

October 17, 2013

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

Highlights:

- Sales growth of 2 percent.
- Gross and operating margins improvement year-over-year.
- Almost 2.2 billion pesos of EBITDA, a 12 percent increase.
- Earnings per share increased 16 percent.
- CAPEX plan on track.

FINANCIAL RESULTS

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

	Quarter ended September 30		
	<u>2013</u>	<u>2012</u>	<u>% CHANGE</u>
NET SALES	\$7,238	\$7,116	2
GROSS PROFIT	2,927	2,744	7
OPERATING PROFIT	1,783	1,578	13
NET INCOME	1,135	979	16
EARNINGS PER SHARE (Pesos)	0.36	0.31	16
EBITDA	2,177	1,936	12

Overall, we had another quarter of strong results. Net sales grew 2 percent, operating profit 13 percent and net income 16 percent.

Our multi-brand, multi-tier and multichannel strategy coupled with our promotional activities allowed all of our main categories to grow during the quarter in spite of a very slow economic and consumer environment. However, the categories where we see great growth potential, like wet wipes, kitchen towels and incontinence products continued showing accelerated growth.

Consumer products sales grew 2 percent, away from home products in our professional business posted a 3 percent top line increase and exports sales remained in line with those of last year.

We also achieved a positive cost comparison in spite of a somewhat negative cost environment thanks to our continuous cost savings program, as well as to improved manufacturing efficiencies.

The third quarter operating profit rose 13 percent, with an operating margin of 24.6 percent, up 240 basis points compared to the prior year. The operating profit growth

reflects, in addition to the gross profit growth, a one-time income related to the insurance payment from last year's Morelia mill fire.

EBITDA for the quarter was \$2.2 billion pesos, a 12 percent increase.

The operating profit growth and a similar to last year cost of financing, translated into a 16 percent net income growth.

We continue to invest to add capacity and innovation in anticipation of expected growth. Our tissue machine project in Queretaro continues on plan and is scheduled to start-up in the second quarter of 2014. Also additional investment in new and improved diapers will be starting-up in the fourth quarter of this year and in the second quarter of 2014.

In the last twelve months we have invested \$1,646 million pesos (\$1,202 million in Capex, and \$444 million in our share buy-back program) and paid \$3,964 million pesos of dividends to our shareholders.

During the quarter we successfully issued \$2.5 billion pesos of debt in the form of Certificados Bursatiles (Cebures). Of these, \$1.75 billion pesos were issued at a fixed rate of 6.98% and a 10 year maturity, while \$750 million pesos were issued at a variable rate of TIEE + 15 basis points and a 5 year maturity. Both issuances received a "AAA" rating by both Standard & Poor's and Fitch.

As of September 30 the company held \$6,181 million pesos in cash and equivalents.

For the first nine months of the year revenues grew 4 percent, operating profit 16 percent, EBITDA 13 percent and net income 20 percent.

In dollars, under US GAAP, net sales grew 4 percent in the quarter, operating profit grew 8 percent and net income grew 19 percent.

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)	7,036,311	8,038,896

FINANCIAL RESULTS

Million pesos, except earnings per share

	Nine months ended September 30		
	<u>2013</u>	<u>2012</u>	<u>% CHANGE</u>
NET SALES	22,415	21,546	4
GROSS PROFIT	9,009	8,138	11
OPERATING PROFIT	5,504	4,748	16
NET INCOME	3,504	2,925	20
EARNINGS PER SHARE (Pesos)	1.12	0.93	20
EBITDA	6,658	5,883	13

FINANCIAL POSITION

Million Pesos

	As of September 30	
	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 6,181	\$ 3,723
Trade and other receivables	5,222	5,285
Inventories	2,024	2,179
Property, plant and equipment	15,563	15,831
Intangible assets and others	<u>1,492</u>	<u>1,506</u>
Total	\$ 30,482	\$ 28,524
<u>Liabilities and equity</u>		
Current portion of long term debt	\$ -	\$ 1,250
Trade payables	3,208	2,916
Employee benefits	1,018	777
Dividends payable	2,096	1,914
Provisions and other liabilities	1,365	1,328
Current tax payable	545	536
Long term debt	12,477	9,977
Derivative financial instruments	172	185
Deferred taxes	1,675	1,820
Other liabilities	201	237
Equity	<u>7,725</u>	<u>7,584</u>
Total	\$ 30,482	\$ 28,524

CASH FLOWS
Million pesos

	Nine months ended September 30	
	<u>2013</u>	<u>2012</u>
Profit before tax	\$5,048	\$4,270
Depreciation	1,154	1,135
Other	456	478
Cash used in operations	<u>(1,415)</u>	<u>(1,116)</u>
Net cash flow from operating activities	5,243	4,767
Capital expenditures	(982)	(853)
Evenflo acquisition net of cash	-	(1,635)
Repurchase of shares	(281)	(216)
Dividends paid	(2,072)	(1,891)
Debt issuance	2,494	-
Payment of borrowings and net interest	<u>(1,686)</u>	<u>(477)</u>
Net increase (decrease) in cash	2,716	(305)
Cash and equivalents at the beginning of period	3,465	4,028
Cash and equivalents at the end of period	6,181	3,723

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.