

July 18, 2013

Kimberly-Clark de México, S.A.B. de C.V.
SECOND QUARTER 2013 RESULTS

Highlights:

- Sales growth of 5 percent.
- Gross and operating margins improved sequentially and year-over-year.
- Almost 2.3 billion pesos of EBITDA, a 10 percent increase.
- Earnings per share increased 19 percent.

FINANCIAL RESULTS

Prepared in accordance with International Financial Reporting Standards (IFRS)
 Million pesos, except earnings per share

	Quarter ended June 30		
	<u>2013</u>	<u>2012</u>	<u>% CHANGE</u>
NET SALES	\$7,605	\$7,263	5
GROSS PROFIT	3,090	2,802	10
OPERATING PROFIT	1,910	1,702	12
NET INCOME	1,198	1,016	18
EARNINGS PER SHARE (Pesos)	0.38	0.32	19
EBITDA	2,291	2,091	10

We had another good quarter with net sales growing 5 percent, operating profit 12 percent and net income 18 percent.

Our multi-brand, multi-tier and multichannel strategy allowed us to grow 5 percent in consumer products in spite of a very slow consumer environment. All of our main categories grew, and those where we see great growth potential, like wet wipes, kitchen towels and incontinence products continued to show accelerated growth.

Sales of away from home products in our professional business posted a 6 percent increase.

With more capacity being dedicated to our consumer products and with some sales of finished product to Kimberly-Clark Corporation having decreased because of their capacity startups, our export business grew 2 percent.

We continued generating cost savings through our ongoing cost reduction programs. This, in addition to improved manufacturing efficiencies and a stronger peso, permitted us to achieve a positive cost comparison in spite of pressure on certain raw materials prices.

The second quarter operating profit rose 12 percent, with an operating margin of 25.1 percent, up 170 and 120 basis points compared to the prior year and to last quarter respectively.

EBITDA for the quarter was \$2.3 billion pesos, a 10 percent increase.

The operating profit growth coupled with a lower cost of financing, translated into an 18 percent net income growth.

In the last twelve months we have invested \$1,602 million pesos (\$1,145 million in Capex, and \$457 million in our share buy-back program) and paid \$3,873 million pesos of dividends to our shareholders.

During the month of June we paid down debt for \$1,250 million pesos related to a Certificado Bursatil (Cebur).

As of June 30 the company held \$2,986 million pesos in cash and equivalents.

For the first six months of the year revenues grew 5 percent, operating profit 17 percent, EBITDA 14 percent and net income 22 percent.

In dollars, under US GAAP, net sales grew 12 percent in the quarter, operating profit grew 20 percent and net income grew 32 percent. These results were influenced by a 7 percent stronger peso.

The company has one derivative financial instrument to hedge interest rates. Changes in the market price of this instrument would not materially impact future results.

Share Buyback Program Year to Date

	<u>2013</u>	<u>2012</u>
Shares repurchased (split adjusted)	3,035,771	1,786,498

FINANCIAL RESULTS

Million pesos, except earnings per share

	Six months ended June 30		
	<u>2013</u>	<u>2012</u>	<u>% CHANGE</u>
NET SALES	15,177	14,430	5
GROSS PROFIT	6,083	5,394	13
OPERATING PROFIT	3,721	3,170	17
NET INCOME	2,368	1,947	22
EARNINGS PER SHARE (Pesos)	0.75	0.62	22
EBITDA	4,481	3,947	14

FINANCIAL POSITION

Million Pesos

	As of June 30	
	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 2,986	\$ 3,315
Trade and other receivables	5,738	5,501
Inventories	1,979	2,191
Property, plant and equipment	15,557	15,860
Intangible assets and others	<u>1,481</u>	<u>1,509</u>
Total	\$ 27,741	\$ 28,376
<u>Liabilities and equity</u>		
Current portion of long term debt	\$ -	\$ 1,250
Trade payables	3,237	2,969
Employee benefits	737	540
Dividends payable	3,132	2,859
Provisions and other liabilities	1,311	1,256
Current tax payable	505	413
Long term debt	9,982	9,976
Derivative financial instruments	154	197
Deferred taxes	1,744	1,914
Other liabilities	192	233
Equity	<u>6,747</u>	<u>6,769</u>
Total	\$ 27,741	\$ 28,376

CASH FLOWS

Million pesos

	Six months ended June 30	
	<u>2013</u>	<u>2012</u>
Profit before tax	\$3,402	\$2,829
Depreciation	761	777
Other	318	341
Cash used in operations	<u>(1,645)</u>	<u>(1,153)</u>
Net cash flow from operating activities	2,836	2,794
Capital expenditures	(583)	(524)
Evenflo acquisition net of cash	-	(1,638)
Repurchase of shares	(124)	(45)
Dividends paid	(1,036)	(946)
Payment of borrowings and net interest	<u>(1,572)</u>	<u>(354)</u>
Net decrease in cash	(479)	(713)
Cash and equivalents at the beginning of period	3,465	4,028
Cash and equivalents at the end of period	2,986	3,315

Kimberly Clark de México S.A.B. de C.V. is a Mexican company that manufactures and commercializes branded consumer products such as diapers, feminine pads, bath tissue, napkins, facial tissue, paper towels and wet wipes. We are market leaders in almost all of our categories with brands such as Huggies, Kleen-Bebé, Kleenex, Kimlark, Pétalo, Cottonelle, Depend, Kotex and Evenflo.