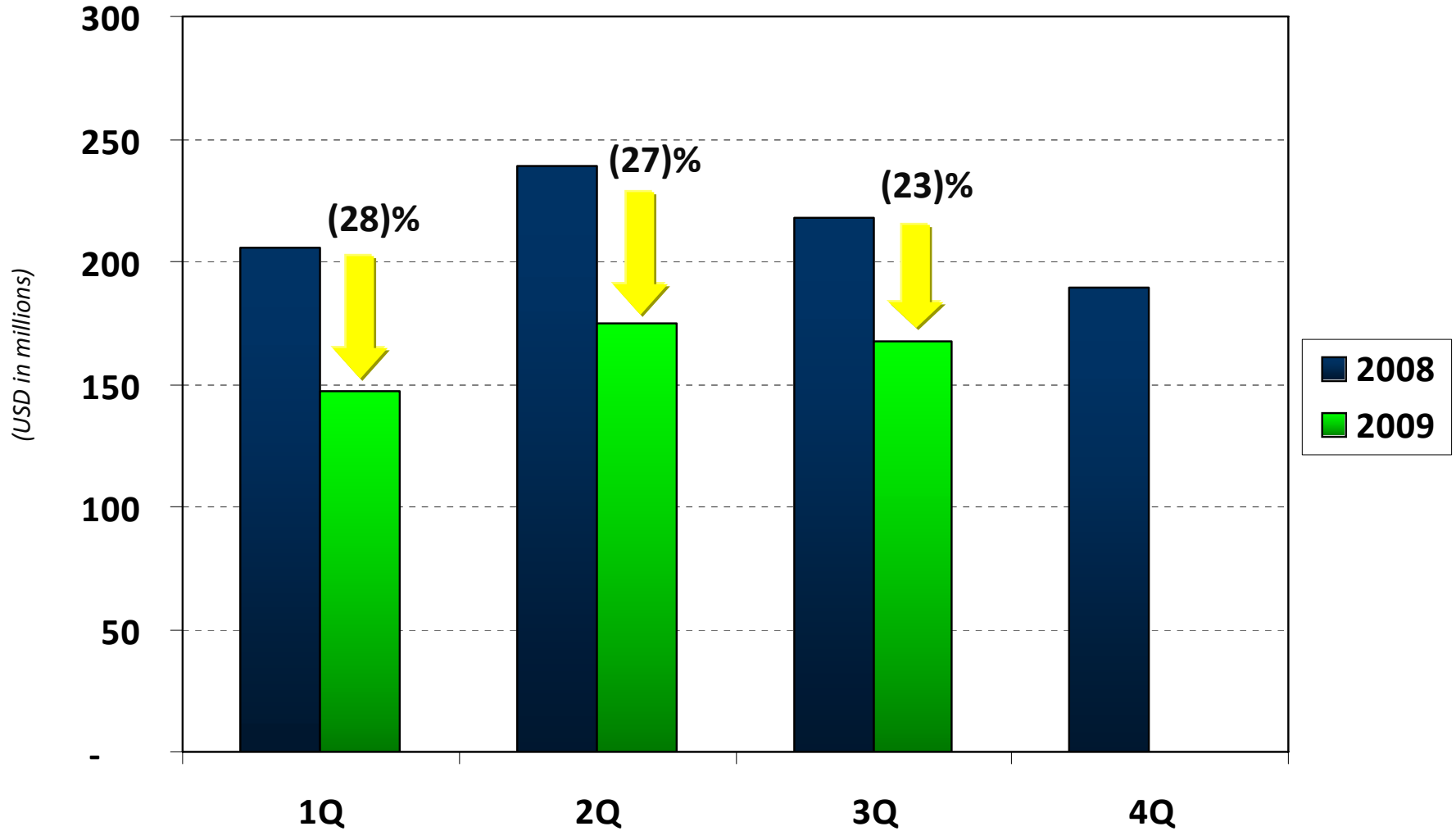
NORTH AMERICA Q3 RESULTS



<i>(USD in millions)</i>	Third Quarter		Better/(Worse)	
	2009	2008	2008	%
Net Sales	2,494	2,741	(247)	(9)%
Operating Profit	140	74	66	89%
Operating Margin %	5.6%	2.7%	2.9 pts	

- **Unit shipments decline 6%**
- **Sales decrease ~ 7% excluding foreign currency translation impact**
- **Strong benefits from cost reduction and productivity initiatives**

