



### THE MARKET

With the U.S. housing industry registering a record-breaking year in 2004 and the residential remodeling market anticipating strong growth, the appliance industry continues to build steady momentum. Manufacturers and analysts agree that the emphasis for major home appliances will be placed more on new aesthetic trends and design along with the usual price point consideration.

In addition to offering consumers more design selections, the appliance industry will devote more research and time to introducing premium product lines and appliances with high-tech features. Whirlpool continues to dominate the market as the largest appliance manufacturer in the world.



### ACHIEVEMENTS

Whirlpool's successes run the gamut from product innovations to corporate citizenship. Over the last 60 years the company's achievements have been impressive:

- Shortly after World War II, the company introduced a milestone product that has become a standard today: the top-loading automatic washer.
- In 1969, the company was the first to introduce a residential trash compactor, the first new-to-market appliance in 30 years.
- In the 1970s, Whirlpool established the first toll-free consumer service support line.
- Whirlpool has been recognized for six "Partner of the Year" awards by the U.S. Department of Energy since 1999.
- Whirlpool Corporation has been named one of the 100 best corporate citizens by *Business Ethics* magazine. The company, which ranked 18th on the list, has been named to the list every year since its inception six years ago.

### HISTORY

Since 1911, Whirlpool Corporation has grown from humble beginnings to a global enterprise with manufacturing locations on every major continent, 68,000 employees worldwide, and the leading brands in major home appliances. Whirlpool has grown to the leadership position within the global appliance industry thanks to a



keen understanding of its customers' needs and a firm commitment to addressing those requirements through superb brands, products, and services.

Originally called the Upton Machine Company, the success and expansion of Whirlpool was due in large part to its relationship with Sears. By the mid-1920s, the Upton Machine Co. had become the exclusive supplier for Sears electric and gasoline-powered washing machines. Louis Upton and General Robert E. Wood, a president and later chairman of the board at Sears, sealed this mutually beneficial agreement with a friendly handshake. The companies' relationship continues to thrive today. Eventually, Sears asked the Upton Machine Co. to expand its business to the east, where most of the nation's people lived and worked. In 1929, Upton Machine merged with the Nineteen Hundred Washer Company of Binghamton, New York. In a decade, the company led the nation in the production of washing machines.

Post-World War II America was flush with pride and prosperity, and the company's business expanded vigorously during the 1950s. Now officially known as the Whirlpool Corporation, the company added automatic dryers, refrigerators, ranges, and air conditioners to its product line.

The company grew operationally as well. A new 100-acre administrative center (still the corporate headquarters today) opened in 1956 in Benton Harbor, Michigan.

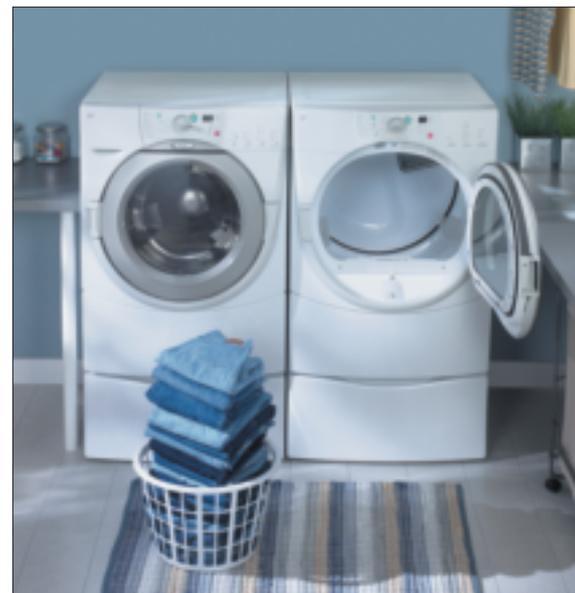
In 1958, Whirlpool Corporation quietly began a relationship outside the North American market that would later define its successful global expansion and growth. That year, the company invested in Brasmotor S.A., for an equity stake in the Brazilian appliance market.

By mid-1960 the Whirlpool brand name was strong and well established in the North American market. Based on its manufacturing and distribution growth, the company was routinely introducing a full line of new appliance products.

As the twentieth century drew to a close, the appliance market in the United States began to mature. Growth at home would be measured in fractions of percentages.

Meanwhile, elsewhere in the world, trade barriers fell and new capitalist societies flourished. In this environment, Whirlpool Corporation made a historic decision: to continue to focus on its historical product line of major home appliances, but to expand its business into rapidly growing markets throughout North and South America, Europe — and later, Asia.

Whirlpool Corporation created a three-tiered brand structure, which gave customers a clear choice



of high-end (*KitchenAid*), popular (*Whirlpool*), and value-oriented (*Roper*) home appliances.

Whirlpool arrived in the new century and millennium as the world's leading manufacturer and marketer of major home appliances. Today, Whirlpool's global platform provides operations with resources and capabilities no other

manufacturer can match and with brands that consumers trust.

