

# **Whirlpool Corporation**

**Raymond James 28<sup>th</sup> Annual  
Institutional Investors Conference  
March 5, 2007**



# Forward Looking Statement

Forward-looking statements in this document include, but are not limited to, statements regarding expected earnings per share, cash flow, productivity and material and oil-related prices, as well as expectations as to the integration with Maytag. 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, including Asian and European, manufacturers and the strength of trade customers; (2) Whirlpool Corporation's ability to continue its strong relationship with Sears Holding Corporation in North America (accounting for approximately 14% of Whirlpool's 2006 consolidated net sales of \$18 billion) and other significant trade customers, and the ability of these trade customers to maintain or increase market share; (3) Whirlpool Corporation's ability to integrate Maytag on a timely basis and realize the full anticipated benefits of the merger within the current estimate of costs; (4) demand for Whirlpool's products, including the strength of the U.S. building industry and the level of interest rates; (5) the ability of Whirlpool to achieve its business plans, including productivity improvements, cost control, leveraging of its global operating platform and acceleration of the rate of innovation; (6) fluctuations in the cost of key materials (including steel, oil, plastic, resins, copper and zinc) and components and the ability of Whirlpool to offset cost increases; (7) the ability of our suppliers to deliver parts, components and manufacturing equipment to our manufacturing facilities, including our ability to manufacture without disruption; (8) changes in market conditions, health care cost trends and pending regulation that could increase future funding obligations for pension and postretirement benefit plans; (9) the cost of compliance with environmental and health and safety regulations, including new regulations in Europe regarding appliance disposal; (10) potential exposure to product liability claims, including claims that may arise through Whirlpool's regular investigations of potential quality and safety issues as part of its ongoing effort to provide quality products to consumers; (11) the impact of labor relations; (12) Whirlpool's ability to obtain and protect intellectual property rights; (13) volatility in Whirlpool's effective tax rate; (14) the ability of Whirlpool to manage foreign currency; (15) global, political, and/or economic uncertainty and disruptions, especially in Whirlpool's significant geographic markets, including uncertainty and disruptions arising from natural disasters, or terrorist activities; and (16) risks associated with operations outside the U.S. Whirlpool undertakes no obligation to update any forward-looking statement, and investors are advised to review disclosures in our filings with the Securities and Exchange Commission. It is not possible to foresee or identify all factors that could cause actual results to differ from expected or historic results. Therefore, investors should not consider the foregoing factors to be an exhaustive statement of all risks, uncertainties, or factors that could potentially cause actual results to differ from forward-looking statements. 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.

# Whirlpool's 2007 Global Platform



**Leading a \$100 Billion Global Industry**

\*Numbers as of December 31, 2006

## 2006 Performance

- **Earnings from continuing operations of \$6.35 per share versus previous year record of \$6.19**
- **Earnings from continuing operations of \$486 million...+15% from 2005**
- **Record annual sales of \$18.1 billion**
- **Record year of new product innovation**
- **Strong international performance**
- **Solid cash flow from continuing operations**
- **Maytag integration progressing in-line with plan**

## 2007 Guidance

- **EPS of \$8.00 – \$8.50**
- **Free cash flow before dividends of \$600 to \$650 million**
- **Global unit demand growth of approximately 2%**
- **Industry unit shipments of appliances in U.S. down 2-3% ...down ~5% in H1...improvement expected in H2**
- **Material cost expected to increase approximately \$400 million**
- **Stable global currencies**

## 2007 Priorities

- **Realize acquisition efficiencies of \$350 to \$400 million through 2007**
- **Revitalization of Maytag Brand**
- **Continue to accelerate new product innovation to the market**
- **Drive cost productivity**
- **Manage overall mix of business to improve margins**

# Maytag Acquisition Fits Strategy

## Whirlpool Value Creation Strategy



## Whirlpool Capabilities

- Robust innovation pipeline
- Customer loyalty competency
- Brand management capability
  
- World class trade management
- Comprehensive customer service
- Global manufacturing, purchasing and technology
  
- Capital spending efficiencies
- Best in class quality
- Elimination of redundancies

# Consumer Reach Expansion

	<u>Pre-Merger</u>	<u>Post-Merger</u>
 Brand Preference	~25%	~55%
 Trade Reach	~75%	~95%















