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, 2006**

OR

[ ] **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 or organization)	(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)

No change
(Former name, former address and former fiscal year, if changed since last report)

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 ___.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer __X__ . Accelerated filer ____. Non-accelerated filer ____.

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

Yes ___ . No __X__.

As of July 31, 2006, there were 458,203,544 shares of the Corporation's common stock outstanding.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

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

(Millions of dollars, except per share amounts)	Three Months Ended June 30 2006	Three Months Ended June 30 2005	Six Months Ended June 30 2006	Six Months Ended June 30 2005
Net Sales	**$ 4,161.4**	$ 3,987.1	**$ 8,229.3**	$ 7,892.9
Cost of products sold	**2,873.8**	2,664.5	**5,788.6**	5,263.7
Gross Profit	**1,287.6**	1,322.6	**2,440.7**	2,629.2
Marketing, research and general expenses	**741.9**	688.1	**1,454.4**	1,342.0
Other (income) and expense, net	**1.6**	(1.7)	**21.8**	13.4
Operating Profit	**544.1**	636.2	**964.5**	1,273.8
Nonoperating expense	**(7.6)**	(47.9)	**(23.4)**	(94.2)
Interest income	**6.6**	8.3	**13.0**	14.3
Interest expense	**(55.1)**	(46.3)	**(109.4)**	(90.2)
Income Before Income Taxes and Equity Interests	**488.0**	550.3	**844.7**	1,103.7
Provision for income taxes	**(131.0)**	(140.8)	**(230.3)**	(258.0)
Income Before Equity Interests	**357.0**	409.5	**614.4**	845.7
Share of net income of equity companies	**42.9**	32.3	**81.9**	66.4
Minority owners' share of subsidiaries' net income	**(22.3)**	(20.0)	**(43.6)**	(40.2)
Net Income	**$ 377.6**	$ 421.8	**$ 652.7**	$ 871.9
Per Share Basis:				
Net Income				
Basic	**$ .82**	$ .88	**$ 1.42**	$ 1.82
Diluted	**$ .82**	$ .88	**$ 1.41**	$ 1.81
Cash Dividends Declared	**$ .49**	$ .45	**$ .98**	$ .90

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(Unaudited)

(Millions of dollars)	**June 30, 2006**	December 31, 2005
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 337.4**	$ 364.0
Accounts receivable	**2,219.9**	2,101.9
Inventories	**1,868.8**	1,752.1
Other current assets	**558.4**	565.1
Total Current Assets	**4,984.5**	4,783.1
Property	**14,960.3**	14,616.2
Less accumulated depreciation	**7,504.8**	7,121.5
Net Property	**7,455.5**	7,494.7
Investments in Equity Companies	**479.6**	457.8
Goodwill	**2,734.8**	2,685.6
Other Assets	**880.5**	882.0
	$ 16,534.9	$ 16,303.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	**$ 1,130.4**	$ 1,222.5
Accounts payable	**1,334.5**	1,354.3
Accrued expenses	**1,450.6**	1,399.6
Other current liabilities	**636.4**	666.5
Total Current Liabilities	**4,551.9**	4,642.9
Long-Term Debt	**2,539.3**	2,594.7
Noncurrent Employee Benefit and Other Obligations	**1,873.5**	1,782.6
Deferred Income Taxes	**505.2**	572.9
Minority Owners' Interests in Subsidiaries	**404.8**	394.5
Preferred Securities of Subsidiary	**775.0**	757.4
Stockholders' Equity	**5,885.2**	5,558.2
	$ 16,534.9	$ 16,303.2

See Notes to Consolidated Financial Statements.

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

(Millions of dollars)	Six Months Ended June 30 2006	2005
Operating Activities		
Net income	**$ 652.7**	$ 871.9
Depreciation and amortization	**499.6**	385.0
Changes in operating working capital	**(71.9)**	(185.0)
Deferred income tax provision	**(99.8)**	(31.3)
Net losses on asset dispositions	**74.0**	7.9
Equity companies' earnings in excess of dividends paid	**(48.1)**	(39.3)
Minority owners' share of subsidiaries' net income	**43.6**	40.2
Postretirement benefits	**30.7**	21.4
Other	**37.9**	11.9
Cash Provided by Operations	**1,118.7**	1,082.7
Investing Activities		
Capital spending	**(398.6)**	(262.0)
Proceeds from sales of investments	**17.4**	14.9
Proceeds from dispositions of property	**24.7**	12.5
Net decrease (increase) in time deposits	**17.0**	(8.2)
Investments in marketable securities	**(18.7)**	-
Other	**(7.1)**	(14.7)
Cash Used for Investing	**(365.3)**	(257.5)
Financing Activities		
Cash dividends paid	**(434.5)**	(410.7)
Net decrease in short-term debt	**(111.5)**	(4.9)
Proceeds from issuance of long-term debt	**31.4**	19.8
Repayments of long-term debt	**(62.8)**	(99.1)
Proceeds from exercise of stock options	**106.1**	103.1
Acquisitions of common stock for the treasury	**(301.1)**	(534.8)
Other	**(11.2)**	(11.2)
Cash Used for Financing	**(783.6)**	(937.8)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**3.6**	(15.3)
Increase in Cash and Cash Equivalents	**(26.6)**	(127.9)
Cash and Cash Equivalents, beginning of year	**364.0**	594.0
Cash and Cash Equivalents, end of period	**$ 337.4**	$ 466.1

See Notes to Consolidated Financial Statements.

