KIMBERLY CLARK CORP
Form 10-Q
July 25, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)
x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2017
OR
o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ________ to ________
Commission file number 1-225

KIMBERLY-CLARK CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	39-0394230
(State or other jurisdiction of incorporation)	(I.R.S. Employer Identification No.)

P. O. Box 619100
Dallas, Texas
75261-9100
(Address of principal executive offices)
(Zip code)
(972) 281-1200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	o
Non-accelerated filer	o (Do not check if a smaller reporting company)	Smaller reporting company	o
		Emerging growth company	o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o No x

As of July 18, 2017, there were 353,302,843 shares of the Corporation's common stock outstanding.

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PART I – FINANCIAL INFORMATION
Item 1. Financial Statements
KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
(Millions of dollars, except per share amounts)	2017	2016	2017	2016
Net Sales	$4,554	$4,588	$9,037	$9,064
Cost of products sold	2,910	2,924	5,741	5,761
Gross Profit	1,644	1,664	3,296	3,303
Marketing, research and general expenses	842	847	1,655	1,672
Other (income) and expense, net	3	(21)	8	(11)
Operating Profit	799	838	1,633	1,642
Interest income	2	3	4	7
Interest expense	(85)	(81)	(168)	(157)
Income Before Income Taxes and Equity Interests	716	760	1,469	1,492
Provision for income taxes	(202)	(217)	(409)	(424)
Income Before Equity Interests	514	543	1,060	1,068
Share of net income of equity companies	26	35	55	70
Net Income	540	578	1,115	1,138
Net income attributable to noncontrolling interests	(9)	(12)	(21)	(27)
Net Income Attributable to Kimberly-Clark Corporation	$531	$566	$1,094	$1,111
Per Share Basis				
Net Income Attributable to Kimberly-Clark Corporation				
Basic	$1.50	$1.57	$3.08	$3.08
Diluted	$1.49	$1.56	$3.06	$3.06
Cash Dividends Declared	$0.97	$0.92	$1.94	$1.84

See notes to consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
(Millions of dollars)	2017	2016	2017	2016
Net Income	$540	$578	$1,115	$1,138
Other Comprehensive Income (Loss), Net of Tax				
Unrealized currency translation adjustments	55	(72)	322	136
Employee postretirement benefits	(1)	13	(3)	7
Other	(24)	12	(40)	(7)
Total Other Comprehensive Income (Loss), Net of Tax	30	(47)	279	136
Comprehensive Income	570	531	1,394	1,274
Comprehensive income attributable to noncontrolling interests	(1)	(9)	(32)	(31)
Comprehensive Income Attributable to Kimberly-Clark Corporation	$569	$522	$1,362	$1,243

See notes to consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(2017 Data is Unaudited)

(Millions of dollars)	June 30, 2017	December 31, 2016
ASSETS		
Current Assets		
Cash and cash equivalents	$1,051	$ 923
Accounts receivable, net	2,221	2,176
Inventories	1,738	1,679
Other current assets	380	337
Total Current Assets	5,390	5,115
Property, Plant and Equipment, Net	7,246	7,169
Investments in Equity Companies	283	257
Goodwill	1,527	1,480
Other Assets	624	581
TOTAL ASSETS	$15,070	$ 14,602
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	$1,246	$ 1,133
Trade accounts payable	2,629	2,609
Accrued expenses	1,671	1,775
Dividends payable	343	329
Total Current Liabilities	5,889	5,846
Long-Term Debt	6,777	6,439
Noncurrent Employee Benefits	1,278	1,301
Deferred Income Taxes	441	532
Other Liabilities	296	309
Redeemable Preferred Securities of Subsidiaries	58	58
Stockholders' Equity (Deficit)		
Kimberly-Clark Corporation	102	(102)
Noncontrolling Interests	229	219
Total Stockholders' Equity	331	117
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$15,070	$ 14,602

See notes to consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
(Unaudited)

