July 22nd, 2010.

Highlights:

Growth in net sales of 7 percent.

Increase in operating profit and EBITDA of 8 percent.

Net income same as last year; earnings per share were 2 percent higher.

Balance sheet strengthens.

SELECTED INCOME STATEMENT DATA FOR THE QUARTER
Millions of pesos except earnings per share

	Second quarter ended June 30th.		
	2010	**2009**	**%CHG.**
NET SALES	$6,627	$6,195	7
OPERATING PROFIT	1,822	1,692	8

INTEGRAL FINANCING COST & PROFIT SH.	294	154	91
NET INCOME BEFORE INCOME TAX	1,528	1,538	(1)
INCOME TAX	446	452	(1)
NET INCOME	1,082	1,086	-
EARNINGS PER SHARE (Pesos)	1.01	0.99	2
EBITDA	2,132	1,979	8

Considering the continued weakness of the domestic market, second quarter results were very good. Net sales grew 7 percent, with volume growth contributing 4 percent and better price and mix 3 percent. Also, notwithstanding strong cost pressures, operating profit grew 8 percent and it is our ninth consecutive quarter in which we reflect a positive trend. Net income was the same as last year due to a higher integral financing cost, as well as a higher effective tax rate. However, earnings per share were up 2 percent due to our share repurchase program.

In consumer products, our main business, net sales growth was 6 percent; we achieved volume growth of 2 percent and better price and mix of 4 percent. We had volume growth in almost all of our consumer products, with particularly strong performance in wet wipes, incontinence products and kitchen towels. Professional products posted an 8 percent net sales increase and our export sales were higher than last year. Last year we had extraordinary sales of health care products due to the flu crisis. Taking out that impact from the comparison, total net sales growth would have been 8 percent in the quarter.

The trend of higher costs of raw materials and services continued during the second quarter, particularly in pulp, recycled fibers and energy. However, these cost increases were in part compensated by a better exchange rate as well as our internal cost containment and reduction programs. The end result was higher operating profit growth when compared to our growth in net sales, thus achieving a higher operating profit margin for the quarter and the semester.

Net income was negatively affected by a higher integral financing cost, derived from an appreciation of the peso in the second quarter of last year and a depreciation of the peso in this quarter, in addition to a higher effective tax rate of 2 percentage points.

We generated $8,188 million pesos of EBITDA in the last twelve months, 9 percent higher than last year. During the period, we made investments of $2,052 million pesos ($984 in capital expenditures (CAPEX), $1,068 in the re-purchase of stock), and we paid a dividend to our shareholders of $3,263 million pesos. In addition, we reduced the debt of the company by $3,360 million pesos including repaying $2,700 million pesos of short term Certificados Bursatiles (marketable notes). With these actions, the balance sheet of the company continues to strengthen.

Generamos EBITDA de $1,930 millones de pesos durante el trimestre, un 8 porciento mayor. Hemos invertido en los últimos doce meses $2,174 millones de pesos ($999 en activos fijos o CAPEX y $1,175 en la recompra de acciones propias) y se pagó un dividendo a nuestros accionistas por $3,199 millones de pesos.

As of June 30, 2010 the company had $3,775 million pesos in cash.

Under US GAAP, quarterly results were as follows: net sales were 14 percent higher; operating profit was up 15 percent; and net income increased by 7 percent.

As of June 30th, 2010, and as reported in the financial statements, the company has one derivative financial instrument as a hedge to reduce the risk of the effects of its exposure to interest rates. Its effect on the financial statements is not expected to be material.

Share Buyback Program

	2010	2009
Repurchased shares during the quarter	7,841,200	11,313,300

Selected Income Statement Dara for the Semester
Millions of pesos except earnings per share

	Six months ended June 30th.				
	2010	%	2009	%	%CHG.
Net Sales	12,984		12,267		6
Operating Profit	3,447	27	3,200	26	5
Integral Financing Cost & Profit Sh	496		521		(5)
Net Income Before Income Tax	2,951		2,679		10
Income Tax	885		722		23
Net Income	2,066	16	1,957	16	6
Earnings Per Share (Pesos)	1.92		1.79		7
EBITDA	4,062		3,770		8

Consolidated Balance Sheets
Millions of pesos

	June 30th.	
	2010	2009
Assets		
Cash	$3,775	$6,876
Accounts and documents receivable	4,871	4,860
Inventories	1,941	2,074
Long term Derivatives	-	409
Property, plant and equipment	14,140	14,375

Total assets	$24,869	$28,386
Liabilities and consolidated stockholder’s equity		
Bank loans	$829	$6,064
Accounts payable	2,721	2,212
Employee´s benefits	491	467
Dividends payable	2,606	2,414
Accumulated liabilities	1,719	1,835
Taxes to be paid	385	539
Derivatives	-	286
Long term loans	7,290	5,403
Long term derivatives	103	14
Deferred taxes	1,730	1,898
Long term employee´s benefits	87	107
Other liabilities	243	228
Consolidated stockholder’s equity	6,665	6,919
Total	$24,869	$28,386

Cash Flows
Millions of pesos

	Semester ended June 30th.	
	2010	**2009**
Income before income taxes	$2,951	$2,679
Depreciation	615	570
Provisions	221	269
Others	275	252
Cash used in the operation	(2,428)	(1,241)
Net cash provided by operating activities	1,634	2,529
Capital expenditures	(391)	(470)

Other investment activities	417	-
Debt issuance	-	3,493
Repurchase of stock	(514)	(553)
Dividends paid	(871)	(814)
Financing – net	(2,718)	(50)
Interest – net	(242)	(281)
Cash generated	(2,685)	3,854
Currency effects in cash position	-	4
Cash at the beginning of the year	6,460	3,018
Cash at the end of the year	3,775	6,876

Kimberly Clark de Mexico is engaged in the manufacture and commercialization of disposable products for daily use by consumers within and away-from-home, such as: diapers and child care products, feminine pads, incontinence care products, bath tissue, napkins, facial tissue, hand and kitchen towels, wet wipes and health care products. Some of the main brands include: Huggies®, Kleen-Bebé®, Kleenex®, Kimlark®, Pétalo®, Cottonelle®, Depend® and Kotex®.