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INVESTMENT THESIS FOR WHIRLPOOL CORP. (NYSE: WHR)

Ashley Canezin

Johns Hopkins Institute for Applied Economics,
Global Health, and the Study of Business Enterprise



Investment Thesis for Whirlpool Corp. (NYSE:WHR)

By Ashley Canezin

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About the Series

The Studies in Applied Finance series is under the general direction of Professor Steve H. Hanke, Co- Director of the Johns Hopkins Institute for Applied Economics, Global Health, and Study of Business Enterprise (hanke@jhu.edu) and Dr. Hesam Motlagh (hnekoor1@jhu.edu), a Fellow at the Johns Hopkins Institute for Applied Economics, Global Health, and Study of Business Enterprise.

This working paper is one in a series on applied financial economics, which focuses on company valuations. The authors are mainly students at the Johns Hopkins University in Baltimore who have conducted their work at the Institute as undergraduate researchers.

About the Author

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Summary

This working paper is an in-depth analysis of Whirlpool Corporation. (WHR). Our analysis examines historical performance, important acquisitions, and predictions of future performance. We combine our economic analysis with our proprietary, Hanke-Guttridge Discounted Cash Flow (HG-DCF) model to assess WHR's financial position. Instead of obtaining a single and static valuation of WHR, Monte-Carlo simulations are used alongside our HG-DCF model to reveal the distribution of probable free cash flows and future earnings. Management compensation is also analyzed in depth to evaluate whether or not management is incentivized to act in the best interest of the shareholders. Our goal is to foster reasonable investment decisions by allowing readers to understand Whirlpool Corporations business plan and financial health.

Acknowledgements

Many thanks to Prof. Steve H. Hanke, Dr. Hesam Motlagh, and Abigail Biesman for guidance and draft comments.

Keywords: Financial Modeling, Whirlpool Corporation, Discounted Cash Flow, Free Cash Flow, Monte-Carlo Simulation, Investment Thesis, Management Compensation.

JEL codes: C63, G11



RATING: Strong Buy

Company Name	Whirlpool Corp.
Date	5/08/2016
Fiscal year ends (current period)	12/31/2015
Current Price	\$176.70
52 week high	\$204.64
52 week low	\$123.60
Market Cap	\$13.53 Billion
Enterprise Value	\$16.91 Billion
Total Debt	\$4 Billion
Cash	\$772 Million
Net Debt/Enterprise Value	24%
Dividend	2.06%
Diluted Shares Outstanding	77.23 Million
Current Q2 EPS(ttm)	3.359
2016 EPS-Projected/PE	19.85x (\$8.90*)
2017 EPS-Projected/PE	17.10x (\$10.33*)
2018 EPS-Projected/PE	14.74x (\$11.99*)
2015 EPS	\$12.16
2014 EPS	\$11.02
2013 EPS	\$10.09
2012 EPS¹	\$6.98

*Consensus estimates as of the time of this writing.

¹ Source: Bloomberg Terminal

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Executive Summary:

Whirlpool Corporation (NYSE: WHR) is the number one major appliance manufacturer in the world. Utilizing a Hanke-Guttridge Discounted Cash Flow Monte-Carlo model (HG-DCF-MC), we have determined that the probable free cash flow per share in the long run is \$195.75, which is 11% above the current stock price of \$176.60. WHR has a large global presence: its largest market shares are in Russia, UK, France, Italy, Poland, Asia, and the US, and its number 3 and 4 market shares are in Germany and Spain, respectively. Some of WHR's leading brands throughout the 170 countries it serves include KitchenAid, Consul, Maytag, Brastemp, Amana, Bauknecht, Jenn-Air, and Indesit². Due to Whirlpool's strong global presence and staple products, there is significant upside as an investment given their competitive advantage in market share that is defensible. They currently appear to be undervalued because of the declining demand in growth regions such as Brazil, which the market is discounting into the current stock price. In conjunction with management compensation, WHR appears to have a promising future of cash flows and is undervalued on a fundamental basis. Thus, we would rate this stock a **strong buy**.

Catalysts and Risks:

- Catalysts:
 - Diverse customer base
 - Global demand due to an increase in homeowner spending
 - Strong brand portfolio
 - Strategic products and product diversity
 - Long-term strategic plan
 - Commitment to sustainability
- Risks:
 - Declining demand in growth regions (Brazil, Russia, China)
 - Foreign exchange rates attenuating top- and bottom-line

Company Description and Historical Performance: ³

Whirlpool Corporation (herein referred to as WHR) has existed for over 100 years, and was started in 1911 as Upton Machine Company. It was founded by Lou and Emory Upton in Benton Harbor, Michigan and WHR's first product was an electric motor driven wringer washer. Over time Whirlpool has grown to incorporate a myriad of products including laundry, refrigeration, and cooking appliances. Due to this product diversity, WHR has remained a leader in market share and continues to outperform its competitors. Whirlpool was listed on the NYSE in 1955 under the ticker WHR and is part

² <http://assets.whirlpoolcorp.com/wp-content/uploads/WhirlpoolCorporation-AnnualReport2014-2.pdf>

³ <http://www.whirlpoolcorp.com/history/>

of the Appliance industry in the S&P 500 index. It is contained in multiple exchange traded funds (ETFs) including, but not limited to: XHB (4.59%, S&P Homebuilders), PEZ (2.45%, PowerShares DWA Consumer Cyclical), and FXD (1.34%, First Trust Consumer Discretionary).⁴

With a strong global presence, WHR generates revenue in North America, Europe, Latin America, and Asia with North America contributing about 50% of the yearly revenue. Although a large global presence could be dangerous by causing a company to lose focus, WHR has used this as its competitive advantage. Due to its sizeable presence WHR has been able to shift its' focus amid times of economic turmoil towards more stable markets. This is supported in the revenue growth tab of the HG-DCF (elaborated on later) and can be seen in figures 1 and 2.