NORTH AMERICA SG&A COST TRENDS



INNOVATIVE NEW PRODUCTS

JENN-AIR®



Touch-Screen Wall Oven

MAYTAG



Bravos high efficiency top-load laundry pair

MAYTAG



Gas range with industry's largest available oven capacity

INNOVATIVE NEW PRODUCTS



Superba series EQ dishwasher



Duet steam washing machine with FanFresh option



Cabrio high-efficiency washing machine and dryer



**North America has made strong progress in all dimensions of our
business**

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<i>(USD in millions)</i>	Third Quarter		Better/(Worse)	
	2009	2008	2008	%
Net Sales	899	1,087	(188)	(17)%
Operating Profit	14	52	(38)	(74)%
Operating Margin %	1.5%	4.8%	(3.3) pts	

- Unit shipments decline 12%
- Sales decrease ~ 11% excluding foreign currency translation impact
- Lower volume and the non-recurrence of asset sale/insurance gain reduced operating income ...partially offset by cost reduction and productivity initiatives

LATIN AMERICA Q3 RESULTS



<i>(USD in millions)</i>	Third Quarter		Better/(Worse)	
	2009	2008	2008	%
Net Sales	992	989	3	0%
Operating Profit	93	116	(23)	(20)%
Operating Margin %	9.3%	11.7%	(2.4) pts	

- Unit shipments increase 21%
- Sales increase ~ 12% excluding foreign currency translation impact
- Operating profit unfavorably impacted by foreign currency movements and lower tax credit monetization
- Partially offset by higher unit demand and cost reduction initiatives

<i>(USD in millions)</i>	Third Quarter		Better/(Worse)	
	2009	2008	2008	%
Net Sales	162	137	25	18%
Operating Profit	8	0	8	NM
Operating Margin %	4.8%	0.3%	4.5 pts	

- **Unit shipments increase 32%**
- **Sales increase ~ 26% excluding foreign currency translation impact**
- **Asia growth strategy delivering strong benefits from higher unit shipments**

- European results returned to profitable levels...continued focus on cost reduction actions
- Economic fundamentals continue to strengthen in Brazil
 - Stimulus scheduled to end October 31...
- Whirlpool Asia growth strategy taking hold...continue to see strong future opportunities to grow business in region

Whirlpool is well-positioned to benefit from emerging market growth

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Revenue performance

- Foreign currency exchange
- Global unit volume declines
- + Emerging market growth

Operating margin performance

- + Enterprise-wide cost reduction initiatives
- Global unit volume declines
- Foreign exchange
- Lower BEFIEX monetization - \$8 million vs. \$43 million in prior year

Other items

- Expense of \$43 million, or \$0.50 per share, related to a subsidiary settlement agreement
- Lower asset sale/insurance gains - \$3 million vs. \$14 million in prior year
- Pension curtailment expense of \$7 million related to Q309 facility closure announcement

FINANCIAL SUMMARY



<i>(USD in millions)</i>	Third Quarter		Better/(Worse)	
	2009	2008	2008	%
Net Sales	4,497	4,902	(405)	(8)%
Cost of Goods Sold	3,877	4,217	340	8%
Gross Margin %	13.8%	14.0%	(0.2) pts	
SG&A	400	477	77	16%
Restructuring	24	24	0	0%
Operating Profit	189	177	12	8%

- **Sales:** Declined ~ 3% excluding foreign currency translation impact
- **Gross margin:** Unfavorable FX & lower BEFIEX monetization partially offset by favorable cost reduction & productivity
- **SG&A:** Primarily cost reduction initiatives

FINANCIAL SUMMARY



<i>(USD in millions)</i>	Third Quarter		Better/(Worse)	
	2009	2008	2008	%
Operating Profit	189	177	12	8%
Interest Expense	(58)	(52)	(6)	(12)%
Interest & Sundry Income/(Expense)	(51)	(3)	(48)	NM
Earnings Before Income Taxes	80	122	(42)	(34)%
Income Taxes	(13)	(46)	33	(73)%
Net Earnings to Noncontrolling Interests	(6)	(5)	(1)	(2)%
Net Earnings to WHR Stockholders	87	163	(75)	(46)%
EPS - Diluted	\$ 1.15	\$ 2.15	\$ (1.00)	(47)%

- **Interest & Sundry:** \$43 million expense related to Brazilian settlement
- **EPS:** Approximately \$(0.50) per share impact from Brazilian settlement

WORKING CAPITAL



(USD in millions)

	<u>9/30/2009</u>	<u>9/30/2008</u>	<u>6/30/09</u>
Accounts Receivable	2,742	2,603	2,326
Inventory	2,418	3,053	2,472
Accounts Payable	3,067	3,282	2,649
Working Capital	2,093	2,374	2,149
% of Sales	12.8%	12.2%	13.9%

- **Continued strong inventory management**
- **Focus on working capital management driving improved working capital % of sales metrics**

CASH FLOW



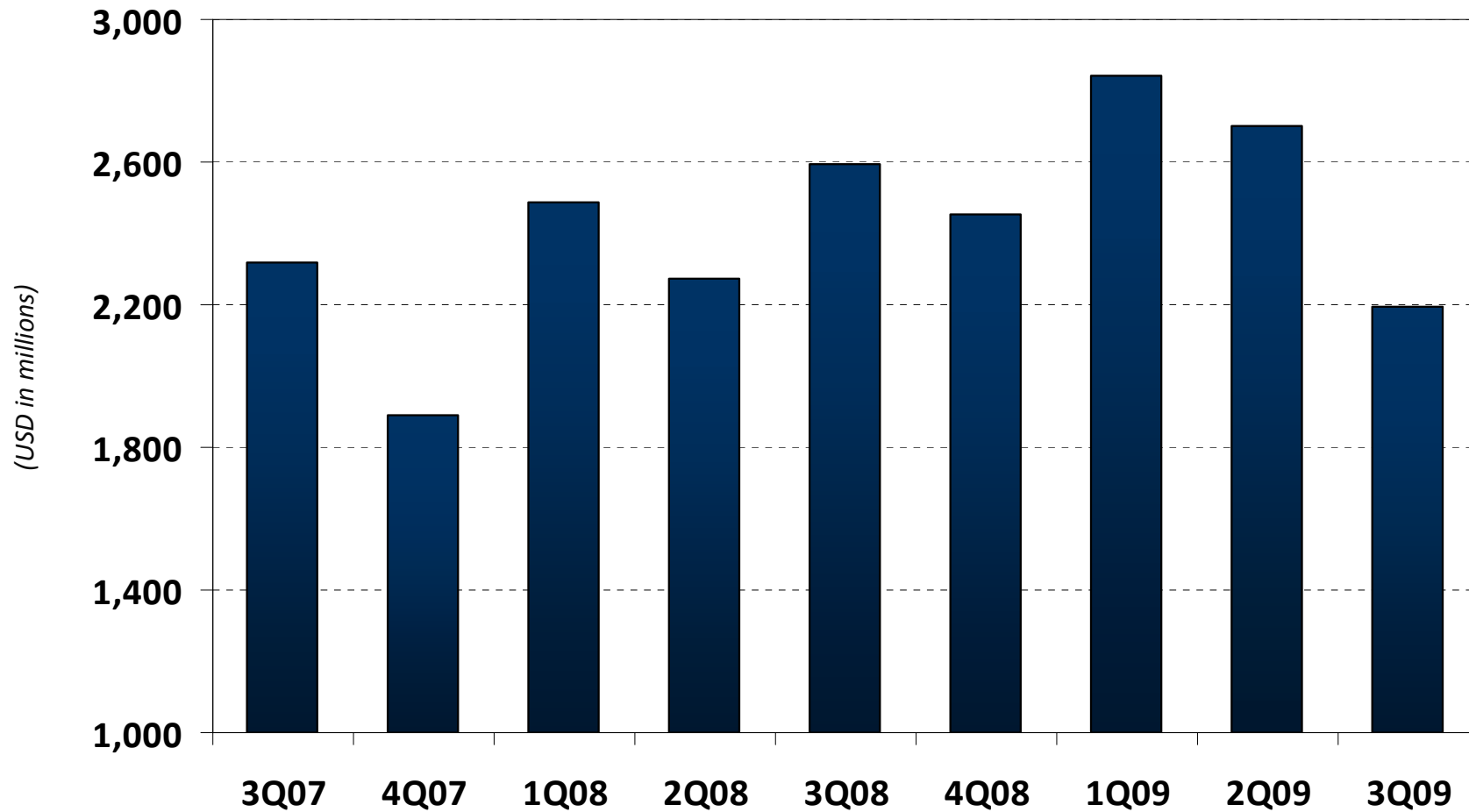
<i>(USD in millions)</i>	Nine Months Ended September 30	
	2009	2008
Net Earnings	252	396
Depreciation & Amortization	388	467
Working Capital	(98)	(458)
Other	110	(411)
Cash Provided by Operating Activities	652	(6)
Capital Expenditures	(348)	(378)
Proceeds from Sale of Assets	69	35
Free Cash Flow	373	(349)

