

Kimberly-Clark Corp (KMB)

Analyst Notes : Upgraded from Attractive 2/14/20 | Cause: Improved Profitability | New 10-K & Forecast 2/14/20

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Balance Sheet

Income Statement

Cash Flow Data Points

Income Statement Adjustments

Change in Total Reserves

LIFO Reserves

- Excess of FIFO or weighted average cost over LIFO cost : \$155.00

Previous Year's LIFO Reserve

- Excess of FIFO or weighted-average cost over LIFO cost : 191.0

Net Non-Operating Expense Hidden in Operating Earnings

Pre-Tax Net Non-Operating Expense/(Income) Hidden in Operating Earnings

- Net (gains) losses on asset dispositions : (193.0)
- Charges for workforce reductions : 31.0
- Incremental depreciation : 235.0
- Other exit costs : 96.0
- Charges for workforce reductions : (12.0)
- Other exit costs : 111.0

geographies. Workforce reductions are expected to be in the range of 5,000 to 5,500. Certain capital appropriations under the 2018 Global Restructuring Program are being finalized. Accounting for actions related to each appropriation will commence when the appropriation is authorized for execution. The restructuring is expected to be completed by the end of 2020, with total costs anticipated to be \$1.7 billion to \$1.9 billion pre-tax (\$1.3 billion to \$1.4 billion after tax). Cash costs are expected to be \$900 to \$1.0 billion, primarily related to workforce reductions. Non-cash charges are expected to be \$800 to \$900 pre-tax and will primarily consist of incremental depreciation, asset write-offs and pension settlement and curtailment charges. Restructuring charges in 2020 are expected to be \$300 to \$500 pre-tax (\$235 to \$390 after tax).

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The following net charges were incurred in connection with the 2018 Global Restructuring Program:

| | Twelve Months Ended December 31, 2019 | | Twelve Months Ended December 31, 2018 | |
|--|--|--------|--|-------|
| Cost of products sold. | | | | |
| Charges for workforce reductions | \$ | 31 | \$ | 149 |
| Asset write-offs | | 54 | | 74 |
| Incremental depreciation | | 235 | | 172 |
| Other exit costs | | 96 | | 34 |
| Total | | 416 | | 541 |
| Marketing, research and general expenses: | | | | |
| Charges for workforce reductions | | (12) | | 243 |
| Other exit costs | | 111 | | 137 |
| Total | | 99 | | 380 |
| Other (income) and expense, net ^(a) | | (194) | | (12) |
| Nonoperating expense ^(b) | | 45 | | 127 |
| Total charges | | 366 | | 1,036 |