Major Business Segments:

WHR reports its major segments geographically. This is an authentic representation of revenue since it makes up a large portion of WHR's strategic plan. By modeling revenue this way, this allows investors the capability to correlate the percentage of revenue contribution from each geographic region to the economic health of that respective region. Figure 1

shows the revenue proportions by segment for 2015 while Figure 2 shows the breakdown of 2014 and 2013. WHR's strategy is clearly exemplified in these figures as seen in 2015 with Latin America's contribution dropping from 23% to 16%. Contrasting this drop, Europe, the Middle East, and Africa's (EMEA's) contribution increases from 19% to 27%. These drops or increases in percentages were due to the economic health of each region.

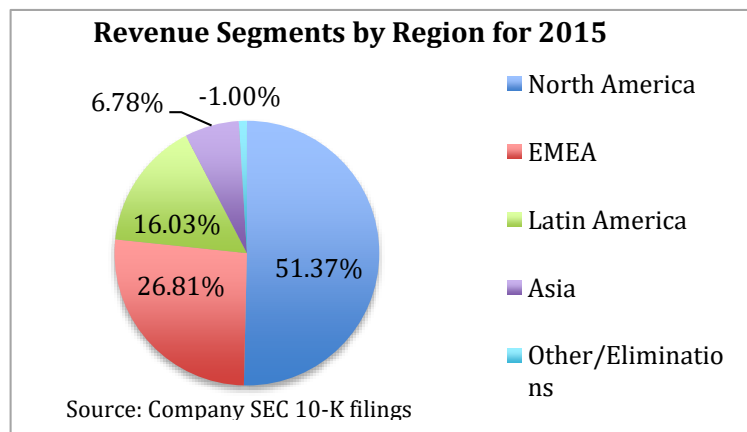


Figure 1: Revenue by geography for WHR

⁴ ETF Channel

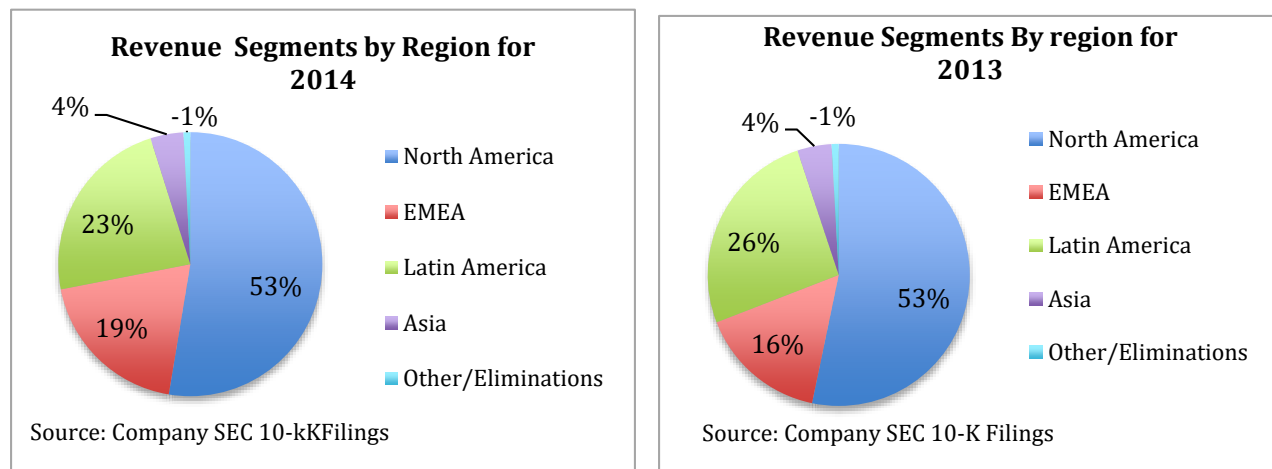


Figure 2: Revenue by geography for 2014 and 2015

Historical Performance: Whirlpool has done well in the past 4 years with a continuous increase in revenue and earnings per share (EPS) (see figure 3 below). Despite the emerging market economic turmoil especially in Brazil and Russia, WHR has been able to maintain its growth, with record earnings this past year by strategically shifting their focus onto other markets. This has allowed them to beat both the Standard and Poor's (S&P) Index and the S&P500 Consumer Discretionary Sector Index at the end of 2015 (See figure 4 below).

