



# **FORM 10-Q**

**WHIRLPOOL CORP /DE/ – WHR**

**Filed: November 12, 2003 (period: September 30, 2003)**

Quarterly report which provides a continuing view of a company's financial position

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**SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2003

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 1-3932

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**WHIRLPOOL CORPORATION**

(Exact name of registrant as specified in its charter)

Delaware  
(State of incorporation)

38-1490038  
(I.R.S. Employer Identification No.)

2000 M-63  
Benton Harbor, Michigan  
(Address of principal executive offices)

49022-2692  
(Zip Code)

Registrant's telephone number, including area code 269/923-5000

The registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

<u>Class of common stock</u>	<u>Shares outstanding at September 30, 2003</u>
Common stock, par value \$1 per share	69,656,684

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QUARTERLY REPORT ON FORM 10-Q

WHIRLPOOL CORPORATION

Quarter Ended September 30, 2003

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS (UNAUDITED)  
WHIRLPOOL CORPORATION  
FOR THE PERIOD ENDED SEPTEMBER 30  
(millions of dollars except share and dividend data)

	Three Months Ended		Nine Months Ended	
	2003	2002	2003	2002
Net sales	\$ 3,113	\$ 2,759	\$ 8,817	\$ 8,070
EXPENSES:				
Cost of products sold	2,418	2,114	6,844	6,198
Selling, general and administrative	491	443	1,385	1,284
Restructuring costs	—	3	—	17
	<u>2,909</u>	<u>2,560</u>	<u>8,229</u>	<u>7,499</u>
OPERATING PROFIT	204	199	588	571
OTHER INCOME (EXPENSE):				
Interest income and sundry	(5)	—	(28)	(31)
Interest expense	(34)	(39)	(104)	(108)
EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND OTHER ITEMS	165	160	456	432
Income taxes	57	56	160	151
EARNINGS FROM CONTINUING OPERATIONS BEFORE EQUITY EARNINGS AND MINORITY INTERESTS	108	104	296	281
Equity in earnings (loss) of affiliated companies	—	—	—	(25)
Minority interests	(3)	(3)	(6)	(7)
EARNINGS FROM CONTINUING OPERATIONS BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	105	101	290	249
Cumulative effect of change in accounting principle, net of tax	—	—	—	(613)
NET EARNINGS (LOSS)	<u>\$ 105</u>	<u>\$ 101</u>	<u>\$ 290</u>	<u>\$ (364)</u>
Per share of common stock:				
Basic earnings before cumulative effect of change in accounting principle	\$ 1.51	\$ 1.48	\$ 4.21	\$ 3.67
Cumulative effect of change in accounting principle, net of tax	—	—	—	(9.04)
Basic net earnings (loss)	<u>\$ 1.51</u>	<u>\$ 1.48</u>	<u>\$ 4.21</u>	<u>\$ (5.37)</u>
Diluted earnings before cumulative effect of change in accounting principle	\$ 1.48	\$ 1.46	\$ 4.14	\$ 3.58
Cumulative effect of change in accounting principle, net of tax	—	—	—	(8.83)
Diluted net earnings (loss)	<u>\$ 1.48</u>	<u>\$ 1.46</u>	<u>\$ 4.14</u>	<u>\$ (5.25)</u>
Dividends declared	<u>\$ .34</u>	<u>\$ .34</u>	<u>\$ 1.02</u>	<u>\$ 1.02</u>
Weighted-average shares outstanding (millions):				
Basic	69.2	68.2	68.7	67.8
Diluted	70.9	69.0	69.9	69.4

See notes to consolidated condensed financial statements

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WHIRLPOOL CORPORATION  
(millions of dollars)

	(Unaudited) September 30 2003	December 31 2002
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and equivalents	\$ 231	\$ 192
Trade receivables, less allowances of (2003: \$99; 2002 \$94)	1,876	1,781
Inventories	1,368	1,089
Prepaid expenses	69	64
Deferred income taxes	150	83
Other current assets	181	118
	<u>3,875</u>	<u>3,327</u>
<b>Other Assets</b>		
Investment in affiliated companies	10	7
Goodwill, net	161	161
Other intangibles, net	185	182
Deferred income taxes	278	437
Prepaid pension costs	205	43
Other assets	146	136
	<u>985</u>	<u>966</u>
<b>Property, Plant and Equipment</b>		
Land	89	87
Buildings	983	954
Machinery and equipment	5,118	4,793
Accumulated depreciation	(3,874)	(3,496)
	<u>2,316</u>	<u>2,338</u>
<b>Total Assets</b>	<b>\$ 7,176</b>	<b>\$ 6,631</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Notes payable	\$ 485	\$ 221
Accounts payable	1,709	1,631
Employee compensation	280	273
Deferred income taxes	75	100
Accrued expenses	702	664
Restructuring costs	61	122
Other current liabilities	267	283
Current maturities of long-term debt	13	211
	<u>3,592</u>	<u>3,505</u>
<b>Total Current Liabilities</b>	<b>3,592</b>	<b>3,505</b>
<b>Other Liabilities</b>		
Deferred income taxes	123	117
Pension benefits	420	358
Postemployment benefits	482	487
Product warranty	59	57
Other liabilities	202	198
Long-term debt	1,113	1,092
	<u>2,399</u>	<u>2,309</u>
<b>Minority Interests</b>	<b>62</b>	<b>78</b>
<b>Stockholders' Equity</b>		
Common stock, \$1 par value:	88	87
Shares authorized – 250 million		
Shares issued – 88.2 million (2003); 87.1 million (2002)		
Shares outstanding – 69.7 million (2003); 68.2 million (2002)		

