

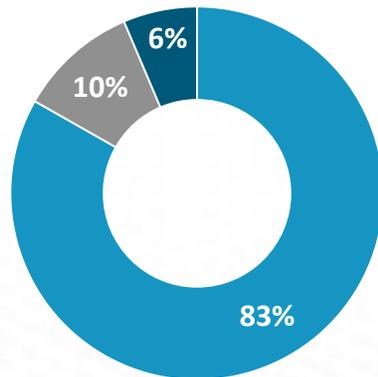
 **Kimberly-Clark** de México

Presentation 1Q19



LTM 1Q'19 Sales: US\$2.2bn⁽¹⁾

Market Cap of US\$5.9bn⁽²⁾



- Consumer Products
- Professional
- Exports

Diapers	Bathroom Tissue	Napkins	Wet Wipes	Feminine & Adult Care	Bar & Liquid Soaps ⁽³⁾
					
					
					
					



Strong **brands**



Solid **financial** position



Above average **profitability**



Access to leading **technology & brands**



Great **growth** potential



Very **efficient** production facilities

(1) LTM 1Q'19 average FX rate 19.34

(2) As of May 05, 2019. (FX rate 18.98)

(3) Includes 4e

KCM is Well Positioned to Continue Delivering Industry-Leading Results

Despite notable headwinds on the last couple of years...

MXN depreciation

Higher raw material prices

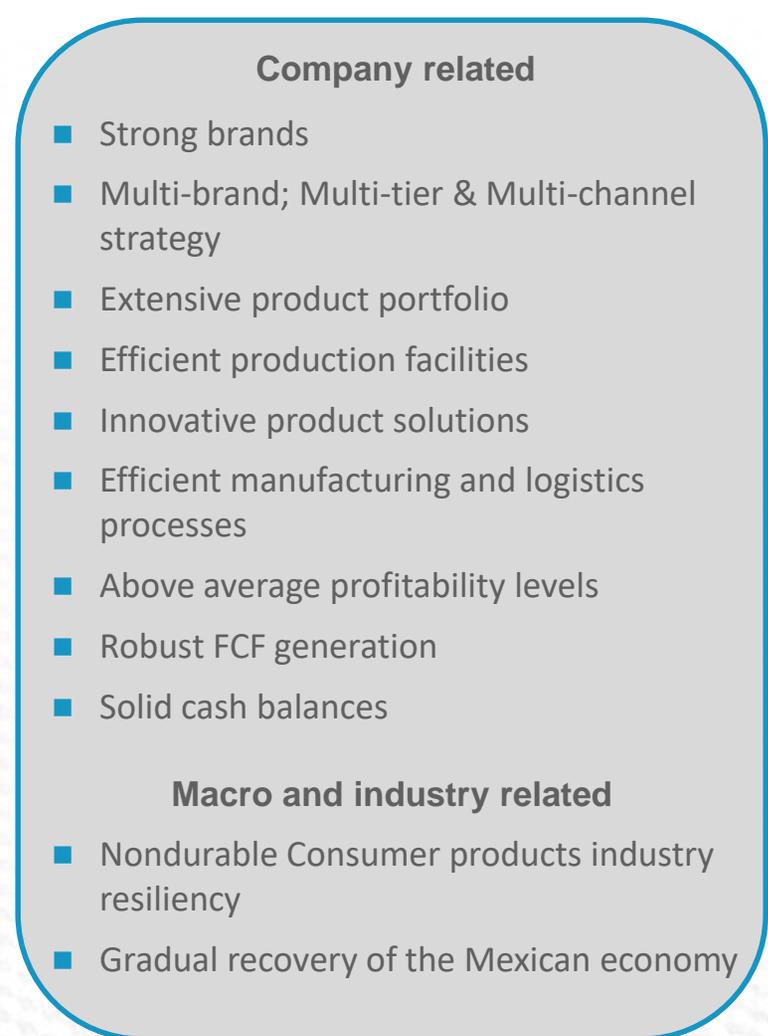
Weak consumption environment

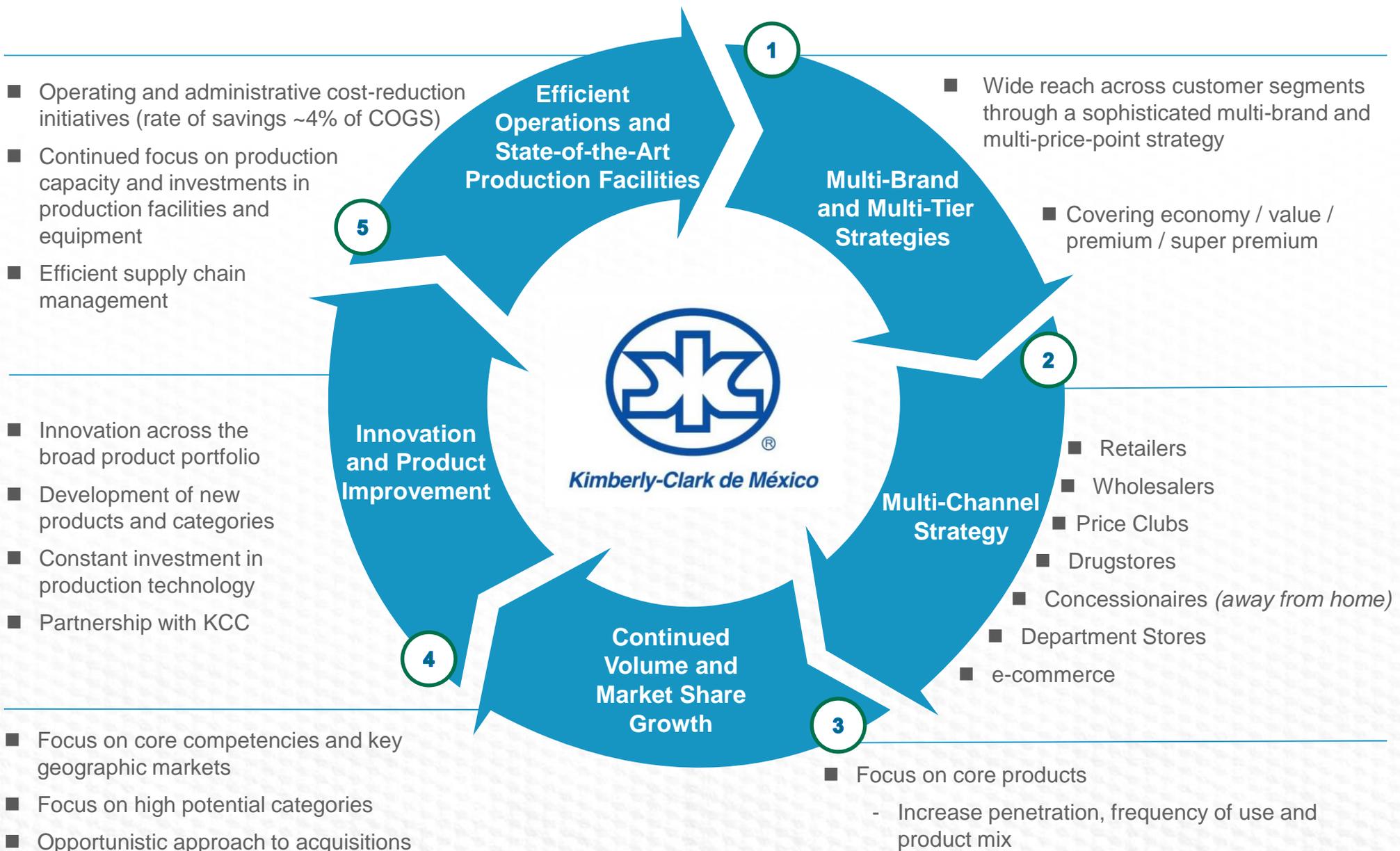
Challenging competitive environment

...The successful implementation of our corporate strategy...



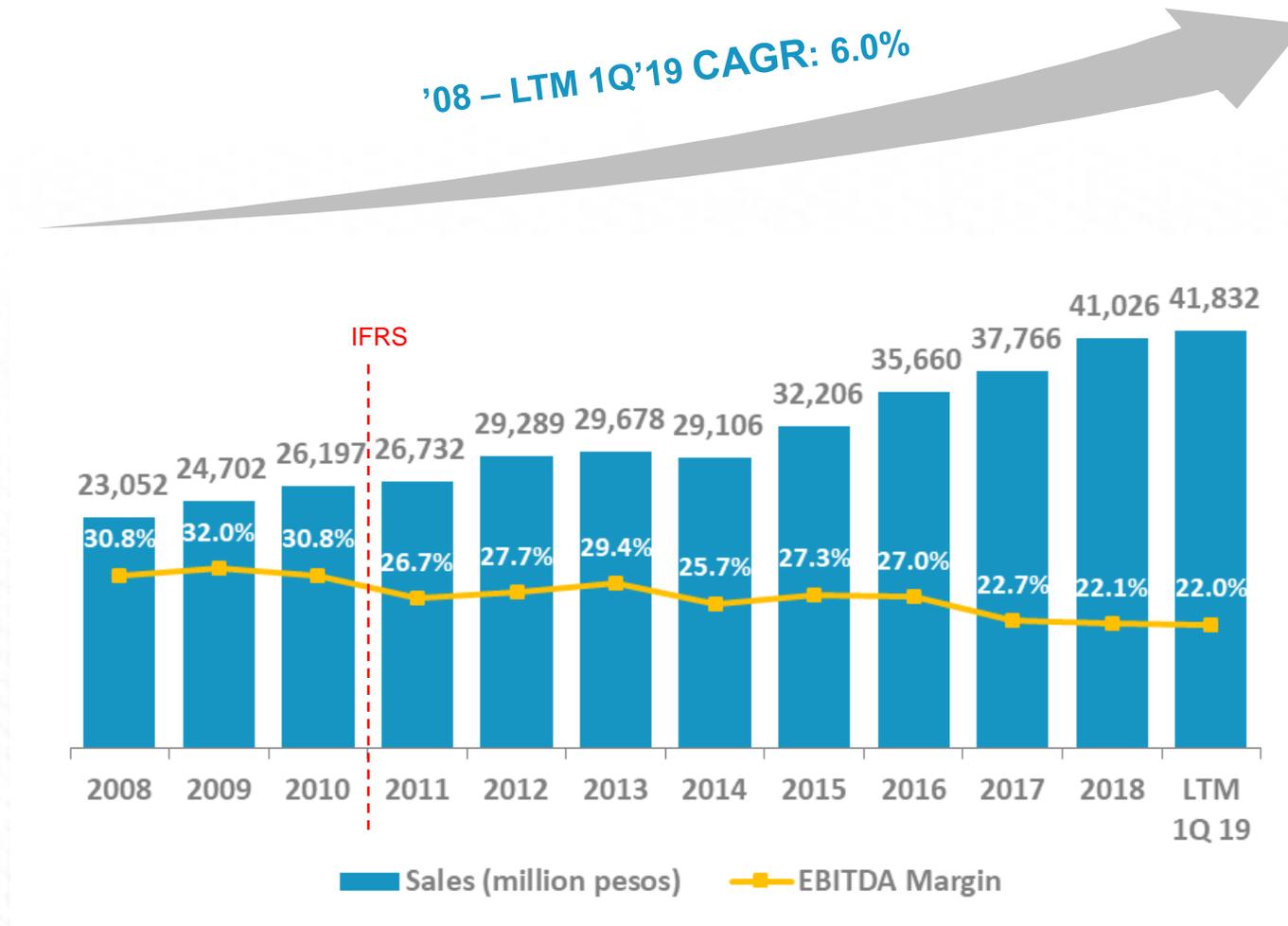
...Allows us to continue delivering results and positions us to outperform going forward.