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

Note 1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. 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 accounting principles generally accepted in the U.S. for complete financial statements. In the opinion of management, all adjustments, consisting of normal recurring adjustments, considered necessary for a fair presentation have been included.

For further information, refer to the consolidated financial statements and footnotes thereto included in the Corporation's Annual Report on Form 10-K for the year ended December 31, 2005.

Note 2. Stock-Based Compensation

The Corporation has a stock-based Equity Participation Plan and an Outside Directors' Compensation Plan (the "Plans"), under which it currently grants awards of stock options and restricted shares to employees and awards of restricted share units to employees and outside directors. As of June 30, 2006, the number of shares of common stock available for stock option and restricted share awards under the Plans aggregated 24.8 million shares. Stock options are granted to employees at an exercise price equal to the market value of the underlying common stock on the date of grant. The Corporation's employee stock options have a term of 10 years and are subject to graded vesting whereby options vest 30 percent at the end of each of the first two 12 month periods following the grant and 40 percent at the end of the third 12 month period. Nearly all awards are in the form of stock options or restricted share units. Restricted shares, time-based restricted share units and performance-based restricted share units generally vest over three to five years. The number of performance-based share units actually awarded ranges from zero to 150 percent based on improvement in return on invested capital during the three years in relation to a previously established target. At the time stock options are exercised or restricted shares and restricted share units vest, common stock is issued from the Corporation's accumulated treasury shares. Cash dividends are paid on restricted shares, and dividend equivalents are paid or credited on restricted share units, on the same date and at the same rate as dividends are paid on the Corporation's common stock. These cash dividends and dividend equivalents, net of estimated forfeitures, are charged to retained earnings. Previously paid cash dividends on subsequently forfeited restricted share units are charged to compensation expense.

Prior to January 1, 2006, the Corporation accounted for these Plans under the recognition and measurement provisions of Accounting Principles Board ("APB") Opinion No. 25, *Accounting for Stock Issued to Employees*, and related Interpretations, as permitted by Statement of Financial Accounting Standards ("SFAS") No. 123, *Accounting for Stock-Based Compensation*. No employee compensation cost for stock options was recognized in the Consolidated Income Statement for periods prior to January 1, 2006, as all stock options granted had an exercise price equal to the market value of the underlying common stock on the date of grant. Effective January 1, 2006, the Corporation adopted the fair value recognition provisions of SFAS No. 123R, *Share-Based Payment,* using the modified-prospective-transition method. Under that transition method, compensation cost is recognized in the periods after adoption for (i) all stock option awards granted or modified after December 31, 2005 based on the grant-date fair value estimated in accordance with the provisions of SFAS 123R and (ii) all stock options granted prior to but not yet vested as of January 1, 2006, based on the grant date fair value

Note 2. (Continued)

estimated in accordance with the original provisions of SFAS 123. Results for prior periods were not restated. Also in connection with the adoption of SFAS 123R, approximately $37 million was reclassified from accrued liabilities to additional paid-in capital, as accrued compensation for unvested restricted share units does not meet the definition of a liability under SFAS 123R.

Stock-based employee compensation cost of $21.6 million and $36.1 million was recognized for the three and six months ended June 30, 2006, respectively. Related income tax benefits of $7.2 million and $12.5 million were recognized for the three and six months ended June 30, 2006, respectively. The compensation cost for the six months ended June 30, 2006 is net of a cumulative pretax adjustment of $3.9 million resulting from a change in estimating the forfeiture rate for unvested restricted share and restricted share unit awards as of January 1, 2006 as required by SFAS 123R.

As a result of adopting SFAS 123R, the Corporation's income before income taxes for the three and six months ended June 30, 2006 was $10.9 million and $15.6 million lower, respectively, than had it continued to account for stock-based compensation under APB 25. Also, the Corporation's net income for the three and six months ended June 30, 2006 was $7.3 million and $10.5 million lower, respectively, than had it continued to account for stock-based compensation under APB 25. Basic and diluted earnings per share for the three and six month periods ended June 30, 2006 are lower than if the Corporation had continued to account for the stock-based compensation under APB 25 as shown below:

Reduction in Earnings Per Share:	Three Months Ended **June 30, 2006**	Six Months Ended **June 30, 2006**
Basic	$0.02	$0.02
Diluted	$0.02	$0.03

The Corporation recognized stock-based compensation costs of $11.9 million and $16.1 million for the three and six months ended June 30, 2005, respectively. This compensation cost was for restricted shares and restricted share units only.

The fair value of employee stock option awards granted on or after January 1, 2006 was determined using a Black-Scholes-Merton option-pricing formula utilizing a range of assumptions related to dividend yield, volatility, risk-free interest rate, and employee exercise behavior. Dividend yield is based on historical experience and expected future dividend actions. Expected volatility is based on a blend of historical volatility and implied volatility from traded options on the Corporation's common stock. Prior to January 1, 2006, volatility was based on historical experience only. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant. The Corporation estimates forfeitures based on historical data.

The weighted-average fair value of the options granted for the three and six months ended June 30, 2006 was $10.10 per option for both periods, based on the following assumptions:

	Three Months Ended **June 30, 2006**	Six Months Ended **June 30, 2006**
Dividend yield	3.50%	3.50%
Volatility	17.45%	17.46%
Risk-free interest rate	5.04%	5.04%
Expected life – years	6.0	6.0

Note 2. (Continued)

As of June 30, 2006, the total remaining unrecognized compensation cost related to non-vested stock options, and restricted shares and restricted share units aggregated $54.3 million and $67.7 million, respectively, which will be amortized over the weighted-average service period of 1.2 years and 2.5 years, respectively.

