



Whirlpool Corporation Q2 2009 Review

July 22, 2009



Agenda

■ Overview

- Jeff Fettig – Chairman and Chief Executive Officer

■ North American Operations

- Mike Todman – President, Whirlpool North America

■ International Operations

- Jeff Fettig – Chairman and Chief Executive Officer

■ Financial Review and 2009 Outlook

- Roy Templin – EVP and Chief Financial Officer

Overview

- Q2 revenue of \$4.2 billion...down 18% from prior year
 - Unfavorable foreign currency translation
 - Sharply lower unit volumes in North America and Europe

- Earnings per share of \$1.04 versus \$1.53
 - Strong improvement in North America and Asia

- Year-to-date free cash flow was a use of \$(197) million ...second quarter free cash flow of \$174 million

- Strong progress on cost reduction initiatives

Key Operational Drivers in 2009

Positive Effects


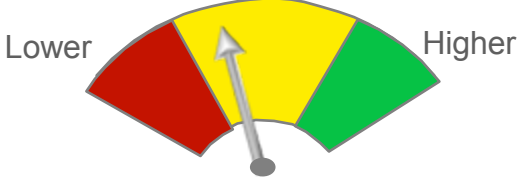

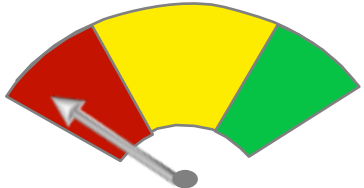

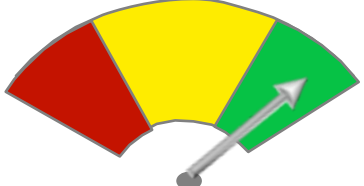

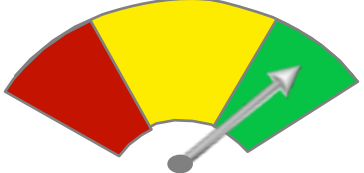
- Significant product cost reductions
- Reduced costs in all non-product areas
- Price/mix
- Lower working capital
- Reduced capital spending

Negative Effects

- Demand
- Material costs
- Currencies

Significant progress in execution of key operational drivers

Global Industry Trends

Region	Outlook	Trend
	<p>(10 – 12)%</p>	<p>No Change</p> 
	<p>~ (13)%</p>	
	<p>Brazil +10%</p>	
	<p>Flat to +5%</p>	

