



WHIRLPOOL CORPORATION • 400 KLOCK RD • BENTON HARBOR, MI 49022

November 12th, 2018

Dear Trade Customer,

Whirlpool Corporation is instituting a price increase effective December 27th, 2018, impacting Commercial Laundry products across Whirlpool branded commercial models. The increase is 4%. Manufacturer's Suggested Retail Prices (MSRP) and Minimum Advertised Prices (MAP) (for cooperative advertising purposes) will increase by comparable amounts.

Major component, raw material costs and labor costs have increased significantly in the last 12 months. While Whirlpool continues to identify and implement productivity initiatives and cost controls, these actions alone are not enough to offset rising costs. Whirlpool is therefore instituting a price increase in order to continue to deliver high quality products to consumers.

New price sheets will be available at 5pm ET on November 12th, 2018, on the Trade Customer website www.whr.com or from your Whirlpool account representative. Price increases, including corresponding increases of MSRP and MAP, will be effective December 27th, 2018. Orders that do not ship on or before December 26th, 2018 will be re-priced at the new levels unless cancelled by the Trade Customer, regardless of the reason.

Whirlpool Corporation is committed to offering the highest standards in commercial laundry products as you and your customers have come to expect and deserve. We appreciate your business and continued support.

Best Regards,

A handwritten signature in black ink, appearing to read "Chad Lange", is written in a cursive style.

Chad Lange
Global Director Commercial Laundry Sales/Service/Parts

COMMERCIAL LAUNDRY PRICE INCREASE

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Scope

**Whirlpool Brand
Commercial Laundry**

Increase: 4%

Changes

- Whirlpool Commercial Laundry Price Sheets
- Manufacturer's Suggested Retail Prices (MSRP), Minimum Advertised Price (MAP) (for cooperative advertising purposes), will increase by comparable amounts.

Effective Date

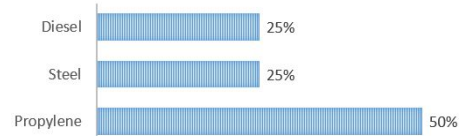
All shipments that occur on or after December 27th, 2018 will be subject to new pricing.

Rationale

- Components, raw materials and labor costs have increased significantly in the last 12 months.
- While Whirlpool continues to identify and implement productivity initiatives and cost controls, these actions alone are not enough to offset rising costs.
- Whirlpool's price increase is positive for consumers, as Whirlpool is able to continue to invest in high quality commercial appliances and deliver them at a great value.

Macroeconomic Factors Influencing Input Costs

Commodity Costs Continue to Rise Significantly



Aug '17 - Aug '18 % Market Cost

Trucking Capacity and Driver Shortages

Trucking's Tight Capacity Squeezes U.S. Businesses

More companies are pointing to rising freight costs and one says finding trucks is getting 'tough'.

Truck Driver Salaries Rising on Surging Freight Demand

Report says wages rose up to 18% in past four years and benefits are also on the upswing, adding to tighter market.

Labor Cost Inflation

U.S. labor costs increase solidly in the fourth quarter.



Sources: Bloomberg, NY Times, Financial Times, Wall Street Journal

WHIRLPOOL COMMERCIAL LAUNDRY MAP CHANGES



Top Load

Front Load

COIN OP

CAE2745FQ

CE/GM2745FQ

CHW9150GW

CE/GD9150GW



Current MAP: \$949
New MAP: \$979

Current MAP: \$899/\$949
New MAP: \$929/\$979

Current MAP: \$1649
New MAP: \$1699

Current MAP: \$1199/\$1299
New MAP: \$1249/\$1349

Potential Trade Margin Opportunity

	<u>2018</u>	<u>2019</u>
Avg Margin % Opp (to MAP)	27.5%	27.3%
Avg Margin \$ Opp (to MAP)	\$304	\$313

NON COIN OP

CAE2795FQ

CE/GM2795FQ

CHW9160GW

CE/GD9160GW



Current MAP: \$799
New MAP: \$829

Current MAP: \$749/799
New MAP: \$779/829

Current MAP: \$1499
New MAP: \$1549

Current MAP: \$1099/\$1199
New MAP: \$1149/1249

\$30 MAP Increase

\$50 MAP Increase

- November 12th, 2018** **Price Sheets, MAPs, MSRPs, published in Whirlpool Web World (www.whr.com) and Whirlpool Portal (www.WhirlpoolPortal.com)**
- December 26th, 2018** **Last date for shipments at current pricing**
- December 27th, 2018** **First date for shipments with new pricing**