Historical Financial Performance

(Figures in Ps. million)



KCM has distributed most of its earnings through dividends over more than 50 years

1Q 2019 Results

1Q 19 Results

	<u>1Q'19</u>	<u>1Q'18</u>	<u>CHANGE</u>
NET SALES	\$11,014	\$10,207	7.9%
GROSS PROFIT	3,875	3,726	4.0%
OPERATING PROFIT	2,061	2,021	2.0%
NET INCOME	1,161	1,207	(3.8)%
EBITDA	2,558	2,436	5.0%

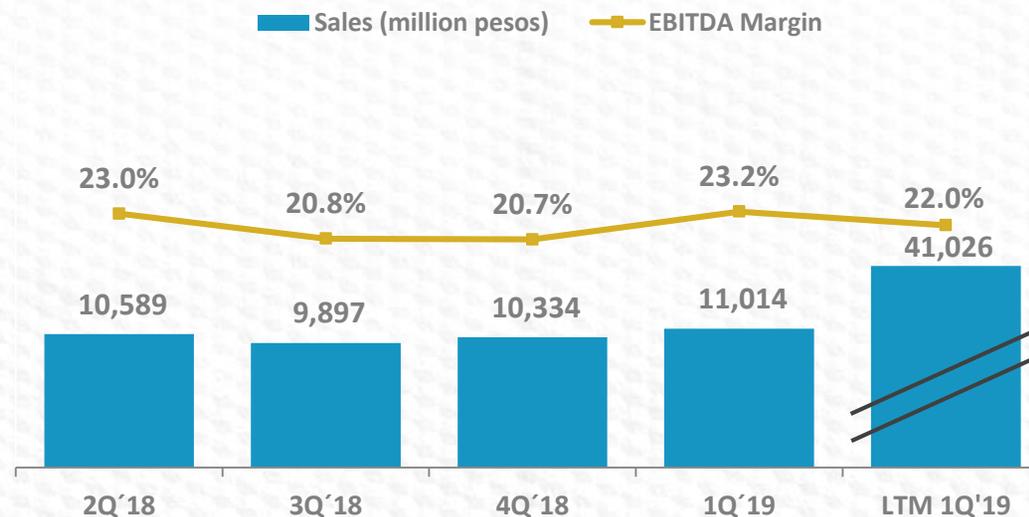
Sales

- ✓ Price/mix contribution of +8%
- ✓ Solid growth in Professional
- ✗ Lower Exports sales (More tissue rolls sold domestically)

	<u>1Q'19</u>	<u>1Q'18</u>	<u>CHANGE pp</u>
GROSS MARGIN	35.2	36.5	(1.3)
OPERATING MARGIN	18.7	19.8	(1.1)
NET MARGIN	10.5	11.8	(1.3)
EBITDA MARGIN	23.2	23.9	(0.7)

Profitability

- ✗ Higher energy costs
- ✗ Strong raw material pressure continues
- ✓ SG&A's as % of sales down vs last year
- ✓ Cost reduction program (Ps. \$300 million 1Q19)



Private consumption decelerating

Strong brands

Price increases & mix improvements

Costs: Slightly better environment but still challenging

Strong cost reduction program

Product innovations and improvements

Continue to support high potential categories



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Actual results may differ materially from those indicated by these forward-looking statements as a result of various factors and undue reliance should not be placed on these forward-looking statements. We cannot ensure that actual results will not be materially different from those expressed or implied by these forward-looking statements.

In addition, any forward-looking statements represent our estimates only as of today and should not be relied upon as representing our estimates as of any subsequent date. While we may elect to update forward-looking statements at some point in the future, we specifically disclaim any obligation to do so, even if our estimates change.