

Whirlpool sees strong 2020 as profit beats on pandemic boost

Reuters Staff

The Whirlpool logo is seen at their plant in Apodaca, Monterrey, Mexico January 27, 2017. REUTERS/Daniel Becerril/Files

(Reuters) - Whirlpool Corp [WHR.N](#) on Wednesday forecast a smaller drop in sales for the year and reinstated earnings targets after posting better-than-expected quarterly profit, as robust demand for home appliances helped it navigate the coronavirus crisis.

Shares of Whirlpool, the owner of brands such as KitchenAid and Maytag, jumped 4.5% after the bell as third-quarter sales rose 3.9%, with a strong performance in European markets offsetting weakness in North America, its biggest segment.

Demand for appliances has bounced back as consumers stuck at home divert their discretionary income, otherwise earmarked for socially intensive activities like traveling, into the home.

Whirlpool said it now forecasts earnings per share between \$17.50 and \$18 for fiscal 2020, compared with analysts' estimate of \$13.71, according to IBES data from Refinitiv.

Its Europe, Middle East and Africa (EMEA) market saw sales growth of 15.4% while sales in Latin America rose 13.7%, but coronavirus-induced supply constraints drove North America sales 1.6% lower in the quarter.

Still, Whirlpool said it now expects net sales to decline between 5% and 7% in 2020, compared with its previous forecast for a fall of 10% to 15%.

Whirlpool, which increased its quarterly dividend by \$0.05 to \$1.25 per share on Monday, said it earned \$6.91 per share excluding items, beating analysts' estimate of \$4.20 per share.

Net earnings available to the company rose to \$397 million, or \$6.27 per share, in the third quarter ended Sept. 30 from \$358 million, or \$5.57 per share, a year earlier.

Sales rose 3.9% to \$5.30 billion, beating consensus view of \$4.76 billion.

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