**Great Portfolio of Consumer Brands**



# Strong Consumer Franchises

## HFN “Power Brand” Ranking

	<u>'03 Ranking</u>	<u>'05 Ranking</u>		<u>'03 Ranking</u>	<u>'05 Ranking</u>
	1	1		N/A	7
	2	2		N/A	8
	18	3		3	9
	19	4		N/A	10
	6	5		7	11
	5	6		4	12
<b>Our Other Top 100 Brands</b>	<ul style="list-style-type: none"> <li>• Amana – #84</li> <li>• Jenn-Air – #94</li> <li>• Magic Chef – #99</li> </ul>				

# Drivers of Maytag Past Performance

High Product Costs

Lack of Innovation

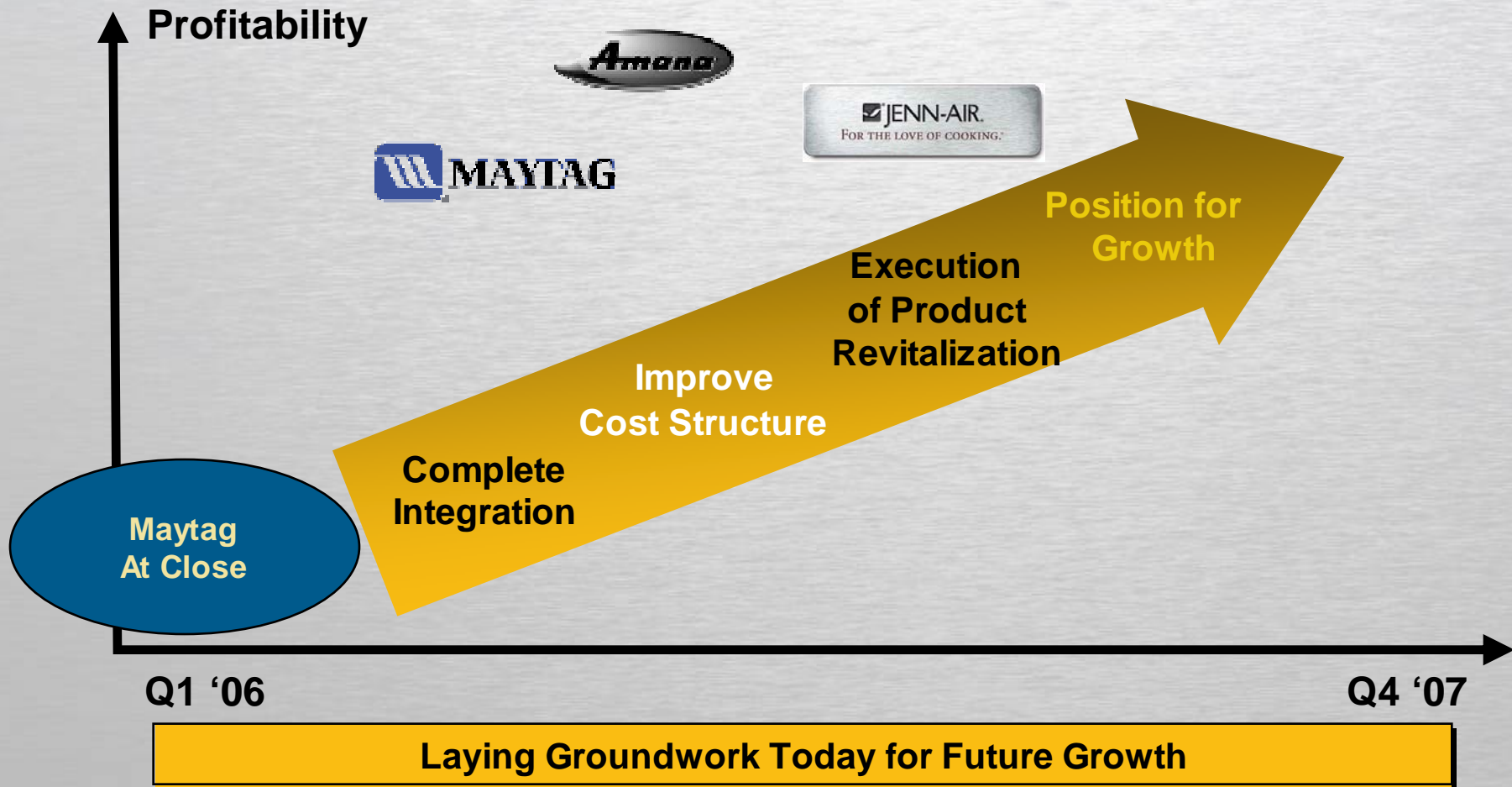
Low Brand  
Investment



Losses in  
Laundry and Floor Care