On November 10, 2005, the Financial Accounting Standards Board ("FASB") issued FASB Staff Position No. FAS 123(R)-3, *Transition Election Related to Accounting for Tax Effects of Share-Based Payment Awards*. The Corporation has elected to adopt the shortcut method provided in the FASB Staff Position for determining the initial pool of excess tax benefits available to absorb tax deficiencies related to stock-based compensation subsequent to the adoption of SFAS 123R. The short-cut method includes simplified procedures to establish the beginning balance of the pool of excess tax benefits (the "APIC Pool") and to determine the subsequent effect on the APIC Pool and Cash Flow Statements of the tax effects of employee stock-based compensation awards that were outstanding upon adoption of SFAS 123R.

Prior to the adoption of SFAS 123R, all tax benefits from deductions resulting from the exercise of stock options and the vesting of restricted shares and restricted share units were presented as operating cash flows in the Cash Flow Statement. SFAS 123R requires the cash flow tax benefits resulting from tax deductions in excess of the compensation cost recognized (excess tax benefits) to be classified as financing cash flows. Excess tax benefits aggregating $8.3 million were classified as a financing cash inflow for the six months ended June 30, 2006. As required by SFAS 123R, the prior period cash flow statement was not restated.

In prior periods, the Corporation had calculated pro forma employee compensation cost for stock options on an accelerated method required by SFAS 123. The Corporation elected, for all stock option awards granted on or after January 1, 2006, to recognize employee compensation cost on a straight-line basis over the requisite service period for the entire award as permitted by SFAS 123R.

The following table illustrates the effect on net income and earnings per share as if the Corporation had applied the fair value recognition provisions of SFAS 123 to stock options granted prior to January 1, 2006. For purposes of this pro forma disclosure, the value of the options was determined using a Black-Scholes-Merton option-pricing formula and amortized to expense over the options' vesting periods.

Note 2. (Continued)

(Millions of dollars, except per share amounts)	Three Months Ended June 30, 2005	Six Months Ended June 30, 2005
Net income, as reported	$ 421.8	$ 871.9
Add: Stock-based compensation expense included in reported net income, net of income taxes	7.5	10.2
Less: Stock-based compensation expense determined under the fair value requirements of SFAS 123, net of income taxes	(21.1)	(31.7)
Pro forma net income	$ 408.2	$ 850.4
Earnings per share		
Basic – As reported	$ .88	$ 1.82
Basic – Pro forma	$ .85	$ 1.78
Diluted – As reported	$ .88	$ 1.81
Diluted – Pro forma	$ .85	$ 1.76

Note 3. Strategic Cost Reductions

In July 2005, the Corporation authorized a multi-year program to further improve its competitive position by accelerating investments in targeted growth opportunities and strategic cost reductions aimed at streamlining manufacturing and administrative operations, primarily in North America and Europe.

The strategic cost reductions commenced in the third quarter of 2005 and are expected to be substantially completed by December 31, 2008. Based on current estimates, the strategic cost reductions are expected to result in cumulative charges of approximately $1.0 to $1.1 billion before tax ($700 - $775 million after tax) over that three and one-half year period.

By the end of 2008, it is anticipated there will be a net workforce reduction of about 10 percent, or approximately 6,000 employees. Since the inception of the strategic cost reductions, a net workforce reduction of more than 1,600 has occurred. Approximately 20 manufacturing facilities, or 17 percent of the Corporation's worldwide total, are expected to be sold or closed and an additional 4 facilities are expected to be streamlined. As of June 30, 2006, charges have been recorded related to cost reduction initiatives for 21 facilities.

Note 3. (Continued)

In connection with the strategic cost reductions, charges totaling $89.4 million were incurred in the second quarter of 2006; $60.1 million after tax. Year-to-date charges total $298.0 million; $215.3 million after tax. The following table outlines the noncash charges totaling $59.3 million for the second quarter and $183.4 million year-to-date.

(Millions of dollars)	Three Months Ended **June 30, 2006**	Six Months Ended **June 30, 2006**
Incremental depreciation and amortization	$ 56.2	$ 134.4
Asset write-offs	2.5	37.7
Loss on asset dispositions	.6	11.3
Noncash charges	$ 59.3	$ 183.4

The following table summarizes the charges recorded for workforce reductions and other cash charges and reconciles such charges to accrued expenses at June 30, 2006:

(Millions of dollars)	Six Months Ended **June 30, 2006**
Accrued expenses at December 31, 2005	$ 28.2
Charges for workforce reductions	95.0
Other cash charges	18.1
Cash payments	(81.7)
Currency	.1
Accrued expenses at June 30, 2006	$ 59.7

During the three month and six month periods ended June 30, 2006, the Corporation also recorded charges for special pension benefits aggregating $1.2 million and $1.5 million, respectively.

