

Kimberly-Clark's Board Of Directors Authorizes Growth Initiatives, Additional Share Buyback And Dividend Increase

Expansion of Proprietary Tissue Technology Will Meet Growing Demand for the Company's Consumer-Preferred Products

Share Repurchase Program Upped by 25 Million Shares; Dividend Increased 3.8 Percent DALLAS, Feb. 22 -- Kimberly-Clark Corporation (NYSE: KMB) today announced that its board of directors approved several actions to support the continued growth of its consumer-preferred tissue products and to enhance shareholder value.

Two advanced tissue machines to be added in the U.S. To drive continued growth of its differentiated tissue products, the company will add state-of-the-art tissue machines to existing facilities at Jenks, Okla., and Loudon, Tenn. The investment in the machines, which will feature the company's proprietary tissue technology, and associated converting lines will total approximately \$300 million. Production will phase in over a two-year period beginning in mid-2001. Employment is expected to increase by 150 at the Jenks site and by 60 at the Loudon site. The company is currently purchasing a substantial amount of tissue from outside suppliers and plans to reduce these purchases as the new capacity comes on line.

Thomas J. Falk, president and chief operating officer of Kimberly-Clark, said, "Our proprietary technology has played a pivotal role in the growth of our tissue business in the U.S. It is the backbone of the successful launches of improved Kleenex Cottonelle bathroom tissue, Scott household towels, and Kleenex and Scott washroom towels. These consumer-preferred products have been growing significantly faster than the market and now require additional manufacturing capacity to support their continued growth.

"The beauty of our technology comes from its ability to make softer, stronger and more absorbent tissue products with less fiber. In other words, it's a winning proposition from both a consumer and financial standpoint."

Share repurchase program upped by 25 million shares The company also announced that its board of directors authorized the repurchase of an additional 25 million shares of common stock. This is in addition to approximately 7 million shares remaining under a previous authorization.

Wayne R. Sanders, chairman and chief executive officer of Kimberly-Clark, said: "The new authorization gives us the flexibility to continue aggressively repurchasing our stock. Since 1995, we have repurchased more than 60 million shares of our common stock.

"Our strong cash flow puts us in an enviable position of being able to invest in the future growth of our businesses while continuing to repurchase shares. We expect to repurchase the newly authorized shares over

the next few years. The actual number of shares we repurchase and the timing of the transactions will depend upon prevailing market conditions and other factors."

Dividend increased for 28th consecutive year Separately, the company increased its quarterly dividend 3.8 percent to 27 cents per share. The board of directors declared the dividend payable on April 4, 2000, to stockholders of record on March 10, 2000. This is the 28th consecutive year Kimberly-Clark has raised its dividend.

Kimberly-Clark Corporation is a leading global manufacturer of tissue, personal care and health care products. The company's global brands include Huggies, Pull-Ups, Kotex, Depend, Kleenex, Scott, Kimberly-Clark, Tecnol, Kimwipes and WypAll. Other brands well known outside the U.S. include Andrex, Scottex, Page, Popee and Kimbies. Kimberly-Clark also is a major producer of premium business, correspondence and technical papers. The company has manufacturing operations in 40 countries and sells its products in more than 150 countries.

Certain matters contained in this news release concerning the business outlook, anticipated financial and operating results, strategies, contingencies and transactions of the company constitute forward-looking statements and are based upon management's expectations and beliefs concerning future events impacting the company. For a description of certain factors that could cause the company's future results to differ materially from those expressed in any such forward-looking statements, see the section of Part I, Item 1 of the company's Annual Report on Form 10-K/A for the year ended December 31, 1998 entitled "Factors That May Affect Future Results."

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