



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 per diluted share, organic net sales, adjusted effective tax rate, return on invested capital (ROIC), sales excluding currency 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 organic net sales provides stockholders with a clearer basis to assess our results over time, excluding the impact of exchange rate fluctuations and the Embraco divestiture. Management believes that ROIC represents an important measures of capital efficiency, which is considered a key driver of sustainable stockholder value creation. Management believes that adjusted tax rate provides investors with a meaningful, consistent comparison of the Company's effective tax rate, excluding the pre-tax income and tax effect of certain unique items. 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. Whirlpool does not provide a non-GAAP reconciliation for its other forward-looking long-term value creation and other goals, such as organic net sales, ongoing EBIT, and gross debt/ongoing EBITDA, as 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 earnings margin, net sales, effective tax rate 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*. 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 non-taxable 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, 2012 through 2020.

Twelve Months Ended December 31, 2020

	Earnings (loss) per diluted share	
Reported measure	\$	17.07
Restructuring costs		4.54
Product warranty and liability (income) expense		(0.47)
Sale leaseback, real estate and receivable adjustments		(1.16)
Sale leaseback, real estate and receivable adjustments		(0.61)
Corrective action recovery		(0.22)
(Gain) loss on sale and disposal of businesses		(0.10)
Income tax impact		(0.53)
Normalized tax rate adjustment		0.03
Ongoing measure	\$	<u>18.55</u>

Twelve Months Ended December 31, 2019

	Earnings (loss) per diluted share	
Reported measure	\$	18.45
Restructuring costs		2.93
Brazil indirect tax credit		(2.80)
(Gain) loss on sale and disposal of businesses		(6.79)
Product warranty and liability expense		2.04
Sale leaseback, real estate and receivable adjustments		(1.34)
Trade customer insolvency claim settlement		0.92
Income tax impact		0.75
Normalized tax rate adjustment		1.84
Ongoing measure	\$	<u>16.00</u>

**Twelve Months Ended
December 31, 2018**

Earnings (loss) per diluted share	
Reported measure	\$ (2.72)
Restructuring costs	3.68
France antitrust settlement	1.53
Impairment of goodwill and intangibles	11.11
Trade customer insolvency	0.45
Divestiture related transition costs	0.32
Income tax impact	(0.29)
Normalized tax rate adjustment	1.25
Share adjustment	(0.17)
Ongoing measure	<u>\$ 15.16</u>

**Twelve Months Ended
December 31, 2017**

Earnings (loss) per diluted share	
Reported measure	\$ 4.70
Restructuring costs	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 (loss) per diluted share	
Reported measure	\$ 11.50
Restructuring costs	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>

**Twelve Months Ended
December 31, 2015**

Earnings (loss) per diluted share	
Reported measure	\$ 9.83
Restructuring costs	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	\$ 12.38

**Twelve Months Ended
December 31, 2014**

Earnings (loss) per diluted share	
Reported measure	\$ 8.17
Brazilian (BEFIEX) tax credits	(0.18)
Restructuring costs	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	\$ 11.39

**Twelve Months Ended
December 31, 2013**

Earnings (loss) per diluted share	
Reported measure	\$ 10.24
Brazilian (BEFIEX) tax credits	(1.35)
Restructuring costs	1.84
Investment expenses	0.19
U.S. energy tax credits	(1.56)
Antitrust resolutions	0.40
Brazilian government settlement	0.26
Ongoing measure	\$ 10.02

**Twelve Months Ended
December 31, 2012**

Earnings (loss) per diluted share	
Reported measure	\$ 5.06
Restructuring costs	2.15
Brazilian (BEFIEX) tax credits	(0.47)
Antitrust resolutions	0.32
Investment and intangible repairment	0.12
Benefit plan curtailment gain	(0.38)
Contact and patent resolutions	0.17
Normalized tax rate adjustment	0.08
Ongoing measure	\$ 7.05

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 twelve months ended December 31, 2020 free cash flow with cash provided by (used in) operating activities, the most directly comparable GAAP financial measure. Free cash flow as a percentage of net sales is calculated by dividing free cash flow by net sales.