2009 Financial Guidance

2009 Guidance⁽¹⁾

Earnings per Share

\$3.50 - \$4.00

Free Cash Flow

\$300 - \$400 million

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



North America

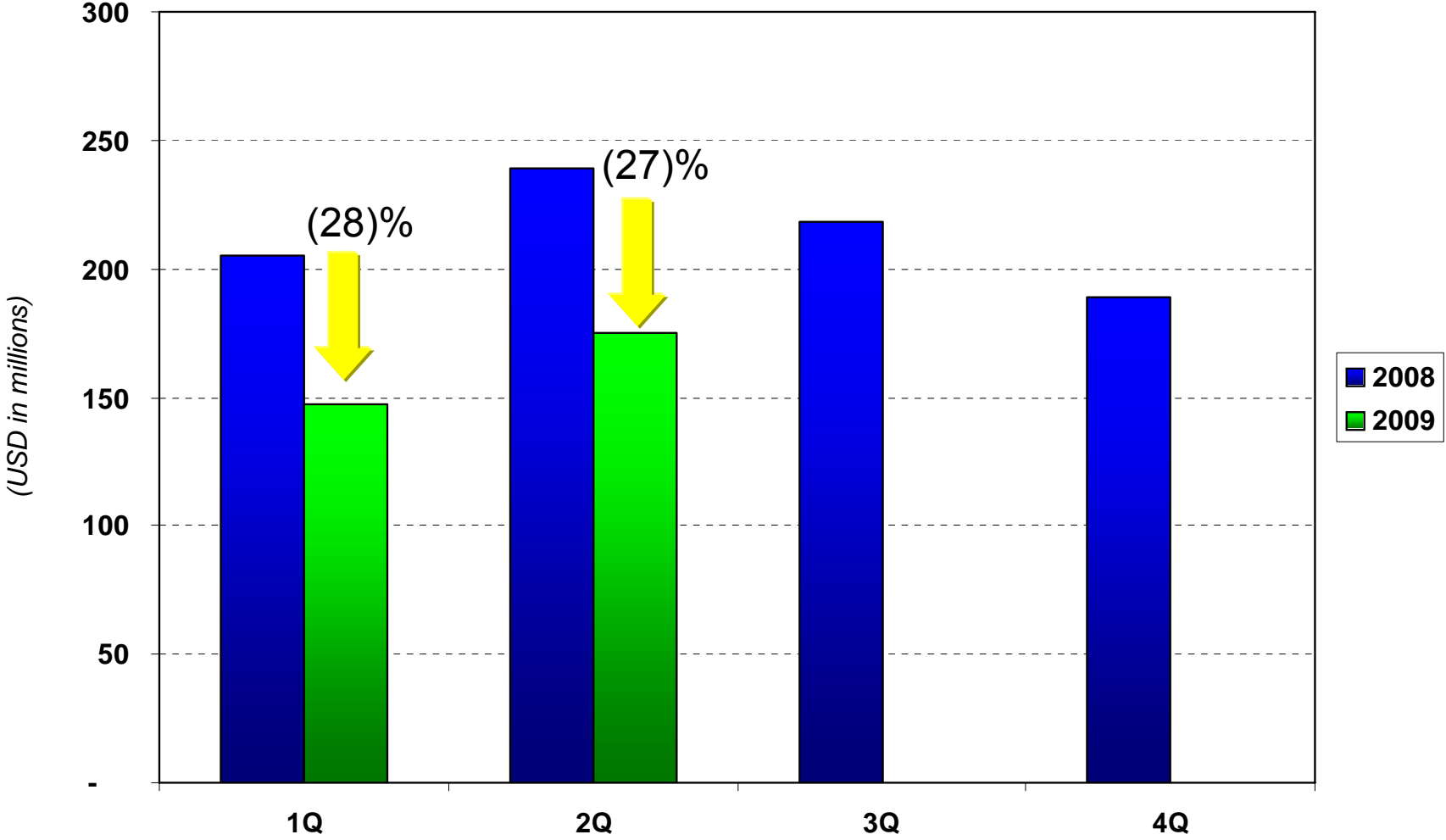


North America Q2 Results

	Second Quarter		Better/(Worse)	
	2009	2008	2008	%
<i>(USD in millions)</i>				
Net Sales	2,403	2,895	(492)	(17)%
Operating Profit	120	101	19	19%
Operating Margin %	5.0%	3.5%	1.5 pts	

- ***Sales decrease ~14% excluding foreign currency translation impact***
- ***Strong margin expansion***
- ***Favorable impact from cost reduction and price/mix initiatives***

