



**INVESTOR OVERVIEW
SUPPLEMENTAL INFORMATION**

SUPPLEMENTAL INFORMATION - CONSOLIDATED FINANCIAL STATEMENTS

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

(Millions of dollars except per share data)

(Unaudited)

We supplement the reporting of our financial information determined under U.S. generally accepted accounting principles (GAAP) with certain non-GAAP financial measures, some of which we refer to as "ongoing" measures, including earnings before interest and taxes (EBIT), EBIT margin, ongoing EBIT, ongoing EBIT margin, ongoing earnings, ongoing earnings per diluted share, ongoing segment EBIT, ongoing segment EBIT margin, sales excluding currency, ongoing net sales and free cash flow. Ongoing measures exclude items that may not be indicative of, or are unrelated to, results from our ongoing operations and provide a better baseline for analyzing trends in our underlying businesses. Sales excluding foreign currency is calculated by translating the current period net sales, in functional currency, to U.S. dollars using the prior-year period's exchange rate compared to the prior-year period net sales. Management believes that sales excluding foreign currency provides stockholders with a clearer basis to assess our results over time, excluding the impact of exchange rate fluctuations. Management believes that free cash flow provides investors and stockholders with a relevant measure of liquidity and a useful basis for assessing the company's ability to fund its activities and obligations. The Company provides free cash flow related metrics, such as free cash flow as a percentage of net sales, as long-term management goals, not an element of its annual financial guidance, and as such does not provide a reconciliation of free cash flow to cash provided by (used in) operating activities, the most directly comparable GAAP measure, for these long-term goal metrics. Any such reconciliation would rely on market factors and certain other conditions and assumptions that are outside of the company's control. We believe that these non-GAAP measures provide meaningful information to assist investors and stockholders in understanding our financial results and assessing our prospects for future performance, and reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP financial measures, provide a more complete understanding of our business. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. These ongoing financial measures should not be considered in isolation or as a substitute for reported, net earnings available to Whirlpool per diluted share, net earnings, net earnings available to Whirlpool, net sales, and cash provided by (used in) operating activities, the most directly comparable GAAP financial measures. We also disclose segment EBIT and ongoing segment EBIT as important financial metrics used by the Company's Chief Operating Decision Maker to evaluate performance and allocate resources in accordance with ASC 280 - *Segment Reporting*. For fiscal years 2012-2015, GAAP net earnings available to Whirlpool per diluted share and ongoing earnings per diluted share are presented net of tax, as are the individual adjustments in each reconciliation. For fiscal years 2016-2018, GAAP net earnings available to Whirlpool per diluted share and ongoing earnings per diluted share are presented net of tax, while individual adjustments in each reconciliation are presented on a pre-tax basis; the income tax impact line item aggregates the tax impact for these adjustments. The tax impact of individual line item adjustments may not foot precisely to the aggregate income tax impact amount, as each line item adjustment may include nontaxable components. Historical quarterly earnings per share amounts are presented based on a normalized tax rate adjustment to reconcile quarterly tax rates to full-year tax rate expectations. We strongly encourage investors and stockholders to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

Full-Year Ongoing Earnings per Diluted Share

The reconciliations provided below reconcile the non-GAAP financial measure ongoing earnings per diluted share, with the most directly comparable GAAP financial measure, net earnings per diluted share available to Whirlpool, for the twelve months ended December 31 for years 2012 through 2017, as well as forecasted 2018.

Twelve Months Ending December 31, 2018

	Earnings per diluted share
Reported measure	\$(2.90) - \$(2.60)
Restructuring expense	3.71
France antitrust settlement	1.69
Impairment of goodwill and intangibles	11.10
Trade customer insolvency	0.43
Income tax impact	(0.44)
Normalized tax rate adjustment	1.07
Share adjustment	(0.16)
Ongoing measure	<u>\$14.50 - \$14.80</u>

Twelve Months Ended December 31, 2017

	Earnings per diluted share
Reported measure	\$ 4.70
Restructuring expense	3.70
Out-of-period adjustment	0.27
Income tax impact	(0.56)
Normalized tax rate adjustment	5.63
Ongoing Measure	<u>\$ 13.74</u>

Twelve Months Ended December 31, 2016

	Earnings per diluted share
Reported measure	\$ 11.50
Restructuring expense	2.24
Acquisition related transition costs	1.11
Legacy product warranty and liability expense	(0.30)
Income tax impact	(0.49)
Ongoing measure	<u>\$ 14.06</u>

Note: Numbers may not reconcile due to rounding

**Twelve Months Ended
December 31, 2015**

	Earnings per diluted share
Reported measure	\$ 9.83
Restructuring expense	2.03
Combined acquisition related transition costs	0.66
Benefit plan curtailment gain	(0.66)
Gain/expenses related to a business investment	(0.44)
Legacy Product Warranty and Liability Expense	0.42
Pension Settlement Charges	0.16
Antitrust and Dispute Resolutions	0.35
Ongoing Measure	<u>\$ 12.38</u>