Paid-in capital	644	582
Retained earnings	2,204	1,985
Accumulated other comprehensive income (loss)	(913)	(999)
Treasury stock –18.6 million (2003); 18.9 million (2002)	(900)	(916)
	<u>          </u>	<u>          </u>
<b>Total Stockholders' Equity</b>	<b>1,123</b>	<b>739</b>
	<u>          </u>	<u>          </u>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 7,176</b>	<b>\$ 6,631</b>
	<u>          </u>	<u>          </u>

See notes to consolidated condensed financial statements



Dividends declared on common stock	(71)	(71)			
<b>Ending balance, September 30, 2003</b>	<u>\$ 1,123</u>	<u>\$ 2,204</u>	<u>\$ (913)</u>	<u>\$ 88</u>	<u>\$ (256)</u>

See notes to consolidated condensed financial statements

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**CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
**WHIRLPOOL CORPORATION**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30**  
**(millions of dollars)**

	<u>2003</u>	<u>2002</u>
<b>OPERATING ACTIVITIES</b>		
Net earnings (loss)	\$ 290	\$ (364)
Adjustments to reconcile net earnings (loss) to net cash flows provided by operating activities:		
Cumulative effect of a change in accounting principle	—	613
Equity in net loss (earnings) of affiliated companies, less dividends received	—	25
Depreciation and amortization	330	291
Changes in assets and liabilities:		
Trade receivables	(21)	(120)
Inventories	(212)	29
Accounts payable	(15)	(132)
Product recalls	8	(234)
Restructuring charges, net of cash paid	(70)	(25)
Taxes deferred and payable, net	46	150
Tax paid on cross-currency interest rate swap gain	—	(86)
Accrued pension	(114)	(19)
Other – net	24	107
	<u>266</u>	<u>235</u>
Cash Provided By Operating Activities		
<b>INVESTING ACTIVITIES</b>		
Capital expenditures	(219)	(205)
Acquisitions of businesses, less cash acquired	(4)	(175)
	<u>(223)</u>	<u>(380)</u>
Cash Used In Investing Activities		
<b>FINANCING ACTIVITIES</b>		
Net proceeds of short-term borrowings	246	171
Proceeds of long-term debt	1	16
Repayments of long-term debt	(178)	(50)
Dividends paid	(71)	(69)
Purchase of treasury stock	—	(46)
Redemption of WFC preferred stock	(33)	(25)
Common stock issued under stock plans	55	82
Other	(29)	(76)
	<u>(9)</u>	<u>3</u>
Cash (Used In) Provided By Financing Activities		
Effect of Exchange Rate Changes on Cash and Equivalents	5	9
	<u>39</u>	<u>(133)</u>
Increase (Decrease) in Cash and Equivalents		
Cash and Equivalents at Beginning of Period	192	316
	<u>\$ 231</u>	<u>\$ 183</u>
Cash and Equivalents at End of Period		

See notes to consolidated condensed financial statements

WHIRLPOOL CORPORATION  
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(UNAUDITED)

NOTE A—BASIS OF PRESENTATION AND SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

The accompanying unaudited consolidated condensed financial statements present information in accordance with generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and applicable rules of Regulation S-X. Accordingly, they do not include all information or footnotes required by generally accepted accounting principles for complete financial statements. Management believes the financial statements include all normal recurring accrual adjustments necessary for a fair presentation. Operating results for the three and nine months ended September 30, 2003 do not necessarily indicate the results that may be expected for the full year. For further information, refer to the consolidated financial statements and notes thereto included in the company's annual report for the year ended December 31, 2002.

Stock option and incentive plans are accounted for under the intrinsic value method in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. Had the company elected to adopt the fair value recognition provisions of Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation," pro forma net earnings (loss) and net earnings (loss) per share would be as follows:

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2003	2002	2003	2002
<small>(millions of dollars, except per share data)</small>				
<b>Compensation cost included in earnings as reported (net of tax benefits)</b>	<b>\$ 3</b>	<b>\$ 2</b>	<b>\$ 7</b>	<b>\$ 11</b>
<b>Pro forma total fair value compensation cost (net of tax benefits)</b>	<b>\$ 6</b>	<b>\$ 5</b>	<b>\$ 16</b>	<b>\$ 20</b>
<b>Net earnings (loss)</b>				
As reported	<b>\$ 105</b>	<b>\$ 101</b>	<b>\$ 290</b>	<b>\$ (364)</b>
Pro forma	<b>\$ 102</b>	<b>\$ 98</b>	<b>\$ 281</b>	<b>\$ (373)</b>
<b>Basic net earnings (loss) per share</b>				
As reported	<b>\$ 1.51</b>	<b>\$ 1.48</b>	<b>\$ 4.21</b>	<b>\$ (5.37)</b>
Pro forma	<b>\$ 1.47</b>	<b>\$ 1.44</b>	<b>\$ 4.08</b>	<b>\$ (5.50)</b>
<b>Diluted net earnings (loss) per share</b>				
As reported	<b>\$ 1.48</b>	<b>\$ 1.46</b>	<b>\$ 4.14</b>	<b>\$ (5.25)</b>
Pro forma	<b>\$ 1.44</b>	<b>\$ 1.42</b>	<b>\$ 4.01</b>	<b>\$ (5.38)</b>

Diluted net earnings per share of common stock include the dilutive effect of stock options. For the three months ended September 30, 2003 and 2002, approximately 1,326,000 and 2,248,000 stock options, respectively, were excluded from the calculation of diluted earnings per share because their exercise prices rendered them anti-dilutive.

