

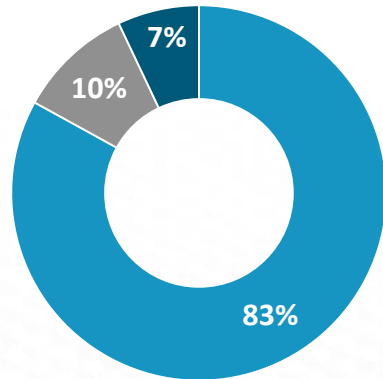
 **Kimberly-Clark** de México

Presentation 3Q18




















LTM 3Q'18 Sales: US\$2.1bn⁽¹⁾

Market Cap of US\$5.0bn⁽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 3Q'18 average FX rate 19.14

(2) As of Oct 18, 2018. (FX rate 19.11)

(3) Includes 4e

KCM is Well Positioned to Continue Delivering Industry-Leading Results

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

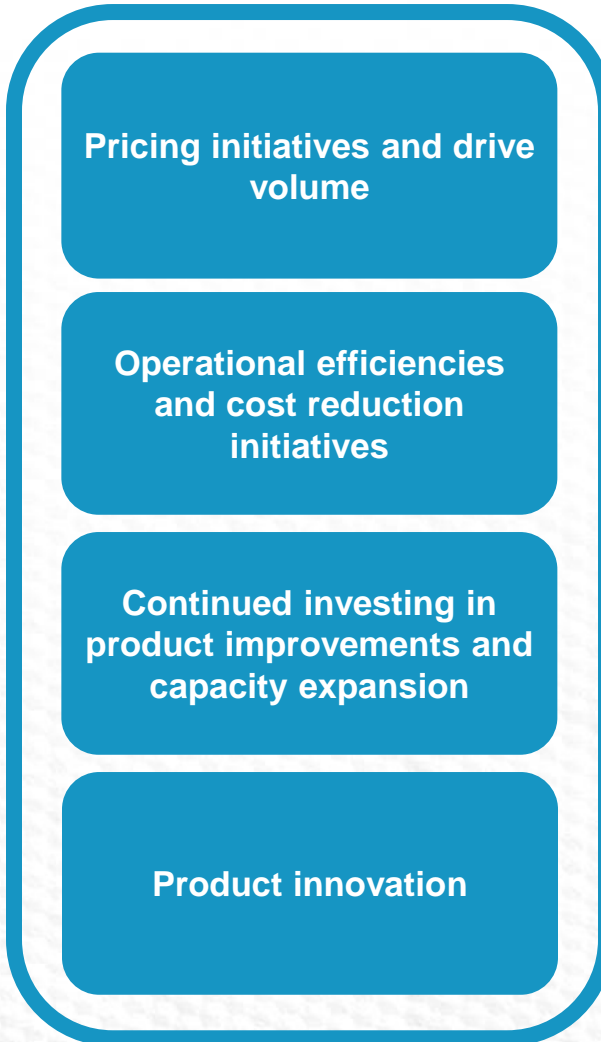
MXN depreciation

Higher raw material prices

Weak consumption environment

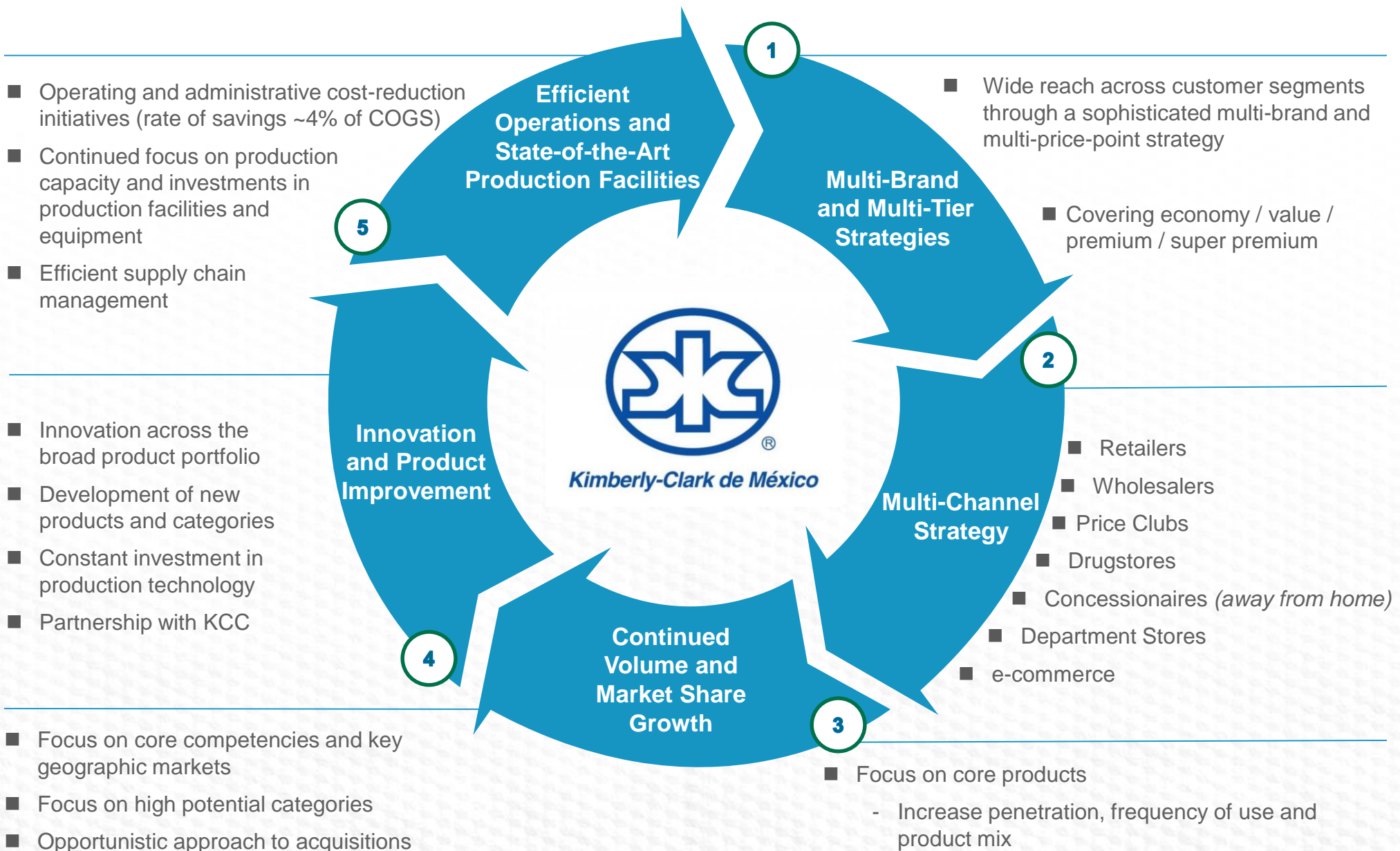
Challenging competitive environment

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



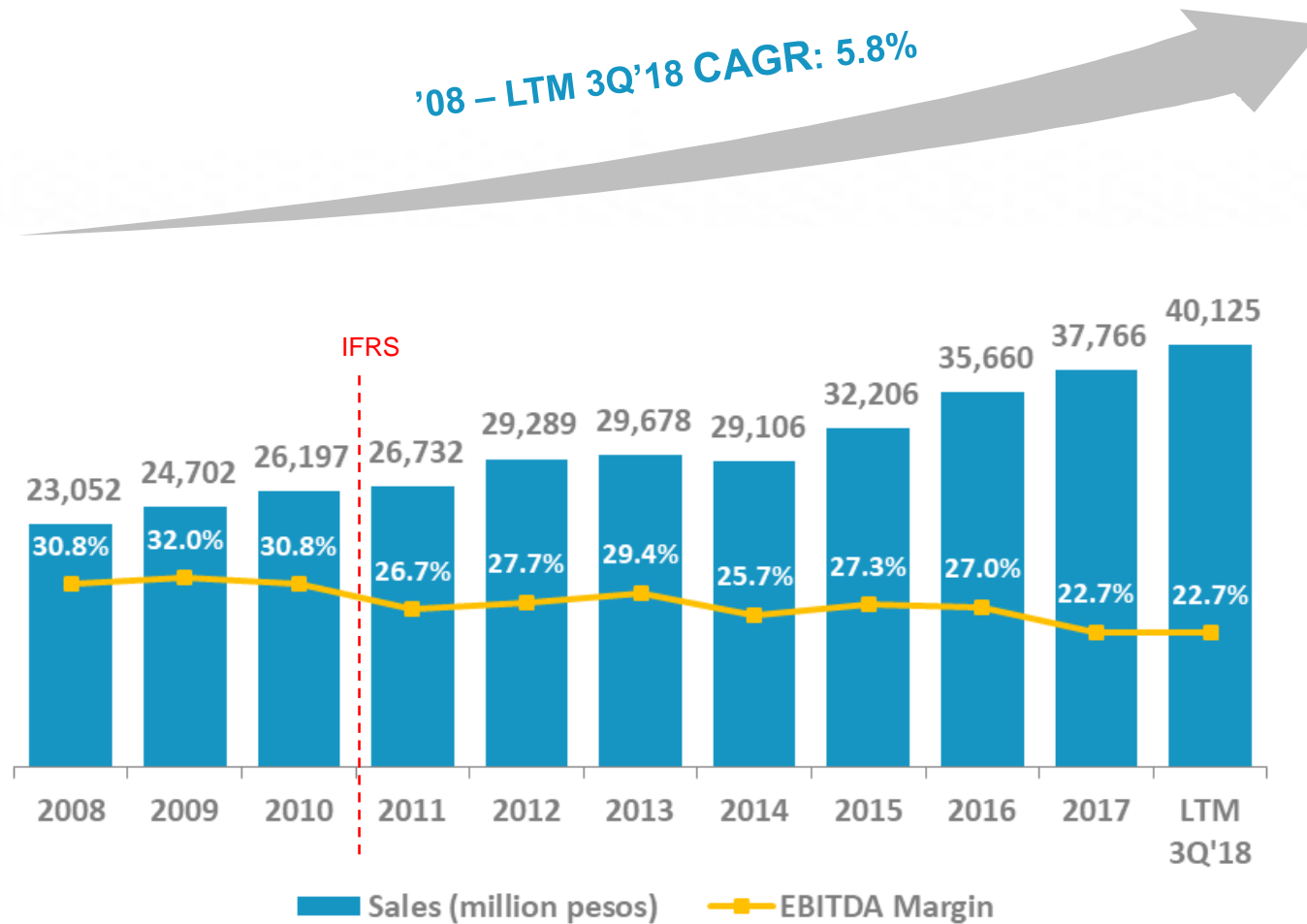
...Allows us to continue delivering results and positions us to outperform going forward.