	Six Months Ended June 30	
(Millions of dollars)	2017	2016
Operating Activities		
Net income	$1,115	$1,138
Depreciation and amortization	358	349
Stock-based compensation	50	45
Deferred income taxes	(34)	3
Equity companies' earnings in excess of dividends paid	(22)	(30)
Operating working capital	(191)	(48)
Postretirement benefits	(8)	(4)
Adjustment related to Venezuelan operations	—	(11)
Other	(7)	(29)
Cash Provided by Operations	1,261	1,413
Investing Activities		
Capital spending	(386)	(397)
Proceeds from sales of investments	—	28
Investments in time deposits	(61)	(73)
Maturities of time deposits	70	42
Other	(10)	16
Cash Used for Investing	(387)	(384)
Financing Activities		
Cash dividends paid	(674)	(650)
Change in short-term debt	114	(322)
Debt proceeds	344	796
Debt repayments	(12)	(591)
Proceeds from exercise of stock options	107	58
Acquisitions of common stock for the treasury	(597)	(293)
Other	(46)	(1)
Cash Used for Financing	(764)	(1,003)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	18	11
Change in Cash and Cash Equivalents	128	37
Cash and Cash Equivalents - Beginning of Period	923	619
Cash and Cash Equivalents - End of Period	$1,051	$656

See notes to consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Accounting Policies
Basis of Presentation
The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all material adjustments which are of a normal and recurring nature necessary for a fair presentation of the results for the periods presented have been reflected. Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted.
For further information, refer to the consolidated financial statements and footnotes included in our Annual Report on Form 10 K for the year ended December 31, 2016. The terms "Corporation," "Kimberly-Clark," "K-C," "we," "our" and "us" refer to Kimberly-Clark Corporation and its consolidated subsidiaries.
Recently Adopted Accounting Standards
In 2016, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2016-09, Compensation-Stock Compensation (Topic 718). The new guidance simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. We adopted this standard as of January 1, 2017. The adoption did not have a material impact on our financial position, results of operations and cash flows. Prior periods were not recast.
In 2016, the FASB issued ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force), providing guidance on eight specific cash flow statement classification matters. We early adopted this standard as of January 1, 2017. The adoption of this standard did not have a material impact on our cash flow statement. Prior periods were not recast.
Accounting Standards Issued - Not Yet Adopted
In 2017, the FASB issued ASU No. 2017-07, Compensation-Retirement Benefits (Topic 715), Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost. The standard requires that an employer report the service cost component in the same line items as other compensation costs arising from services rendered by the pertinent employees during the period. The other components of net benefit cost are required to be presented in the income statement separately from the service cost component and outside of operating profit. The standard is effective for public companies for annual periods beginning after December 15, 2017, including interim periods within those annual periods. Prior periods are required to be recast. We will adopt this standard as of January 1, 2018. Net periodic benefit cost for pensions and other postretirement benefits for the six months ended June 30, 2017 and 2016 was $55 and $61 of which $26 and $30, respectively, related to service cost.
In 2016, the FASB issued ASU No. 2016-16, Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory, which removes the prohibition in ASC 740 against the immediate recognition of the current and deferred income tax effects of intra-entity transfers of assets other than inventory. The ASU is effective for public companies for fiscal years beginning after December 15, 2017, and interim periods within those annual periods. The ASU should be applied on a modified retrospective basis, recognizing the effects in retained earnings as of the beginning of the year of adoption. We will adopt this standard as of January 1, 2018. The impact of this standard on our financial position, results of operations and cash flows is not expected to be material.
In 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). Under the new guidance, a lessee will be required to recognize assets and liabilities for all leases with lease terms of more than 12 months. Consistent with current GAAP, the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification as a finance or operating lease. The ASU requires additional disclosures. The standard

is effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The ASU requires adoption based upon a modified retrospective transition approach. Early adoption is permitted. The effects of this standard on our financial position, results of operations and cash flows are not yet known.

In 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most current revenue recognition guidance. In 2016, the FASB issued four amendments to the ASU. The standard is effective for public companies for annual and interim periods beginning after December 15, 2017. We will adopt this ASU effective January 1, 2018. The guidance is required to be adopted on either a full or modified retrospective basis. As this standard is not expected to have a material impact on our financial position, results of operations and cash flows on either a full or modified retrospective basis, we do not plan to recast prior periods.

