



FIRST-QUARTER EARNINGS REVIEW

WHIRLPOOL CORPORATION

This presentation includes the following non-GAAP financial measures: adjusted operating profit, adjusted operating margin, free cash flow, adjusted segment operating profit, adjusted segment operating margin and adjusted diluted earnings per share. Please refer to the Appendix for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures.

i. Overview

ii. North American Operations





iii. International Operations

iv. Financial Review

v. Closing Remarks





Q1 2011 RESULTS OVERVIEW



	Sales	Diluted EPS (GAAP)	Adjusted Diluted EPS	Free Cash Flow
2011	\$4.4B	\$2.17	\$2.11	\$(0.3)B
2010	\$4.3B	\$2.13	\$2.51	\$(0.1)B
Change	\$0.1B 	\$0.04 	\$(0.40) 	\$(0.2)B 

Challenging Q1 macroeconomic environment...implementing actions to address material and oil-related inflation

2011 INDUSTRY DEMAND ASSUMPTIONS

Region	Outlook
 <p data-bbox="647 404 943 444">North America</p>	<p data-bbox="1225 339 1407 379">+2 - 3%</p>
 <p data-bbox="546 594 943 704">Europe, Middle East and Africa</p>	<p data-bbox="1225 611 1407 651">+2 - 4%</p>
 <p data-bbox="667 936 943 976">Latin America</p>	<p data-bbox="1225 882 1413 922">+5- 10%</p>
 <p data-bbox="858 1200 943 1240">Asia</p>	<p data-bbox="1225 1143 1407 1183">+6 - 8%</p>

POSITIVE

- Productivity/ cost reduction
- Global unit volume growth
- Price/mix
- Foreign exchange

NEGATIVE

- Material and oil-related costs
- Cost inflation

Cost-based pricing actions taken and continued strong productivity to address highly inflationary trends

AGENDA



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- Industry flat...expect strengthening demand in the second half
- Continued to build upon branded share momentum with a strong cadence of innovation
- Executing cost-based pricing actions
- Solid productivity gains despite low production levels

NORTH AMERICA Q1 RESULTS



<i>(USD in millions)</i>	First Quarter		Better/(Worse)	
	2011	2010	2010	%
Net Sales	2,258	2,251	7	0%
Operating Profit (Adjusted)	52	140	(88)	(63)%
Operating Margin % (Adjusted)	2.3%	6.2%	(3.9) pts	
Operating Profit (GAAP)	59	94	(35)	(37)%
Operating Margin % (GAAP)	2.6%	4.2%	(1.6) pts	

- Unit shipments increase 4%

- | | |
|---------------------------------|------------------|
| + Cost reduction/productivity | - Price/mix |
| + Foreign exchange fluctuations | - Material costs |

STRONG CADENCE OF INNOVATIVE NEW PRODUCTS



Whirlpool brand induction cooktop



KitchenAid brand
Four-Door French Door
bottom mount refrigerator



KitchenAid brand
30" dual fuel, double oven range

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- **Europe, Middle East and Africa:** Continued gradual improvement in demand
- **Latin America:** Flat unit volume vs. tax holiday comparison in prior quarter
- **Asia:** Demand still positive...monitoring inflation impact on consumers
- Price/mix positive across all regions on a sequential basis

EUROPE, MIDDLE EAST AND AFRICA Q1 RESULTS



	First Quarter		Better/(Worse)	
	2011	2010	2010	%
<i>(USD in millions)</i>				
Net Sales	743	739	4	1%
Operating Profit (GAAP)	25	27	(2)	(9)%
Operating Margin % (GAAP)	3.3%	3.6%	(0.3) pts	

- Unit shipments increase 2%

- + Cost reduction/productivity
- + Unit volume increase

- Price/mix
- Material costs

LATIN AMERICA Q1 RESULTS



<i>(USD in millions)</i>	First Quarter		Better/(Worse)	
	2011	2010	2010	%
Net Sales	1,227	1,141	86	8%
Operating Profit (GAAP)	174	167	6	4%
Operating Margin % (GAAP)	14.2%	14.7%	(0.5) pts	

- Unit shipments approximately flat
- Sales increase ~2% excluding foreign currency translation

- | | |
|-------------------------------|------------------|
| + BEFIEX credit monetization | - Material costs |
| + Cost reduction/productivity | |

<i>(USD in millions)</i>	First Quarter		Better/(Worse)	
	2011	2010	2010	%
Net Sales	208	192	16	8%
Operating Profit (GAAP)	11	11	(0)	(4)%
<i>Operating Margin % (GAAP)</i>	<i>5.1%</i>	<i>5.7%</i>	<i>(0.6) pts</i>	