Historical Financial Performance

(Figures in Ps. million)



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

3Q 18 Results

Sales

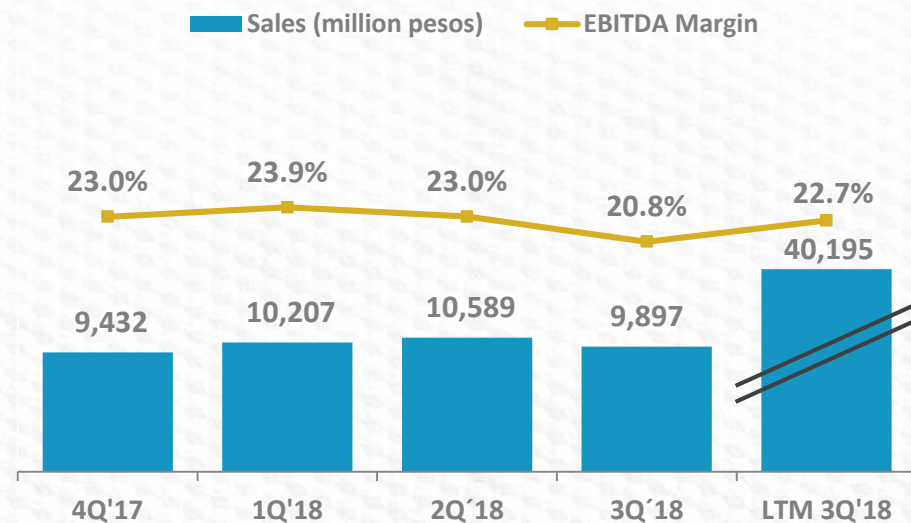
- ✓ Price/mix contribution of +8.7%
- ✓ Stable consumption environment
- ✓ Higher exports & Professional sales
- ✗ Volumes down slightly

Profitability

- ✗ Strong raw material pressure continues
- ✗ Higher energy costs
- ✓ SG&A's as % of sales down vs last year
- ✓ Cost reduction program (Ps. \$380 million 3Q18)

	<u>3Q'18</u>	<u>3Q'17</u>	<u>CHANGE</u>
NET SALES	\$9,897	\$9,197	7.6%
GROSS PROFIT	3,357	3,205	4.8%
OPERATING PROFIT	1,695	1,566	8.2%
NET INCOME	904	854	5.8%
EBITDA	2,056	1,934	6.3%

	<u>3Q'18</u>	<u>3Q'17</u>	<u>CHANGE pp</u>
GROSS MARGIN	33.9	34.8	(0.9)
OPERATING MARGIN	17.1	17.0	0.1
NET MARGIN	9.1	9.3	(0.2)
EBITDA MARGIN	20.8	21.0	(0.2)



Stable private consumption

Strong brands

Price increases & mix improvements

Costs: Higher raw material prices and FX volatility

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.