Termination benefits related to workforce reductions were accrued in accordance with the requirements of SFAS No. 146, *Accounting for Costs Associated with Exit or Disposal Activities* ("SFAS 146"), SFAS No. 112, *Employers' Accounting for Postemployment Benefits,* and SFAS No. 88, *Employers' Accounting for Settlements & Curtailments of Defined Benefit Pension Plans and for Termination Benefits,* as appropriate. Retention bonuses related to workforce reductions were accrued in accordance with SFAS 146. The majority of the termination benefits and retention bonuses will be paid within 12 months of accrual. The termination benefits were provided under: a special-benefit arrangement for affected employees in the U.S.; standard benefit practices in the U.K.; applicable union agreements; or local statutory requirements, as appropriate. Incremental depreciation and amortization was based on changes in useful lives and estimated residual values of assets that are continuing to be used, but will be removed from service before the end of their originally assumed service period.

Costs of the initiatives have not been recorded at the business segment level, as the strategic cost reductions are corporate decisions. The second quarter 2006 charges have been recorded in cost of products sold ($66.4 million) and marketing, research and general expenses ($23.0 million)

Note 3. (Continued)

partially offset by the effects included in the provision for income taxes ($29.3 million) and minority owners' share of subsidiaries' net income ($0.2 million). The year-to-date 2006 charges have been recorded in cost of products sold ($222.1 million), marketing, research and general expenses ($65.0 million) and other (income) expense, net ($10.9 million), partially offset by the effects included in the provision for income taxes ($82.7 million) and minority owners' share of subsidiaries' net income ($1.4 million). See Note 10 for additional information on the strategic cost reductions by business segment.

Actual pretax charges recorded for the three months ended June 30, 2006 for the strategic cost reductions relate to activities in the following geographic areas:

(Millions of dollars)	North America	Europe	Other	Total
Incremental depreciation and amortization	$ 39.1	$ 10.8	$ 6.3	$ 56.2
Asset write-offs	.9	1.6	-	2.5
Charges for workforce reductions	17.5	1.3	.4	19.2
Loss on asset disposals and other charges	10.1	1.1	.3	11.5
Total charges	$ 67.6	$ 14.8	$ 7.0	$ 89.4

Actual pretax charges recorded for the six months ended June 30, 2006, for the strategic cost reductions relate to activities in the following geographic areas:

(Millions of dollars)	North America	Europe	Other	Total
Incremental depreciation and amortization	$ 77.6	$ 38.4	$ 18.4	$ 134.4
Asset write-offs	23.5	14.0	.2	37.7
Charges for workforce reductions	25.4	65.4	5.7	96.5
Loss on asset disposals and other charges	18.0	11.2	.2	29.4
Total charges	$ 144.5	$ 129.0	$ 24.5	$ 298.0

Note 4. Inventories

The following schedule presents inventories by major class as of June 30, 2006 and December 31, 2005:

(Millions of dollars)	June 30, 2006	December 31, 2005
At lower of cost on the First-In, First-Out (FIFO) method or market:		
Raw materials	**$ 369.0**	$ 338.9
Work in process	**276.0**	236.7
Finished goods	**1,188.3**	1,128.9
Supplies and other	**238.2**	232.3
	2,071.5	1,936.8
Excess of FIFO cost over Last-In, First-Out (LIFO) cost	**(202.7)**	(184.7)
Total	**$ 1,868.8**	$ 1,752.1

The Corporation uses the LIFO method of valuing inventory for financial reporting purposes for most U.S. inventories. An actual valuation of inventory under the LIFO method is made at the end of each year based on the inventory levels and costs at that time. Accordingly, interim LIFO calculations are based on management's estimates of expected year-end inventory levels and costs and are subject to the final year-end LIFO inventory valuation.

FIFO cost of total inventories on the LIFO method was $857.6 million at both June 30, 2006 and December 31, 2005.

Note 5. Synthetic Fuel Partnerships

The Corporation has minority interests in two synthetic fuel partnerships. The production of synthetic fuel results in pretax losses that are reported as nonoperating expense on the Corporation's Consolidated Income Statement. The production of synthetic fuel results in tax credits as well as tax deductions for the nonoperating losses, which reduce the Corporation's income tax expense. The effects of those losses and benefits for 2006 and 2005 are shown in the following table:

	Three Months Ended June 30			
(Millions of dollars)	**2006**		2005	
Nonoperating expense		**$ (7.6)**		$ (47.9)
Tax credits	**$ 6.6**		$ 45.4	
Tax benefit of nonoperating expense	**2.6**	**9.2**	16.8	62.2
Net synthetic fuel benefit		**$ 1.6**		$ 14.3
Per share basis – diluted		**$ -**		$ .03

(Millions of dollars)	Six Months Ended June 30 2006		2005	
Nonoperating expense		**$ (23.4)**		$ (94.2)
Tax credits	**$ 20.4**		$ 88.7	
Tax benefit of nonoperating expense	**8.3**	**28.7**	33.0	121.7
Net synthetic fuel benefit		**$ 5.3**		$ 27.5
Per share basis – diluted		**$ .01**		$ .06

Note 6. Employee Postretirement Benefits

The table below presents the interim period disclosure required by SFAS No. 132 (revised 2003), *Employers' Disclosures about Pensions and Other Postretirement Benefits*.

