

Kimberly-Clark To Acquire Italy's No. 2 Diaper Manufacturer

Leverages Market Position of HUGGIES, the No. 2 Diaper Brand in Europe

Enhances K-C's Ability to Capitalize on Italy's Sizeable Diaper Market And Builds on K-C's Strong Presence in Italy's Tissue Market DALLAS, Jan. 24 -- Kimberly-Clark Corporation (NYSE: KMB) today announced that the company has signed a definitive agreement to acquire Linostar, a leading Italian-based diaper manufacturer that produces and markets Lines, Italy's second largest diaper brand. Linostar is currently owned by the Bolton Group (Amsterdam), which manufactures, markets and distributes a wide range of branded consumer goods. Details of the purchase were not disclosed. The closing of the transaction is expected shortly.

The purchase comes just months after Kimberly-Clark entered the Italian personal care market with its launch of a range of child care products, including Pull-Ups training pants, DryNites youth pants and Little Swimmers swim pants, in June 2000.

Noting that the acquisition will give the company an estimated 21 percent of Italy's US\$500 million diaper market, Wayne R. Sanders, chairman and chief executive officer of Kimberly-Clark, said: "This acquisition provides us a superb opportunity to become a significant player in Italy's sizeable diaper market. We will use this well-known and respected business as the platform to introduce Huggies, one of the world's leading diaper brands, and are confident we can deliver superior products and consumer value that will contribute to the continued growth of our European personal care business."

Mr. Sanders continued: "This acquisition underscores the importance of Italy to K-C's overall growth in Europe. Our Scottex and Kleenex brands have been leaders in Italy's tissue market for years. By leveraging Linostar's first rate distribution and its current brand awareness to accelerate the growth of Huggies diapers, we expect to quickly replicate in personal care the success of our tissue products in the Italian market. Through combining the best practices of both companies, we have a great opportunity to grow revenue and achieve excellent cost synergies."

Kimberly-Clark is a leading consumer products company, with four of the top-selling brands of consumer tissue in Europe: Kleenex (facial tissue), Andrex, Scottex and Hakle. Other Kimberly-Clark consumer products in Europe include Huggies disposable diapers, Pull-Ups training pants, Kotex and Camelia feminine care products and Depend incontinence care products. Worldwide, Kimberly-Clark employs almost 55,000 people, including more than 10,000 in Europe, Middle East and Africa. The company had sales of US\$14 billion in 2000. Its corporate headquarters is in Dallas, Texas, (U.S.) and its European headquarters is in Reigate, England (U.K.). The company has manufacturing operations in 40 countries. Kimberly-Clark owns three tissue production facilities in Italy -- in Alanno, Romagnano and Villanovetta -- and has an office in Turin.

Bolton Group has interests in companies as diverse as food products, detergents, personal care and skin products, cosmetics, paper products, adhesives and glues. The company operates in Belgium, Germany, France, Greece, Italy, The Netherlands and Spain. In addition, The Bolton Group is active in the Middle East, The Americas, Asia and Australia.

<https://www.news.kimberly-clark.com/press-releases?item=125313>