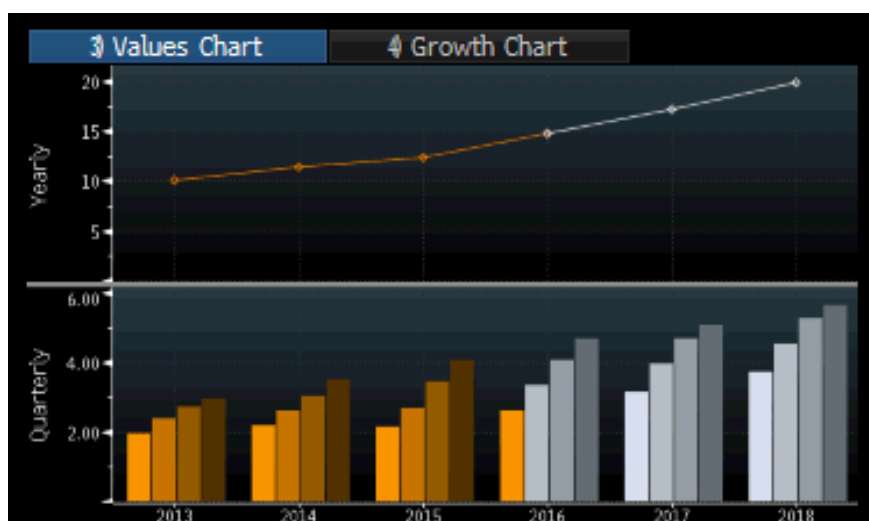


Figure 3: EPS growth- 2013 through 2016Q1 have shown an increasing trend in EPS. 2016-2018 are estimated to have the same trend.
Source: Bloomberg Terminal (function <DES>)

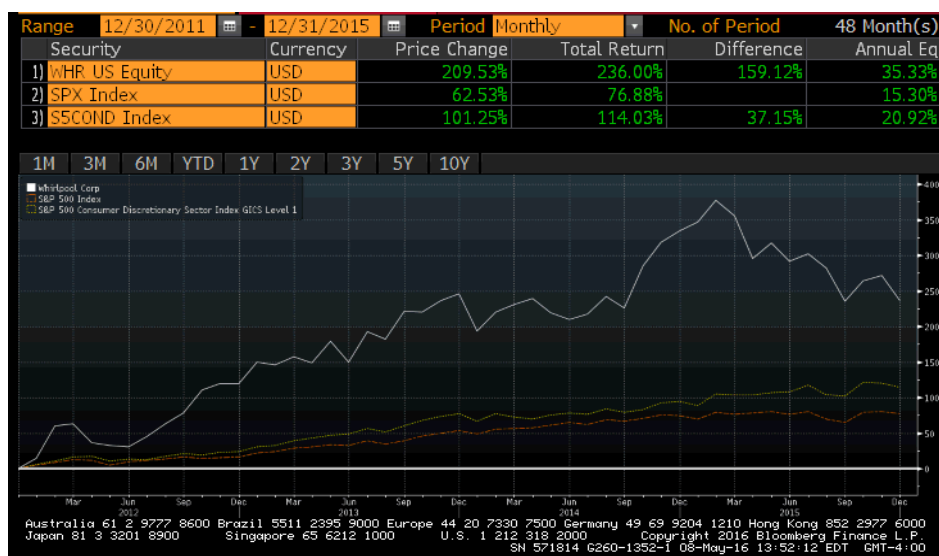


Figure 4: WHR Performance TSR vs. S&P 500 Index and S&P 500 Consumer Discretionary Sector Index. WHR outperformed both indices at the end of 2015 concluding that despite economic turmoil they were able to successfully shift their focus onto other markets to diminish losses.
Source: Bloomberg Terminal (function <COMP>)

Another important macroeconomic factor affecting WHR's performance is the housing market. As seen in figure 5, WHR's performance mirrors the trend of the new privately owned house index (NHSPSTOT). This is expected since a large portion of WHR's customers are those looking to renovate or purchase new homes. WHR supplies this market with innovative products—microwaves, refrigeration systems, etc.

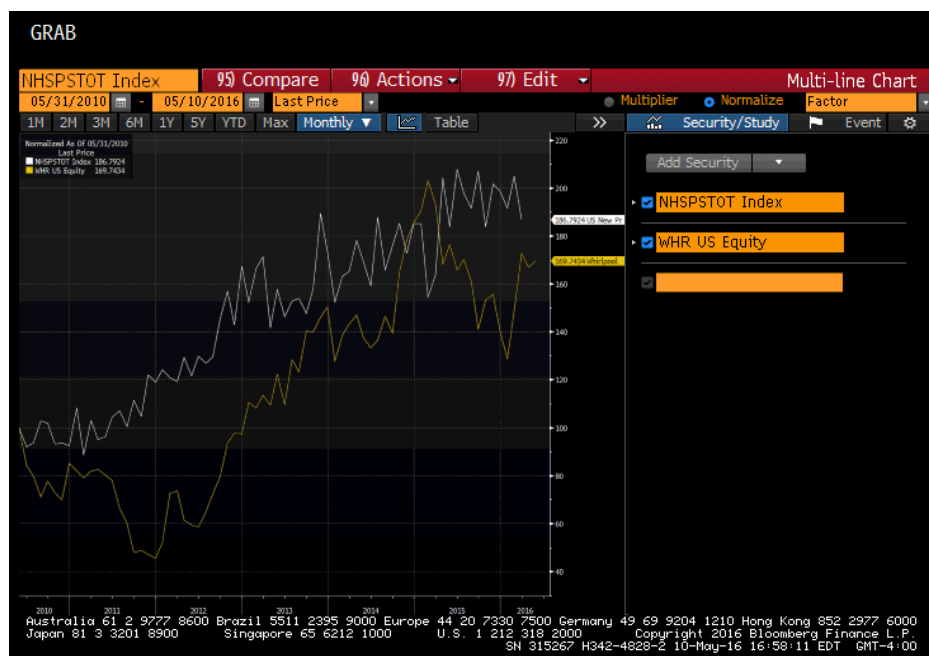


Figure 5: WHR vs. NHSPSTOT Index (New privately owned housing units). WHR has a strong correlation to the performance of NHSPSTOT. For a small portion of 2014, WHR exceeded the performance of the NHSPSTOT index. However, after reaching this peak, WHR declined until the end of 2015 where it has begun to mirror the NHSPSTOT trend again.