Note 2. Fair Value Information

The following fair value information is based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels in the hierarchy used to measure fair value are:

Level 1 – Unadjusted quoted prices in active markets accessible at the reporting date for identical assets and liabilities.

Level 2 – Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets and liabilities in markets that are not considered active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Prices or valuations that require inputs that are significant to the valuation and are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

During the six months ended June 30, 2017 and for the full year 2016, there were no significant transfers among level 1, 2, or 3 fair value determinations.

Derivative liabilities and assets are measured on a recurring basis at fair value. At June 30, 2017 and December 31, 2016, derivative liabilities were $67 and $46, respectively, and derivative assets were $43 at both periods. The fair values of derivatives used to manage interest rate risk and commodity price risk are based on LIBOR rates and interest rate swap curves and NYMEX price quotations, respectively. The fair value of hedging instruments used to manage foreign currency risk is based on published quotations of spot currency rates and forward points, which are converted into implied forward currency rates. Measurement of our derivative assets and liabilities is considered a level 2 measurement. Additional information on our classification and use of derivative instruments is contained in Note 5.

Redeemable preferred securities of subsidiaries are measured on a recurring basis at fair value and were $58 at both June 30, 2017 and December 31, 2016. They are not traded in active markets. For certain redeemable securities, fair values were calculated using a floating rate pricing model that compared the stated spread to the fair value spread to determine the price at which each of the financial instruments should trade. The model used the following inputs to calculate fair values: face value, current LIBOR rate, unobservable fair value credit spread, stated spread, maturity date and interest or dividend payment dates. The fair value of the remaining redeemable securities was based on various inputs, including an independent third-party appraisal, adjusted for current market conditions. Measurement of the redeemable preferred securities is considered a level 3 measurement.

Company-owned life insurance ("COLI") assets are measured on a recurring basis at fair value. COLI assets were $64 and $61 at June 30, 2017 and December 31, 2016, respectively. The COLI policies are a source of funding primarily for our nonqualified employee benefits and are included in other assets. The COLI policies are measured at fair value using the net asset value per share practical expedient, and therefore, are not classified in the fair value hierarchy.

The following table includes the fair value of our financial instruments for which disclosure of fair value is required:

	Fair Value Hierarchy Level	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
		June 30, 2017		December 31, 2016	
Assets					
Cash and cash equivalents[a]	1	$1,051	$ 1,051	$ 923	$ 923
Time deposits and other[b]	1	134	134	138	138
Liabilities and redeemable securities of subsidiaries					
Short-term debt[c]	2	286	286	170	170
Long-term debt[d]	2	7,737	8,258	7,402	7,886

(a) Cash equivalents are composed of certificates of deposit, time deposits and other interest-bearing investments with original maturity dates of 90 days or less. Cash equivalents are recorded at cost, which approximates fair value.

(b) Time deposits are composed of deposits with original maturities of more than 90 days but less than one year and instruments with original maturities of greater than one year, included in other current assets or other assets in the consolidated balance sheet, as appropriate. Other, included in other current assets, is composed of funds held in escrow. Time deposits and other are recorded at cost, which approximates fair value.

(c) Short-term debt is composed of U.S. commercial paper and/or other similar short-term debt issued by non-U.S. subsidiaries, all of which are recorded at cost, which approximates fair value.

(d) Long-term debt includes the current portion of these debt instruments. Fair values were estimated based on quoted prices for financial instruments for which all significant inputs were observable, either directly or indirectly.

Note 3. Earnings Per Share ("EPS")

There are no adjustments required to be made to net income for purposes of computing EPS. The average number of common shares outstanding is reconciled to those used in the basic and diluted EPS computations as follows:

	Three Months Ended June 30		Six Months Ended June 30	
(Millions of shares)	2017	2016	2017	2016
Basic	354.4	360.0	355.2	360.4
Dilutive effect of stock options and restricted share unit awards	2.3	2.4	2.4	2.5
Diluted	356.7	362.4	357.6	362.9

Options outstanding that were not included in the computation of diluted EPS because their exercise price was greater than the average market price of the common shares were insignificant. The number of common shares outstanding as of June 30, 2017 and 2016 was 353.4 million and 359.7 million, respectively.