**Plans Executed to Address These Issues**

# Revitalizing the Maytag Business

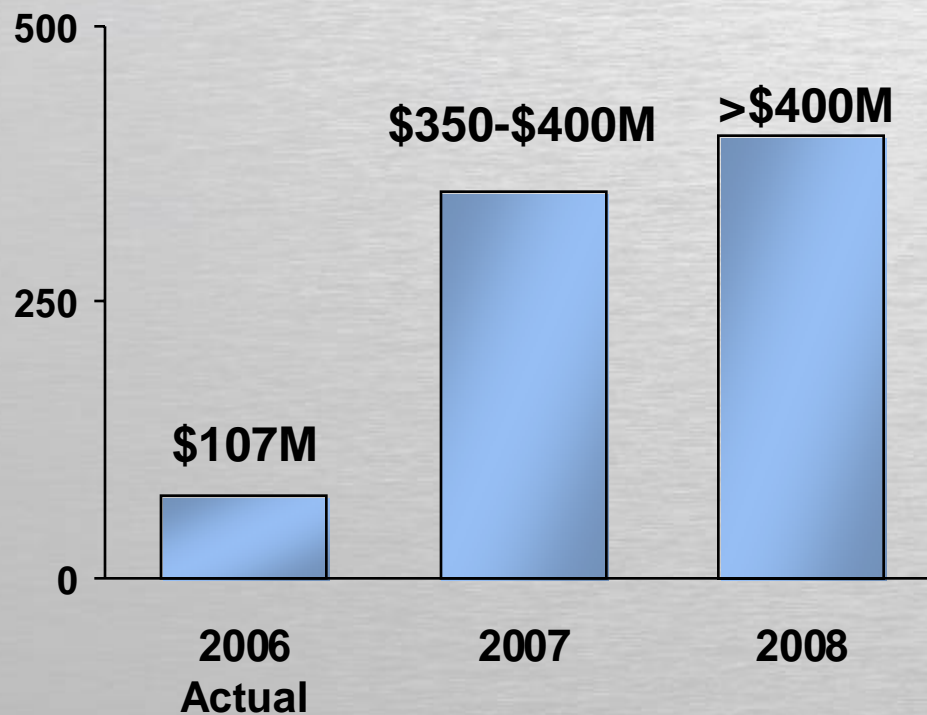


# Integrating the Maytag Business

Cost Structure Improvements	In Process	Complete
Consolidation of laundry manufacturing and headquarter facilities	✓	
Consolidation of order management process		✓
Consolidation of sales forces and consumer and trade-customer call centers		✓
Expansion of the Amana, Iowa refrigeration plant	✓	
Consolidation of supply chain operation	✓	
Consolidation of part order management process	✓	
Sale of adjacent businesses: Hoover floor-care Dixie-Narco vending systems Amana commercial microwave Jade commercial products		✓ ✓ ✓ ✓