Source: Bloomberg Terminal- function HMS

Furthermore, as seen in the balance sheet, WHR's assets have increased over the last two years primarily due to acquisitions, reinvestments in the company, and share buybacks. Highlights of 2015 include the utilization of \$700 million in capital expenditures to fund its future innovation pipeline, an increase in dividends by 20%, and 250 million shares bought back.

To explore historical productivity, we determined that Long-Term Asset Turnover (LTAT = Revenue / Long-Term Assets) increases as useful life (Long-Term Assets / Depreciation) decreases from 2010-2015, with the exception of 2014, suggesting a marked improvement in the company's operational health (Figure 6). The last two years have been difficult with LTAT being below average. This is most likely due to poor performances from emerging markets or further exacerbated by recent acquisitions. However, looking forward, WHR is expected to make efficient use of its assets restoring LTAT to historic levels.

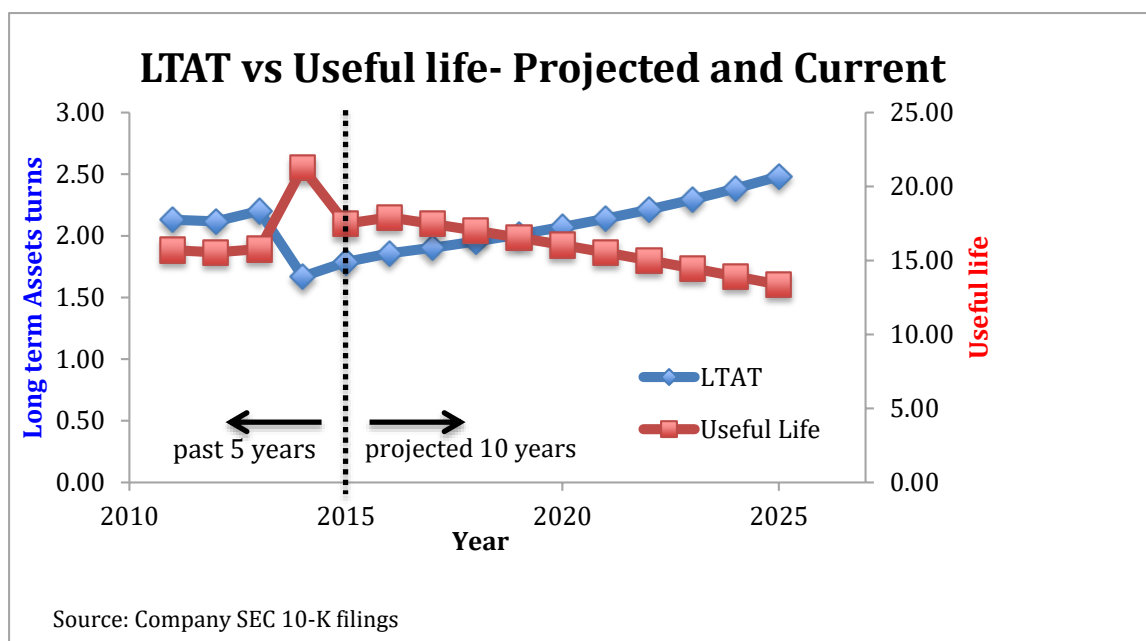


Figure 6: Long-term Asset turns versus Useful life. To the left of the dotted line represents the current trend, the right represents 10 years projected

Future Expectations: Previously, emerging markets have been a tailwind. However, WHR expects that these weak emerging markets in 2016 will place downward pressure on WHR's topline and will be offset by strength in developed markets⁵. Based on past success, especially in 2015, we believe Whirlpool will remain strong despite the volatile markets due to their strong global presence allowing for flexibility in their market focus. Based on the successful history of Whirlpool and the promising future performance,

⁵ <http://investors.whirlpoolcorp.com/annuals-proxies.cfm>; 2015 annual report

Whirlpool remains a strong buy. 3 Analysts on the Street agree with this rating, 9 rate it a buy, 1 a hold, and 0 rate it as a sell⁶.

Important Acquisitions

Acquisitions have played an important role in WHR's recent performance and therefore must be considered. WHR has seen a decrease in LTAT in 2014 (see figure 6), which may be due to these acquisitions. It is also possible that these acquisitions represent an unharnessed ability to generate revenue. In 2014, Indesit in Europe and Hefei Sanyo in China were acquired with the goal of bringing \$400 million of cost synergies and creating leading positions in the regions⁷. All of Indesit was acquired for a total aggregate purchase price of \$1.4 billion and 51% of Hefei was acquired for \$552 million.⁸

Indesit is believed to be a valuable investment for many reasons. First, Indesit's performance, products, and brand portfolio are similar to WHR's, allowing WHR to integrate the company smoothly. Indesit will also allow WHR to increase its coverage throughout the EMEA region. Another beneficial component is that Indesit is popular for its combination washer/dryers, front-load dryers, and refrigerator platforms, while WHR is a leader in cooking, microwaves, and top load washers. By combining the strengths of these two companies, WHR creates an even stronger brand.