Note 4. Stockholders' Equity

Set forth below is a reconciliation for the six months ended June 30, 2017 of the carrying amount of total stockholders' equity (deficit) from the beginning of the period to the end of the period.

	Stockholders' Equity (Deficit) Attributable to	
	The Corporation	Noncontrolling Interests
Balance at December 31, 2016	$(102)	$ 219
Net Income	1,094	18
Other comprehensive income, net of tax	268	11

Stock-based awards exercised or vested	107	—
Recognition of stock-based compensation	50	—
Shares repurchased	(626)	—
Dividends declared	(689)	(21)
Other	—	2
Balance at June 30, 2017	$102	$ 229

During the six months ended June 30, 2017, we repurchased 4.7 million shares at a total cost of $600 pursuant to a share repurchase program authorized by our Board of Directors.

Net unrealized currency gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries, except those in highly inflationary economies, are recorded in accumulated other comprehensive income ("AOCI"). For these operations, changes in exchange rates generally do not affect cash flows; therefore, unrealized translation adjustments are recorded in AOCI rather than net income. Upon sale or substantially complete liquidation of any of these subsidiaries, the applicable unrealized translation would be removed from AOCI and reported as part of the gain or loss on the sale or liquidation.

Also included in unrealized translation amounts are the effects of foreign exchange rate changes on intercompany balances of a long-term investment nature and transactions designated as hedges of net foreign investments.

The change in net unrealized currency translation for the six months ended June 30, 2017 was primarily due to the strengthening of most foreign currencies versus the U.S. dollar, including the euro, Australian dollar, South Korean won and British pound sterling.

The changes in the components of AOCI attributable to Kimberly-Clark, net of tax, are as follows:

	Unrealized Translation	Defined Benefit Pension Plans	Other Postretirement Benefit Plans	Cash Flow Hedges and Other
Balance as of December 31, 2015	$ (2,252)	$ (1,013)	$ (3)	$ (10)
Other comprehensive income (loss) before reclassifications	132	2	(9)	6
(Income) loss reclassified from AOCI	—	14 (a)	—	(13)
Net current period other comprehensive income (loss)	132	16	(9)	(7)
Balance as of June 30, 2016	$ (2,120)	$ (997)	$ (12)	$ (17)
Balance as of December 31, 2016	$ (2,351)	$ (1,097)	$ (31)	$ 5
Other comprehensive income (loss) before reclassifications	310	(17)	—	(37)
(Income) loss reclassified from AOCI	—	15 (a)	—	(3)
Net current period other comprehensive income (loss)	310	(2)	—	(40)
Balance as of June 30, 2017	$ (2,041)	$ (1,099)	$ (31)	$ (35)

(a) Included in computation of net periodic pension costs.

Note 5. Objectives and Strategies for Using Derivatives

As a multinational enterprise, we are exposed to financial risks, such as changes in foreign currency exchange rates, interest rates, and commodity prices. We employ a number of practices to manage these risks, including operating and financing activities and, where appropriate, the use of derivative instruments. We enter into derivative instruments to hedge a portion of forecasted cash flows denominated in foreign currencies for non-U.S. operations' purchases of raw materials, which are priced in U.S. dollars, and imports of intercompany finished goods and work-in-process priced predominantly in U.S. dollars and euros. The derivative instruments used to manage these exposures are designated and qualify as cash flow hedges. The foreign currency exposure on certain non-functional currency denominated monetary assets and liabilities, primarily intercompany loans and accounts payable, is hedged with primarily undesignated derivative instruments.

Interest rate risk is managed using a portfolio of variable and fixed-rate debt composed of short and long-term instruments. Interest rate swap contracts may be used to facilitate the maintenance of the desired ratio of variable and fixed-rate debt and are designated and qualify as fair value hedges. From time to time, we also hedge the anticipated issuance of fixed-rate debt, and these contracts are designated as cash flow hedges.