- Improved working capital management
- Other cash flow predominantly due to lower cash payments related to advertising & promotions and compensation

- Extended revolving credit facility maturity to August 2012 from December 2010
- Full availability under revolving credit facility

	<u>9/30/2009</u>
Total Revolving Credit Facility	\$ 1,872
+ Cash and Equivalents	725
- Revolving Credit Facility Draw	0
Net Available Liquidity	\$ 2,597

HISTORICAL NET DEBT



Strong cash flow driving reduction in net debt

2009 Guidance⁽¹⁾

Earnings per Share

~ \$4.25

Free Cash Flow

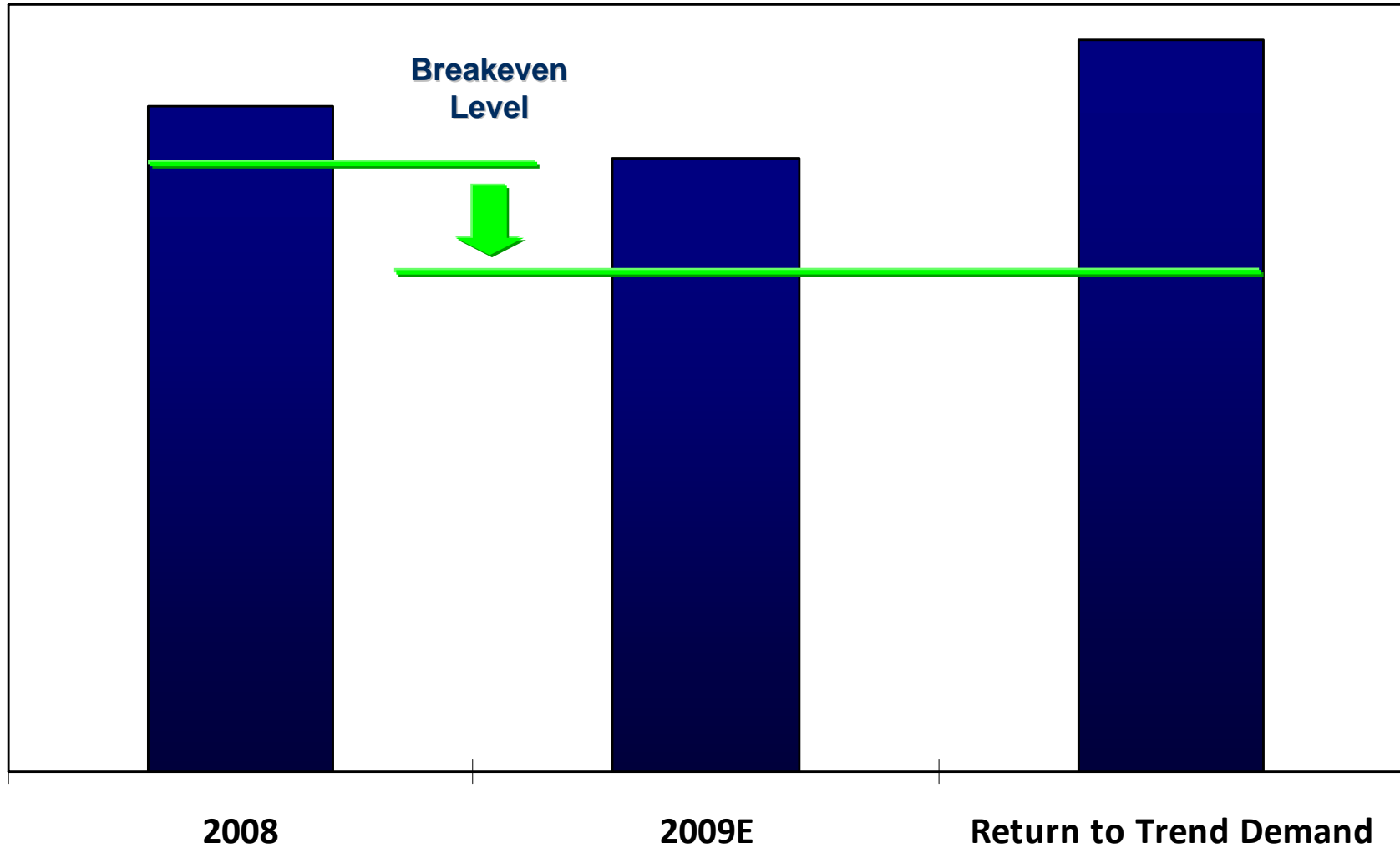
~ \$500 - 600 million

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REMOVING STRUCTURAL COSTS



Cash Flow Reconciliation

The table below reconciles actual 2009 and 2008 and projected 2009 cash provided by continuing operations determined in accordance with generally accepted accounting principles (GAAP) in the United States to free cash flow, a non-GAAP measure. Management believes that free cash flow provides shareholders with a relevant measure of liquidity and a useful basis for assessing the company's ability to fund its activities and obligations. There are limitations to using non-GAAP financial measures, including the difficulty associated with comparing companies that use similarly named non-GAAP measures whose calculations may differ from the company's calculations. As defined by the company, free cash flow is cash provided by continuing operations after capital expenditures and proceeds from the sale of assets/businesses.

<i>(millions of dollars)</i>	Nine Months Ended September 30		2009 Outlook	
	2009	2008		
Cash (used in) / provided by operations	\$ 652	\$ (6)	\$ 900	\$ 1,025
Capital expenditures	(348)	(378)	(475)	(525)
Proceeds from sale of assets	69	35	75	100
Free cash flow	\$ 373	\$ (349)	\$ 500	\$ 600

About Whirlpool Corporation

Whirlpool Corporation is the world's leading manufacturer and marketer of major home appliances, with annual sales of approximately \$19 billion in 2008, 70,000 employees, and 67 manufacturing and technology research centers around the world. The company markets *Whirlpool*, *Maytag*, *KitchenAid*, *Jenn-Air*, *Amana*, *Brastemp*, *Consul*, *Bauknecht* and other major brand names to consumers in nearly every country around the world. Additional information about the company can be found at <http://www.whirlpoolcorp.com>.

* T7 refers to the following household appliance categories: washers, dryers, refrigerators, freezers, dishwashers, ranges and compactors

WHIRLPOOL ADDITIONAL INFORMATION:

This document contains forward-looking statements about Whirlpool Corporation and its consolidated subsidiaries (“Whirlpool”) that speak only as of this date. Whirlpool disclaims any obligation to update these statements. Forward-looking statements in this document may include, but are not limited to, statements regarding expected earnings per share, cash flow, productivity and material and oil-related prices. Many risks, contingencies and uncertainties could cause actual results to differ materially from Whirlpool’s forward-looking statements. Among these factors are: (1) changes in economic conditions which affect demand for our products, including the strength of the building industry and the level of interest rates; (2) the effects of the global economic crisis on our customers, suppliers and the availability of credit; (3) Whirlpool’s ability to continue its relationship with significant trade customers, including Sears Holding Corporation in North America (accounting for approximately 11% of Whirlpool’s 2008 consolidated net sales of \$18.9 billion) and the ability of these trade customers to maintain or increase market share; (4) intense competition in the home appliance industry reflecting the impact of both new and established global competitors, including Asian and European manufacturers; (5) the ability of Whirlpool to manage foreign currency fluctuations; (6) litigation including product liability and product defect claims; (7) the ability of Whirlpool to achieve its business plans, productivity improvements, cost control, leveraging of its global operating platform, and acceleration of the rate of innovation; (8) fluctuations in the cost of key materials (including steel, oil, plastic, resins, copper and aluminum) and components and the ability of Whirlpool to offset cost increases; (9) the ability of suppliers of critical parts, components and manufacturing equipment to deliver sufficient quantities to Whirlpool in a timely and cost-effective manner; (10) health care cost trends and regulatory changes that could increase future funding obligations for pension and other postretirement benefit plans; (11) Whirlpool’s ability to obtain and protect intellectual property rights; (12) global, political and/or economic uncertainty and disruptions, especially in Whirlpool’s significant geographic regions, including uncertainty and disruptions arising from natural disasters or terrorist attacks; (13) the effects of governmental investigations or related actions by third parties; (14) the impact of labor relations; (15) our ability to attract, develop and retain executives and other qualified employees; (16) the cost of compliance with environmental and health and safety regulations. Additional information concerning these and other factors can be found in Whirlpool Corporation’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.