WHIRLPOOL CORPORATION  
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS—(continued)  
(UNAUDITED)

For the nine months ended September 30, 2003 and 2002, approximately 1,832,000 and 1,410,000 stock options, respectively, were excluded from the calculation of diluted earnings per share because their exercise prices rendered them anti-dilutive.

Certain reclassifications have been made to the prior period financial statements to conform to the current period presentation which had no effect on net income reported for the period.

NOTE B – NEW ACCOUNTING STANDARDS

In January 2003, the Financial Accounting Standards Board (FASB) issued Interpretation No. 46, “Consolidation of Variable Interest Entities, an Interpretation of Accounting Research Bulletin No. 51” (Interpretation or FIN 46). The Interpretation requires consolidation, beginning December 31, 2003, of entities in which the company absorbs a majority of the entity’s expected losses, receives a majority of the entity’s expected residual returns, or both, as a result of ownership, contractual or other financial interests in the entity. Currently, entities are consolidated when the company has a controlling financial interest, typically through ownership of a majority voting interest in an entity. As previously disclosed, the company was reviewing the impact of FIN 46 on Wellmann, a German kitchen cabinet manufacturer. During the quarter, the company’s equity in Wellmann was sold to Alno, a prominent German kitchen cabinet manufacturer, and in connection with the sale, the company obtained a 10% interest in Alno. The company will be performing an analysis in the fourth quarter to determine whether it holds a variable interest in Alno. Currently, the company does not expect that the adoption of FIN 46 will materially impact the company’s financial position or results of operations.

In April 2003, the FASB issued Statement No. 149 (SFAS 149), “Amendment of Statement 133 on Derivative Instruments and Hedging Activities.” SFAS 149 amends and clarifies financial accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives) and for hedging activities under FASB Statement No. 133, “Accounting for Derivative Instruments and Hedging Activities.” This Statement is effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. The adoption of SFAS 149 did not materially impact the company’s financial position or results of operations.

In May 2003, the FASB issued Statement No. 150 (SFAS 150), “Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity.” SFAS 150 establishes standards for how an issuer classifies and measures in its statement of financial position certain financial instruments with characteristics of both liabilities and equity. It requires that an issuer classify a financial instrument that is within its scope as a liability (or an asset in some circumstances) because that financial instrument embodies an obligation of the issuer. This Statement is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. The adoption of SFAS 150 did not impact the company’s financial position or results of operations.

WHIRLPOOL CORPORATION  
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS—(continued)  
(UNAUDITED)

NOTE C – GOODWILL AND OTHER INTANGIBLES

The company adopted SFAS No. 142, “Goodwill and Other Intangible Assets,” on January 1, 2002, and recorded a non-cash after-tax goodwill impairment charge of \$613 million, or \$8.83 per diluted share as a cumulative effect of change in accounting principle, in the nine months ended September 30, 2002.

Since December 31, 2002, there have been no changes in the operating segments’ carrying amounts for goodwill. As of September 30, 2003, the operating segments’ goodwill carrying amounts were as follows: North America \$157 million and Latin America \$4 million.

The company’s other intangible assets were comprised of the following:

	September 30 2003	December 31 2002
(millions of dollars)		
<b>Trademarks (indefinite-lived)</b>	\$ 55	\$ 49
<b>Patents and non-competes agreements</b>	2	5
<b>Pension related</b>	128	128
	<u>185</u>	<u>182</u>
<b>Total other intangible assets, net</b>	<u>\$ 185</u>	<u>\$ 182</u>

Accumulated amortization totaled \$24 million at September 30, 2003 and \$21 million at December 31, 2002.

NOTE D – INVENTORIES

Inventories consist of the following:

	September 30 2003	December 31 2002
(millions of dollars)		
<b>Finished products</b>	\$ 1,197	\$ 928
<b>Raw materials and work in process</b>	312	297
	<u>1,509</u>	<u>1,225</u>
<b>Less excess of FIFO cost over LIFO cost</b>	141	136
	<u>\$ 1,368</u>	<u>\$ 1,089</u>

The increase in inventories was principally driven by increased sales and the impact of foreign currencies.

WHIRLPOOL CORPORATION  
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS—(continued)  
(UNAUDITED)

## NOTE E – RESTRUCTURING CHARGES

Details of the 2003 restructuring liabilities through September 30 were as follows:

(millions of dollars)	Balance at January 1 2003	Charge to Earnings	Cash Paid	Translation	Balance at September 30 2003
Termination costs	\$ 116	\$ —	\$(65)	\$ 10	\$ 61
Non-employee exit costs	6	—	(6)	—	—
<b>Total</b>	<b>\$ 122</b>	<b>\$ —</b>	<b>\$(71)</b>	<b>\$ 10</b>	<b>\$ 61</b>

As of September 30, 2003, an additional 1,048 employees had left the company since December 31, 2002. These employee departures were related to prior announcements under the company's restructuring program.

## NOTE F – RELATED PARTY TRANSACTIONS

The company repurchased 700,000 shares of its common stock during the nine months ended September 30, 2002 from the company's U.S. pension plan at a total cost of \$46 million. The shares were repurchased from the pension plan at an average cost of \$66.32 per share, which was based upon an average of the high and low market prices on the date of purchase. See Note K – Subsequent Events, related to the purchase of 976,300 shares in October 2003.

