

Kimberly-Clark Corp.

Kimberly-Clark Corporation is a global health and hygiene company that manufactures and distributes consumer products. Its product portfolio includes diapers, tissues, paper towels, incontinence products, surgical gowns, and disposable face masks. Kimberly-Clark products are sold worldwide.

Initial Situation

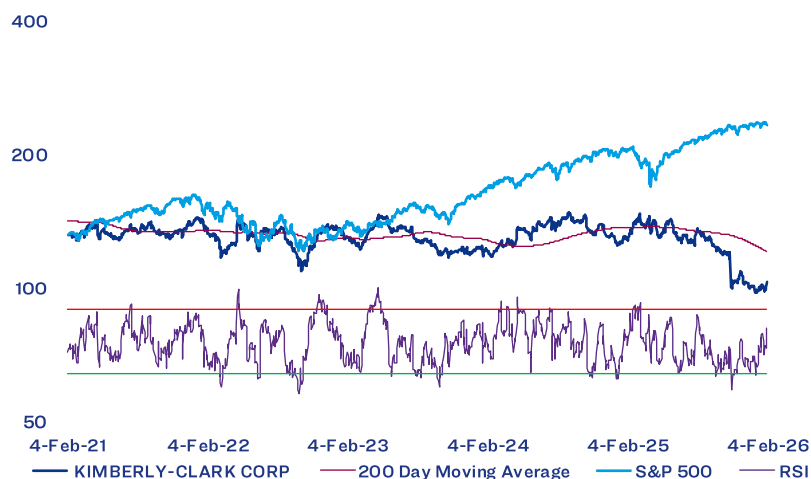
Kimberly-Clark is a global company headquartered in Dallas, Texas, with approximately 80 manufacturing facilities in about 30 countries and sales in more than 175 countries. The company manufactures and markets a wide range of products made from natural and synthetic fiber and materials. It utilizes advanced technologies in fibers, nonwovens, and absorbency to produce, among other things, diapers, soaps, disinfectants, feminine hygiene products, incontinence products, cosmetic and toilet paper, paper towels, and other household items. These products are sold under brand names including Huggies, Kleenex, Scott, and Kotex. Kimberly-Clark focuses on five core product categories: baby and childcare (approximately 35% of sales), family care (approximately 30%), professional care (approximately 15%), adult care (approximately 10%), and feminine hygiene (approximately 10%). North America contributes approximately 55% to Kimberly-Clark's revenue, with its largest customer, Walmart, contributing almost 15%.

Investment Suggestion

Just a few days ago, Kimberly-Clark successfully approved the \$40 billion acquisition of its US competitor, Kenvue. This purchase is intended to create a global health and wellness company, bringing it closer to Procter & Gamble. The acquisition and integration are expected to be completed in the second half of 2026. At the end of January, the company also released its fourth-quarter 2026 results. Profits in the fourth quarter rose to USD 499 million, or USD 1.50 per share, compared to USD 447 million, or USD 1.34 per share, in the same period last year. Revenue declined by 0.6% to USD 4.08 billion, slightly below analysts' estimates of USD 4.09 billion. This decline reflects the company's exit from the private-label diaper business in the US, which was partially offset by organic sales growth. This result underscores the strength of the business and, according to analysts, provides a good starting point for improved growth and continued outperformance. The price target is USD 118.25 and the dividend yield of approximately 5% is also attractive. We recommend buying Kimberly-Clark shares at the current level.

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ISIN	US4943681035
Sektor	HealthCare
Currency	USD
Market Cap	USD 34.6 Billion
12 Mt. Return	-16.05%
Price	USD 104.26
Price Target	USD 118.25 (+13.4%)
Price/Book	23.04
Price/Earnings	17.13
Dividend Yield	4.91%
ESG-Rating	AAA



Source: Bloomberg, Neue Bank AG

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