We use derivative instruments, such as forward swap contracts, to hedge a limited portion of our exposure to market risk arising from changes in prices of certain commodities. These derivatives are designated as cash flow hedges of specific quantities of the underlying commodity expected to be purchased in future months.

Translation adjustments result from translating foreign entities' financial statements into U.S. dollars from their functional currencies. The risk to any particular entity's net assets is reduced to the extent that the entity is financed with local currency borrowing. Translation exposure, which results from changes in translation rates between functional currencies and the U.S. dollar, generally is not hedged, other than net investment hedges with an aggregate notional value of $369 at June 30, 2017 for a portion of our investment in certain affiliates.

At June 30, 2017 and December 31, 2016, derivative liabilities were $67 and $46, respectively, and derivative assets were $43 at both periods, primarily comprised of foreign currency exchange contracts.

Derivative instruments that are designated and qualify as fair value hedges are predominantly used to manage interest rate risk. The fair values of these derivative instruments are recorded as an asset or liability, as appropriate, with the offset recorded in current earnings. The offset to the change in fair values of the related hedged items also is recorded in current earnings. Any realized gain or loss on the derivatives that hedge interest rate risk is amortized to interest expense over the life of the related debt. As of June 30, 2017, there were no outstanding interest rate contracts designated as fair value hedges. Fair value hedges resulted in no significant ineffectiveness in the six months ended June 30, 2017 and 2016, and gains or losses recognized in interest expense for interest rate swaps were not significant. For the six month periods ended June 30, 2017 and 2016, no gains or losses were recognized in earnings as a result of a hedged firm commitment no longer qualifying as a fair value hedge.

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is initially recorded in AOCI, net of related income taxes, and recognized in earnings in the same period that the hedged exposure affects earnings. As of June 30, 2017, outstanding commodity forward contracts were in place to hedge a limited portion of our estimated requirements of the related underlying commodities in the remainder of 2017 and future periods. As of June 30, 2017, the aggregate notional values of outstanding foreign exchange and interest rate derivative contracts designated as cash flow hedges were $750 and $486, respectively. Cash flow hedges resulted in no significant ineffectiveness for the six months ended June 30, 2017 and 2016, and no gains or losses were reclassified into earnings as a result of the discontinuance of cash flow hedges due to the original forecasted transaction no longer being probable of occurring. At June 30, 2017, amounts to be reclassified from AOCI during the next twelve months are not expected to be material. The maximum maturity of cash flow hedges in place at June 30, 2017 is July 2019.

Gains or losses on undesignated foreign exchange hedging instruments are immediately recognized in other (income) and expense, net. A gain of $19 and a loss of $14 were recorded in the three months ended June 30, 2017 and 2016, respectively. Gains of $16 and $14 were recorded in the six months ended June 30, 2017 and 2016, respectively. The effect on earnings from the use of these non-designated derivatives is substantially neutralized by the transactional gains and losses recorded on the underlying assets and liabilities. At June 30, 2017, the notional amount of these undesignated derivative instruments was $1.9 billion.

Note 6. Business Segment Information

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments: Personal Care, Consumer Tissue and K-C Professional. The reportable segments were determined in accordance with how our chief operating decision maker and our executive managers develop and execute global strategies to drive growth and profitability. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management, and capacity and capital investments for each of these businesses. Segment management is evaluated on several factors, including operating profit. Segment operating profit excludes other (income) and expense, net and income and expense not associated with the business segments.

The principal sources of revenue in each global business segment are described below:

- Personal Care brands offer our consumers a trusted partner in caring for themselves and their families by delivering confidence, protection and discretion through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- Consumer Tissue offers a wide variety of innovative solutions and trusted brands that touch and improve people's lives every day. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- K-C Professional partners with businesses to create Exceptional Workplaces, helping to make them healthier, safer and more productive through a range of solutions and supporting products such as wipers, tissue, towels, apparel,

soaps and sanitizers. Our brands, including Kleenex, Scott, WypAll, Kimtech and Jackson Safety, are well-known for quality and trusted to help people around the world work better.

Information concerning consolidated operations by business segment is presented in the following tables: