

The Whirlpool Strategy The next few pages demonstrate how our strategy is being executed around the world. From innovative products and processes, to continually improving customer relationships, we move closer to our vision of Every Home...Everywhere.



Whirlpool Duet:

In 2006, the *Whirlpool* brand *Duet* fabric care system was honored by the Industrial Designers Society of America and *BusinessWeek* magazine for its design. It also is the first washer and pedestal certified user-friendly by the Arthritis Foundation.

FABRIC CARE

Designed and built in Germany in 2001, the award-winning *Whirlpool Duet* fabric care system remains the best selling and most popular front-loading washer in North America. We also sell this popular washer in Europe as the *Bauknecht Big* and *Whirlpool Dreamspace*, and, in 2006, we introduced the *Brastemp Duet* to Brazil.

This year we expanded our fabric care innovation with the largest product launch in our company's history when we introduced an entirely new line of laundry products in North America. The result of an intense, in-depth two-and-a-half year study of consumer needs, these products are designed to fit different lifestyles. The *Duet Sport* system is a smaller version of the original *Duet* model and the *Cabrio* is a high-efficiency washer that can handle three laundry baskets of clothing in a single load. Like the *Duet*, the *Duet Sport* and *Cabrio* models use approximately half the water and energy of conventional top-load washers. Whether it is a single apartment dweller or a large suburban family, Whirlpool has the right size and style of washer and dryer for every consumer.

Not long after we introduced *Duet*, we responded to consumers' requests for ergonomic storage by developing the popular pedestals that fit beneath the *Duet*. That led us to another opportunity to better serve consumers. Using our customer-insight tools to better understand consumers' laundry space and laundry process, we developed a new line of innovative solutions that help make laundry rooms more efficient and organized. From free-standing storage towers that hold and hide supplies to work surfaces and retractable shelves to sort, treat and fold laundry, and retractable hanging rods to air-dry items, the *Laundry 123* suite of customer options helps make doing laundry easier and more organized.



***Duet Sport* and *Laundry 123* Tower Organizers:**

Two inches shorter and more shallow than the original, the *Duet Sport* system can handle 12 pairs of jeans in a single load. The *Laundry 123* tower organizers hold and hide all laundry supplies within easy reach.



***Laundry 123* Slide-Out Work Surface:**

A unique retractable shelf that fits between a stacked washer and dryer.



***Whirlpool Cabrio* Fabric Care System:**

A high-efficiency top-load washer that can handle three laundry baskets of clothing in a single load. The *Cabrio* was rated No. 1 by a leading consumer magazine.



***Maytag Epic* Fabric Care System:**

The launch of the *Maytag Epic* system in 2006 marks a return to the heritage of quality and performance for which the *Maytag* brand is known.

BRAND

More people use *Whirlpool* brand appliances than any other appliances in the world. Pairing global leverage with regional relevance, the *Whirlpool* brand's global leadership is based on deep consumer insights coupled with the ability to leverage product development, manufacturing and marketing globally.

Around the world, the *Whirlpool* brand reflects a modern, contemporary lifestyle. The brand's consumers, primarily women, seek products that produce effortless results. That might be microwaves that produce convection oven-like results, portable appliances that refresh clothing at the touch of a button or built-in ovens with pre-set recipes.