Similarly to Indesit, Hefei has allowed WHR to increase its distribution in China. Indesit, with 30,000 distribution outlets, has more than 10 times the outlets of WHR alone. Furthermore, this acquisition appears to be promising due to China's growing middle class population leading to an increase in appliance sales for first time homeowners.⁹ The Indesit purchase was funded through borrowings under WHR's credit facility and commercial paper programs, and a portion was repaid with borrowings through the issuance of an aggregate principal amount in senior notes. Hefei's shares were funded with cash on hand.¹⁰

⁶ Bloomberg Terminal

⁷ http://files.shareholder.com/downloads/ABEA-5DXEK8/1740695516x0x879363/40D015BC-1873-46FD-BE50-88113B2751AA/Whirlpool_2015AR.pdf

⁸

<http://www.mergentonline.com.proxy1.library.jhu.edu/companydetail.php?pagetype=history&compnumber=9064>

⁹ 2014 Annual Company Report

¹⁰ SEC 10K 2015 filing

Model of Company

General Overview

The HG-DCF (produced on 2/29/16; stock price \$175.01) was used to analyze WHR. Revenue was projected geographically with a total projected growth rate hovering around 1.5%. This is slightly lower than recent years, resulting in a conservative projected rate leading us to have even more confidence in WHR as a viable investment.

What stood out in the Balance Sheet and Income Statement?

The main variables that stood out on the balance sheet were prepaid and other current assets, good will, deferred income taxes, other intangibles, depreciation and amortization, and long term debt for 2014. Total assets increased 40% from 2014 primarily due to debt. This debt was used to fund reinvestments and acquisitions. Furthermore, on the income statement, sales growth has steadily increased while interest has decreased, creating margin improvements. Lastly, the balance sheet shows that WHR has been performing exceptionally, which is impressive considering WHR is a global company that faces foreign exchange headwinds.

What stood out in the value drivers tab?

Revenue growth was an important variable that stood out on the value drivers tab for both 2014 and 2015. In both years revenue increased, however the growth rate in 2015 is more impressive given that it reflected organic and not inorganic growth (i.e. by acquisition). Additionally, in 2014 the income tax expense margin dropped significantly, and in 2015 the D&A margin increased significantly. Capital Expenditures ($\text{CapEx} = \text{Long term assets current year} - \text{long term assets previous year} + \text{Depreciation and Amortization current year}$) appears high in 2014 compared to other years, but this is mostly due to acquisitions and reinvestments. In 2015, this value drops back down to historic averages representing managements intentions to efficiently use assets. Lastly the relationship between LTAT and useful life, drops in 2014 for the same reason. Overall the margins in the value drivers tab appear reasonable and well-determined, reflecting a well-managed company.

What did you use for your DCF?

The only two margins that were changed for WHR's DCF were income tax expense and CapEx. For income tax, we averaged the last 4 years to ignore the outlier in 2011, and for CapEx we ignored 2014 since it was an outlier due to the acquisitions and reinvestments. By inputting these base-case assumptions, the projected price came out to be \$195.75. If we had decided to average only the last two years for income tax expense, than the price would have come out to be \$189.27. Overall, the calculated margins were reasonable and few values needed to be altered. Additionally, the revenue is projected to average around 1.5%, which is conservative for WHR. Even with conservative revenue growth, WHR seems like a viable investment opportunity. Therefore we believe the estimated price per share is a reasonable representation of

Whirlpool's future value, and could potentially perform greater depending on revenue growth.

Results and Discussion of Model

Based on the stable balance sheet and positive performance of WHR despite recent economic turmoil, WHR appears to be a promising investment. This was further supported by the HG-DCF which valued the stock at \$195.75, 11.85% higher than the current stock price. Additionally, the model projects LTAT to increase steadily to 2.48 with useful life decreasing to 13.48 by 2025. When we perform the Monte-Carlo simulation with these input parameters we find that the current stock price falls in the ~47th percentile suggesting some slight upside (Figure 7). Historically speaking WHR's LTATs have averaged 2.0, but due to management's expectations of synergies, it is possible that LTAT could reach the projected 2.5 figure. To achieve today's stock price (date: 2/9/16) one would have to assume SG&A to increase from 9.71% to 10%, restructuring costs to increase from 0.95% to 0.97% and Capital expenditures to increase from 2.26% to 2.60%. The model further supports the thesis that the stock should be a strong buy, due to the conservative projected revenue growth, and stable margins.