	Defined Benefit Plans		Other Postretirement Benefit Plans	
	Three Months Ended June 30			
(Millions of dollars)	**2006**	2005	**2006**	2005
Service cost	**$ 21.8**	$ 18.3	**$ 3.3**	$ 3.8
Interest cost	**73.8**	74.2	**11.4**	11.4
Expected return on plan assets	**(84.5)**	(80.7)	**-**	-
Recognized net actuarial loss	**25.0**	22.8	**.7**	.6
Other	**3.1**	2.9	**.9**	.4
Net periodic benefit cost	**$ 39.2**	$ 37.5	**$ 16.3**	$ 16.2

	Defined Benefit Plans		Other Postretirement Benefit Plans	
	Six Months Ended June 30			
(Millions of dollars)	**2006**	2005	**2006**	2005
Service cost	**$ 43.7**	$ 41.3	**$ 7.5**	$ 8.0
Interest cost	**148.2**	147.3	**23.5**	23.5
Expected return on plan assets	**(167.8)**	(161.6)	**-**	-
Recognized net actuarial loss	**50.2**	45.5	**2.0**	1.9
Other	**5.3**	4.4	**1.7**	.6
Net periodic benefit cost	**$ 79.6**	$ 76.9	**$ 34.7**	$ 34.0

During the first and second quarters of 2006, the Corporation made cash contributions of approximately $39 million and $10 million, respectively, to its pension trusts outside the U.S. During the first and second quarters of 2005, the Corporation made cash contributions of approximately $11 million and $40 million, respectively, to its pension trusts outside the U.S. The Corporation currently anticipates contributing about $80 million for the full year 2006 to its pension trusts outside the U.S.

Note 7. Earnings Per Share

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

	Average Common Shares Outstanding			
	Three Months Ended June 30		Six Months Ended June 30	
(Millions of shares)	**2006**	2005	**2006**	2005
Basic	**459.0**	477.5	**459.7**	479.0
Dilutive effect of stock options	**.5**	3.0	**.7**	3.2
Dilutive effect of restricted stock awards	**1.3**	.7	**1.0**	.7
Diluted	**460.8**	481.2	**461.4**	482.9

Options outstanding during the three- and six-month periods ended June 30, 2006 to purchase 18.1 million and 18.2 million shares of common stock, respectively, were not included in the computation of diluted EPS because the exercise prices of the options were greater than the average market price of the common shares.

Options outstanding during the three- and six-month periods ended June 30, 2005 to purchase 5.4 million and 5.3 million shares of common stock, respectively, were not included in the computation of diluted EPS because the exercise prices of the options were greater than the average market price of the common shares.

The number of common shares outstanding as of June 30, 2006 and 2005 was 458.3 million and 476.6 million, respectively.

Note 8. Stockholders' Equity

The following tables present the activity of the Corporation's stock-based compensation plans for the six-month period ended June 30, 2006:

Stock Options	Shares (000's)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term
Outstanding at January 1, 2006	32,622	$ 56.99	
Granted	4,753	58.73	
Exercised	(2,258)	46.97	
Forfeited or expired	(379)	62.72	
Outstanding at June 30, 2006	34,738	57.82	5.7
Exercisable at June 30, 2006	25,556	56.92	4.5

The total intrinsic value of stock options exercised during the three and six months ended June 30, 2006 was $10.2 million and $28.4 million, respectively.

Other Stock-Based Awards	Restricted Shares Shares (000's)	Restricted Shares Weighted-Average Grant-Date Fair Value	Time-Based Restricted Share Units Shares (000's)	Time-Based Restricted Share Units Weighted-Average Grant-Date Fair Value	Performance-Based Restricted Share Units Shares (000's)	Performance-Based Restricted Share Units Weighted-Average Grant-Date Fair Value
Nonvested at January 1, 2006	624	$ 51.82	873	$ 58.95	467	$ 62.82
Granted................................	-	-	285	58.79	252	58.73
Vested..................................	-	-	(13)	61.59	-	-
Forfeited...............................	(24)	48.44	(23)	61.00	(16)	62.70
Nonvested at June 30, 2006..	600	51.98	1,122	58.86	703	61.36

Note 9. Comprehensive Income

Comprehensive income includes all changes in equity during the periods except those resulting from investments by and distributions to stockholders.

The following schedule presents the components of comprehensive income:

(Millions of dollars)	Six Months Ended June 30 **2006**	Six Months Ended June 30 2005
Net income..	**$ 652.7**	$ 871.9
Unrealized currency translation adjustments, net of tax	**232.9**	(310.2)
Deferred (losses) gains on cash flow hedges, net of tax	**(8.1)**	17.0
Unrealized holding losses on marketable securities	**(.1)**	-
Comprehensive income	**$ 877.4**	$ 578.7

Net unrealized currency gains or losses resulting from the translation of assets and liabilities of non-U.S. subsidiaries, except those in highly inflationary economies, are accumulated in a separate section of stockholders' equity. For these operations, changes in exchange rates generally do not affect cash flows; therefore, unrealized translation adjustments are recorded in stockholders' equity rather than income. Upon sale or substantially complete liquidation of any of these subsidiaries, the applicable unrealized translation adjustment would be removed from stockholders' equity and reported as part of the gain or loss on the sale or liquidation.

Also included 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 net unrealized currency translation adjustment for the six months ended June 30, 2006 is primarily due to a weakening of the U.S. dollar versus the euro.

Note 10. Description of Business Segments

The Corporation is organized into operating segments based on product groupings. These operating segments have been aggregated into four reportable global business segments: Personal Care; Consumer Tissue; K-C Professional & Other; and Health Care. The reportable segments were determined in accordance with how the Corporation's executive managers develop and execute the Corporation's global strategies to drive growth and profitability of the Corporation's worldwide Personal Care, Consumer Tissue, K-C Professional & Other and Health Care operations. 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; income and expense not associated with the business segments; and the costs of corporate decisions related to the strategic cost reductions described in Note 3. Corporate & Other includes the costs of the strategic cost reductions.

