

October 22, 2015

Kimberly-Clark de México, S.A.B. de C.V.
THIRD QUARTER 2015 RESULTS

Highlights:

- Net sales improved for the fourth consecutive quarter; 3Q growth was 14.6%
- Increased FX pressure on cost of goods sold was offset by higher volume, better prices and mix, cost reductions and operating efficiencies
- EBITDA of Ps. \$2.2 billion; margin was 27.1%

FINANCIAL RESULTS

Prepared in accordance with International Financial Reporting Standards (IFRS)
 Million pesos

	<u>3Q'15</u>	<u>3Q'14</u>	<u>CHANGE</u>
NET SALES	\$7,932	\$6,925	14.6%
GROSS PROFIT	3,040	2,489	22.1%
OPERATING PROFIT	1,730	1,332	29.8%
NET INCOME	1,037	760	36.5%
EBITDA	2,153	1,725	24.8%

Net sales were 14.6% higher than last year. Sales growth reflects a price and mix contribution of 8.2%, which follows the pricing initiatives taken during the year, lower promotional activity and better mix. Volume grew 6.4% as most categories posted improved performance, reflecting the strength of our brands and a better consumption environment.

All our businesses grew. Consumer product revenues increased 13.8%, professional 28.0% (including the away from home business which grew 13.5%) and exports 4.4%. Professional includes additional wadding sales from the startup of the tissue machine last year. Categories considered to have great growth potential continued to outperform.

Gross profit in the quarter increased 22.1% and margin was 38.3%. This reflects several positive factors: i) higher volume performance; ii) increase of selling prices; iii) lower raw material costs in dollar terms of several inputs; iv) lower energy costs; and v) savings of Ps. \$300 million during the quarter from our cost reduction program. These positive effects offset the significant depreciation of the peso, 26% year over year.

Operating expenses as a percentage of sales were 20 basis points lower, at 16.5%, as we maintain our lean operations and continue to invest effectively behind our brands.

Operating income grew 29.8%, while margin was 21.8%.

Cost of financing was Ps. \$228 million in the third quarter, compared to Ps. \$242 million in the same period of last year, reflecting the benefit of a lower exchange loss and higher interest income that fully compensated the increase of interest expenses.

Net income increased 36.5%, following the performance at the operating level, a lower cost of financing and a stable effective tax rate. Earnings per share for the quarter were \$0.34.

EBITDA rose 24.8% to Ps. \$2.2 billion in the quarter, and margin was 27.1%.

During the last twelve months, we invested Ps. \$1,553 million (Ps. \$1,251 million in Capex, and Ps. \$302 million in our share buy-back program) and paid Ps. \$4,480 million in dividends to our shareholders.

In dollars, under US GAAP, net sales decreased 7% in the quarter, and operating profit and net income increased 9% and 19%, respectively.

As of September 30 the company held Ps. \$9.8 billion in cash and equivalents.

Total net debt (hedge adjusted) as of September 30, 2015 was Ps. \$7.9 billion, compared to Ps. \$9.2 billion at December 2014. Long-term debt comprised 88% of the total and all debt was denominated in Mexican pesos.

Share Buyback Program Year to Date

	<u>2015</u>	<u>2014</u>
Shares repurchased	3,529,473	21,720,833

FINANCIAL RESULTS

Million pesos

	<u>9M'15</u>	<u>9M'14</u>	<u>CHANGE</u>
NET SALES	\$23,723	\$21,469	10.5%
GROSS PROFIT	9,091	7,955	14.3%
OPERATING PROFIT	5,157	4,371	18.0%
NET INCOME	3,121	2,659	17.4%
EBITDA	6,426	5,579	15.2%

FINANCIAL POSITION

Million Pesos

	As of September	
	<u>2015</u>	<u>2014</u>
<u>Assets</u>		
Cash and cash equivalents	\$9,780	\$8,223
Trade and other receivables	5,087	5,005
Inventories	2,293	2,292
Property, plant and equipment	15,513	15,902
Derivative financial instruments	1,700	-
Intangible assets and others	<u>1,705</u>	<u>1,474</u>
Total	\$36,078	\$32,896
<u>Liabilities and equity</u>		
Current portion of long term debt	\$2,300	\$2,300
Trade payables	3,409	3,453
Employee benefits	1,068	832
Dividends payable	27	2,214
Provisions and other liabilities	1,759	1,596
Current tax payable	557	107
Long term debt	17,097	14,255
Derivative financial instruments	101	167
Deferred taxes	1,545	1,710
Other liabilities	211	128
Equity	<u>8,004</u>	<u>6,134</u>
Total	\$36,078	\$32,896

CASH FLOWS

Million pesos

	Nine months ended September	
	<u>2015</u>	<u>2014</u>
Profit before tax	\$4,525	\$3,844
Depreciation	1,269	1,208
Other	632	527
Cash used in operations	<u>(1,838)</u>	<u>(2,193)</u>
Net cash flow from operating activities	4,588	3,386
Capital expenditures	(774)	(1,157)
Repurchase of shares	(114)	(745)
Debt issuance	3,688	3,976
Dividends paid	(2,292)	(2,188)
Payment of net interest & other	<u>(366)</u>	<u>(439)</u>
Net increase in cash	4,730	2,833
Cash and equivalents at the beginning of period	5,050	5,390
Cash and equivalents at the end of period	9,780	8,223

Conference Call Information

The 3Q'15 conference call will be held on Friday, October 23, 2015 at 9:30 am Eastern time (8:30 am Central time / Mexico time). To participate in the call, please dial: US +1(888) 318-6429, international +1(334) 323-7224; conference ID: KIMBERLY.

A replay of the conference call will be available through October 30, 2015. To access the replay, please dial US +1(877) 919-4059, international +1(334) 323-0140; conference ID: 47269507

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.

Investor Relations Contact

Azul Argüelles
Tel: (5255) 5282-7204
azul.arguelles@kcc.com