Based on the continuing success of the company's global innovation process, which began in 1999, Whirlpool has introduced unique product innovations to consumers worldwide. Over the years, Whirlpool has built and embedded within its global enterprise the skills and capabilities required to discover, develop, and rapidly bring to market true innovation. These innovations are giving the company's global brands a sustainable competitive advantage in the marketplace and creating value for customers, trade partners, and shareholders.

The innovations are part of Whirlpool's strategy of building customer loyalty by applying a deeper, fundamental understanding of customers' needs, desires, and lifestyles. Inspired by Whirlpool's bold innovations and designs, increasing numbers of customers around the globe are trusting Whirlpool to make their lives easier. More than ever before, Whirlpool employees and brands are connecting with customers in ways that will last a lifetime.

### THE PRODUCT

The Whirlpool brand originally established itself as a leader in fabric care; in fact, it is the best-selling laundry brand in the world. When consumers think of the laundry room, they think Whirlpool. However, the company is also gaining leadership in the kitchen. From ranges to refrigerators, dishwashers to microwaves, Whirlpool can meet all household appliance needs. Known for its innovative products, Whirlpool continues to be at the forefront of developing cutting-edge appliances.



### RECENT DEVELOPMENTS

Whirlpool is a leader in innovation, as evidenced by some of the company's most recent product offerings:

*The Whirlpool Duet front-loading washer and dryer pair.* Launched in 2002, the Whirlpool Duet™ front-loading washer/dryer pair reset the industry standards for fabric care and energy efficiency,



hours of electricity per household, per year.

*Whirlpool Family Studio.* Launched in 2002, the Whirlpool® Family Studio is an exciting new home design concept that combines innovative products with a multifunctional family environment. The Family Studio was created to deliver a variety of new-to-the-world fabric care appliance options in a space that meets the organizational needs of a busy lifestyle.

*Whirlpool® Fabric Freshener.* Launched in 2005, the new Whirlpool® Fabric Freshener is the only portable appliance that releases odors and relaxes wrinkles from fabrics in about 30 minutes with the power of immersive steam.

*Fast Fill Dispensing System.* Consumer research shows that a majority of people use their refrigerators' water dispensers to fill a glass of water, but go straight to the sink for anything else. Leveraging this key consumer insight, Whirlpool brand launched in 2005 the new Whirlpool Gold® side-by-side refrigerator with the Fast Fill Dispensing System. From pitchers and pots to cups and coolers, the new Fast Fill dispensing system fills any size container twice as fast as previous refrigerator water dispensers.

*Whirlpool® Velos™ Speedcook* appliance. It's almost an affront to call it a microwave because it does so much more than reheat leftovers. The Whirlpool® Velos™ Speedcook appliance combines capacity and performance to truly function like a second oven. In addition to its large capacity, this sophisticated microwave hood combination introduces a convection capability paired with the Whirlpool brand existing g2max™ speedcook technology.

The Whirlpool® Velos™ Speedcook appliance can grill, bake, broil, and steam like a traditional oven but with the speed of a microwave. From grilling steaks to baking cakes, the Whirlpool® Velos™ Speedcook appliance produces exceptional results. Unlike a standard microwave, it accommodates a 9-by-14-inch casserole dish or even a super-size pizza, allowing it to cook more than any microwave has before.

*Polara™ Refrigerated Range.* The Polara™ Refrigerated is the world's first range with refrigeration capabilities, which allows consumers to fit food preparation into busy and diverse schedules. This breakthrough technology represents an innovative pairing of Whirlpool brand's cooking and food preservation technologies, providing people

as well as providing consumers with unprecedented cleaning and gentleness. With its exceptional capacity, the Whirlpool Duet™ can wash up to 16 pairs of jeans in a single load. The Whirlpool Duet™ uses 68 percent less water and 67 percent less electricity than standard washing machines, representing a savings of over 17,000 gallons of water and nearly 600 kilowatt

with a revolutionary appliance that can help save time in the kitchen.

### PROMOTION

Whirlpool brand uses an integrated marketing approach to reach its customers at every touch point. From advertising to public relations, interactive marketing, and point-of-purchase collateral, Whirlpool makes sure the messaging resonates with its consumer, communicating how the appliance meets specific needs.

### BRAND VALUES

Whirlpool brand is committed to its consumer, an active person who is extremely busy juggling her responsibilities such as raising her children, possibly a career, and household duties like laundry and



meal preparation. Every customer-centric product that Whirlpool brand develops is designed to help the consumer save time, use less effort, and maximize space. This approach to its consumers has helped Whirlpool become the trusted and innovative company that it is today.

### THINGS YOU DIDN'T KNOW ABOUT WHIRLPOOL

- Whirlpool is one of the largest global corporate sponsors of Habitat for Humanity.® Since 1999, Whirlpool has donated a refrigerator and range to every Habitat home built in North America. The Habitat partnership has now developed into the single largest philanthropic program in Whirlpool Corporation's nearly 100-year history.
- Whirlpool teamed up with country music superstar Reba McEntire in 2004 and 2005 to spread the word about Habitat for Humanity.
- Whirlpool is also encouraging its employees to get involved. The company has started an ambassador program where select Whirlpool employees tell the Habitat for Humanity story both externally and internally and encourage people to donate time and money to Habitat for Humanity.