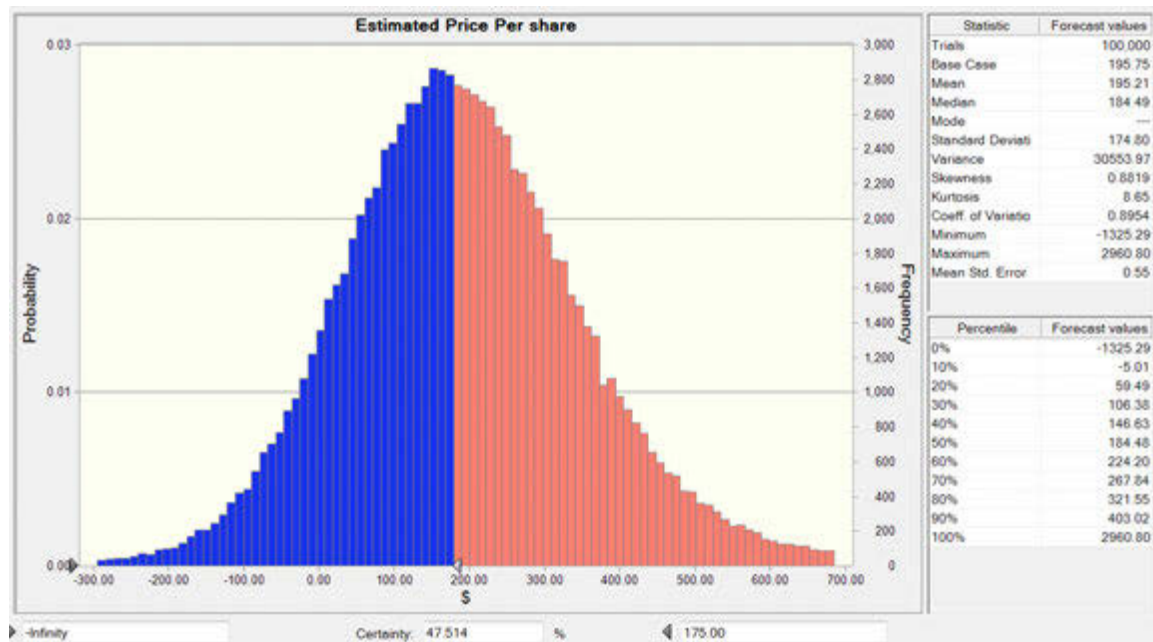


Figure 7: Results from the Monte-Carlo simulation on WHR. Left panel represents the binned probability distribution of cash flows, and the right panel contains the descriptive statistics. In the probability distribution, blue represents below the current price and pink

Proxy Statement:

To explore if management incentives align with our investment thesis, we analyzed the management compensation in the proxy statement ¹¹. The current executives as of the time of this writing are listed below:

Current Executives:

Jeff M. Fettig	Chairman of the Board and Chief Executive Officer
Larry M. Venturelli	Executive Vice-President and Chief Financial Officer
Michael A. Todman	Vice Chairman
Marc R. Bitzer	Vice Chairman
David T. Szcuzpak	Executive Vice President, Global Product Organization

Management Compensation:

Market Comparables:

The companies below make up Whirlpool's comparable group. This group was chosen because they have similar national and global business operations, sales volumes, margins, employment levels, lines of business, and required management skills as Whirlpool.

2015 Comparator Group	
3M Company	Ingersoll-Rand plc
Cummins, Inc.	Johnson Controls, Inc.
Colgate-Palmolive Company	Kellogg Company
Deere & Company	Motorola Solutions, Inc.
Eaton Corporation plc	Parker Hannifin Corporation
Emerson Electric Co.	Stanley Black & Decker, Inc.
The Goodyear Tire & Rubber Company	Textron, Inc.
Honeywell International, Inc.	Xerox Corporation
Illinois Tool Works, Inc.	

Source: Def14-A

Figure 8: Comparator Group Composition

Management is compensated through three major components. The first is *Base Salary*. This is targeted towards the median range of their comparator group and is influenced by performance and experience. The second component is *Short-Term Incentives* which is targeted towards the median range for similar positions in the comparator group, similar to Base Salary. These incentives are based on annual financial and individual performance. Additionally, WHR's compensation committee set a 2015 Return on Equity ("ROE") target of 8% as the objective performance measure. This is important because it

¹¹ DEF 14A

is reflective of management's interests aligning with those of the shareholders. The maximum opportunity for award achievement is 187.5% of target, which represents a 150% Company Performance Factor times a 125% individual performance multiplier. Lastly, the committee implemented objectives based on Ongoing Earnings Before Interest & Taxes (EBIT) (75% weighting), and GAAP Free Cash Flow (FCF)(25% weighting). The formula for short term incentive awards is:

$$\text{Target Award} \times (\text{EBIT} + \text{FCF}) \times \text{Individual Performance Discretion} = \text{PEP Incentive Award}$$


 Company
 Performance factor

NEO	2014 Short term Incentive Target Award (as a % of Base Salary)
Jeff M. Fettig	150%
Larry M. Venturelli	100%
Michael A. Todman	100%
Marc R. Bitzer	100%
David T. Szczupak	85%

Source: Def 14A

Figure 9: Target Awards- Short Term

The third component in management compensation is *Long-Term Incentives*, which are targeted towards the median range of the comparator group, akin to the base salary and short-term incentives. This includes performance restricted stock units and stock options, and time based restricted stock units and performance cash units. The target metrics are: Ongoing Earnings per Share, GAAP, (75% weighting) and Absolute Revenue Growth (25% weighting). These were chosen because they are important metrics measuring profitability and liquidity. These target metrics further support the thesis that WHR is a strong buy because the chosen metrics' formulas are not altered (i.e. "adjusted" accounting deviating from GAAP), and help show that management is acting in the best interest of its shareholders. One thing to note is that the number of stock options and restricted stock units are based on the closing stock price to date of grant. Additionally, stock options vest over a three-year term and are exercisable over a ten-year period. The purpose of this is to promote focus on long-term stock value creation and executive retention.

NEO	2014 Long term Incentive Target Award (as a % of Base Salary)
Jeff M. Fettig	650%
Larry M. Venturelli	250%
Michael A. Todman	250%
Marc R. Bitzer	300%
David T. Szczupak	200%