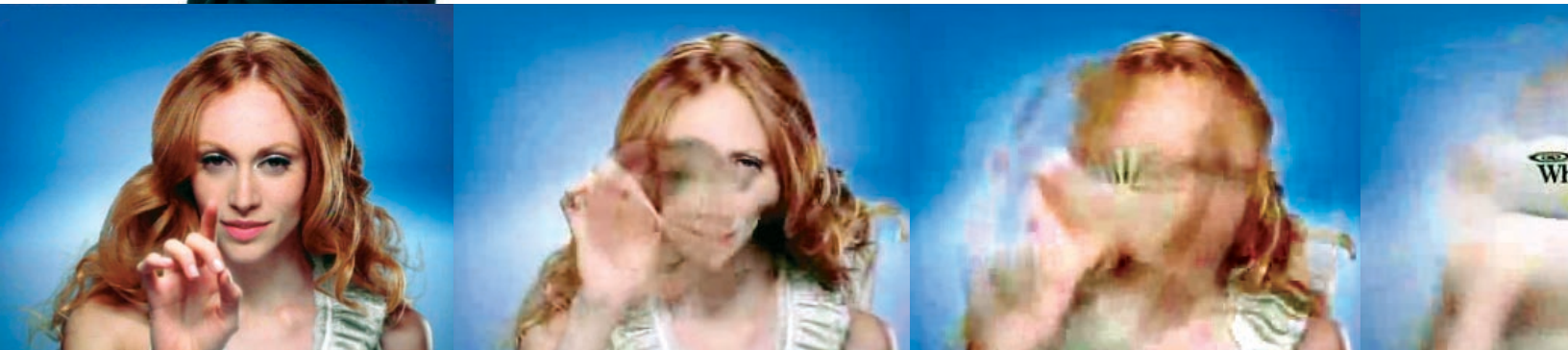
Many *Whirlpool* brand appliances are produced on common product platforms, enabling us to leverage our manufacturing footprint and realize continual global operational efficiencies.

For example, *Whirlpool* brand *Fabric Fresheners* and *Pret-a-Porters* are sold throughout North America, Europe and Latin America. We sell *Whirlpool* brand microwaves, which are built on common manufacturing platforms, throughout North America and Europe.

Around the globe, we communicate the *Whirlpool* brand's attributes to consumers by positioning it with unifying visuals. In our print and television advertising, consumers see the *Whirlpool* badge — which also appears on all *Whirlpool* brand appliances — and the *Whirlpool* brand goddess. By leveraging the cost of marketing and advertising production through consistent visual elements, we are able to use high-quality marketing materials around the world, while still allowing some flexibility to tailor those materials to meet regional preferences.



The *Whirlpool* brand ranks among the world's most valuable brands identified by *Brand Finance*, the world's leading independent brand valuation and marketing metrics consultancy.



In our print and television advertising around the world, consumers see the *Whirlpool* brand goddess and the *Whirlpool* badge.



6TH SENSE TECHNOLOGY

Whirlpool Corporation continually looks for ways to make consumers' lives a little easier. With our *6th Sense* technology — available throughout Europe, Latin America and Asia — we provide intelligent appliances that sense the environment, adapt to different operating conditions and control processes and results to take the work out of everyday chores.

A result of intense and continual consumer research, our *6th Sense* technology reflects consumers' needs and delivers smart products that think for themselves. Applied across all product lines, *6th Sense* technology provides consumers choice, flexibility, simplicity and excellent results.

Refrigerators with *6th Sense* technology automatically adjust internal temperatures to keep food fresh and safe. Dishwashers and washing machines modify cleaning cycles and the amount of time, energy and water needed to clean loads, resulting in clean dishes or clothing while also conserving energy and water. Ranges offer pre-set recipes to make great food easily and microwaves automatically sense the right heating time for different types of food.

With the *6th Sense* line of products, consumers can achieve significant savings in time and resources through advanced, yet accessible, technology.



Whirlpool Argentina's *6th Sense* side-by-side refrigerators automatically sense and adjust the temperature according to the amount of food inside.



DESIGN & DEVELOPMENT

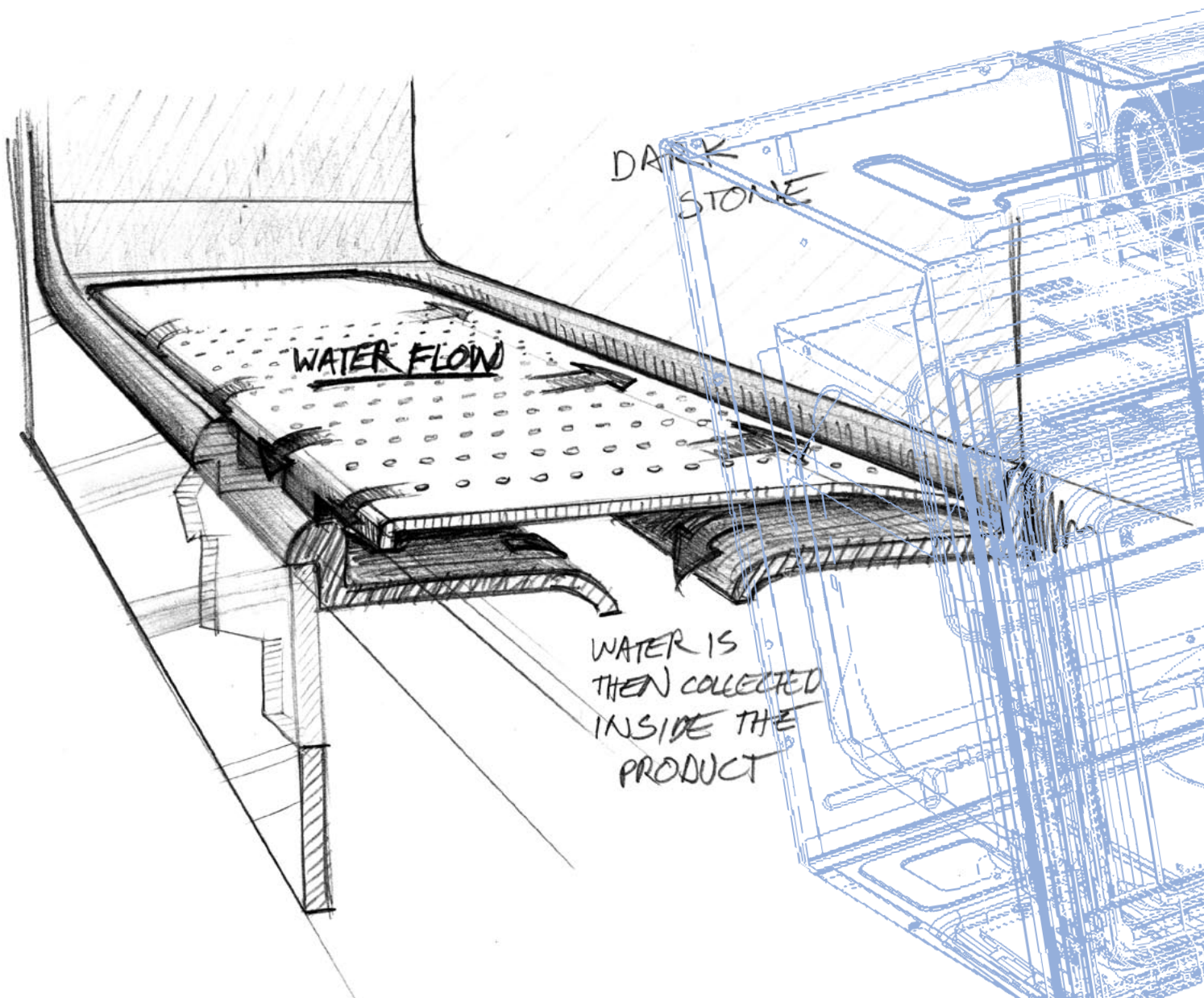
Whirlpool Corporation's production system leverages our global consumer design, engineering, procurement and manufacturing resources to design and produce the best appliances for consumers worldwide.

We are able to use our purchasing volume to procure materials and components on a global scale. This approach allows us to consistently leverage our position, achieve significant cost savings, and deliver value to our consumers, trade customers and shareholders.

The development process begins in the company's design and technology organizations where more than 130 industrial designers in four design centers and 3,500 engineers in 26 research centers around the world develop innovative products. We also incorporate consumer insights throughout the process to ensure the products will exceed consumer expectations when they hit showroom floors.

Our design excellence process also ensures products are evaluated against the design elements that our research tells us consumers find most appealing. This robust process incorporates consumer input to develop products with features, performance and aesthetics that fulfill consumers' desires and build loyalty to our brands.

Globally, we manufacture our products using principles of lean manufacturing and operational excellence to ensure the continuous improvement of our processes, and to produce products that meet our high-quality standards. Our global manufacturing footprint enables us to manufacture products where we can best serve our customers at the best price.



130 industrial designers worldwide

4 design centers worldwide

3,500 engineers worldwide

26 research centers worldwide

47 manufacturing locations worldwide



SUPPLY CHAIN

Leadership requires relentlessly pursuing excellence. At Whirlpool Corporation, we strive to create unmatched distribution capabilities, ensuring that every product is available everywhere, delivered every day to our trade customers. We offer the broadest global reach and the most effective business-to-business efficiencies, and we apply rigorous internal discipline to retain our position. Our goal is to earn the reputation of being the easiest company to do business with in the appliance industry.

In 2006, our North America region began a logistics transformation to better deliver products to trade customers and consumers. We spoke with hundreds of trade customers to determine where we were meeting their expectations, where we had opportunities to improve and how we could provide additional value. Our findings were incorporated with best practices from other industry leaders to reestablish a supply chain centered on our customers' needs.

We launched new order processes and online tools to provide our trade customers with real-time information on products, prices and promotions while streamlining the ordering process. We are improving product availability and delivery lead times. Excess inventory was eliminated by applying six sigma tools and implementing other lean processes that our manufacturing operations have used for years.

Following our acquisition of Maytag, we began consolidating redundant facilities and trimming the number of distribution centers by more than 50 locations, increasing efficiencies and streamlining deliveries. Additionally, we are improving our internal processes by redesigning our sales, operating and planning process while improving demand planning.

Our leading dynamic approach enables us to produce and deliver what our customers want and need, everywhere, every day.



Whirlpool Corporation's *Quality Express* supply chain network is designed to deliver 95 percent of all orders to our U.S. trade customers within 48-72 hours.



INNOVATION

Innovation is vital to our strategy of building strong brands that consumers prefer, enabling us to have an unmatched and sustainable leadership position.

Whirlpool spent the past seven years working to embed innovation as a core competence across the entire organization to include ideas from everyone, everywhere. Today our innovation activities involve a structured and disciplined process to drive innovative concepts through our innovation pipeline. The results of these efforts are demonstrated as our pipeline grew to \$3.5 billion in 2006.

In addition, we continue to expand the scope of our innovation efforts into our business operations to include the finance, accounting and sales groups, not just our product development teams. More than 800 employees have been formally trained as innovation mentors and, in turn, have coached thousands of employees across the globe on how to incorporate innovation tools into their daily work.

Whirlpool continues to make significant investments in research and development, resulting in record reported revenues of \$1.6 billion from innovative products, up 110 percent versus 2005.

Whirlpool brand's centralpark connector dock will allow consumers to use and charge home electronic devices while they are in the kitchen. Whirlpool is working to bring the concept product to North America in 2007.



CORPORATE CITIZENSHIP

At Whirlpool Corporation, we believe we have a responsibility to run a strong and ethical business.

Throughout the years, we have built a culture of doing what is right based on Whirlpool values and consistently working to strengthen the economic and social fabric of communities around the world.

One of the most visual ways our 73,000 employees are helping to build a better world is through our partnership with Habitat for Humanity International.

As one of Habitat's largest corporate sponsors, we have directly improved the lives of more than 40,000 families around the world and donated nearly 80,000 appliances. We are well on our way toward our goal of supporting every Habitat home built globally by 2011.

In 2006, we participated in the Jimmy Carter Work Project in India, which resulted in the completion of 100 Habitat homes. In the United States, we also launched Building Blocks, a program that will recognize an outstanding U.S. Habitat for Humanity affiliate each year.



Whirlpool was a sponsor of the week-long Jimmy Carter Work Project in a village near Mumbai, India, during which Whirlpool employees joined 2,000 other volunteers to help build 100 *Habitat for Humanity* homes.