



# *Well Positioned in a Dynamic Global Environment*

Raymond James & Associates  
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# Forward-Looking Statements

This presentation contains “forward-looking statements” as the term is defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management’s current expectations and are subject to uncertainty and changes in circumstances.

Many factors could cause actual results to differ materially from the company’s forward-looking statements. Among these factors are: (1) the cost of raw materials and components, especially steel and the impact of rising oil prices; (2) the financial impact of the company’s announced price increases will be dependent upon such factors as the strength of the company’s brands in the market place, the strength of consumer demand for the company’s products, and other factors outside of the company’s control such as the general economic conditions prevailing at the time the new pricing goes into effect; (3) rising worldwide transportation costs due to record oil prices, capacity constraints, and other factors; (4) the ability to gain or maintain market share in an intensely competitive global market; (5) the success of the company’s global strategy to develop brand differentiation and brand loyalty; (6) the company’s global operating platform initiatives; (7) the success of the Latin American businesses operating in challenging and volatile environments; (8) continuation of the company’s strong relationship with Sears, Roebuck and Co. in North America, which accounted for approximately 18% of consolidated net sales of \$12 billion in 2003; (9) currency exchange rate fluctuations; (10) social, economic and political volatility in developing markets; (11) continuing uncertainty in the North American, Latin American, Asian and European economies; (12) the effectiveness of the series of restructuring actions the company has announced and/or completed through 2003; (13) U.S. interest rates; (14) new Asian competitors; (15) changes to the obligations as presented in the contractual obligations table; (16) changes in the funded position of the U.S. pension plans; (17) continued strength of the U.S. builder industry; and (18) 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 in the company’s 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.