## NOTE G – GUARANTEES, COMMITMENTS AND CONTINGENCIES

**Guarantees**

In November 2002, the FASB issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others," which includes additional disclosure requirements as well as recognition and measurement provisions which require the company to record a liability at fair value for any new guarantees (or modifications to existing programs) issued on or after January 1, 2003. The initial recognition and measurement provisions of Interpretation 45 did not have a material effect on the company's financial position or results of operations.

The company guarantees bills of exchange related to Wellmann, a German kitchen cabinet manufacturer, in which the company previously held a 49.5% interest. The company sold its interest in Wellmann to Alno, a prominent German kitchen cabinet manufacturer, during the quarter ended September 30, 2003. However, the guarantees related to the outstanding bills of exchange will remain in place until expiration in January 2004. These bills of exchange are short-term agreements, usually for 90 days, which allow the issuer to convert its receivables into cash, less a minor fee paid to the bank. The bills of exchange are issued both by the company for loans made to Wellmann and by Wellmann for its trade accounts receivable. In the event Wellmann defaults on its

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WHIRLPOOL CORPORATION  
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS—(continued)  
(UNAUDITED)

obligations under any of the bills of exchange, the company would be liable for the related amounts. The company has limited recourse against the assets of Wellmann in the event of its insolvency. As of September 30, 2003 and December 31, 2002, the company had approximately \$18 million and \$30 million of guarantees outstanding for the bills of exchange related to Wellmann.

The company also has guarantee arrangements in place in a Brazilian subsidiary. As a standard business practice in Brazil, the subsidiary guarantees customer lines of credit at commercial banks following its normal credit policies. In the event that a customer were to default on its line of credit with the bank, the subsidiary would be required to satisfy the obligation with the bank, and the receivable would revert back to the subsidiary. As of September 30, 2003 and December 31, 2002, these amounts totaled \$70 million and \$66 million, respectively. The only recourse the company has related to these agreements would be legal or administrative collection efforts directed against the customer.

The company provides guarantees of indebtedness and lines of credit for various consolidated subsidiaries. The maximum amount of credit facilities under guarantee for consolidated subsidiaries totaled \$1.6 billion and \$1.4 billion at September 30, 2003 and December 31, 2002, respectively. The company's total outstanding bank indebtedness, including credit facility amounts under guarantee, totaled \$431 million and \$212 million at September 30, 2003 and December 31, 2002, respectively.

Product warranty reserves are established in the same period that revenue from the sale of the related products is recognized. The amounts of those reserves are based on established terms and the company's best estimate of the amounts necessary to settle future and existing claims on products sold as of the balance sheet date.

The reconciliation of the changes in product warranty reserves for the nine months ended September 30, 2003 were as follows:

	2003
(millions of dollars)	
<b>Balance at January 1</b>	<b>\$ 128</b>
<b>Warranties issued</b>	<b>198</b>
<b>Settlements made</b>	<b>(181)</b>
<b>Other – translation</b>	<b>3</b>
	<b>—————</b>
<b>Balance at September 30</b>	<b>\$ 148</b>
	<b>—————</b>
<b>Current portion</b>	<b>89</b>
<b>Non-current portion</b>	<b>59</b>
	<b>—————</b>
<b>Total</b>	<b>\$ 148</b>
	<b>—————</b>

WHIRLPOOL CORPORATION  
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS—(continued)  
(UNAUDITED)

**Commitments and Contingencies**

The company is involved in various legal actions arising in the normal course of business. Management, after taking into consideration legal counsel's evaluation of such actions, is currently of the opinion that the outcome of these matters will not have a material adverse effect on the company's financial position or results of operations.

NOTE H — GEOGRAPHIC SEGMENTS

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated on a regular basis by the chief operating decision maker, or decision making group, in deciding how to allocate resources to an individual segment and in assessing performance of the segment.

The company identifies operating segments based upon geographical regions of operations because each operating segment manufactures home appliances and related components, but serves strategically different markets.

The company's chief operating decision maker reviews each operating segment's performance based upon operating income, which is defined as income before interest income and sundry, interest expense, taxes and minority interests, and before certain other excluded charges described below. Total assets by segment are those assets directly associated with the respective operating activities. The "Other and (Eliminations)" column primarily includes corporate expenses, assets and eliminations, as well as certain excluded charges described below. Intersegment sales are eliminated within each region with the exception of compressor sales out of Latin America, which are included in Other and (Eliminations). Restructuring and related charges are included in operating profit on a consolidated basis and included in the Other and (Eliminations) column in the table below. For the three and nine months ended September 30, 2003 there were no material restructuring and related charges. For the three and nine months ended September 30, 2002 the operating segments recorded total restructuring and related charges as follows: North America \$7 and \$24 million, Europe \$7 and \$20 million, Latin America \$1 and \$4 million, Asia \$0 and \$3 million and Corporate \$1 and \$3 million.

