Whirlpool Corp. (WHR)

Updated April 29th, 2025 by Quinn Mohammed

Key Metrics

Current Price:	$78	**5 Year CAGR Estimate:**	18.2%	**Market Cap:**	$4.3 B
Fair Value Price:	$80	**5 Year Growth Estimate:**	12.0%	**Ex-Dividend Date[1]:**	05/16/25
% Fair Value:	97%	**5 Year Valuation Multiple Estimate:**	0.6%	**Dividend Payment Date[1]:**	06/15/25
Dividend Yield:	9.0%	**5 Year Price Target**	$141	**Years Of Dividend Growth:**	0
Dividend Risk Score:	F	**Sector:**	Consumer Discretionary	**Rating:**	Sell

Overview & Current Events

Whirlpool Corporation, founded in 1955 and headquartered in Benton Harbor, MI, is a leading home appliance company with well-known brands like Whirlpool, KitchenAid, and Maytag. Roughly half of the company's sales are in North America, but Whirlpool does business around the world under twelve principal brand names. The $4.3 billion market cap company, which employs about 44,000 people, generated nearly $17 billion in sales in 2024.

On January 17th, 2023, Whirlpool entered into an agreement with Arçelik A.Ş to transform its portfolio. Whirlpool contributed its European major domestic appliance business, while Arçelik contributed its major domestic appliance, consumer electronics, air conditioning, and small domestic appliance businesses into a newly formed entity. Whirlpool received 25% of this new entity, which had combined sales of over €6 billion, with Arçelik owning the remaining 75%. Whirlpool also agreed to sell its Middle East and Africa business to Arçelik. The transaction closed on April 1st, 2024.

On April 23rd, 2025, Whirpool reported first quarter 2025 results. Sales for the quarter totaled $3.62 billion, down 19.4% from first quarter 2024 due to its EMEA divested business. Organic net sales, on the other hand, rose 2.2% due to growth in SDA Global and MDA Asia. Ongoing earnings per diluted share was $1.70 for the quarter, 4.5% lower than the previous year's $1.78 per share.

Whirlpool maintained its 2025 guidance, seeing ongoing earnings-per-share coming in at approximately $10.00 on revenue of $15.8 billion. Additionally, Whirlpool expects cash provided by operating activities to total roughly $1 billion, with $500 to $600 million in free cash flow. It also expects to decrease its debt by $700 million in 2025. And will reduce its stake in Whirlpood of India Ltd. to approximately 20% which should net it $550 to $600 million.

Growth on a Per-Share Basis

Year	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*	*2025*	*2030*
EPS	$12.38	$14.05	$13.78	$15.16	$16.00	$18.46	$26.59	$19.64	$16.16	$12.21	***$10.00***	***$17.62***
DPS	$3.45	$3.90	$4.30	$4.55	$4.75	$4.85	$5.45	$7.00	$7.00	$7.00	***$7.00***	***$8.11***
Shares[2]	77	74	71	64	64	64	63	55	55	55	***55***	***50***

From 2015 through 2024, Whirlpool's earnings-per-share contracted by an average compound rate of -0.2% per year. Throughout the first half of this time period the company saw solid growth, but recent weakness, and a smaller business as a result of its divestments have seen the company's results rebased. On the bright side, the company's share count did decline at a healthy rate of 3%+ per year.

While the COVID-19 pandemic called demand into question for many companies, including Whirlpool during the first half of 2020, results proved resilient and very strong since. Over the long-term Whirlpool continues to have opportunities in the way of the potential for margin improvement and a strong share repurchase program over time.

We see the impressive earnings result in 2021 as a cyclical peak, and from management's 2025 forecast of $10.00 per share, we expect 12.0% earnings-per-share growth through 2030. The strong home improvement spending, which had provided a boost to Whirlpool's results in recent years, has subsided as a result of the rapid rise in interest rates and

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[1] Estimated date

[2] In millions.

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ongoing price inflation. While we previously expected lower interest rates to spur demand for Whirlpool's products, the introduction of higher tariffs is likely to cause price inflation, and could have a negative effect on Whirlpool's profits.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/E	14.4	11.9	12.9	9.3	8.8	8.4	8.2	8.1	8.3	8.6	***7.8***	***8.0***
Avg. Yld.	1.9%	2.3%	2.4%	3.2%	3.4%	3.2%	2.3%	3.7%	5.3%	6.7%	***9.0%***	***5.8%***

Since 2014, shares of Whirlpool have traded hands with an average P/E ratio of 9.9 times earnings, but in the last five years this has come down to only 8.3 times earnings on average. We are using 8.0 times earnings as a valuation baseline, taking into consideration the company's growth prospects and overall quality. Shares currently trade at 7.8 times earnings, which implies a tailwind to the valuation for the foreseeable future.

The company's forward payout ratio of 70% exceeds management's long-term goal of 30%, thus we are not anticipating much in the way of dividend growth. Still, with a 9.0% starting yield, this component adds nicely to shareholder returns.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	28%	28%	31%	30%	30%	26%	20%	36%	43%	57%	***70%***	***46%***

Whirlpool has strong brands, and its competitive advantages include its global presence and a strong control over its costs, which is why the company generates higher margins than its peers.

