

January 22, 2015

**Kimberly-Clark de México, S.A.B. de C.V.**  
**FOURTH QUARTER AND FULL YEAR 2014 RESULTS**

Highlights:

- Sales of \$7.6 billion pesos during the quarter, 5 percent higher than last year.
- \$1.9 billion pesos of EBITDA; 25 percent margin.
- Better results than the previous three quarters.
- \$1.6 billion pesos of Capex during 2014.
- Almost \$1 billion pesos in share repurchases in 2014.

**QUARTERLY FINANCIAL RESULTS**

Prepared in accordance with International Financial Reporting Standards (IFRS)

Million pesos, except earnings per share

	Quarter ended December 31st		
	<u>2014</u>	<u>2013</u>	<u>% CHG</u>
<b>NET SALES</b>	<b>\$7,638</b>	<b>\$7,263</b>	<b>5</b>
<b>GROSS PROFIT</b>	<b>2,772</b>	<b>2,909</b>	<b>(5)</b>
<b>OPERATING PROFIT</b>	<b>1,499</b>	<b>1,704</b>	<b>(12)</b>
<b>NET INCOME</b>	<b>885</b>	<b>1,115</b>	<b>(21)</b>
<b>EARNINGS PER SHARE (Pesos)</b>	<b>0.29</b>	<b>0.36</b>	<b>(19)</b>
<b>EBITDA</b>	<b>1,907</b>	<b>2,067</b>	<b>(8)</b>

The fourth quarter of 2014 was still challenging as private consumption continues to be sluggish and there is strong promotional activity in the market. Under this scenario, however, our net sales increased 5 percent composed by 3 percent volume and 2 percent price and mix, reflecting the positive trend over the year in volume growth and positive price and mix for the first time in the year.

All of our businesses grew. Consumer product revenues increased 3 percent, with some of our high potential categories accelerating their growth rates and Evenflo posting a double digit increase. Sales of away from home products grew 11 percent and exports increased 26 percent, in part boosted by the additional capacity from the new Bajjo tissue machine.

On the cost side, the sudden and significant depreciation of the peso negatively affected our cost structure. In addition, we experienced higher prices in most raw materials with the exception of pulp. Super absorbents, fibers for recycling and oil derivatives prices were all higher than last year. On the energy front, both electricity and natural gas were lower.

To offset some of these increases we've continued being very aggressive on our cost savings program which yielded close to \$300 million pesos during the quarter and thus, over \$900 million pesos for the year.

We continue to invest behind our brands, through innovation, advertising and promotion and in the fourth quarter we generated \$1,907 million of EBITDA, an 8 percent decrease with a 25 percent margin.

Net income decreased 21 percent. Cost of finance was higher because of more net interests paid, as our net debt is higher than last year, and we experienced a swing of \$110 million pesos stemming from the peso depreciation this year versus the peso appreciation last year. The effective tax rate was slightly lower than last year.

Finally, our earnings per share decreased less than net income as we continued to repurchase shares throughout the year.

In dollars, under US GAAP, net sales increased 1 percent in the quarter, operating profit decreased 11 percent and net income decreased 22 percent.

### **ANNUAL FINANCIAL RESULTS**

Million pesos, except earnings per share

	Year ended December 31st		
	<u>2014</u>	<u>2013</u>	<u>% CHANGE</u>
<b>NET SALES</b>	<b>\$29,107</b>	<b>\$29,678</b>	<b>(2)</b>
<b>GROSS PROFIT</b>	<b>10,727</b>	<b>11,918</b>	<b>(10)</b>
<b>OPERATING PROFIT</b>	<b>5,870</b>	<b>7,208</b>	<b>(19)</b>
<b>NET INCOME</b>	<b>3,544</b>	<b>4,619</b>	<b>(23)</b>
<b>EARNINGS PER SHARE (Pesos)</b>	<b>1.14</b>	<b>1.47</b>	<b>(22)</b>
<b>EBITDA</b>	<b>7,486</b>	<b>8,725</b>	<b>(14)</b>

For the full year revenues decreased 2 percent, operating profit 19 percent, EBITDA 14 percent and net income 23 percent.

In dollars, under US GAAP, the full year net sales decreased 5 percent, operating profit 18 percent and net income 27 percent.

In 2014 we invested \$2,579 million pesos (\$1,645 million in Capex, and \$934 million in our share buy-back program) and paid \$4,378 million pesos of dividends to our shareholders.

As of December 31 the company held \$5,050 million pesos in cash and equivalents.

The company has derivative financial instruments to hedge interest rates and currency for our 144a Bond. Changes in the market price of these instruments would not materially impact future results.

## Share Buyback Program Year to Date

	<u>2014</u>	<u>2013</u>
<b>Shares repurchased</b>	<b>28,258,598</b>	<b>13,910,049</b>

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.