North America SG&A Progression



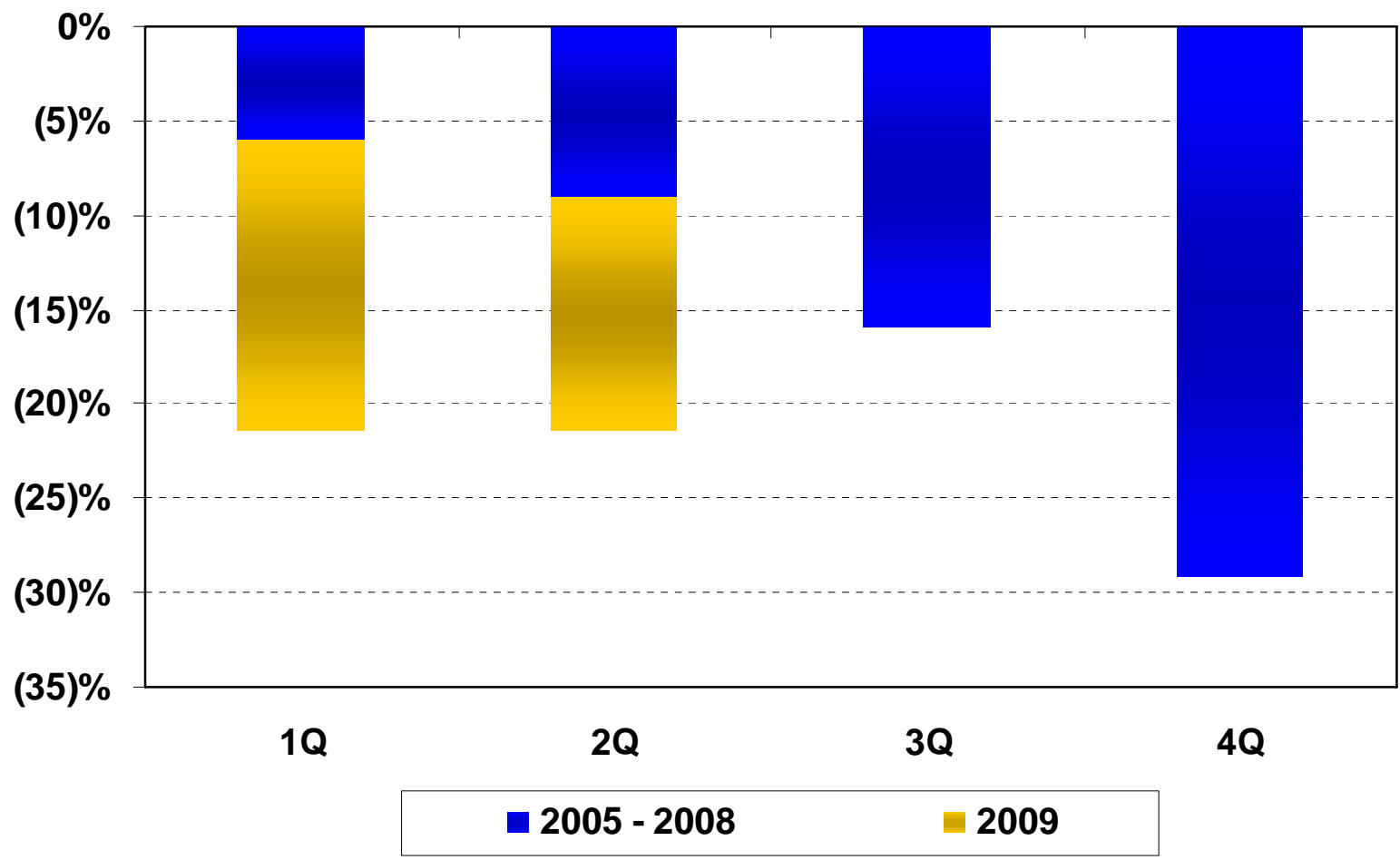
2009 Industry Demand Outlook

Demand Component	Current Outlook
New Home Completions	~ (40)%
Existing Home Sales	~ (5)%
Discretionary	Unemployment rate rising...weak consumer confidence
Replacement	Some delayed purchases

Marginal improvement in existing home sales outlook offset by unfavorable discretionary indicator trends

U.S. T7* Industry Demand

Cumulative Industry Demand Change





International



Summary

- European market very challenging...continued focus on cost reduction
- Brazil appliance demand strong as a result of the government appliance stimulus program
- Asia reports record quarterly profitability

Continue to manage highly volatile macroeconomic environment

Europe Q2 Results

	Second Quarter		Better/(Worse)	
	2009	2008	2008	%
<i>(USD in millions)</i>				
Net Sales	786	1,051	(265)	(25)%
Operating Profit (Loss)	(12)	50	(62)	(124)%
Operating Margin %	(1.5)%	4.8%	(6.3) pts	

- *Sales decrease ~13% excluding foreign currency translation impact*
- *Industry demand down ~12%*
- *Operating income impacted by lower sales and production volumes and unfavorable foreign exchange*

Latin America Q2 Results

<i>(USD in millions)</i>	Second Quarter		Better/(Worse)	
	2009	2008	2008	%
Net Sales	844	1,005	(161)	(16)%
Operating Profit	75	133	(58)	(44)%
Operating Margin %	8.9%	13.3%	(4.4) pts	

- *Sales increase 1% excluding foreign currency translation impact*
- *Favorable demand in Brazil appliance with weakness in non-Brazil and global compressor volumes*
- *Lower tax credit monetization and unfavorable foreign exchange*

Asia Q2 Results

<i>(USD in millions)</i>	Second Quarter		Better/(Worse)	
	2009	2008	2008	%
Net Sales	184	178	6	3%
Operating Profit	11	5	6	134%
Operating Margin %	5.9%	2.6%	3.3 pts	

- *Sales increase ~19% excluding foreign currency*
- *Higher unit volumes and strong cost control*

Joint Venture with Hisense

- 50/50 Joint Venture
- Manufacture high-end, multi-door refrigerators, as well as top- and front-load washers
- Whirlpool Corporation and Hisense have equal investment and management responsibilities



***Joint Venture provides increased manufacturing volume
and adds refrigeration to China product portfolio***



Financial Overview



Second-Quarter Summary

Revenue performance

- + Global price/mix
- Foreign currency exchange
- Global unit volume declines

Operating margin performance

- + Price/mix improvements
- + Enterprise-wide cost reduction initiatives
- Significant global unit volume declines
- Foreign exchange
- Lower BEFIEX monetization - \$9 million vs. \$47 million in prior year

Other items

- + Latin America \$11 million energy credit

Financial Summary

(USD in millions)	Second Quarter		Better/(Worse)	
	2009	2008	2008	%
Net Sales	4,169	5,076	(907)	(18)%
Cost of Goods Sold	3,615	4,324	709	16%
Gross Margin %	13.3%	14.8%	(1.5) pts	
SG&A	390	502	112	22%
Restructuring	23	40	17	41%
Operating Profit	134	203	(69)	(34)%

- **Net Sales:** Excluding foreign exchange sales decreased ~10%
- **Gross Margin:** Positive price/mix and cost reduction increase gross margin offset by sharply lower unit volumes, lower BEFIEX and unfavorable FX
- **SG&A:** Cost reduction initiatives and FX translation

Financial Summary

(USD in millions)	Second Quarter		Better/(Worse)	
	2009	2008	2008	%
Operating Profit	134	203	(69)	(34)%
Interest Expense	(58)	(49)	(9)	(17)%
Interest & Sundry Income/(Expense)	(12)	(24)	12	51%
Earnings Before Income Taxes	64	130	(66)	(50)%
Income Taxes	(22)	2	24	NM
Net Earnings Available to Noncontrolling Interests	(8)	(11)	3	18%
Net Earnings Available to WHR Stockholders	78	117	(39)	(33)%
EPS - Diluted	\$ 1.04	\$ 1.53	\$ (0.49)	(32)%

- **Interest expense:** Increase related to higher interest costs and borrowing levels
- **Income taxes:** Income tax benefit compared to prior-year expense primarily related to tax credits and lower pre-tax income

Working Capital

<i>(USD in millions)</i>	<u>6/30/09</u>	<u>6/30/08</u>	<u>3/31/09</u>
Accounts Receivable	2,326	2,628	1,936
Inventory	2,472	2,996	2,573
Accounts Payable	2,649	3,399	2,392
Working Capital	2,149	2,225	2,117
% of Sales	13.9%	11.5%	14.8%

Cash Flow

Three Months Ended June 30

(USD in millions)

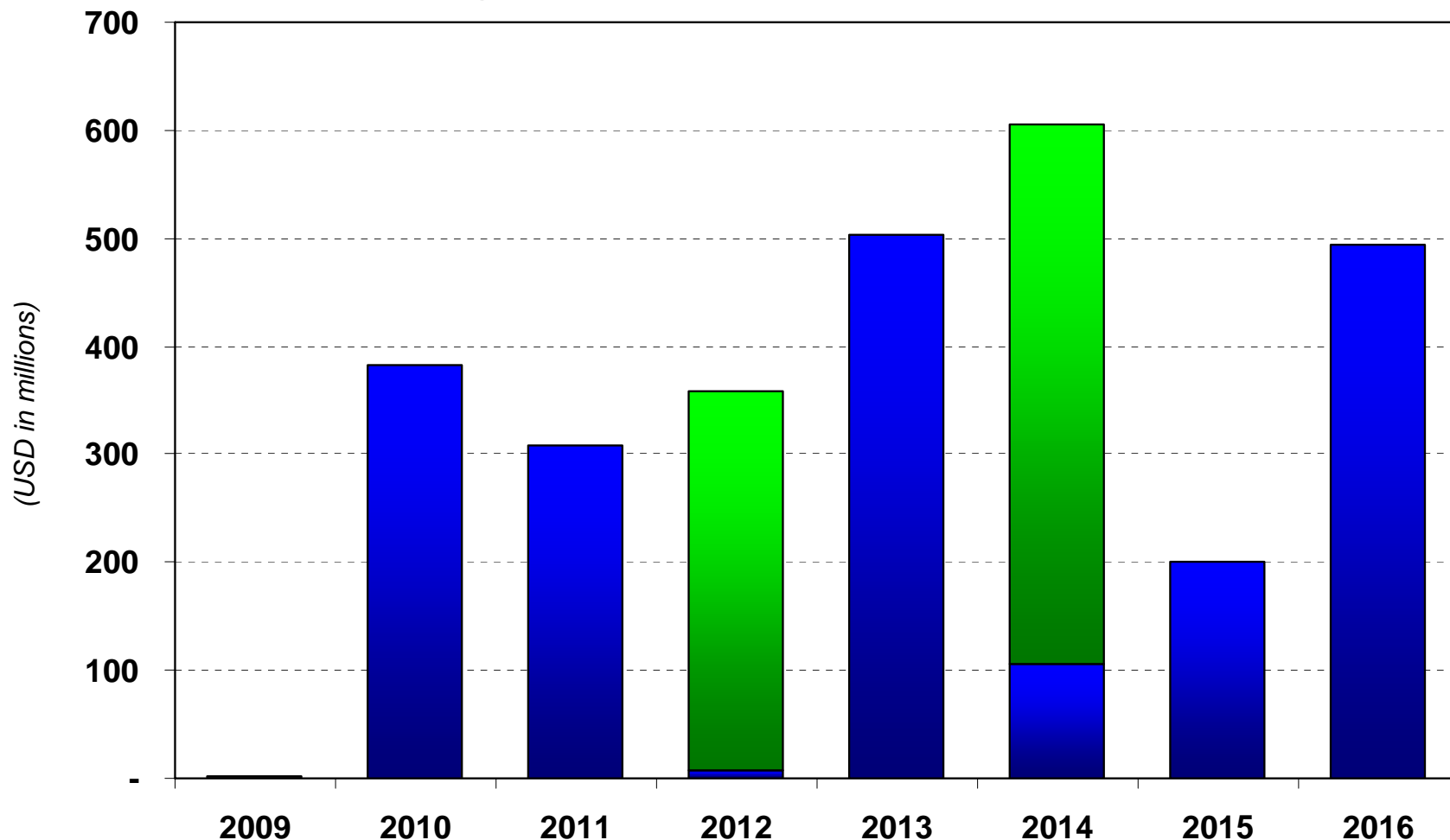
	2009	2008
Net Earnings	86	128
Depreciation & Amortization	143	157
Working Capital	77	64
Other	(38)	24
Cash Provided by Operating Activities	268	373
Capital Expenditures	(117)	(124)
Proceeds from Sale of Assets	23	13
Free Cash Flow	174	262

Liquidity Update

- Full availability under revolving credit facility
- Issued \$850 million of 3 and 5-year notes...substantially extended debt maturities

	<u>6/30/2009</u>
<i>(millions of USD)</i>	
Total Revolving Credit Facility	\$ 2,200
+ Cash and Equivalents	247
- Revolving Credit Facility Draw	0
Net Available Liquidity	\$ 2,447

Term Debt Maturity Schedule



Recent note offering and cash flow generation has extended our debt maturities

2009 Financial Guidance

2009 Guidance⁽¹⁾

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

Closing Remarks

Closing Remarks

- Second quarter and first half reflected a challenging global macroeconomic environment
 - Cost reduction and price/mix initiatives mitigated substantial macroeconomic demand and FX challenges
 - Successful execution of key financial flexibility initiatives and second quarter free cash flow substantially strengthened our balance sheet

- Continue to make key product innovation investments that will provide consumers with compelling value

We are strengthening the foundation of Whirlpool and increasing the future earnings power of the company



Appendix

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>	Six Months Ended June 30			
	2009	2008	2009 Outlook	
Cash provided/(used) in continuing operations	\$ (4)	\$ 35	\$ 700	\$ 800
Capital expenditures	(229)	(231)	(450)	(500)
Proceeds from sale of assets	36	14	50	100
Free Cash Flow	\$ (197)	\$ (182)	\$ 300	\$ 400

About Whirlpool Corporation

Whirlpool Corporation is the world's leading manufacturer and marketer of major home appliances, with annual sales of approximately \$19 billion, 70,000 employees, and 68 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 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 Corporation'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.