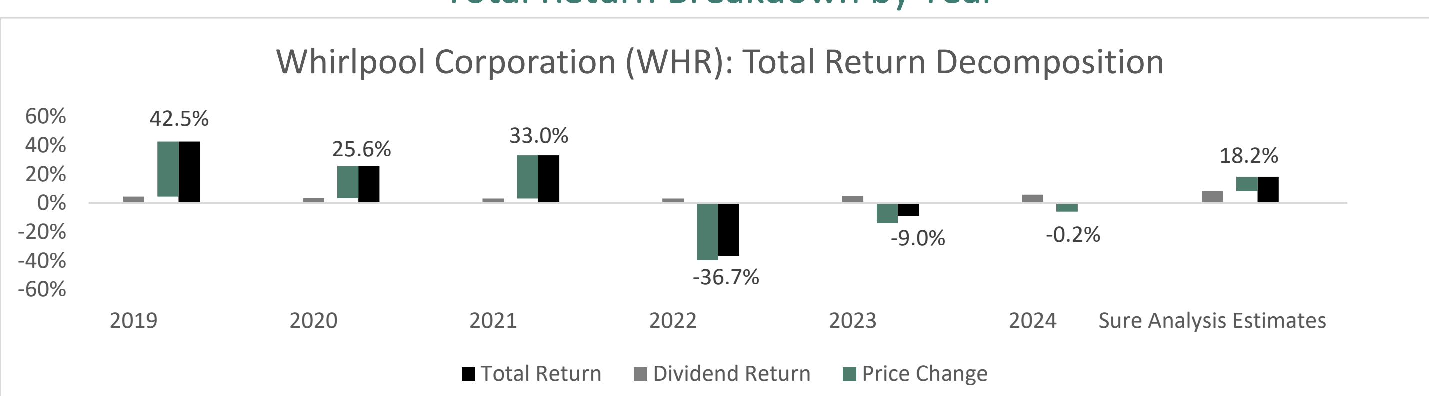
During the last recession, the company posted per share earnings results of \$8.10, \$5.50, \$4.34, and \$9.10 from 2007 through 2010. Meanwhile, the dividend was held steady at \$1.72 throughout the entire period. The -30%+ earnings drop in 2008 may not have been welcome - and provides a good indicator of some of the cyclicality inherent in the business - but we are encouraged by the quick rebound. Moreover, the manageable dividend payout ratio allows for greater flexibility, without the need for dilutive action in lesser times.

As of the most recent report, the company held \$1.0 billion in cash, \$5.4 billion in current assets and \$16.5 billion in total assets against \$7.5 billion in current liabilities and \$13.7 billion in total liabilities. Long-term debt equaled \$4.8 billion.

Final Thoughts & Recommendation

Whirlpool has established itself as a reliable company and had a blowout year in 2021, but results have been declining since this peak. While the Fed's interest rate cuts were expected to contribute to Whirlpool's profits, tariffs, which are likely to lead to inflation, have introduced a new headwind for the business. We forecast total return potential of 18.2% per annum, stemming from a 9.0% starting dividend yield, 12.0% EPS growth, and a valuation tailwind. Nevertheless, Whirlpool earns a sell rating due to its lack of dividend growth streak.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue ($B)	20,891	20,718	21,253	21,037	20,419	19,456	21,985	19,724	19,460	16610
Gross Profit	3,660	3,692	3,602	3,537	3,533	3,850	4,409	3,073	3,170	2581
Gross Margin	17.5%	17.8%	16.9%	16.8%	17.3%	19.8%	20.1%	15.6%	16.3%	15.5%
SG&A Exp.	2,143	2,080	2,112	2,189	2,142	1,877	2,081	1,820	1,993	1684
D&A Exp.	668	655	654	645	587	568	494	475	361	333
Operating Profit	1,443	1,541	1,411	1,273	1,322	1,911	2,281	1,218	1,137	866
Op. Margin	6.9%	7.4%	6.6%	6.1%	6.5%	9.8%	10.4%	6.2%	5.8%	5.2%
Net Profit	783	888	350	-183	1,184	1,081	1,783	-1,519	481	-323
Net Margin	3.7%	4.3%	1.6%	-0.9%	5.8%	5.6%	8.1%	-7.7%	2.5%	-1.9%
Free Cash Flow	536	543	580	639	698	1,090	1,651	820	366	384
Income Tax	209	186	550	138	354	384	518	265	77	10

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets ($B)	19,010	19,153	20,038	20,038	18,881	20,350	20,285	17,124	17,310	16300
Cash & Equivalents	772	1,085	1,196	1,196	1,952	2,924	3,044	1,958	1,570	1275
Acc. Receivable	2,530	2,711	2,665	2,665	2,198	3,109	3,100	1,555	1,529	1317
Inventories	2,619	2,623	2,988	2,988	2,438	2,187	2,717	2,089	2,247	2035
Goodwill & Int.	5,684	5,508	5,709	5,709	4,665	4,690	4,466	6,478	6,454	6039
Total Liabilities	13,336	13,425	14,910	14,910	14,763	15,641	15,272	14,618	14,780	13370
Accounts Payable	4,403	4,416	4,797	4,797	4,547	4,834	5,413	3,376	3,598	3530
Long-Term Debt	3,998	4,470	5,218	5,218	4,993	5,369	5,237	7,615	7,231	6626
Total Equity	4,743	4,773	4,198	4,198	3,195	3,799	4,846	2,336	2,362	2683
LTD/E Ratio	0.84	0.94	1.24	1.24	1.56	1.41	1.08	3.26	3.06	2.47

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	4.0%	4.7%	1.8%	-1.0%	6.4%	5.5%	8.8%	-8.1%	2.8%	-1.9%
Return on Equity	16.3%	18.7%	7.8%	-5.6%	43.2%	30.9%	41.2%	-42.3%	20.5%	-11.8%
ROIC	7.9%	8.9%	3.4%	-1.9%	12.9%	11.3%	17.5%	-14.9%	4.8%	-3.3%
Shares Out.	77	74	71	64	64	64	63	56	55	55
Revenue/Share	262.12	268.37	285.66	313.05	318.05	307.36	349.52	352.84	352.45	301.40
FCF/Share	6.73	7.03	7.80	9.51	10.87	17.22	26.25	14.67	6.63	6.97

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.