# Whirlpool's 2004 Global Platform

## #1 N.America

\$8.3 B Sales  
14 Plants  
28,000 Emp

⇒ **\$13B Revenues**  
⇒ **#1 Global Share**  
⇒ **#1 Global Brand**

## #3 Europe

\$3.1 B Sales  
15 Plants  
14,000 Emp

## #1 L. America

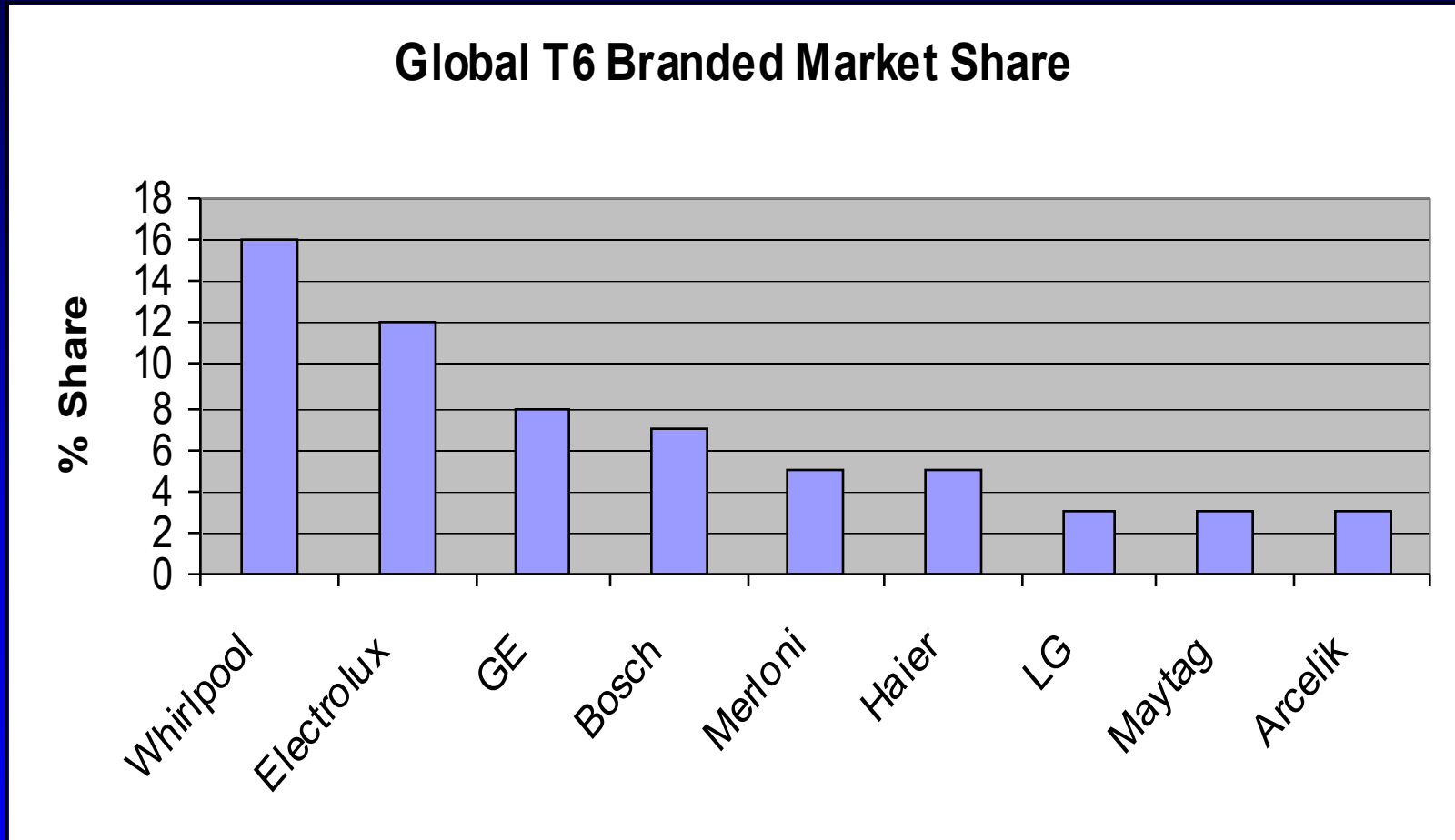
\$1.7 B Sales  
8 Plants  
21,000 Emp

## Asia

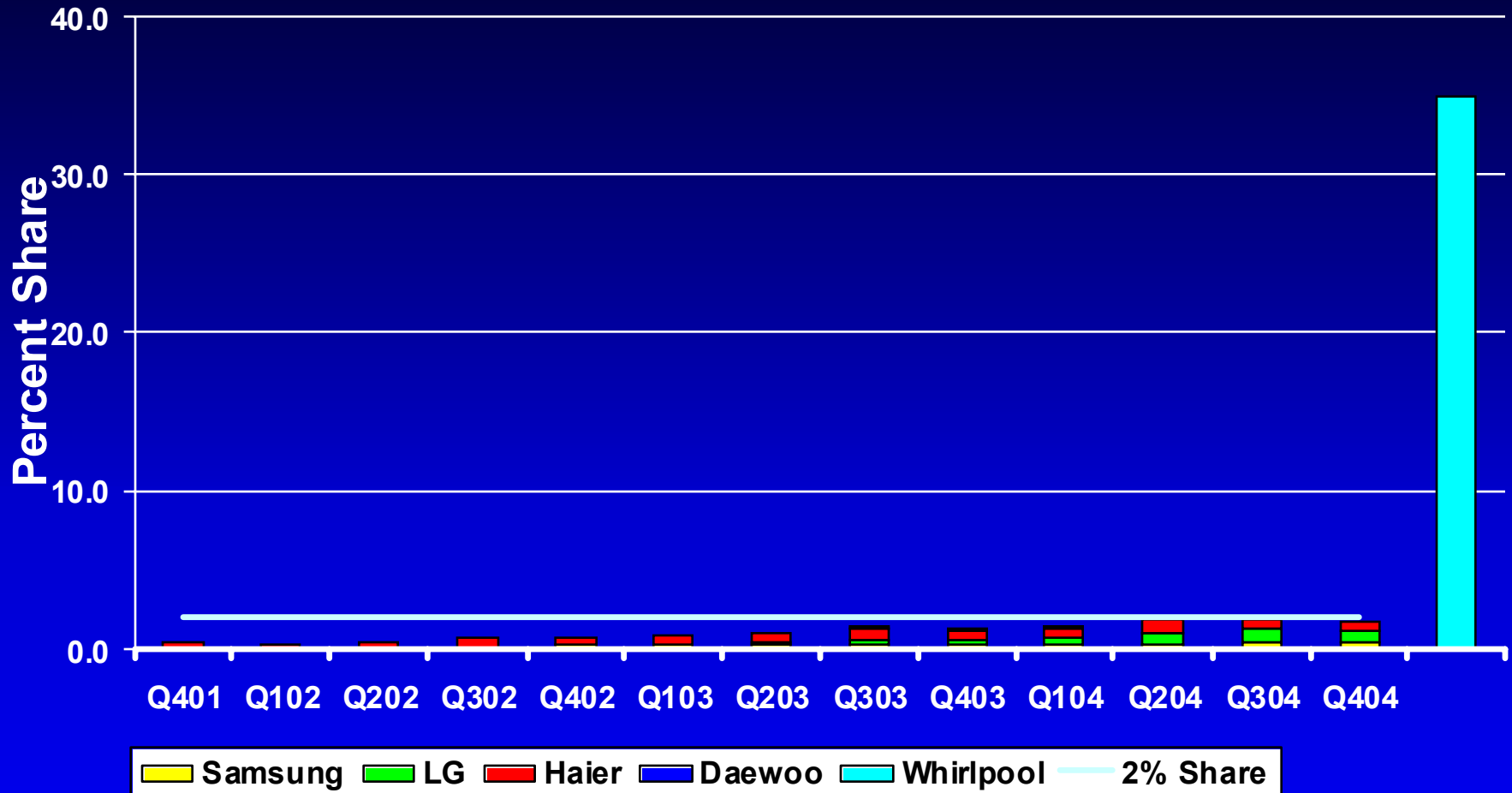