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

The Personal Care segment manufactures and markets disposable diapers, training and youth pants and swimpants; baby wipes; feminine and incontinence care products; and related products. Products in this segment are primarily for household use and are sold under a variety of brand names, including Huggies, Pull-Ups, Little Swimmers, GoodNites, Kotex, Lightdays, Depend, Poise and other brand names.

The Consumer Tissue segment manufactures and markets facial and bathroom tissue, paper towels, napkins and related products for household use. Products in this segment are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Hakle, Page and other brand names.

The K-C Professional & Other segment manufactures and markets facial and bathroom tissue, paper towels, napkins, wipers and other products to the away-from-home marketplace. Products in this segment are sold under the Kimberly-Clark, Kleenex, Scott, Kimwipes, WypAll, Surpass and other brand names.

The Health Care segment manufactures and markets health care products such as surgical gowns, drapes, infection control products, sterilization wrap, disposable face masks and exam gloves, respiratory products and other disposable medical products. Products in this segment are sold under the Kimberly-Clark, Safeskin, Tecnol, Ballard and other brand names.

The following schedule presents information concerning consolidated operations by business segment.

(Millions of dollars)	Three Months Ended June 30 2006	Three Months Ended June 30 2005	Six Months Ended June 30 2006	Six Months Ended June 30 2005
NET SALES:				
Personal Care	**$ 1,715.1**	$ 1,601.6	**$ 3,340.1**	$ 3,134.5
Consumer Tissue	**1,434.4**	1,422.9	**2,931.6**	2,864.6
K-C Professional & Other	**681.7**	651.5	**1,313.2**	1,273.0
Health Care	**340.1**	308.6	**661.9**	615.1
Corporate & Other	**7.7**	7.8	**16.7**	15.6
Intersegment sales	**(17.6)**	(5.3)	**(34.2)**	(9.9)
Consolidated	**$ 4,161.4**	$ 3,987.1	**$ 8,229.3**	$ 7,892.9

(Millions of dollars)	Three Months Ended June 30 2006	Three Months Ended June 30 2005	Six Months Ended June 30 2006	Six Months Ended June 30 2005
OPERATING PROFIT (reconciled to income before income taxes):				
Personal Care	**$ 328.4**	$ 315.0	**$ 628.6**	$ 626.8
Consumer Tissue	**177.6**	203.4	**386.6**	406.6
K-C Professional & Other	**106.1**	104.0	**202.0**	205.1
Health Care	**66.1**	55.3	**126.0**	120.0
Other income and (expense), net	**(1.6)**	1.7	**(21.8)**	(13.4)
Corporate & Other	**(132.5)**	(43.2)	**(356.9)**	(71.3)
Total Operating Profit	**544.1**	636.2	**964.5**	1,273.8
Nonoperating expense	**(7.6)**	(47.9)	**(23.4)**	(94.2)
Interest income	**6.6**	8.3	**13.0**	14.3
Interest expense	**(55.1)**	(46.3)	**(109.4)**	(90.2)
Income Before Income Taxes	**$ 488.0**	$ 550.3	**$ 844.7**	$ 1,103.7

Note: Corporate & Other and Other income and (expense), net include the following amounts of pretax charges for the strategic cost reductions.

	Three Months Ended June 30		Six Months Ended June 30	
(Millions of dollars)	**2006**	2005	**2006**	2005
Corporate & Other	$ (89.4)	$ -	$ (287.1)	$ -
Other income and (expense), net	-	-	(10.9)	-

The following table presents the pretax charges for the strategic cost reductions related to activities in the Corporation's business segments:

	Three Months Ended June 30	Six Months Ended June 30
(Millions of dollars)	**2006**	**2006**
Personal Care	$ 56.3	$ 171.9
Consumer Tissue	16.8	79.8
K-C Professional & Other	4.0	10.7
Health Care	12.3	24.7
Total	$ 89.4	$ 287.1

Total pretax charges that are expected to be incurred for the strategic cost reductions by business segment are: Personal Care - $540 million; Consumer Tissue - $240 million; K-C Professional & Other - $140 million; and Health Care - $150 million.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Introduction

This management's discussion and analysis of financial condition and results of operations is intended to provide investors with an understanding of the Corporation's recent performance, its financial condition and its prospects. The following will be discussed and analyzed:

- Overview of Second Quarter 2006 Results
- Business Segments
- Results of Operations and Related Information
- Liquidity and Capital Resources
- New Accounting Pronouncement
- Environmental Matters
- Business Outlook

Overview of Second Quarter 2006 Results

Despite continued significant inflationary pressures, the Corporation delivered net sales and earnings per share in line with its objectives.

- Net sales increased 4.4 percent.
  - Improvement was due to 2 percent higher net selling prices and improvement in sales volumes and product mix of 1 percent each.
- Operating profit decreased 14.5 percent and earnings per share declined 6.8 percent.
  - Net sales growth and cost savings did not overcome significant cost inflation and charges for strategic cost reductions.
- Cash provided by operations was $599.8 million.

Business Segments

As a result of organizational changes that were effective January 1, 2006, the Corporation is reporting four business segments. The two new business segments, K-C Professional & Other and Health Care, had previously been combined into the Business-to-Business segment. The Personal Care and Consumer Tissue business segments were not affected by the organizational changes and will continue to be reported on their historical basis.