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WHIRLPOOL CORPORATION  
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS—(continued)  
(UNAUDITED)

(millions of dollars)

<u>Three Months Ended September 30</u>	<u>North America</u>	<u>Europe</u>	<u>Latin America</u>	<u>Asia</u>	<u>Other and (Eliminations)</u>	<u>Consolidated</u>
<b>Net sales</b>						
2003	\$ 2,032	\$ 704	\$ 322	\$ 91	\$ (36)	\$ 3,113
2002	\$ 1,814	\$ 593	\$ 300	\$ 87	\$ (35)	\$ 2,759
<b>Intersegment sales</b>						
2003	\$ 11	\$ 81	\$ 38	\$ 34	\$ (164)	\$ —
2002	\$ 13	\$ 39	\$ 34	\$ 17	\$ (103)	\$ —
<b>Depreciation and amortization</b>						
2003	\$ 55	\$ 26	\$ 23	\$ 4	\$ 4	\$ 112
2002	\$ 54	\$ 22	\$ 18	\$ 4	\$ 4	\$ 102
<b>Operating profit (loss)</b>						
2003	\$ 200	\$ 36	\$ 13	\$ 2	\$ (47)	\$ 204
2002	\$ 204	\$ 26	\$ 25	\$ 4	\$ (60)	\$ 199
<b>Total assets</b>						
September 30, 2003	\$ 3,048	\$ 2,307	\$ 1,325	\$ 526	\$ (30)	\$ 7,176
December 31, 2002	\$ 2,913	\$ 2,015	\$ 1,054	\$ 516	\$ 133	\$ 6,631
<b>Capital expenditures</b>						
2003	\$ 31	\$ 17	\$ 19	\$ 6	\$ 2	\$ 75
2002	\$ 34	\$ 21	\$ 20	\$ 5	\$ 8	\$ 88
<b>Nine Months Ended September 30</b>						
<b>Net sales</b>						
2003	\$ 5,790	\$ 1,896	\$ 947	\$ 301	\$ (117)	\$ 8,817
2002	\$ 5,369	\$ 1,575	\$ 950	\$ 283	\$ (107)	\$ 8,070
<b>Intersegment sales</b>						
2003	\$ 36	\$ 262	\$ 116	\$ 82	\$ (496)	\$ —
2002	\$ 48	\$ 110	\$ 104	\$ 38	\$ (300)	\$ —
<b>Depreciation and amortization</b>						
2003	\$ 168	\$ 74	\$ 62	\$ 11	\$ 15	\$ 330
2002	\$ 149	\$ 56	\$ 63	\$ 12	\$ 11	\$ 291
<b>Operating profit</b>						
2003	\$ 579	\$ 80	\$ 55	\$ 9	\$ (135)	\$ 588
2002	\$ 618	\$ 56	\$ 63	\$ 16	\$ (182)	\$ 571
<b>Total assets</b>						
September 30, 2003	\$ 3,048	\$ 2,307	\$ 1,325	\$ 526	\$ (30)	\$ 7,176
December 31, 2002	\$ 2,913	\$ 2,015	\$ 1,054	\$ 516	\$ 133	\$ 6,631
<b>Capital expenditures</b>						
2003	\$ 88	\$ 55	\$ 59	\$ 9	\$ 8	\$ 219
2002	\$ 68	\$ 45	\$ 57	\$ 10	\$ 25	\$ 205

WHIRLPOOL CORPORATION  
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS—(continued)  
(UNAUDITED)

NOTE I – RETIREE HEALTHCARE PLAN CURTAILMENT GAIN

During the nine months ended September 30, 2003, the company announced a modification to its U.S. retiree healthcare plans affecting current active employees. The new plan is based on a Retiree Healthcare Savings Account (RHSA), which will be established for each active U.S. paid employee retiring after December 31, 2003. The RHSA is designed to provide employees that retire from Whirlpool with a notional healthcare savings account for each year of continuous service, beginning at age 40. In June 2003, the company recorded a one-time gain of \$13.5 million, net of tax, related to the modification of its retiree healthcare plan.

NOTE J —ACQUISITIONS

***Polar:***

On June 5, 2002, the company acquired 95% of the shares of Polar S.A. (Polar), a leading major home appliance manufacturer in Poland. During 2003, the Company acquired the remaining 5% of the shares of Polar. The operations of Polar have been included in the company's European operating segment.

***Vitromatic:***

On July 3, 2002, the company acquired the remaining 51% ownership in Vitromatic S.A. de C.V. (now called Whirlpool Mexico), an appliance manufacturer and distributor in Mexico. Prior to that time the company's 49% ownership in Whirlpool Mexico was accounted for as an equity investment. The operations of Whirlpool Mexico have been included in the company's North America operating segment.

NOTE K – SUBSEQUENT EVENTS

On October 24, 2003, the company agreed to buy 976,300 shares of Whirlpool common stock from the Whirlpool pension plan. The price per share was \$67.265 which was the average of the high and low prices of the day on October 24, 2003. The total purchase price was \$65.7 million and was made pursuant to the stock repurchase program authorized by the Board of Directors of the Company on February 15, 2000.

[Table of Contents](#)**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS****RESULTS OF OPERATIONS**

The consolidated condensed statements of operations summarize operating results for the three and nine months ended September 30, 2003 and 2002. All comparisons are to 2002, unless otherwise noted. This section of Management's Discussion and Analysis highlights the main factors affecting the changes in operating results.

Net Earnings

Net earnings for the current quarter were \$105 million, or \$1.48 per diluted share, versus net earnings of \$101 million, or \$1.46 per diluted share for the third quarter 2002. Current quarter performance benefited from higher sales volumes and improved operating efficiencies driven by the company's ongoing productivity improvement efforts and restructuring actions. These improvements were partially offset by increased pension and healthcare costs and continued competitive pricing pressures. For the year-to-date period, net earnings were \$290 million, or \$4.14 per diluted share, compared to a loss of \$364 million, or \$5.25 per diluted share, during the same period in 2002. The year ago period included a charge of \$613 million, net of tax, for the cumulative effect of a change in accounting principle related to the adoption of SFAS No. 142, \$22 million, net of tax, related to the asset impairment in the company's investment in Wellmann, and \$37 million, net of tax, for restructuring related activities.

Net Sales

Total units sold increased 8% for the quarter. Net sales increased 13% for the quarter, or 9% excluding currency fluctuations. Year-to-date total units sold increased 6%, or 3% excluding acquisitions. Net sales year-to-date increased 9%, or 5% excluding currency fluctuations and acquisitions.

	Three Months Ended			Nine Months Ended		
	September 30			September 30		
	2003	2002	Change	2003	2002	Change
(millions of dollars)						
<b>Net Sales:</b>						
<b>North America</b>	\$2,032	\$1,814	12%	\$5,790	\$5,369	8%
<b>Europe</b>	704	593	19%	1,896	1,575	20%
<b>Latin America</b>	322	300	7%	947	950	—
<b>Asia</b>	91	87	5%	301	283	6%
<b>Other/eliminations</b>	(36)	(35)	—	(117)	(107)	—
<b>Consolidated</b>	<b>\$3,113</b>	<b>\$2,759</b>	<b>13%</b>	<b>\$8,817</b>	<b>\$8,070</b>	<b>9%</b>

Significant regional trends were as follows:

- North America unit volumes increased 13% and 8% for the quarter and year to date periods, respectively. Excluding the Whirlpool Mexico acquisition, the year to date unit volumes were up 4%. The increase in unit volume is due to increased consumer demand for Whirlpool and KitchenAid branded products. The strong home building market was also a contributor to the significant increase in unit volume. Net sales increased 12% for

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS—(continued)

the quarter, or approximately 12% excluding the impact of currency fluctuations. For the year to date period, net sales increased 8%, or approximately 5% excluding currency and the Whirlpool Mexico acquisition. Improved product mix contributed to the increase in net sales within the region.

- European unit volumes increased 7% and 4% for the quarter and year to date periods, respectively, reflecting an increase in demand in all major markets despite continuing weak economic conditions throughout the region. Excluding the Polar acquisition, the year to date unit volumes were up 2%. Net sales increased 19% for the quarter, or approximately 5% excluding the impact of currency fluctuations. For the year to date period, net sales increased 20%, or approximately 1% excluding currency and acquisitions. The increase is largely due to the favorable Euro – U.S. dollar translation impact.
- Latin America unit volumes decreased 13% and 4% for the quarter and year to date periods, respectively. The unit decline during the quarter and year to date periods resulted from an unfavorable macroeconomic environment and poor consumer confidence. Net sales for the region increased 7% for the quarter, and excluding the impact of currency fluctuations, net sales increased marginally. For the year to date period, net sales remain flat, and excluding the impact of currency fluctuations, net sales increased 9%.
- Asia's unit shipments increased 3% and 4% for the quarter and year to date periods due to continued strong growth in India and China coupled with the introduction of new products. Net sales increased 5% and 6% for the quarter and year to date periods due to higher volumes and currency fluctuations offset by continued slowdown in our Hong Kong market, which remains down significantly post-SARS. Excluding currency fluctuations, net sales remained flat for the quarter and increased 2% for the year to date period.

For the full year 2003, appliance industry shipments are expected to increase 2 to 3% in North America, increase 2 to 3% in Europe, decrease 12 to 14% in Latin America and increase 5% in Asia.

Gross Margin

Gross margin percentage was down slightly for the quarter and year to date comparison. Increased pension and healthcare costs in North America, negative currency impacts from products imported into North America, lower demand and higher material costs in Latin America and competitive pricing pressures in most markets more than offset record levels of manufacturing productivity and restructuring benefits.

Selling, General and Administrative

Selling, general and administrative expenses as a percent of net sales improved slightly for the quarter and remained flat on a year to date basis. Benefits from the restructuring program, significant cost controls, the second quarter non-cash retiree healthcare plan curtailment gain and other cost containment efforts were offset by increased pension and healthcare benefits expense in North America.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS—(continued)**

Other Income and Expense

Interest Income and Sundry Income (Expense) of \$(5) and \$(28) million for the quarter and year-to-date periods, respectively, were \$5 million unfavorable and \$3 million favorable as compared to the same periods in 2002. The quarter's results primarily reflect higher foreign currency losses in Latin America. Reduced overall borrowings, the repayment of the \$200 million, 9% debentures in March 2003, and the lower interest rate environment combined to reduce interest expense by \$5 million and \$4 million for the quarter and year-to-date periods.

Income Taxes

The consolidated effective income tax rate was 34.5 percent for the quarter and 35.1 percent year to date versus 35.0 percent for the year ago quarter and cumulative year to date periods. The lower effective tax rate for the quarter was due to a change in the earnings mix among regions in addition to federal, foreign and state tax credits and planning initiatives.

**CASH FLOWS**

The statements of cash flows reflect the changes in cash and cash equivalents for the nine months ended September 30, 2003 and 2002 by classifying transactions into three major categories: operating, investing and financing activities.

Operating Activities

The company's main source of liquidity is cash generated from operating activities, consisting of net earnings (loss) adjusted for non-cash operating items such as the cumulative effect of changes in accounting principle, equity earnings (losses) of affiliates, gains (losses) on disposal of assets and depreciation and amortization, as well as changes in operating assets and liabilities such as receivables, inventories and payables.

Cash provided by operating activities in the first nine months of 2003 was \$266 million compared to \$235 million in 2002. The improvement versus last year was due to lower product recall spending and the payment of taxes during 2002 on the realized gain from the sale of a portfolio of cross-currency interest rate swaps. These improvements were partially offset within other operating accounts, primarily the voluntary pension contribution, other accrued expenses and working capital.

Investing Activities

The principal recurring investing activities are property, plant and equipment additions. Net property additions for the first nine months were \$219 million in 2003 versus \$205 million in the 2002 period. These expenditures are primarily for equipment and tooling related to product improvements, more efficient production methods, and replacement for normal wear and tear. The improvement versus last year was due to lower acquisition spending.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS—(continued)**

Financing Activities

The company's net borrowings, adjusted for currency fluctuations, increased \$69 million from year-end due to seasonal working capital needs. During the nine months ended September 30, 2003, \$200 million of the company's 9% debentures matured and were repaid using short-term notes payable.

Dividends to shareholders totaled \$71 and \$69 million for the nine months ended September 30, 2003 and 2002, respectively.

The company also redeemed \$33 and \$25 million in 2003 and 2002, respectively, in preferred stock from its discontinued finance company, Whirlpool Financial Corporation. The company received proceeds of \$55 and \$82 million related to the exercise of company stock options for the nine month period ended September 30, 2003 and 2002, respectively.

**FINANCIAL CONDITION AND LIQUIDITY**

The financial position of the company remained strong at September 30, 2003. Total assets are \$7.2 billion and stockholders' equity is \$1.1 billion at September 30, 2003 compared to \$6.6 billion and \$0.7 billion at December 31, 2002. The increase in equity is primarily attributed to net earnings retention for the year to date period of \$219 million.

On February 15, 2000, the company announced that the Board of Directors approved an extension of its stock repurchase program to \$1 billion. The company had purchased 12.7 million shares at a cost of \$684 million through September 30, 2003, none of which was purchased during 2003. See "Other Matters" related to the stock repurchase made in October 2003.

The company maintains an \$800 million five-year committed credit agreement, scheduled to mature in June 2006, and a committed \$400 million 364-day credit agreement, scheduled to mature in May 2004. These credit agreements support the company's commercial paper programs and other operating needs. Through September 30, 2003, there have not been any borrowings under these agreements, which represent the company's total committed credit lines. The company is in full compliance with its bank covenants and none of its material debt agreements require accelerated repayment in the event of a decrease in credit ratings. The company's debt continues to be rated investment grade by Moody's (Baa1), Standard & Poor's (BBB+) and Fitch (A-). A security rating is not a recommendation to buy, sell or hold securities. Security ratings are subject to revision or withdrawal at any time by the rating organization. Each rating should be evaluated independently of any other rating.

The company guarantees the indebtedness of Wellmann, a former European affiliate, and certain customers of its Brazilian subsidiary as discussed in Note G to the consolidated condensed financial statements. The company does not expect these guarantees to have a material effect on its financial condition or liquidity.

The company believes its capital resources and liquidity position at September 30, 2003 are adequate to meet anticipated business needs and to fund future growth opportunities. Currently, the company has access to capital markets in the U.S. and internationally.

**OTHER MATTERS**

During the quarter ended September 30, 2003, the company contributed \$164 million to its U.S. pension plans, of which, \$162 million was voluntary. The voluntary contribution is expected to reduce future pension contributions as well as limit projected pension expense increases in 2004.

On October 24, 2003, the company agreed to buy 976,300 shares of Whirlpool common stock from the Whirlpool pension plan. The price per share was \$67.265 which was the average of the high and low prices of the day on October 24, 2003. The total purchase price was \$65.7 million and was made pursuant to the stock repurchase program authorized by the Board of Directors of the company on February 15, 2000.

During 2003, the company announced a modification to its U.S. retiree healthcare plans affecting current active employees. The new plan is based on a Retiree Healthcare Savings Account (RHSA), which will be established for each active U.S. paid employee retiring after December 31, 2003. The RHSA is designed to provide employees that retire from Whirlpool with a notional healthcare savings account for each year of continuous service, beginning at age 40. In June 2003, the company recorded a one-time gain of \$13.5 million, net of tax, related to the modification of its retiree healthcare plan.

During the second quarter of 2003, the company recorded a pre-tax charge of \$16 million (\$11 million after-tax) primarily for final costs related to the previously announced 2001 microwave hood combination recall.

During the quarter ended September 30, 2003, the company completed the sale of Wellmann to Alno, a prominent German kitchen cabinet manufacturer. Previously, the company held a 49.5% ownership interest in Wellmann, and in connection with the sale, the company obtained a 10% interest in Alno. The sale did not have a material impact to the company's financial position or results of operations.

In December 1996, Multibras and Empresa Brasileira de Compressores S.A. (Embraco), Brazilian subsidiaries, were granted additional export incentives in connection with the Brazilian government's export incentive program (Befiex). These incentives allowed the use of credits as an offset against current Brazilian federal excise tax on domestic sales. The company recognized credits of \$0 and \$5 million in the three and nine months ended September 30, 2003, respectively, and \$9 and \$31 million in the three and nine months ended September 30, 2002, respectively, as a reduction of current excise taxes payable and, therefore, an increase in net sales. The company does not expect to recognize any additional Befiex credits beyond the \$5 million recognized in the first quarter of 2003 until the calculation of the credit, which is currently under review, is confirmed by the Brazilian courts.

For the initiatives announced through September 30, 2003 in connection with the December 2000 restructuring plan, the company expected to eliminate approximately 7,200 employees of which approximately 6,000 had left the company through September 30, 2003. The reduction in positions due to restructuring has been partially offset by an increase in the number of employees in other areas of the company. The company has utilized cash on hand and cash generated from operations to fund the restructuring initiatives.

**FORWARD-LOOKING STATEMENTS**

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of the company. Management's Discussion and Analysis and other sections of this report may contain forward-looking statements that reflect the company's current views with respect to future events and financial performance.

Certain statements contained in this quarterly report and other written and oral statements made from time to time by the company do not relate strictly to historical or current facts. As such, they are considered "forward-looking statements" which provide current expectations or forecasts of future events. Such statements can be identified by the use of terminology such as "anticipate," "believe," "estimate," "expect," "intend," "may," "could," "possible," "plan," "project," "will," "forecast," and similar words or expressions. The company's forward-looking statements generally relate to its growth strategies, financial results, product development, and sales efforts. These forward-looking statements should be considered with the understanding that such statements involve a variety of risks and uncertainties, known and unknown, and may be affected by inaccurate assumptions. Consequently, no forward-looking statement can be guaranteed and actual results may vary materially.

Many factors could cause actual results to differ materially from the company's forward-looking statements. Among these factors are: (1) competitive pressure to reduce prices; (2) the ability to gain or maintain market share in an intensely competitive global market; (3) the success of our global strategy to develop brand differentiation and brand loyalty; (4) our ability to control operating and selling costs and to maintain profit margins during industry downturns; (5) the success of our Latin American businesses operating in challenging and volatile environments; (6) continuation of our strong relationship with Sears, Roebuck and Co. in North America, which accounted for approximately 21% of our consolidated net sales of \$11 billion in 2002; (7) currency exchange rate fluctuations; (8) social, economic and political volatility in developing markets; (9) continuing uncertainty in the North American, Latin American, Asian and European economies; (10) changes in North America's consumer preferences regarding how appliances are purchased; (11) the effectiveness of the series of restructuring actions the company has announced and/or completed through 2003; and (12) the threat of terrorist activities or the impact of war.

The company undertakes no obligation to update any forward-looking statement, and investors are advised to review disclosures by the company in its 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.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

There have been no material changes to our exposures to market risk since December 31, 2002.

**Item 4. Controls and Procedures**

- (a) Evaluation of disclosure controls and procedures.

The company's chief executive officer and chief financial officer, after evaluating the effectiveness of the company's "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)) as of the end of the period, have concluded that the company's disclosure controls and procedures were adequate and designed to ensure that material information relating to the company and its consolidated subsidiaries would be made known to them by others within those entities.

- (b) Changes in internal controls over financial reporting.

There were no changes in our internal controls over financial reporting that occurred during the most recent fiscal quarter that have materially affected, or are reasonably likely to affect, the company's internal controls over financial reporting.

PART II. OTHER INFORMATION

WHIRLPOOL CORPORATION AND SUBSIDIARIES

Quarter Ended September 30, 2003

Item 6. Exhibits and Reports on Form 8-K

a. The following are included herein:

Exhibit 31.1 Certification of Chief Executive Officer, Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 31.2 Certification of Chief Financial Officer, Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit 32.1 Certifications Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

b. The registrant filed the following Current Report on Form 8-K for the quarterly period ended September 30, 2003.

A Current Report on Form 8-K dated July 24, 2003 pursuant to Item 12, Results of Operations and Financial Condition, announcing second-quarter 2003 net earnings.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WHIRLPOOL CORPORATION  
(Registrant)

By /s/ R. Stephen Barrett, Jr.

R. Stephen Barrett, Jr.  
Executive Vice President  
and Chief Financial Officer  
(Principal Financial Officer)

November 12, 2003



## CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES–OXLEY ACT OF 2002

I, David R. Whitwam, certify that:

1. I have reviewed this quarterly report of Form 10–Q of Whirlpool Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstance under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly represent in all material respects the financial condition, results of operations and cash flows of the registrant, as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 12, 2003

/s/ DAVID R. WHITWAM

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Name: David R. Whitwam  
Title: Chairman of the Board and Chief Executive Officer



## CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES–OXLEY ACT OF 2002

I, R. Stephen Barrett, Jr. certify that:

1. I have reviewed this quarterly report of Form 10–Q of Whirlpool Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstance under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly represent in all material respects the financial condition, results of operations and cash flows of the registrant, as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a–15(e) and 15d–15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2003

/s/ R. STEPHEN BARRETT, JR.

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Name: R. Stephen Barrett, Jr.  
Title: Executive Vice President and Chief Financial Officer



Certifications Pursuant to  
18 U.S.C. Section 1350,  
as Adopted Pursuant to Section 906 of the  
Sarbanes–Oxley Act of 2002

In connection with the Quarterly Report on Form 10–Q of Whirlpool Corporation (the “Company”) for the quarterly period ended September 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), David R. Whitwam, as Chief Executive of the Company, and R. Stephen Barrett, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes–Oxley Act of 2002, that, to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly represents, in all material respects, the financial condition and results of operations of the Company.

/s/ DAVID R. WHITWAM

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Name: David R. Whitwam  
Title: Chairman of the Board  
and Chief Executive Officer  
Date: November 12, 2003

/s/ R. STEPHEN BARRETT, JR.

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Name: R. Stephen Barrett, Jr.  
Title: Executive Vice President  
and Chief Financial Officer  
Date: November 12, 2003