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BWI PRODUCTS LIMITED

Report and Financial Statements

31 December 2001

 ERNST & YOUNG



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COMPANIES HOUSE		16/11/02
LD2	*LKL29FIY*	0410
COMPANIES HOUSE		31/10/02

BWI Products Limited

Registered No. 02735715

DIRECTORS

C de Bont
R Thompson
A Wilson

SECRETARY

C de Bont

AUDITORS

Ernst & Young LLP
Becket House
1 Lambeth Palace Road
London SE1 7EU

BANKERS

National Westminster Bank PLC
1 High Street
Croydon CR9 1PD

SOLICITORS

Lane & Partners
15 Bloomsbury Square
London WC1A 2LP

REGISTERED OFFICE

209 Purley Way
Croydon CR9 4RY

BWI Products Limited

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2001.

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £1,757,919 (2000 – loss of £1,480,575).

The directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITIES

The principal activity of the company was the holding of investments in its subsidiaries. The only transaction for the year was a foreign exchange loss of £48,467 on a loan from Whirlpool Europe IF BV and net interest payable of £1,709,452.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year ended 31 December 2001 are shown below:

C de Bont
R Thompson
A Wilson
E Auriam (resigned 23 March 2001)
M Hooker (resigned 30 April 2001)

None of the directors had an interest in the shares of the company.

AUDITORS

A resolution to reappoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.

By order of the Board



Director

30 OCTOBER 2002

BWI Products Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BWI PRODUCTS LIMITED

We have audited the company's financial statements for the year ended 31 December 2001, which comprise the Profit and Loss Account, Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 10. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

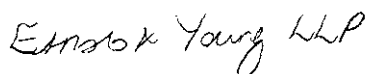
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
London

30 OCTOBER 2002

BWI Products Limited

PROFIT AND LOSS ACCOUNT for the year to 31 December 2001

	<i>Note</i>	<i>2001</i> £	<i>2000</i> £
Operating costs	2	(48,467)	(121,125)
OPERATING LOSS		<u>(48,467)</u>	<u>(121,125)</u>
Interest payable	3	(1,713,375)	(1,359,450)
Interest receivable		3,923	–
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(1,757,919)</u>	<u>(1,480,575)</u>
Tax on profit on ordinary activities		–	–
LOSS FOR THE FINANCIAL YEAR		<u><u>(1,757,919)</u></u>	<u><u>(1,480,575)</u></u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the loss attributable to shareholders of the company of £1,757,919 for the year ended 31 December 2001 (2000 – loss of £1,480,575).

BWI Products Limited

BALANCE SHEET at 31 December 2001

	Notes	2001 £	2000 £
FIXED ASSETS			
Investments	5	65,688,635	51,390,785
CURRENT ASSETS			
Debtors	6	13,923	10,000
NET CURRENT ASSETS		13,923	10,000
TOTAL ASSETS LESS CURRENT LIABILITIES		65,702,558	51,400,785
CREDITORS: amounts falling due after more than one year	7	(19,473,615)	(31,913,923)
		46,228,943	19,486,862
CAPITAL AND RESERVES			
Called up share capital	8	48,510,000	20,010,000
Profit and loss account		(2,281,057)	(523,138)
		46,228,943	19,486,862



Director

30 OCTOBER 2002

BWI Products Limited

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2001

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements present information on BWI Products Limited as an individual company and not of its group. The company is exempt from the obligation to prepare group financial statements as permitted by section 228 of the Companies Act 1985, and is included in the group financial statements of Whirlpool Europe B.V., a company incorporated in Holland.

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Statement of cash flows

The company has taken advantage of the exemption under Financial Reporting Standard No. 1 (revised) from publishing a statement of cash flows.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange at the balance date. All differences are taken to the profit and loss account.

2. OPERATING LOSS

Operating costs comprise the following:

	2001 £	2000 £
Loss on foreign exchange differences	(48,467)	(121,125)
	<u> </u>	<u> </u>

The directors emoluments in the year were £nil (2000 – £nil).

3. INTEREST PAYABLE

	2001 £	2000 £
Interest on loan from Whirlpool IF BV	1,056,652	653,994
Interest on loan from WOHC	1,125	705,456
Interest on loan from Whirlpool Europe BV	655,598	–
	<u>1,713,375</u>	<u>1,359,450</u>

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

No liability to corporation tax arises on the loss for the year (2000 – £nil) as losses have been incurred.

BWI Products Limited

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2001

5. INVESTMENTS

	2001	2000
	£	£
Shares in subsidiary undertakings at cost (see note 8)	65,688,635	51,390,785

The principal subsidiary undertakings which are all wholly owned are; Whirlpool France S.A. and Whirlpool (UK) Limited.

The directors are of the opinion that the aggregate value of the company's investments are net less than the amounts at which they are stated in the financial statements.

6. DEBTORS

	2001	2000
	£	£
Amount due from fellow subsidiary undertakings	13,923	10,000

7. CREDITORS: amounts falling due after more than one year

	2001	2000
	£	£
Amount due to WOHC	–	10,000,000
Amount due to Whirlpool Europe IF BV	4,984,003	19,186,153
Amount due to Whirlpool Europe BV	10,000,000	–
Accrued interest	4,489,612	2,727,770
	19,473,615	31,913,923

8. SHARE CAPITAL

	2001	2000
	£	£
Authorised, allotted, called up and fully paid: 48,510,000 Ordinary shares of £1 each	48,510,000	20,010,000

On 17 October 2001 the company issued 28,500,000 shares to Whirlpool Europe B.V. The proceeds of which were used to acquire 22,950,000 shares in Whirlpool France SA and to repay loans due to a fellow group undertaking.

BWI Products Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2001

9. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total share- holders' funds £</i>
At 1 January 2000	20,010,000	957,437	20,967,437
Loss for the year	-	(1,480,575)	(1,480,575)
At 31 December 2000	20,010,000	(523,138)	19,486,862
Loss for the year	-	(1,757,919)	(1,757,919)
Proceeds from issue of shares	28,500,000	-	28,500,000
At 31 December 2001	48,510,000	(2,281,057)	46,228,943

10. ULTIMATE PARENT UNDERTAKING

Whirlpool Corporation, incorporated in the state of Delaware in the United States of America, is the ultimate parent undertaking of BWI Products Limited.

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is Whirlpool Corporation, and the parent undertaking of the smallest such group is Whirlpool Europe B.V. (incorporated in Holland). Copies of the financial statements of Whirlpool Corporation are available from Whirlpool Centre, 209 Purley Way, Croydon CR9 2RY.