The K-C Professional & Other segment manufactures and markets facial and bathroom tissue, paper towels, napkins, wipers and other products principally to the away-from-home marketplace. The Health Care segment manufactures and markets health care products such as surgical gowns, drapes, infection control products, sterilization wrap, disposable face masks and exam gloves, respiratory products and other disposable medical products.

Results of Operations and Related Information

This section presents a discussion and analysis of the Corporation's second quarter and first six months of 2006 net sales, operating profit and other information relevant to an understanding of the results of operations.

Second Quarter of 2006 Compared With Second Quarter of 2005

Analysis of Net Sales

By Business Segment
(Millions of dollars)

Net Sales	**2006**	2005
Personal Care	**$ 1,715.1**	$ 1,601.6
Consumer Tissue	**1,434.4**	1,422.9
K-C Professional & Other	**681.7**	651.5
Health Care	**340.1**	308.6
Corporate & Other	**7.7**	7.8
Intersegment sales	**(17.6)**	(5.3)
Consolidated	**$ 4,161.4**	$ 3,987.1

Commentary:

	Percent Change in Net Sales Versus Prior Year				
		Changes Due To			
	Total Change	Volume Growth	Net Price	Currency	Mix/ Other
Consolidated	4	1	2	-	1
Personal Care	7	6	-	1	-
Consumer Tissue	1	(4)	4	-	1
K-C Professional & Other	5	-	3	-	2
Health Care	10	7	1	-	2

Consolidated net sales were 4.4 percent higher than in 2005. The increase in second quarter net sales reflects broadly higher net selling prices, up 2 percent overall, and favorable product mix of 1 percent. Sales in developing and emerging markets continued to expand at a double-digit rate. The Corporation also achieved volume growth for its infant, child and incontinence care brands in North America and for health care globally; however, sales volumes of consumer tissue products in North America and Europe declined. In total, sales volumes were up 1 percent while currency effects were neutral compared with the prior year.

- Personal care net sales advanced 7.1 percent from last year, primarily driven by sales volume growth of approximately 6 percent, along with currency benefits of 1 percent. Net selling prices were essentially even with the prior year.

Personal care net sales in North America increased about 6 percent compared with the second quarter of 2005. Sales volumes were up more than 6 percent, with growth in most categories. Huggies baby wipes and toiletries and Pull-Ups training pants posted double-digit volume gains, while incontinence care and infant care sales volumes rose at high single-digit rates. Although sales volumes of Kotex feminine care products were below last year's levels, shipments increased somewhat compared with the first quarter. Currency effects added 1 percent to net sales, while net selling prices decreased about 1 percent to match competitive activity and support product initiatives. In Europe, personal care net sales decreased approximately 6 percent. Sales volumes were down about 4 percent, primarily related to the timing of promotional activities for the Corporation's infant and child care brands. Overall diaper volumes were down 2 percent, with sales volumes of Huggies diapers about the same as the prior year in the Corporation's four core European markets – the U.K., France, Italy and Spain. Net selling prices in the region were unchanged and currency effects reduced net sales by 2 percent. In developing and emerging markets, personal care net sales advanced 12 percent, with particular strength in North Asia, Latin America, and the Middle East, Africa and Eastern Europe. Higher sales volumes and prices, better product mix and currency benefits all contributed to the increase.

- Consumer tissue net sales increased .8 percent. Net selling prices were up approximately 4 percent, mainly as a result of price increases in North America and Europe, while favorable product mix contributed an additional 1 percent. These improvements, however, were mostly offset by volume declines in the two regions following the price increases.

  In North America, second quarter net sales of consumer tissue products rose approximately 1 percent, as net selling prices were about 5 percent higher, while sales volumes declined by 4 percent. Pricing benefited from increases implemented early in the second quarter for Kleenex facial tissue and during the first quarter for Cottonelle and Scott bathroom tissue and Viva and Scott paper towels. The reduction in sales volumes was primarily attributable to lower sales of Kleenex facial tissue. As expected, category volumes softened for a period of time in reaction to the price increase. In Europe, consumer tissue net sales decreased 5 percent, including negative currency effects of 2 percent. Net selling prices increased about 4 percent, as the Corporation successfully implemented price increases in a number of European markets so far this year. Product mix also improved by 1 percent. Sales volumes, however, decreased approximately 8 percent, which the Corporation believes is a temporary consequence of its disciplined approach to implementing the price increases. Consumer tissue net sales in developing and emerging markets improved 8 percent. Net sales grew in all regions, with higher sales volumes, net selling prices and product mix accounting for virtually all of the improvement.

- Net sales of K-C Professional & Other products increased 4.6 percent above the year-ago quarter, primarily driven by more than 3 percent higher net selling prices, along with favorable product mix of approximately 1 percent. K-C Professional's key strategies to improve revenue realization and shift volume to more profitable market segments with distinctive, differentiated products such as Kleenex and Scottfold hand towels, WypAll X80 Towels, Kimtech wipers and offerings for the Do-It-Yourself channel continued to deliver overall net sales growth.

- Net sales of health care products increased 10.2 percent. Sales volumes rose more than 7 percent, on the strength of broad-based growth in face masks, sterilization wrap, medical devices and new Sterling Nitrile exam gloves. Favorable product mix benefited second quarter sales by 2 percent and higher net selling prices contributed an additional 1 percent.

