

Whirlpool Nordic A/S

Herstedøstervej 27-29. Bygning A, 1. sal, 2620 Alberstslund
CVR No. 39 94 58 19

Annual report 2016

Approved at the annual general meeting of shareholders on

As chairman:



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Sonja Thorngren

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Whirlpool Nordic A/S for the financial year 1 January – 31 December 2016.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, *May 31st, 2017*

Executive Board:

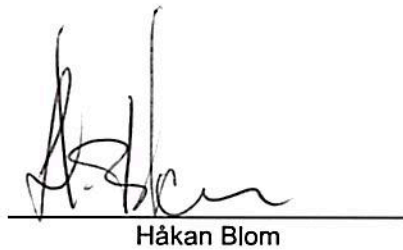


Pietro Gheller

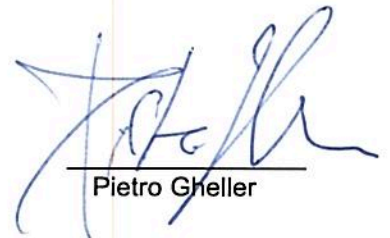
Board of Directors:



Sonja Thorngren
Chairman



Håkan Blom



Pietro Gheller

Independent auditor's report

To the shareholders of Whirlpool Nordic A/S

Opinion

We have audited the financial statements of Whirlpool Nordic A/S for the financial year 1 January – 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aarhus, 31 May 2017
Ernst & Young
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Lone Nørgaard Eskildsen
State Authorised
Public Accountant

Management's review

Company details

Address, Postal code, City	Herstedostervej 27-29. Bygning A, 1. sal, 2620 Alberstslund
CVR No.	39 94 58 19
Financial Year	1 January - 31 December
Phone	+45 44 88 02 22
Supervisory board	Sonja Thorngren, Chairman Pietro Gheller, Håkan Blom
Executive board	Pietro Gheller
Auditors	Ernst & Young, Godkendt Revisionspartnerselskab, Værkmestergade 25 8000 Århus C, Denmark
Bankers	Nordea Bank A/S

Management's review

The company's business review

Whirlpool Nordic A/S is a wholly owned subsidiary of Whirlpool International B.V., the Netherlands.

Whirlpool Nordic A/S is a management company administering the sales activities of the Whirlpool Group in Denmark. According to the commission agreement signed by the company, the bulk of its expenses are refunded.

The sales activities managed by the company include sales of white goods to wholesalers.

Whirlpool Corporation has gone through major acquisition of Indesit.

Outlook

As a result of the acquisition of Indesit by Whirlpool Corporation, company is expecting to launch new innovative products to the markets and is expected to lead to better results in 2017.

Income statement for the year ended 31 December 2016

		<u>2016</u> DKK	<u>2015</u> DKK
Revenue		6,401,087	8,040,021
Other external costs		<u>2,026,891</u>	<u>2,443,881</u>
Gross profit		<u>4,374,196</u>	<u>5,596,140</u>
Staff costs	2	<u>4,084,247</u>	<u>5,237,966</u>
Operating Profit		289,949	358,174
Financial income	3	22,560	-
Financial expenses	4	<u>22,132</u>	<u>26,595</u>
Profit/ loss before tax		290,377	331,579
Tax for the year	5	<u>106,659</u>	<u>107,353</u>
Profit/ loss for the year		<u>183,718</u>	<u>224,226</u>
Proposed profit appropriation		<u>183,718</u>	<u>224,226</u>
Retained earnings		<u>183,718</u>	<u>224,226</u>

Balance sheet at 31 December 2016

	<u>2016</u> DKK	<u>2015</u> DKK
Current assets		
Receivables		
Receivables from group entities	19,178,403	18,679,212
Deferred tax assets	37,013	49,351
Other receivables	74,675	78,792
Prepayments	14,081	49,000
	<hr/> 19,304,172	<hr/> 18,856,355
Total current assets	<hr/> 19,304,172	<hr/> 18,856,355
TOTAL ASSETS	<hr/> 19,304,172	<hr/> 18,856,355