\$382 M Sales  
6 Plants  
5,000 Emp

**Leading an \$80 Billion Global Industry**  
**33% MORE SHARE THAN THE CLOSEST COMPETITOR**

# Whirlpool Continues to Lead the Global Appliance Industry



# Asian Manufacturers U.S. Market Share (T6)

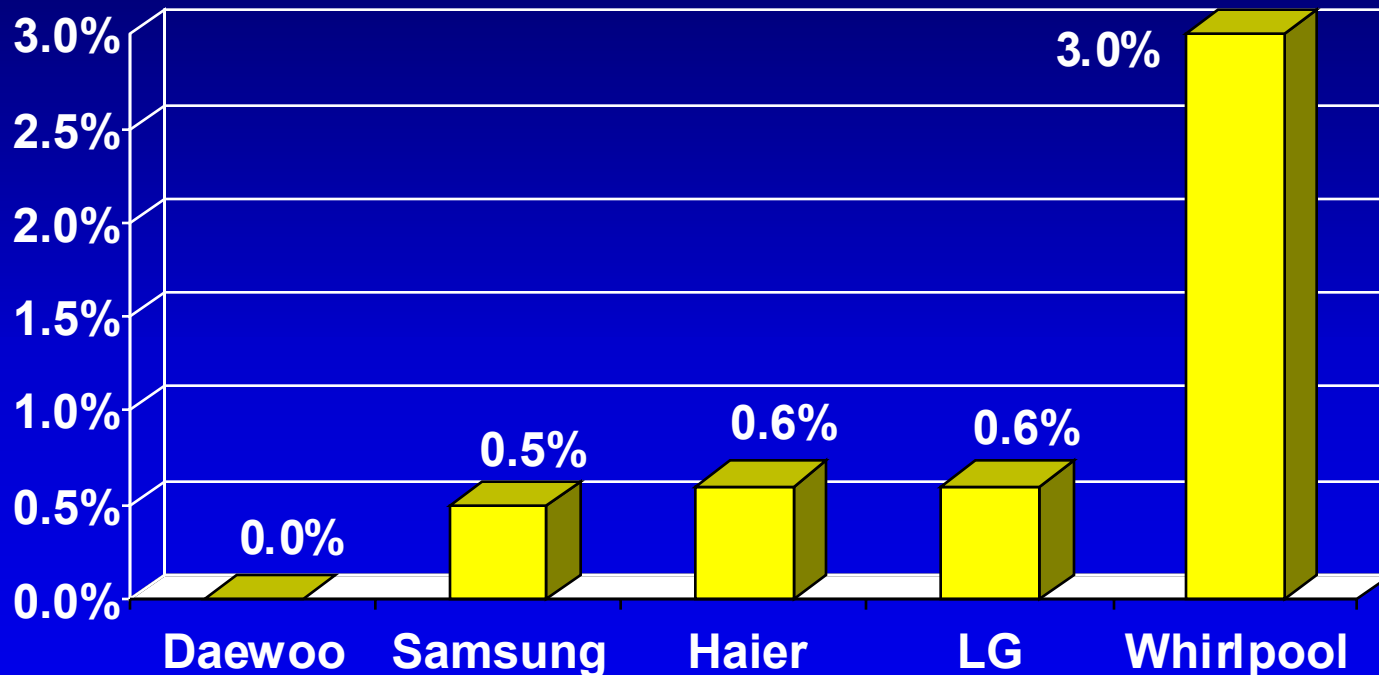


Source: Stevenson Group Data: Traqline Survey.

