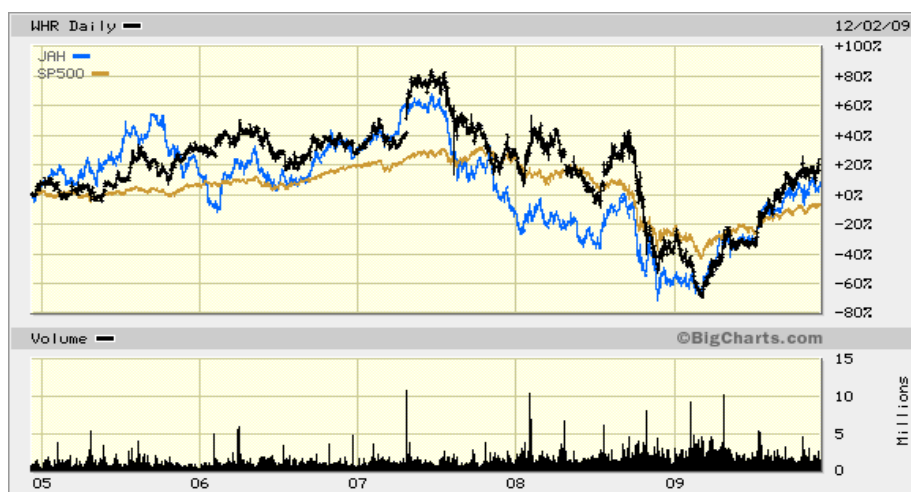


Whirlpool Corp. (WHR) 12/2/09

WHR operates as a manufacturer and marketer of household appliances worldwide. WHR brand names include; Whirlpool, Maytag, KitchenAid, Jenn-Air, Magic Chef, and more. In 2007 WHR generated 57% of sales in North America, 20% in Europe, 20% in Latin America, and 3% in Asia. WHR was founded in 1906 and headquartered in Benton Harbor, Michigan.

Current Price	\$79.13
52 Week High	\$80.41
52 Week Low	\$19.19
One Yr Target	\$70.00
Market Cap (in billions)	\$5.88
P/E (Trailing)	21.46
P/E(1 Yr Forward)	12.82
P/E/G	1.09
ROA	2.07%
ROE	7.33%
EPS	\$3.69
Beta	1.56
Annualized Dividend	\$1.72
Dividend Yield	2.17%
Analyst Consensus	2.70
Debt to Equity	3.14



Annual EPS

2005	\$6.26	
2006	\$6.32	0.89%
2007	\$8.95	41.56%
2008	\$6.12	-31.56%
2009E	\$3.69	-39.78%

Annual Revenue (in millions)

2005	\$14,317.00	
2006	\$18,080.00	26.28%
2007	\$19,408.00	7.35%
2008	\$18,907.00	-2.58%

Annual Net Income (in millions)

2005	\$426.00	
2006	\$493.00	15.73%
2007	\$680.00	37.93%
2008	\$447.00	-34.26%

Free Cash Flows (in millions)

2005	\$390.00	
2006	\$312.00	-20.00%
2007	\$397.00	27.24%
2008	-\$220.00	-155.42%

Required Rate of Return

13.72%

Dividend Growth Model

Present Value of 2014 Price	\$50.40
Holding Period Return (5 years)	5.91%

Expected Annualized Return Model

Present Value of 2014 Price	\$64.38
Holding Period Return (5 years)	-3.98%

Residual Income Model

Intrinsic Stock Price	\$109.57
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Analysis

Positives

Nice PEG ratio and at a lower P/E multiple suggest stock is a value

Negatives

Stock isn't well liked by analysts and projected one yr. price and P/E are low

Two valuation models, EAR and DG, have the stock price as overvalued

Financial Statements

Income Statement is marginal, Operating Expense is growing faster than Revenues

Balance Sheet is ok, increasing Inventory is somewhat of a concern

Cash Flows are poor, lots of Capital Expenditures and new Debt issued

Industry Analysis

Company has very few direct competitors in an industry expected to gain

WHR is the largest in industry and has only average financial ratios

Summary

WHR is a solid business with great brands, but doesn't seem to be run all that well and offer much positive outlook. Its financial ratios are decent but nothing spectacular. Financial statements are average at best, with the company taking on some Debt in the past couple of years and an increasing Inventory. WHR's outlook for its North American and European sales is flat for the near future, while Latin America should see a nice increase. Long-term there is nothing really exciting about WHR as a company or stock, but for the near future once the housing market picks up it should see decent stock appreciation. Thus overall WHR earns a **hold** rating.