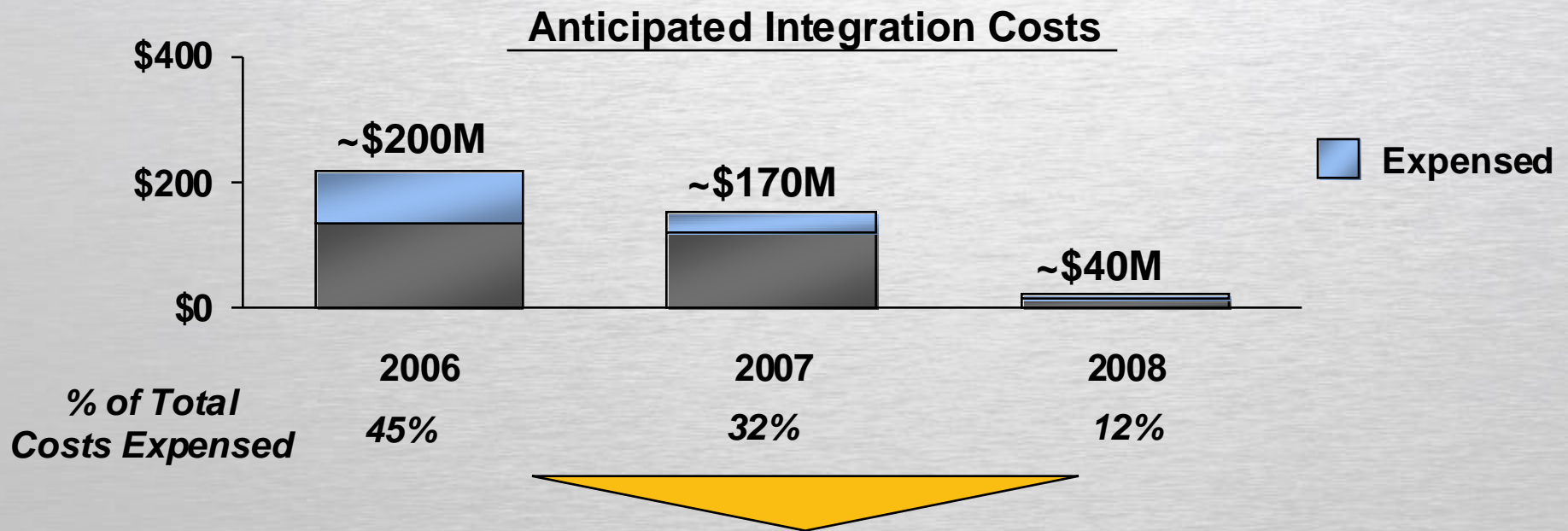
# Merger to Drive Large Cost Savings

## 3-Year Efficiencies Summary



- Savings driven by efficiencies from:
  - Manufacturing and logistics
  - Procurement
  - Product Development
  - General Administration
- All key integration activities announced to realize projected efficiencies; majority of plans executed

# Costs to Integrate Focused in 2006 and 2007



- Total cash costs of ~\$410M
  - Two-thirds will be capitalized in purchase accounting
  - One-third will be expensed to the P&L
- ~90% of total costs will be incurred by December 2007

# Maytag Growth

## Revitalizing the Maytag Brand

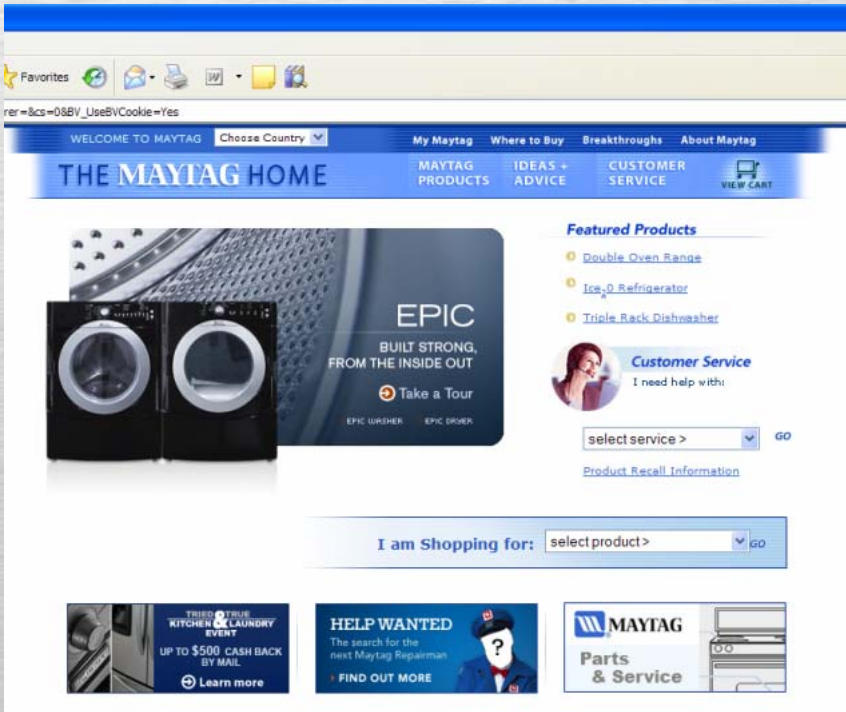
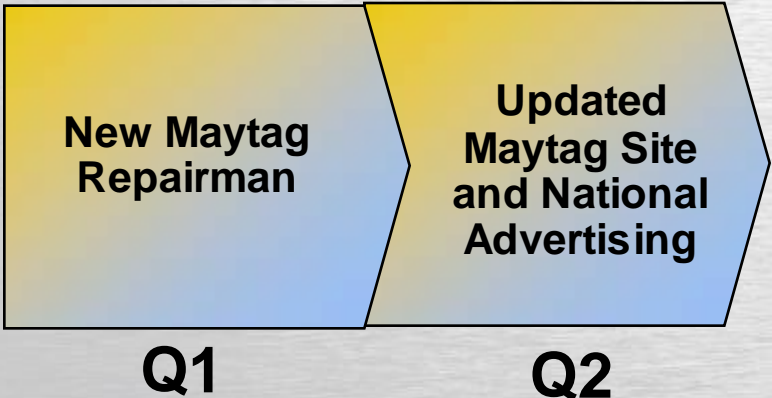
New Maytag  
Repairman