**Asian brands represent less than 2% of the U.S. Market.**

# Asian Market Share Gains Have Not Come At The Expense of Whirlpool Brands Share

Market Share Growth 4Q99 to 4Q04  
T6 Products



# Performance Outlook 2005

- Moderate global industry demand
- Material & oil related cost increases continue
- Announced price increases to offset magnitude of cost increase
- Continued record levels of controllable productivity
- Significant reduction in non-product spending
- Earnings per share \$5.90 - \$6.10
- Free cash flow after dividends \$250 - \$300M

# Targeted Actions to Offset Estimated '05 Cost Increases

- 1 Pricing ... Required to offset cost increases
- 2 Drive additional productivity... over/above “normal” aggressive TCP goals
  - Global coordination
  - Utilize all tools ... lean/six sigma, outsourcing non-core processes, China sourcing, TCQ improvements, etc.
- 3 SG&A Spending ... reduce spending as a percent to sales
- 4 Spending Controls
  - Project by project review with “release” triggers
  - Reduce Discretionary Spending



# Regional Pricing Actions

## Announced

- North America

- April, 2004 - Stainless steel model increase
- June, 2004 - Fuel surcharge
- September, 2004 - Selective price increase
- January, 2005 - 5% -10% across all channels and brands

- Europe

- October, 2004 - 3% - 5% on all free-standing product
- January, 2005 - 5% on all built-in product

- Latin America

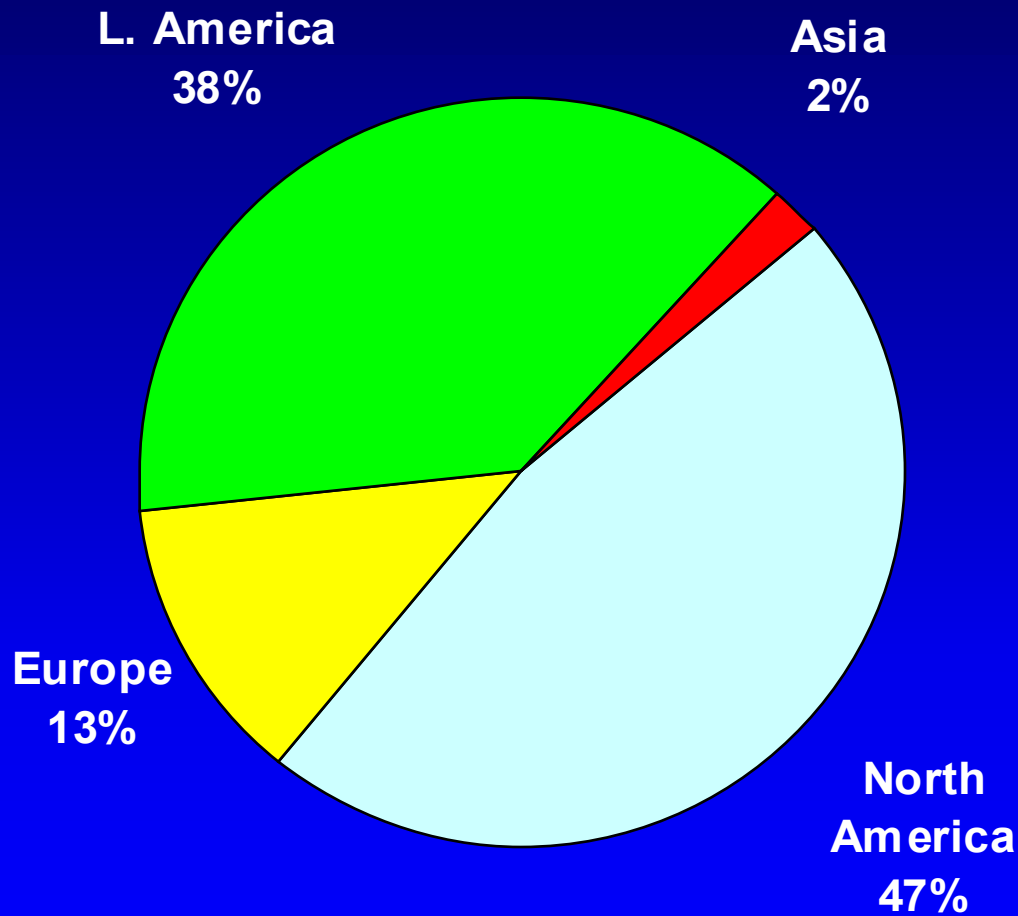
- 2004 - Increased pricing by 5%
- January, 2005 - 10%+ increase on all compressors
- January, 2005 - 6% across all channels and brands
- April, 2005 - 6% across all channels and brands