- Unit shipments increase 3%
- Sales increase ~6% excluding foreign currency translation

+ Unit volume increase	- Material costs
+ Price/mix	

INTERNATIONAL PRODUCT LAUNCHES

BRASTEMP



Brastemp brand *Retrô* range
in Latin America



Whirlpool brand *Ceres*
washing machine in China



Whirlpool brand three-door
refrigerator in China

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Q1 SUMMARY

Revenue Performance

- + Global unit volume increase
- + Foreign exchange
- Price/mix

Operating Margin Performance

- + Enterprise-wide productivity and cost reduction initiatives
- + BEFIEX monetization: \$66 million vs. \$41 million in prior year
- Price/mix
- Material and oil-related costs

Additional Item

- + Supplier-related quality issue accrual: \$7 million

FINANCIAL SUMMARY



	First Quarter		Better/(Worse)	
	2011	2010	2010	%
<i>(USD in millions)</i>				
Net Sales	4,401	4,272	129	3%
Cost of Goods Sold	3,778	3,633	(145)	(4)%
Gross Margin %	14.1%	15.0%	(0.9) pts	
SG&A	380	371	(9)	(2)%
Restructuring	8	20	12	60%
Operating Profit	228	241	(13)	(5)%
Operating Margin %	5.2%	5.6%	(0.4) pts	

- **Sales:** Positive unit volume performance partially offset by lower price/mix
- **Gross Margin:** Favorable productivity/cost reduction and higher BEFIEX, offset by lower price/mix and unfavorable material costs
- **SG&A:** Slightly improved as a percentage of sales

FINANCIAL SUMMARY



	First Quarter		Better/(Worse)	
	2011	2010	2010	%
<i>(USD in millions)</i>				
Operating Profit	228	241	(13)	(5)%
Interest Expense	(54)	(58)	4	7%
Interest & Sundry Income/(Expense)	(19)	(12)	(7)	(58)%
Earnings Before Income Taxes	155	171	(16)	(9)%
Income Taxes	(24)	(3)	21	NM
Net Earnings Available to Whirlpool	169	164	5	3%
EPS - Diluted (GAAP)	\$ 2.17	\$ 2.13	\$ 0.04	2%
EPS - Diluted (Adjusted)	\$ 2.11	\$ 2.51	\$ (0.40)	(16)%

- **Interest Expense:** Lower average debt outstanding
- **Income Tax:** Increased tax credits

Three Months Ended March 31

(USD in millions)

	<u>2011</u>	<u>2010</u>
Net Earnings	178	174
Depreciation & Amortization	141	134
Working Capital	(278)	(181)
Other	(265)	(56)
Cash Provided by Operating Activities	(224)	71
Capital Expenditures	(115)	(146)
Proceeds from Sale of Assets	3	1
Free Cash Flow	(336)	(74)

	2011 Outlook
Reported Diluted EPS	\$12.00 - \$13.00
Free Cash Flow	\$400 - \$500 million

Cash Flow Priorities	YTD Progress
1 Fund the Business	<ul style="list-style-type: none"> ✓ Capex focused on product innovation ✓ Made significant pension contribution in April
2 Dividend	<ul style="list-style-type: none"> ✓ Increased dividend by 16.3%
3 Debt Repayment	<p>No major maturities in Q1</p>

***Made significant progress toward credit rating goals...
while enhancing shareholder returns***

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VALUE CREATION OBJECTIVES

2011 OUTLOOK

+5 – 7% Revenue Growth



+10 – 15% EPS Growth



4 – 5% FCF % to Sales

Improvement vs. 2010-
excluding pension
funding

APPENDIX

ADJUSTED OPERATING PROFIT, ADJUSTED EARNINGS BEFORE TAX, ADJUSTED DILUTED EARNINGS PER SHARE:

The reconciliation provided below reconciles the non-GAAP financial measures adjusted operating profit, adjusted earnings before tax and adjusted diluted earnings per share, with the most directly comparable GAAP financial measures, reported operating profit, earnings before income taxes and other items, diluted earnings per share available to Whirlpool common stockholders, for the **three-months ended March 31, 2011**. Adjusted operating margin is calculated by dividing adjusted operating profit by net sales.

Three-Months Ended March 31, 2011

	Operating Profit	Earnings Before Tax	Diluted Earnings Per Share
Reported GAAP measure	\$ 228	\$ 155	\$ 2.17
Supplier-related quality issue accrual ^(a)	(7)	(7)	(0.06)
Adjusted Non-GAAP measure	\$ 221	\$ 148	\$ 2.11

ADJUSTED SEGMENT OPERATING PROFIT:



The reconciliation provided below reconciles the non-GAAP financial measures adjusted segment operating profit with the most directly comparable GAAP financial measures, reported segment operating profit, for the **three-months ended March 31, 2011**. Adjusted segment operating margin is calculated by dividing adjusted segment operating profit by net sales.