Balance sheet at 31 December 2016

		<u>2016</u> DKK	<u>2015</u> DKK
EQUITY AND LIABILITIES			
Equity			
Share capital	6	13,001,000	13,001,000
Retained earnings/ Accumulated loss		<u>4,960,067</u>	<u>4,776,349</u>
Total equity		<u>17,961,067</u>	<u>17,777,349</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		78,251	88,320
Income taxes payables		59,873	42,118
Other payables		<u>1,204,982</u>	<u>948,568</u>
		<u>1,343,106</u>	<u>1,079,006</u>
Total liabilities other than provisions		<u>1,343,106</u>	<u>1,079,006</u>
TOTAL EQUITY AND LIABILITIES		<u>19,304,173</u>	<u>18,856,355</u>
Accounting policies	1		
Contractual obligations and contingencies, etc.	7		
Related parties	8		

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 1/1 2016	13,001,000	4,776,349	17,777,349
Profit/ loss for the year, cf. appropriation of profit/ loss	<u> </u>	<u>183,718</u>	<u>183,718</u>
Equity at 31/12/2016	<u>13,001,000</u>	<u>4,960,067</u>	<u>17,961,067</u>

Notes

1. Accounting policies

The annual report of Whirlpool Nordic A/S has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises and elective choice of certain provisions applying to reporting class C entities.

The accounting policies applied by the company are consistent with those of last year. Effective 1 January 2016, the Company has implemented act no. 738 of 1 June 2015. The implementation has not impacted the income statement or the balance sheet for 2016 or the comparative figures. Apart from new and changed presentation and disclosure requirements, which follow from act no. 738 of June 2015, the accounting policies are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income is composed of commission earnings and cost refund with a mark-up.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to sale, advertising, administration, premises, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that concern the financial year. The items comprise interest income and expenses, e.g. from group entities and associates, realised and unrealised capital gains and losses relating to exchange gains and losses and allowances under the advance-payment-of-tax-scheme, etc.

Notes

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/ loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

1. Accounting policies - continued

Balance sheet

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

Income tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/ loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Receivables from Group entities

Receivables from group entities are measured at amortised cost, usually equalling nominal value less write-downs for bad or doubtful debts.

Other payables

Other payables are measured at net realisable value.

Notes

2. Staff Costs

	<u>2016</u> DKK	<u>2015</u> DKK
Wages/salaries	3,703,794	4,816,458
Pensions	314,791	334,776
Other social security costs	25,351	32,265
Other staff costs	40,311	54,467
	<u>4,084,247</u>	<u>5,237,966</u>

	<u>2016</u>	<u>2015</u>
Average number of full-time employees	6	6

3. Financial income

Interest income, group entities	20,657	-
Exchange gains	1,903	-
	<u>22,560</u>	<u>-</u>

4. Financial expenses

Interest expenses, group entities	57	71
Other interest expenses	4,924	5,817
Exchange losses	1,154	8,639
Other financial expenses	15,997	12,068
	<u>22,132</u>	<u>26,595</u>

5. Tax for the year

Tax under/ (over) provided in previous years	34,448	-
Estimated tax charge for the year	59,873	81,929
Deferred tax adjustments in the year	12,338	25,424
	<u>106,659</u>	<u>107,353</u>

Notes

6. Share Capital

	<u>2016</u> DKK	<u>2015</u> DKK
The share capital consists of the following:		
1 share(s) of DKK 5,000,000 each	5,000,000	5,000,000
1 share(s) of DKK 8,000,000 each	8,000,000	8,000,000
1 share(s) of DKK 1,000 each	<u>1,000</u>	<u>1,000</u>
	<u>13,001,000</u>	<u>13,001,000</u>

The company's share capital has remained DKK 13,001,000 over the past 5 years.

7. Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

Rent and lease liabilities	<u>641,900</u>	<u>1,013,870</u>
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Rent and lease liabilities include a rent obligation totalling DKK 18,900. Furthermore, the company has liabilities for leasing contracts on cars and office equipment, totalling DKK 623,000.

8. Related parties

Whirlpool Nordic A/S' related parties comprise the following:

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Whirlpool Corporation	2000 N. M-63, Benton Harbor, MI 49022-2692, USA	The Consolidated financial statements of the company group can be obtained at the company's address.