source: DEF 14A

Figure 10: Target Awards- Long Term*Executive Share Ownership Guidelines*

CEO (7x) base salary

Vice Chairman (5x) base salary

Executive Vice President (4x) base salary

Summary of Compensation Table: ¹²

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (1) (\$)	Option Awards (2) (\$)	Non Equity Incentive Plan Compensation (3) (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (4) (\$)	All Other Compensation (5) (\$)	Total (\$)
Jeff M. Fettig <i>Chairman of the Board and Chief Executive Officer</i>	2014	1,444,375	—	4,712,426	4,712,488	1,782,000	4,682,026	211,252	17,544,567
	2013	1,409,375	—	5,425,723	4,425,775	3,200,000	—	244,932	14,705,805
	2012	1,375,000	—	4,124,996	4,124,999	3,100,000	3,037,608	200,943	15,963,546
Larry M. Venturelli <i>Executive Vice President, and Chief Financial Officer</i>	2014	595,833	—	749,887	749,962	392,058	474,781	64,477	3,026,998
	2013	566,667	—	646,827	646,844	726,467	71,194	69,605	2,727,604
	2012	519,792	—	1,235,283	524,984	597,760	283,121	48,286	3,209,226
Michael A. Todman <i>Vice Chairman</i>	2014	895,833	—	1,124,969	1,124,985	589,458	1,400,904	185,732	5,321,881
	2013	871,667	—	1,093,706	1,093,749	1,117,477	—	160,122	4,336,721
	2012	855,000	—	2,844,467	1,068,746	983,250	981,950	171,128	6,904,541
Marc R. Bitzer <i>Vice Chairman</i>	2014	908,333	—	1,372,437	1,372,461	747,104	453,873	142,748	4,996,956
	2013	862,500	—	2,219,806	1,093,749	1,382,156	168,229	123,681	5,850,121
	2012	800,000	—	2,775,710	1,000,000	1,600,000	145,148	110,596	6,431,454
David T. Szczupak <i>Executive Vice President, Global Product Organization</i>	2014	710,833	—	714,970	357,475	878,076	330,351	62,087	3,053,792
	2013	683,333	—	603,632	301,847	805,951	129,106	97,215	2,621,084
	2012	650,000	—	923,816	284,373	598,000	215,417	57,614	2,729,220

Ultimately it appears that management compensation aligns management's interests to those of the shareholder's. This can be seen through the target metrics: ROE, EBIT, FCF,

¹² DEF 14A- all tables and figures

absolute revenue growth, and ongoing earnings per share. This further supports why we believe WHR is a valuable investment.

Conclusion:

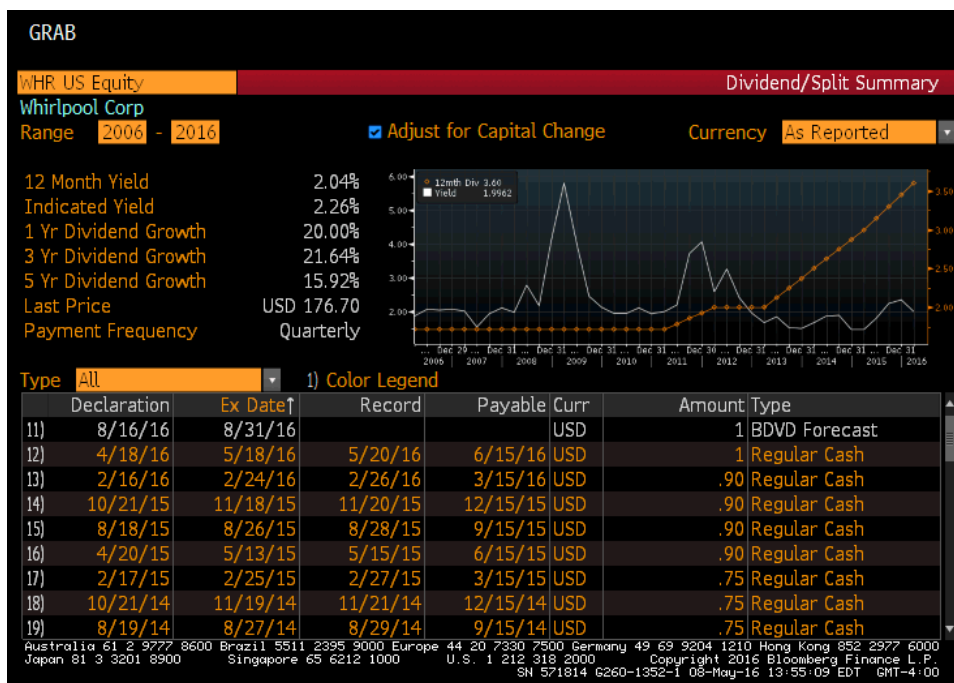
Based on the HG-DCF and management compensation, it is apparent that the current stock price of \$176.60 is undervalued and there is significant upside in purchasing WHR. WHR has been able to maintain its composure despite economic headwinds and has shown record results in 2015, therefore showing promising future success. Additionally, executives have been buying shares (Bloomberg Screenshot 6), which shows confidence in their brand and their belief that the company is undervalued. This again supports our thesis of WHR being a strong buy.

Additional Bloomberg Screenshots:



Bloomberg Screenshot 1: General overview of WHR including current price and key metrics, management

Source: Bloomberg Terminal- DES function



Bloomberg Screenshot 2: Dividend and Split History. Includes dividend growth and declaration and payout date. WHR pays dividends quarterly. 1 year dividend growth at 20%.

Source: Bloomberg Terminal- DVD function



Bloomberg Screenshot 3: Stock price of WHR over the past year. WHR's price hit its lowest values around February of 2016 and has been increasing since. It's high was 202.06 at the end of March 2015.