- Asia

- 2005 - 5% across all products

**In Aggregate A 6% - 7% Global Price Increase**

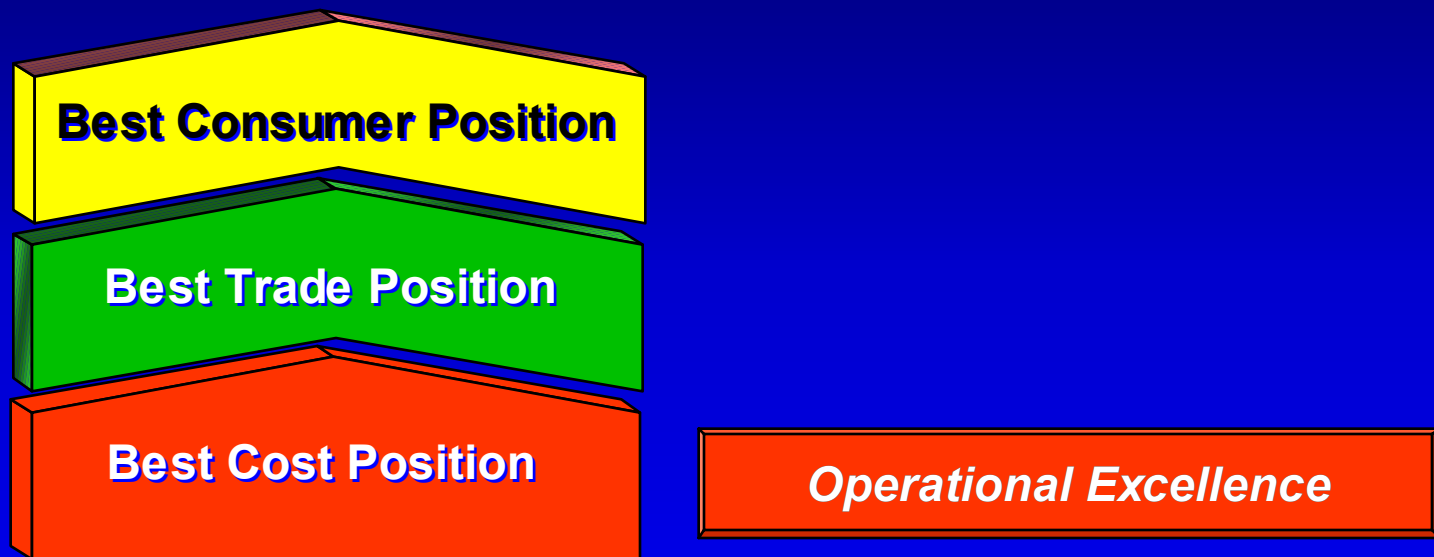
# 2005 Pricing Benefits Will be Realized in all Regions



# A Differentiated Value Creation Strategy



# Whirlpool Strategic Platform Value Creating Capabilities



# We Have the Best Manufacturing Platform in the World Today From a Low-Cost Perspective



**We have significantly more low cost capacity in place than any of our competitors**

# Optimization of our product costs involves the entire supply chain

- Procurement of materials/components
- Outsourcing of non-core Processes
- Sub-assembly relocation
- Platform moves - LCC sourcing
- Strategic outsourcing
- Inbound/Outbound logistics optimization

**With continuous improvement through Six Sigma and Lean Manufacturing**

# Achieving the “Best Cost” supply chain will vary by product line and end market...

## Example - Microwave Ovens

- Engineering from Europe
- Materials/Components sourced in Asia
- Final assembly in China
- Finished goods shipped to Europe, North America and Latin America

\*Net = Best cost position for the markets served

## Example - Top-load Washer

- Engineering from U.S.
- Materials/Components sourced globally
- Sub-assembly in Mexico
- Final assembly in U.S.
- Finished goods shipped across North America