Q1



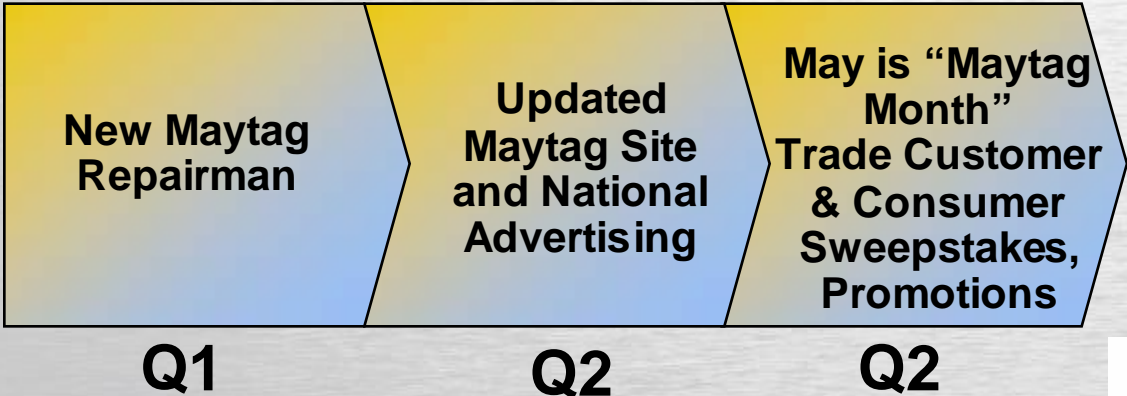
# Maytag Growth

## Revitalizing the Maytag Brand



# Maytag Growth

## Revitalizing the Maytag Brand



**May 2007**

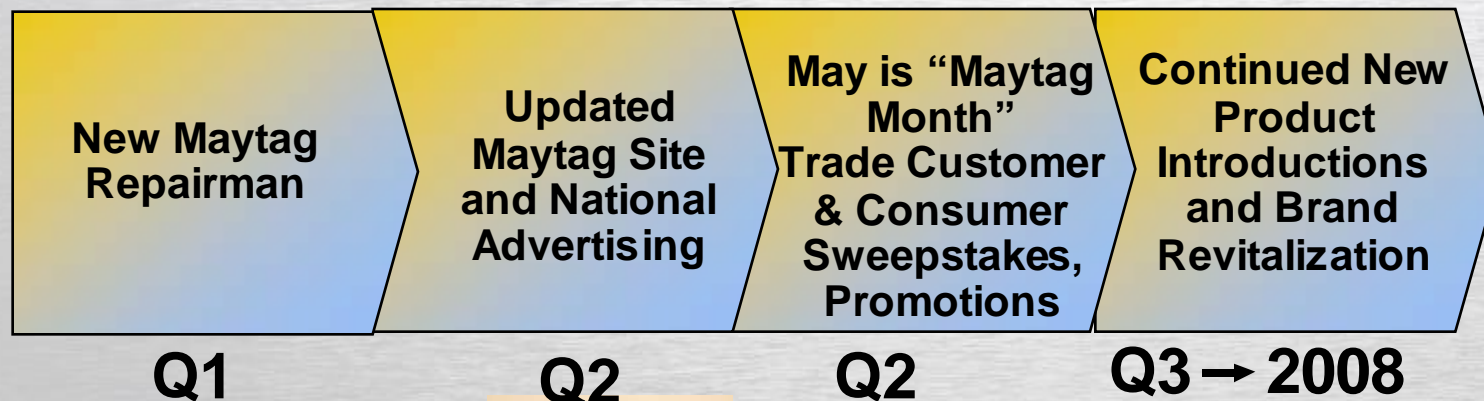
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

**Maytag Month**



# Maytag Growth

## Revitalizing the Maytag Brand



# 2007 Product Launches

Q1

Q2

Q3

Q4

Maytag



Maytag Centennial



Jenn-Air  
Oiled Bronze Kitchen



Maytag Epic Z  
Horizon Washer



Maytag 22" Ice2.0

Whirlpool



Duet Fabric Care 123  
and Workstation



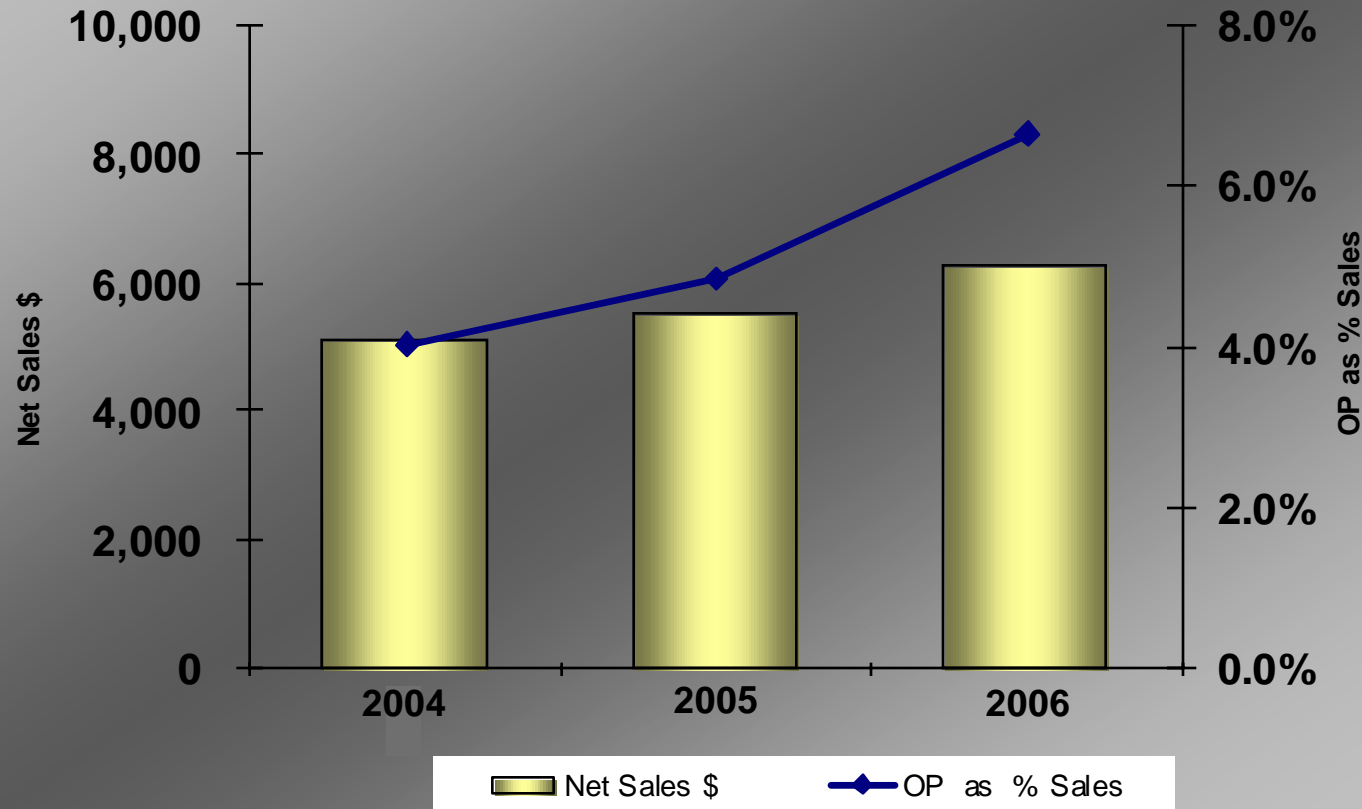
KitchenAid  
Architect II Series



Oasis 2007 with Heater

# International Performance

(millions of dollars)