**Twelve Months Ended
December 31, 2014**

	Earnings per diluted share
Reported measure	\$ 8.17
Brazilian (BEFIEX) tax Credits	(0.18)
Restructuring expense	1.34
Investment expenses	(0.86)
Combined acquisition related transition costs	1.09
Inventory purchase price allocation	0.13
Antitrust and dispute resolutions	0.04
Normalized tax rate adjustment	(0.06)
Ongoing Measure	<u>\$ 11.39</u>

**Twelve Months Ended
December 31, 2013**

	Earnings per diluted share
Reported measure	\$ 10.24
Brazilian (BEFIEX) tax credits	(1.35)
Restructuring expense	1.84
Investment expense	0.19
U.S. energy tax credits	(1.56)
Antitrust resolutions	0.40
Brazilian government settlement	0.26
Ongoing Measure	<u>\$ 10.02</u>

**Twelve Months Ended
December 31, 2012**

	Earnings per diluted share
Reported measure	\$ 5.06
Restructuring expense	2.15
Brazilian(BEFIEX) tax credits	(0.47)
Antitrust resolutions	0.32
Investment and intangible impairment	0.12
Benefit plan curtailment gain	(0.38)
Contract and patent resolutions	0.17
Normalized tax rate adjustment	0.08
Ongoing Measure	<u>\$ 7.05</u>

Free Cash Flow

As defined by the Company, free cash flow is cash provided by (used in) operating activities after capital expenditures, proceeds from the sale of assets and businesses and changes in restricted cash. The reconciliation provided below reconciles non-GAAP free cash flow to GAAP cash provided by (used in) operating activities for twelve months ended December 31, 2017. Free cash flow as a percentage of net sales is calculated by dividing free cash flow by net sales.

	Twelve Months Ended December 31, 2017	
<i>(millions of dollars)</i>		
Cash provided by (used in) operating activities	\$	1,264
Capital expenditures, proceeds from sale of assets/ businesses and change in restricted cash		(557)
Free cash flow	\$	<u>707</u>
Discrete voluntary items		
Free cash flow excluding discrete voluntary items	\$	<u>707</u>
Cash provided by (used in) investing activities*	\$	(655)
Cash provided by financing activities*	\$	(553)

*Financial guidance on a GAAP basis for cash provided by (used in) financing activities and cash provided by (used in) investing activities has not been provided because in order to prepare any such estimate or projection, the Company would need to rely on market factors and certain other conditions and assumptions that are outside of its control.

Full-Year 2017 Ongoing Earnings Before Interest and Taxes

The reconciliation provided below reconciles the non-GAAP financial measure ongoing earnings before interest and taxes with the most directly comparable GAAP financial measures, net earnings available to Whirlpool, for the twelve months ended December 31, 2017. Ongoing EBIT margin is calculated by dividing ongoing EBIT by ongoing net sales. Ongoing net sales excludes \$(32) million primarily related to an adjustment for trade promotion accruals in prior periods.

	Twelve Months Ended December 31, 2017	
		Earnings before interest & taxes
Reported GAAP measure	\$	1,049
Restructuring expense		275
Out-of-period adjustment		40
Income tax impact		—
Normalized tax rate adjustment		—
Ongoing measure	\$	<u>1,364</u>

Earnings Before Interest & Taxes Reconciliation:

Net earnings available to Whirlpool	\$	350
Net earnings (loss) available to noncontrolling interests		(13)
Income tax expense (benefit)		550
Interest expense		162
Earnings before interest & taxes	\$	<u>1,049</u>

Note: Numbers may not reconcile due to rounding

Additional Notes

- a. The number on major appliance manufacturer in the world claim is based on most recently available publicly reported annual revenues among leading appliance manufacturers.
- b. Whirlpool ownership of the Hotpoint brand in the EMEA and Asia Pacific regions is not affiliated with the Hotpoint brand sold in the Americas.
- c. The Company provides free cash flow related metrics, such as free cash flow as a percentage of net sales, as long-term management goals, not an element of its annual financial guidance, and as such does not provide a reconciliation of free cash flow to cash provided by (used in) operating activities, the most directly comparable GAAP measure, for these long-term goal metrics.
- d. The Company does not provide a forward-looking quantitative reconciliation of EBIT to the most directly comparable GAAP financial measure, net earnings available to Whirlpool, because the net earnings available to non-controlling interests item of such reconciliation -- which has historically represented an insignificant amount of the Company's overall net earnings -- implicates the Company's projections regarding the earnings of the Company's non wholly-owned subsidiaries and joint ventures that cannot be quantified precisely or without unreasonable efforts.