\*Net = Best cost position for the markets served

# Global Operating Platform

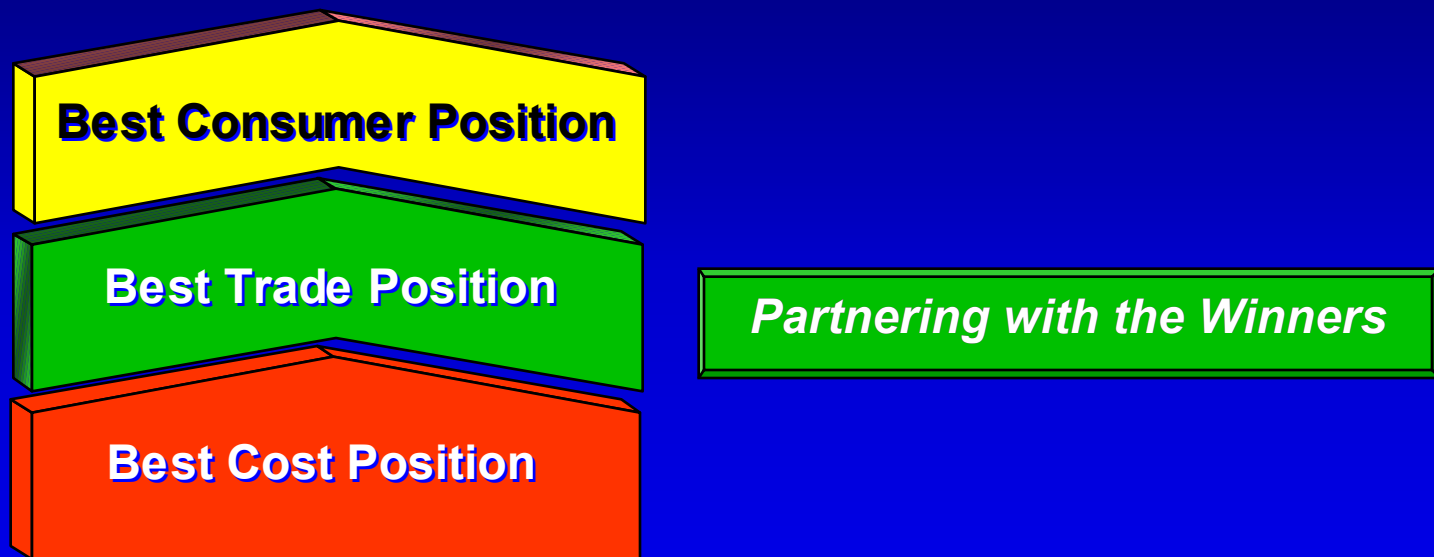
(Technology - Procurement - Sub-Assembly - Final Assembly)

- 25% increase in technology capacity at current cost levels
- 25% increase in capital efficiency
- Fixed asset turns improvement of 30%-50%
- 50% of manufacturing capacity in low cost countries (vs.. 34% today)
- 75% of supply base managed and leveraged globally (vs.. 45% today)

100% of products manufactured in best cost locations for markets served.  
All investments funded as a “Normal” part of operations.



# Whirlpool Strategic Platform Value Creating Capabilities



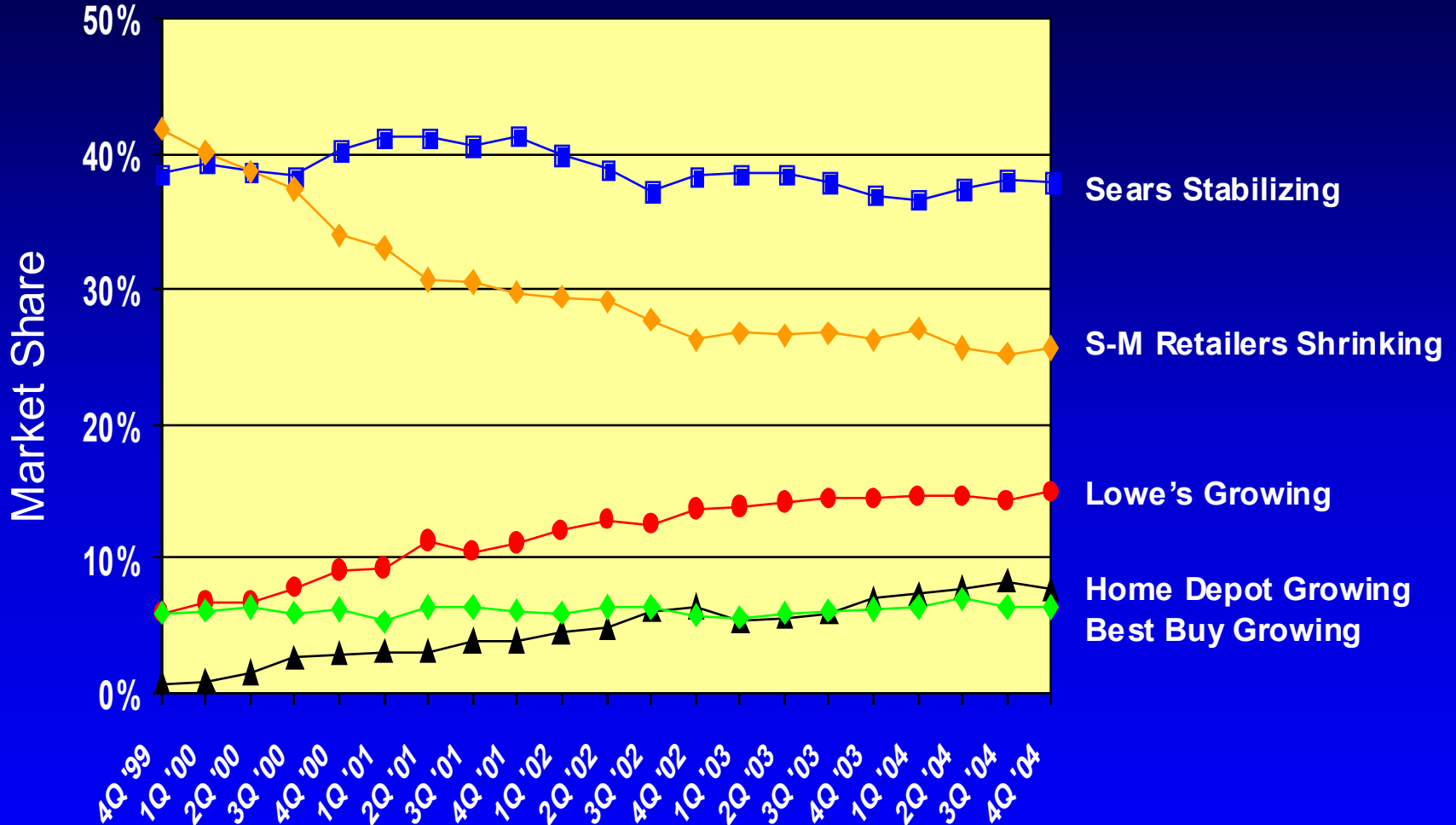
# Strong Brands Create Loyalty to Whirlpool by the Trade

Our Leadership Position Drives Our Performance

|                                   |            | U.S. Retail<br>Market<br>Share | WHR<br>Position |
|-----------------------------------|------------|--------------------------------|-----------------|
| RANK                              | RETAILER   | 2004                           | 2004            |
| <b><i>NATIONAL RETAILERS:</i></b> |            |                                |                 |
| #1                                | Sears      | 38%                            | #1              |
| #2                                | Lowes      | 15%                            | #1              |
| #4                                | Best Buy   | 7%                             | #1              |
| <b><i>BUYING GROUPS:</i></b>      |            |                                |                 |
| #1                                | Nationwide | } >20%                         | } #1            |
| #2                                | AVB        |                                |                 |
| #3                                | NATM       |                                |                 |
| <b>Total Share</b>                |            | <b>&gt;80%</b>                 |                 |

# U.S. Retail Trade Share Evolves Over Time

4Q99 to 4Q04



# Whirlpool's Strong Position in the Contract Channel Continues to Grow

- Growth focus is on profitable channels
- KitchenAid brand contract channel revenue grew 20% last year
- Contract channel revenue up ~12% in 2004
- Recognized by D.R. Horton as "2004 Manufacturer of the Year"



**CONTRACT CHANNEL CAGR = 10% FOR THE LAST 5 YEARS**

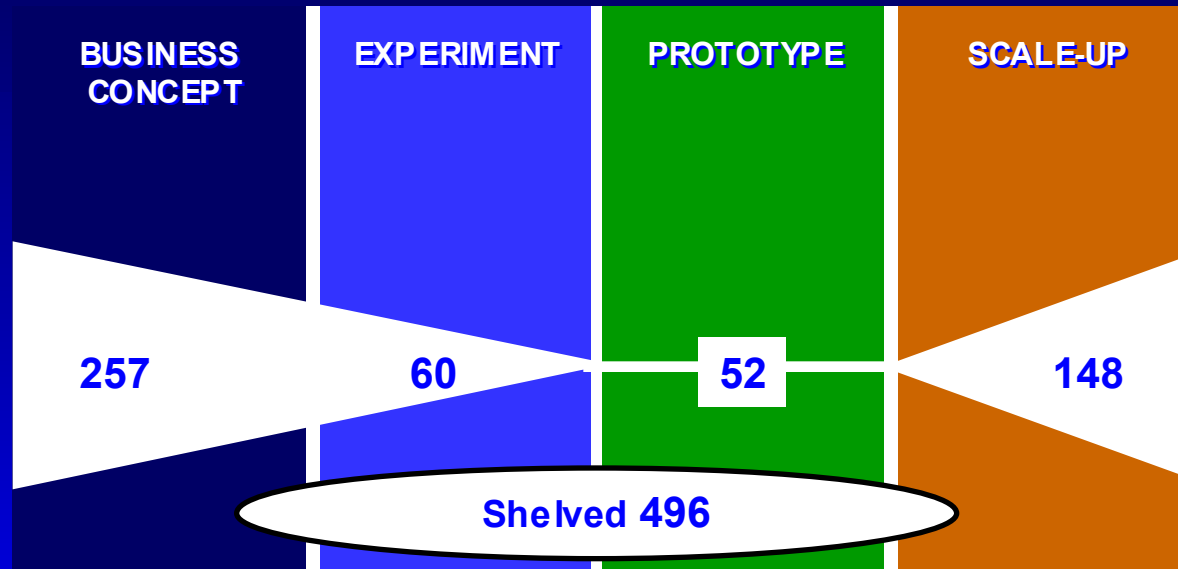
# Whirlpool Strategic Platform Value Creating Capabilities



*Building Brand Loyalty*

# Global Innovation Pipeline

## January 2005



**Over 500 Projects in the Global I-Pipe**

**Strong brand loyalty requires unique and innovative solutions for customers**

# Fabric Freshener



A collapsible portable clothes refreshing device which freshens clothes and reduces wrinkles.

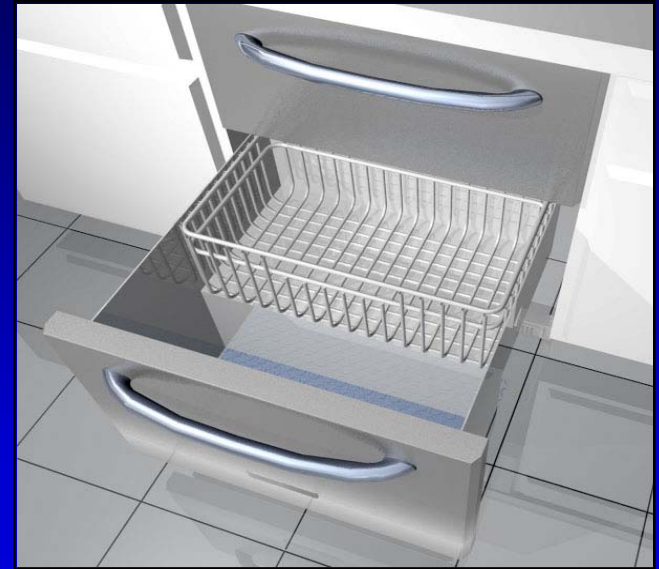
# KitchenAid Pro Line Fabric Care



**KitchenAid Pro Line Fabric Care offers legendary performance which combines excellent cleaning in a product that is built to last. Features a stainless steel exterior finish and interior drums, and the first glass-encased, touch sensor user interface controls in laundry.**



# KitchenAid Double Drawer Refrigerator



**Double drawer refrigerator which provides innovative styling and functionality and contains a dual evaporator system combined with the largest usable capacity drawers in the industry.**

# KitchenAid Double Drawer Dishwasher

**Double drawer dishwashers give consumers the flexibility of washing two loads simultaneously at different cycle settings, or one small load at a time. This allows consumers to have clean dishes in the dishwasher and another place to put dirty dishes.**



# Investment Priorities

- **Funding our strategy and operating plans**
- **Return to shareholders**
  - Share repurchase
  - Dividend increase
- **Strategic acquisitions**
- **Debt repayment**

# Value Creating Goals

|                             |                          |                        |
|-----------------------------|--------------------------|------------------------|
| <b>Shareholder Measures</b> | • Revenue Growth         | 5-7% annually          |
|                             | • Earnings Growth        | 10-15% annually        |
|                             | • Free Cash Flow         | 4-5%/Revenues          |
|                             | • EVA                    | Top Quartile           |
| <b>Customer</b>             | • Customer Loyalty Index | 10% annual improvement |
| <b>Employee</b>             | • Employee engagement    | Top Quartile           |

**Senior Leaders compensation is strongly tied to these value-creating goals**

# Recent Performance Negatively Impacted by the Absorption of Significant Costs

|                          | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u>     |
|--------------------------|-------------|-------------|-------------|-----------------|
| EPS                      | \$6.07      | \$5.91      | \$5.90      | \$5.90 - \$6.10 |
| Pension Expense          |             | \$115M      |             |                 |
| Material and Oil Related |             |             | \$300M      | \$500M          |

**The Real Drivers of Value Creation Are Operating Very Well**

# Underlying Value-Creation Drivers are Strong

- Revenue growth ++
- Innovation ++
- Productivity +
- Cost Management ++
- Pricing Power +

# Whirlpool is Best Positioned to Succeed Through the Cycle

- Leading global capabilities to drive productivity, cost reductions and innovation at the same time
- Strongest brands and most competitive product line-up valued by trade partners and consumers
- Innovation pipeline filled with new products that will be launched in 2005 at an unprecedented pace
- Unique, well-defined global strategy that will provide a competitive advantage during a difficult cycle
- Committed employees to execute a winning strategy

Creating value for our shareholders, customers and employees