Source: Bloomberg terminal-GP function

GRAB

WHR US Equity 29 Export 20 Settings Security Ownership CUSIP 96332010

WHIRLPOOL CORP

1 Current 2 Historical 3 Matrix 4 Ownership 5 Transactions 6 Options

Search Name All Holders, Sorted by Size 21 Save Search 22 Delete Search 23 Refine Search

Text Search Holder Group All Holders % Out 101.18 SI % Out 3.90

Holder Name	Portfolio Name	Source	Opt	Position	% Out	Latest Chg	File Dt
1 VANGUARD GROUP	--	ULT-AGG	Alt	6,513,705	8.57	192,149	03/31/16
2 BLACKROCK	--	ULT-AGG		5,123,035	6.74	486,234	03/31/16
3 STATE STREET CORP	STATE STREET CORPORAT	13F		3,540,782	4.66	166,207	12/31/15
4 GREENHAVEN ASSOCIATES INC	GREENHAVEN ASSOCIATES	13F		2,630,271	3.46	15,175	03/31/16
5 INSTITUTIONAL CAPITAL LLC	INSTITUTIONAL CAPITAL	13F		2,538,270	3.34	-318,452	12/31/15
6 BARROW HANLEY MEWHINNEY &	BARROW HANLEY MEWHINN	13F		2,504,216	3.30	226,938	12/31/15
7 HARRIS ASSOCIATES LP	HARRIS ASSOC LP	13F		2,340,395	3.08	914,730	12/31/15
8 DIAMOND HILL CAPITAL MANAG	DIAMOND HILL CAPITAL M	13F		2,065,963	2.72	-58,851	12/31/15
9 FMR LLC	--	ULT-AGG		1,822,105	2.40	-15,340	12/31/15
10 INVESCO LTD	--	ULT-AGG	Y	1,798,110	2.37	480,266	12/31/15
11 LSV ASSET MANAGEMENT	LSV ASSET MANAGEMENT	13F		1,766,282	2.33	-84,950	12/31/15
12 APPALOOSA MANAGEMENT L P	APPALOOSA MANAGEMENT	13F		1,614,903	2.13	481,210	12/31/15
13 EVERCORE TRUST COMPANY NA	EVERCORE TRUST COMPAN	13F		1,476,166	1.94	40,713	12/31/15
14 CAPITAL GROUP COMPANIES INC	Multiple Portfolios	13F		1,250,756	1.65	-136,358	12/31/15
15 NEW YORK LIFE GROUP	--	ULT-AGG		1,209,742	1.59	-275,730	02/29/16
16 AQR CAPITAL MANAGEMENT LLC	AQR CAPITAL MANAGEMEN	13F		1,193,761	1.57	-52,127	12/31/15
17 NORTHERN TRUST CORPORATIO	NORTHERN TRUST CORPO	13F		999,571	1.32	-70,717	12/31/15
18 BANK OF AMERICA CORPORATIO	BANK OF AMERICA	13F	Y	922,364	1.21	-273,412	12/31/15
19 LORD ABBETT & CO LLC	LORD ABBETT & CO LLC	13F		901,062	1.19	-13,897	12/31/15

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2016 Bloomberg Finance L.P.
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Bloomberg Screenshot 4: WHR most holders list. Vanguard group and Blackrock are the top 2 holding with 8.42% and 6.62%

Source: Bloomberg Terminal- HDS function



Bloomberg Screenshot 5: Price to Book ratio. Decreased to its lowest in February but has been steadily increasing.
 Source: Bloomberg Terminal- GF function

GRAB
 WHR US Equity 25 Export 26 Settings Security Ownership
 WHIRLPOOL CORP CUSIP 96332010
 Search Name All Holders, Sorted by Size Save Search Delete Search Refine Search
 Text Search Holder Group All Holders Allocate Multi-Managed
 % Out 0.73 SI % Out 3.90

Holder Name	Portfolio Name	Source	Opt	Position	% Out	Latest Chg	File Dt
1. FETTIG JEFF MAURICE	--	Insider	AI	306,757	0.40	30,220	02/20/16
2. BITZER MARC R	--	Form 4		53,900	0.07	-4,253	05/02/16
3. TODMAN MICHAEL A	--	Proxy		46,953	0.06	0	02/01/16
4. SZCZUPAK DAVID T	--	Form 4		38,817	0.05	2,136	02/18/16
5. BREGA JOAO CARLOS CO	--	Form 4		26,299	0.03	3,191	02/18/16
6. ALLEN SAMUEL R	--	Form 4		12,014	0.02	657	04/19/16
7. PETERS JAMES	--	Form 4		11,381	0.01	592	02/18/16
8. LIOTINE JOSEPH T	--	Form 4		10,832	0.01	3,915	02/20/16
9. BERROZPE ESTHER	--	Form 4		9,097	0.01	2,721	03/15/16
10. VENTURELLI LARRY M	--	Form 4		8,731	0.01	0	02/18/16
11. PEREZ WILLIAM D	--	Proxy		6,239	0.01	0	02/01/16
12. DICAMILLO GARY T	--	Proxy		6,202	0.01	28	02/01/16
13. DIETZ DIANE M	--	Form 4		5,120	0.01	657	04/19/16
14. MANWANI HARISH	--	Form 4		4,208	0.01	558	04/19/16
15. ELLIOTT GERALDINE T	--	Form 4		3,093	0.00	657	04/19/16
16. JOHNSTON MICHAEL F	--	Proxy		3,000	0.00	0	02/01/16
17. WHITE MICHAEL D	--	Proxy		2,700	0.00	0	02/01/16
18. LIU JOHN DON	--	Proxy		1,000	0.00	0	02/01/16

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Bloomberg Screenshot 6: Insider Transaction Information. Executives have been buying shares. This shows confidence in WHR and that management believes WHR is worth more than the value it is currently at.
 Source: Bloomberg Terminal-HDS Function