Three Months Ended March 31, 2011

	Segment Operating Profit	Supplier-Related Quality Issue Accrual ^(a)	Adjusted Segment Operating Profit
North America	\$ 59	\$ (7)	\$ 52
Europe, Middle East and Africa	25	-	25
Latin America	174	-	174
Asia	11	-	11
Other/Eliminations	(41)	-	(41)
Total Whirlpool	\$ 228	\$ (7)	\$ 221

ADJUSTED OPERATING PROFIT, ADJUSTED EARNINGS BEFORE TAX, ADJUSTED DILUTED EARNINGS PER SHARE:

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Three-Months Ended March 31, 2010

	Operating Profit	Earnings Before Tax	Diluted Earnings Per Share
Reported GAAP Measure	\$ 241	\$ 171	\$ 2.13
Supplier-related quality issue accrual ^(a)	75	75	0.61
OPEB curtailment gain ^(b)	(29)	(29)	(0.23)
Adjusted Non-GAAP measure	\$ 287	\$ 217	\$ 2.51

ADJUSTED SEGMENT OPERATING PROFIT:



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Three Months Ended March 31, 2010

	Segment Operating Profit	Supplier-Related Quality Issue Accrual ^(a)	OPEB Curtailment Gain ^(b)	Adjusted Segment Operating Profit
North America	\$ 94	\$ 75	\$ (29)	\$ 140
Europe, Middle East and Africa	27	-	-	27
Latin America	167	-	-	167
Asia	11	-	-	11
Other/Eliminations	(58)	-	-	(58)
Total Whirlpool	\$ 241	\$ 75	\$ (29)	\$ 287

FREE CASH FLOW (Actual and 2011 Outlook):



As defined by the company, free cash flow is cash provided by operating activities after capital expenditures and proceeds from the sale of assets/businesses. The reconciliation provided below reconciles actual 2011 and 2010 and projected 2011 free cash flow with actual and projected cash (used in)/provided by operating activities, the most directly comparable GAAP financial measure.

	Three Months Ended		
	March 31, 2011		
<i>(millions of dollars)</i>	2011	2010	2011 Outlook
Cash provided by / (used in) operating activities	\$ (224)	\$ 71	\$ 997 - 1100
Capital expenditures	(115)	(146)	(600) - (650)
Proceeds from sale of assets	3	1	3 - 50
Free Cash Flow	\$ (336)	\$ (74)	\$ 400 - 500

FOOTNOTES:



- a) During the March 2010 quarter, we accrued \$75 million related to a recall of 1.8 million dishwashers sold in the United States and Canada between 2006 and 2010. During the March 2011 quarter, we revised the total cost of this recall from \$75 million to \$68 million as a result of lower than expected costs. These amounts were recorded in cost of products sold. For the March 2010 quarter, the diluted earnings per share impact is calculated based on an income tax impact of approximately \$28 million. For the March 2011 quarter, the diluted earnings per share impact is calculated based on an income tax impact of approximately \$3 million.

- (b) During the March 2010 quarter we recognized a curtailment gain of \$29 million related to a retiree healthcare plan. The diluted earnings per share impact is calculated based on an income tax impact of approximately \$11 million.

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) intense competition in the home appliance industry reflecting the impact of both new and established global competitors, including Asian and European manufacturers; (2) Whirlpool’s ability to continue its relationship with significant trade customers and the ability of these trade customers to maintain or increase market share; (3) changes in economic conditions which affect demand for our products, including the strength of the building industry and the level of interest rates; (4) product liability and product recall costs; (5) litigation and legal compliance risk and costs, especially costs which may be materially different from the amount we expect to incur or have accrued for; (6) the effects and costs of governmental investigations or related actions by third parties; (7) the ability of Whirlpool to manage foreign currency fluctuations; (8) 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; (9) 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; (10) inventory and other asset risk; (11) 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; (12) the ability of suppliers of critical parts, components and manufacturing equipment to deliver sufficient quantities to Whirlpool in a timely and cost-effective manner; (13) health care cost trends, regulatory changes and variations between results and estimates that could increase future funding obligations for pension and post retirement benefit plans; (14) Whirlpool’s ability to obtain and protect intellectual property rights; (15) information technology system failures and data security breaches; (16) the impact of labor relations; (17) our ability to attract, develop and retain executives and other qualified employees; and (18) changes in the legal and regulatory environment including 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.