\$6B in sales  
in 2006

More than  
170 markets

Strong growth  
trends



# Innovation Pipeline

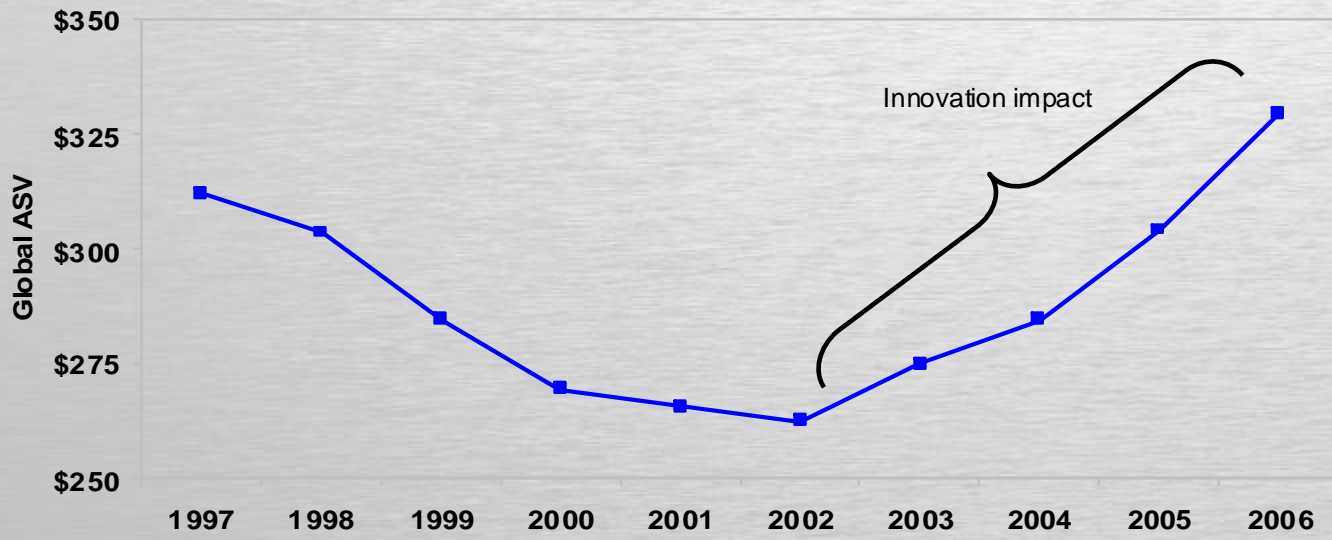


Steady state pipeline of \$4B allows for continuous growth over time

Pipeline in Estimated Sales Dollars

Innovation Revenue

# Innovation: Whirlpool's Growth Engine



'97-'02 CAGR = (3.4)%    '02-'06 CAGR = +5.9%

\$1.2B in new innovation sales in 2006

> 60% of N.A. product line new in 2006

Since 2002, ASV improvement has been impacted by innovation



## Long-term Performance Goals

- Sales growth 5-7%
- EPS growth 10-15%
- Free cash flow 4-5% of sales

The table on the next slide reconciles projected 2007 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. Free cash flow does not include potential proceeds from the sale of Maytag businesses. The projections shown here are based upon many estimates and are inherently subject to change based on future decisions made by management and the board of directors of the company, and significant economic, competitive and other uncertainties and contingencies.

# Free Cash Flow

*(millions of dollars)*

<b>Cash provided by continuing operations</b>	<b>\$1,175-\$1,225</b>
<b>Capital expenditures</b>	<b>(\$625)</b>
<b>Proceeds from sale of assets/non-Maytag businesses</b>	<b>\$50</b>
<b>Free Cash Flow</b>	<b>\$600-\$650</b>

