July 19th, 2007.

Highlights:

Growth in net sales for the 20th consecutive quarter.

ROIC of 24.6 percent versus 21.0 percent a year ago when the discontinued business was still a part of KCM.

Cash position greater than $1,400 million pesos.

CAPEX program on track and on budget.

Successful issuance of $2,500 million pesos in Certificados Bursatiles.

SELECTED INCOME STATEMENT DATA (1) & (2)			
	Quarter ended june 30th.		
	2007	2006	% CHG.
NET SALES	$5,283	$5,111	3
INCOME AFTER GENERAL EXPENSES	1,352	1,468	(8)
INTEGRAL FINANCING COST RESULT & PROFIT S.	240	300	(20)
NET INCOME FROM CONTINUING OPERATIONS	816	814	-

DISCONTINUED OPERATIONS	-	77	(100)
NET INCOME	816	890	(8)
EARNINGS PER SHARE FROM CONTINUING OPERATIONS (PESOS)	0.72	0.70	3
EBITDA	1,611	1,731	(7)

In general terms, second quarter results were not satisfactory. The company experienced a notorious weakness in consumption. In addition, comparison to last year represented a challenge as the second quarter of 2006 posted the highest growth of the year.

Within this environment, net sales for the quarter grew 3.4 percent versus the prior year, 5 percent due to higher volume. The Company´s market share leadership was sustained, confirming the demand slowdown.

Pressures on cost continued for some of the Company's main raw materials such as imported secondary fiber, for which prices increased more than 50 percent year over year, in addition to cost increases in oil derivatives and energy. Despite our continued cost reduction programs, we were unable to offset such costs increases as reflected by a lower than previous year profit after general expenses figure (previously operating profit).

In the first half of the year, net sales grew 5 percent, income after general expenses was flat, net income from continuing operations grew 12 percent and earnings per share from continuing operations grew 14 percent due to the share buyback program.

The quality of the corporation's earnings is reflected in a solid financial position and an important generation of cash. We generated an EBITDA of $3,288 million pesos.

As of June 30th, we ended with $1,419 million pesos in cash after having invested $2,014 million pesos ($1,251 in capital expenditures, $763 in the re-purchase of stock) and having paid out a regular dividend to our shareholders of $2,823 million pesos plus an extraordinary one for $2,973 million pesos in the last twelve months.

We continue with our CAPEX program. As part of this plan, we expect to start up a new tissue machine (75 million dollars investment) during the fourth quarter of this year, which will add 8 percent to the existing tissue capacity. Also, during the second quarter of 2008, we plan to initiate local production of raw materials for wet wipes (50 million dollars investment) which will translate into important cost savings.

On July 5th, KCM successfully issued Marketable Notes (Certificados Burstailes) in an amount of $2,500 million pesos, the issue has a 10 year maturity bullet, and has a floating rate based on TIIE 28 days with a spread of minus 10 basis points. Due to its characteristics, this issuance is the most successful placement to this moment.

Under United States generally accepted accounting principles (US GAAP), the quarterly results expressed in millions of dollars, were as follows: Net Sales of $486, 10 percent above the prior year; Operating Profit of $132, 1 percent above the previous year; and, Net Income from continuing operations of $85, 11 percent above 2006.

Consolidated Statements of Income
Six months ended June 30th, 2007 and 2006 (1) & (2)

	2006	2005	% CHG.
Net Sales	10,469	10,002	5
Cost of Sales	6,124	5,670	8
Gross Profit	4,345	4,332	-
Margin	36%	38%	
General Expenses	1,577	1,550	2
Income after General Expenses	2,768	2,782	-
Margin	26%	28%	
Employee Profit Sharing and Other	246	235	-
Integral Financing Cost Result	164	401	60
Income before Income Taxes	2,358	2,146	10
Income Taxes	605	586	3
Income from Continiung Operations	1,753	1,560	12
Discontinued Operations	-	114	N/A
Net Income	1,753	1,674	5
Margin	17%	17%	
Earnings per share from Continuing Operations	1.54	1.35	14
EBITDA	3,288	3,302	-

Share Buyback Program

	2007	2006
Repurchased shares during the semester	3,189,100	2,973,700

Consolidated Balance Sheets (1) & (2) as of June 30th, 2007 and 2006

	2007	2006
Assets		
Cash	1,419	1,953
Accounts and documents receivable	4,258	3,913

Inventories	1,655	1,445
Current assets from discontinued operations	99	2,600
Long term account receivable	573	-
Property, plant and equipment	13,653	13,276
Long term assets from discontinued operations	-	3,491
Total assets	21,657	26,678
Liabilities and consolidated stockholder's equity		
Bank loans	97	106
Derivative instruments	91	294
Suppliers	2,052	1,778
Accumulated liabilities	1,593	1,467
Dividends payable	2,218	2,105
Taxes and profit sharing payable	629	570
Current liabilities from discontinued operations	27	1,285
Long term loans	4,923	5,377
Deferred taxes	2,003	1,856
Long term liabilities from discontinued operations	-	668
Consolidated stockholder's equity	8,024	11,172
Total	21,657	26,678

Consolidated Statements of Changes in Financial Position from January 1st to June 30th, 2007 and 2006 (1) & (2)

	2007	2006
Net income	1,753	1,674
Depreciation	519	520
Deferred Taxes	86	(84)
Changes in working capital	(10)	(274)
Sources generated by operating activities	2,348	1,836
Dividend payments	(737)	(710)
CAPEX	(627)	(227)

Share repurchases	(154)	(111)
Discontinued operations	(642)	(166)
Financing activities	(78)	129
Derivative instruments	(478)	(685)
Sources generated	(368)	66
Cash at the beginning of the year	1,787	1,887
Cash at the end of the period	1,419	1,953

(1) Prepared in accordance with Mexican financial information standards and expressed in millions of pesos as of June 30th, 2007 purchasing power.

(2) Due to the divestiture of the Writing and Printing Papers and Notebooks businesses that was completed on October 27, 2006 and, in accordance with the guidelines established by the Mexican Financial Information Norms, the Financial Statements being presented include the detail of the operations of the Consumer, the Professional and the Export Products businesses that are the continuing operations plus a summary of the results for 2006 from the divested business as a separate line item denominated "Discontinued Operations" and finally the Net Income for the company. Mainly taxes from the divestiture of the PRODIN business.

(3) Mainly taxes from the divestiture of the PRODIN business.

Kimberly Clark de Mexico is engaged in the manufacture and commercialization of disposable products for daily use by consumers within and away-from-home, such as: diapers and child care products, feminine pads, incontinence care products, bath tissue, napkins, facial tissue, hand and kitchen towels, wet wipes and health care products. Some of the main brands include: Huggies®, Kleen-Bebé®, Kleenex®, Kimlark®, Pétalo®, Cottonelle®, Depend® and Kotex®.