<i>(millions of dollars)</i>	2020
Cash provided by (used in) operating activities	\$1,500
Capital expenditures, proceeds from sale of assets/businesses and change in restricted cash*	(254)
Repayment of term loan	—
Free cash flow	<u>\$1,246</u>
Cash provided by (used in) investing activities	(237)
Cash provided by (used in) financing activities	(253)

*In 2020, restricted cash represents contributions held as part of the Company's Charitable Foundation which was consolidated as of September 30, 2020.

FULL-YEAR 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 measure, net earnings (loss) available to Whirlpool, for the twelve months ended December 31, 2020. Net earnings margin is calculated by dividing net earnings available to Whirlpool by net sales. Ongoing EBIT margin is calculated by dividing ongoing EBIT by net sales. EBIT margin is calculated by dividing EBIT by net sales.

Earnings Before Interest & Taxes Reconciliation:		Twelve Months Ended December 31, 2020
Net earnings (loss) available to Whirlpool	\$	1,081
Net earnings (loss) available to noncontrolling interests		(10)
Income tax expense (benefit)		384
Interest expense		189
Earnings before interest & taxes	\$	1,644
Net sales	\$	19,456
Net earnings margin		5.6 %

		Twelve Months Ended December 31, 2020
		Earnings Before Interest and Taxes
Reported measure	\$	1,644
Restructuring costs		288
Product warranty and liability (income) expense		(30)
Sale leaseback, real estate and receivable adjustments		(113)
Corrective action recovery		(14)
(Gain) loss on sale and disposal of businesses		(7)
Income tax impact		—
Normalized tax rate adjustment		—
Ongoing measure	\$	1,768
Net sales	\$	19,456
Ongoing EBIT margin		9.1 %

FULL-YEAR RETURN ON INVESTED CAPITAL

The reconciliation provided below compares the non-GAAP financial measure Return on Invested Capital (ROIC) with the most directly comparable GAAP financial measure, Return on Assets (ROA), for the twelve months ended December 31, 2020, December 31, 2019, December 31, 2018, and December 31, 2017. The Company selected ROIC because it represents an important measures of capital efficiency, which is considered a key driver of sustainable stockholder value creation. The Company defines ROIC as ongoing EBIT after taxes divided by total invested capital, defined as total assets less non-interest bearing current liabilities (NIBCLS). NIBCLS is defined as current liabilities less current maturities of long-term debt and notes payable. This ROIC definition may differ from other companies methods and therefore may not be comparable to those used by other companies.

	Twelve Months Ended December 31,			
	2020	2019	2018	2017
Net earnings (loss) available to Whirlpool	\$ 1,081	\$ 1,184	\$ (183)	\$ 350
Total assets	20,350	18,881	18,347	20,038
Return on assets (ROA)	5.3 %	6.3 %	(1.0)%	1.7 %

	2020	2019	2018	2017
Ongoing earnings before interest and taxes*	\$ 1,768	\$ 1,414	\$ 1,319	\$ 1,364
Taxes @ 24%**	424	339	317	327
Ongoing EBIT after taxes	\$ 1,344	\$ 1,075	\$ 1,002	\$ 1,037

	2020	2019	2018	2017
Total assets	\$ 20,350	\$ 18,881	\$ 18,347	\$ 20,038
Current liabilities	(8,330)	(8,369)	(9,678)	(8,505)
Current maturities of long-term debt	298	559	947	376
Notes payable	12	294	1,034	450
Total invested capital	\$ 12,330	\$ 11,365	\$ 10,650	\$ 12,359

	2020	2019	2018	2017
Return on invested capital (ROIC)	10.9 %	9.5 %	9.4 %	8.4 %

*The reconciliation provided on a previous page reconciles the non-GAAP financial measure ongoing earnings before interest and taxes, with the most directly comparable GAAP financial measure, net earnings (loss) available to Whirlpool.

**Taxes are calculated at a flat 24% tax rate to enable standard, consistent comparisons across years and remove variability of tax credits, allowances, incentives and other tax related items that can fluctuate on an annual basis.

Additional notes

- a. The World's leading kitchen and laundry appliance company claim is based on most recently available publicly reported annual product sales, parts, and support revenues.
- b. Our leading portfolio of brands includes *Whirlpool*, *Maytag*, *KitchenAid*, *Hotpoint*, and *Indesit* each of which generates annual sales in excess of \$1 billion.
- c. Whirlpool ownership of the *Hotpoint* brand in the EMEA and Asia Pacific regions is not affiliated with the *Hotpoint* brand sold in the Americas.