By Geography
(Millions of dollars)

Net Sales	2006	2005
North America	**$ 2,427.9**	$ 2,342.3
Outside North America	**1,872.8**	1,788.9
Intergeographic sales	**(139.3)**	(144.1)
Consolidated	**$ 4,161.4**	$ 3,987.1

Commentary:

- Net sales in North America increased 3.7 percent primarily because of the increased sales volumes for personal care products and the higher net selling prices for consumer tissue, partially offset by the lower consumer tissue sales volumes.

- Net sales outside of North America increased 4.7 percent primarily due to the previously mentioned strength in the developing and emerging markets, tempered by the lower net sales for European personal care and consumer tissue products.

Analysis of Operating Profit

By Business Segment
(Millions of dollars)

Operating Profit	2006	2005
Personal Care	**$ 328.4**	$ 315.0
Consumer Tissue	**177.6**	203.4
K-C Professional & Other	**106.1**	104.0
Health Care	**66.1**	55.3
Other income and (expense), net	**(1.6)**	1.7
Corporate & Other	**(132.5)**	(43.2)
Consolidated	**$ 544.1**	$ 636.2

Note: For 2006, Corporate & Other includes $89.4 million of charges for strategic cost reductions, and other expenses not associated with the business segments.

Commentary:

	Percentage Change in Operating Profit Versus Prior Year						
		Change Due To					
	Total Change	Volume	Net Price	Raw Materials Cost	Energy and Distribution Expense	Currency	Other(a)
Consolidated	(14)	5	12	(6)	(10)	2	(17)(b)
Personal Care	4	11	(2)	(7)	(5)	2	5
Consumer Tissue	(13)	(7)	27	(4)	(17)	-	(12)
K-C Professional & Other	2	4	20	(3)	(10)	2	(11)
Health Care	20	19	7	(10)	(3)	(2)	9

(a) Includes higher marketing and general expenses, net of cost savings achieved.

(b) Includes costs aggregating $89.4 million for strategic cost reductions.

Consolidated operating profit for the second quarter of 2006 decreased $92.1 million or 14.5 percent from the prior year. This decline was primarily due to the $89.4 million of charges for strategic cost reductions discussed later in this MD&A and in Note 3 to the Consolidated Financial Statements. These charges are not included in the business segments. Another factor that negatively impacted operating profit was cost inflation of about $100 million. Total cost inflation included about $30 million for raw materials other than fiber, driven by increases in the cost of polymer resins, superabsorbents and other oil-based materials, $10 million in higher fiber costs, $25 million in energy costs, and more than $35 million in distribution costs. As discussed in Note 1 to the Consolidated Financial Statements, effective January 1, 2006, the Corporation adopted Statement of Financial Accounting Standards No. 123R, *Share-Based Payment* ("SFAS 123R"). Adoption of SFAS 123R resulted in a charge of $10.9 million for stock option expense. The continued growth in net sales and cost savings totaling about $50 million positively impacted second quarter operating results.

- Personal care segment operating profit increased 4.3 percent as the benefits of higher sales volumes and cost savings more than offset lower net selling prices and significant raw material cost inflation. In North America, higher sales volumes and cost savings were offset by lower net selling prices and cost inflation. Operating profit in Europe increased primarily due to cost savings. In the developing and emerging markets, higher net sales were offset by increased distribution, marketing and general expenses.

- Consumer tissue segment operating profit decreased 12.7 percent because cost inflation and lower sales volumes more than offset the benefits of the higher net selling prices. In North America and Europe, higher energy, distribution and manufacturing operating costs more than offset the effect of higher net selling prices. In the developing and emerging markets, higher distribution, marketing and general expenses more than offset higher net selling prices.

- Operating profit for K-C Professional & Other products increased 2.0 percent as the higher net sales more than offset increased energy, distribution, marketing and general costs.

- Health care segment operating profit increased 19.5 percent on the strength of the higher net selling prices and sales volumes, tempered by increased raw materials costs and higher general expenses.

- Other income and (expense), net includes lower currency losses in 2006 compared with 2005, however, 2005 included a gain on the settlement of an insurance claim related to one of the Corporation's facilities in Europe.

By Geography
(Millions of dollars)

Operating Profit	**2006**	2005
North America	**$ 495.0**	$ 513.6
Outside North America	**183.2**	164.1
Other income and (expense), net	**(1.6)**	1.7
Corporate & Other	**(132.5)**	(43.2)
Consolidated	**$ 544.1**	$ 636.2

Note: For 2006, Corporate & Other includes $89.4 million of charges for strategic cost reductions, and other expenses not associated with the geographic regions.

Commentary:

- Operating profit in North America decreased 3.6 percent primarily due to lower earnings in the consumer tissue business.

- Operating profit outside North America increased 11.6 percent primarily because of higher earnings for personal care in Europe and Latin America.

Strategic Cost Reductions

During the second quarter of 2006, the Corporation made further progress implementing the strategic cost reductions that will support the targeted growth investments announced in July 2005. As previously disclosed, the Corporation plans to reduce costs by streamlining manufacturing and administrative operations primarily in North America and Europe, creating an even more competitive platform for growth and margin improvement.

Pretax charges totaling $89 million (approximately $60 million after tax) related to these cost reduction initiatives were recorded in the second quarter. A majority of the pretax charges were noncash, primarily for incremental depreciation. Major components of the charges were for consolidation of North Atlantic feminine and adult care and North American infant and child care operations, as well as cost structure improvements in Europe and Latin America.

To date, employees have been notified about workforce reductions and other actions at 19 of the approximately 24 facilities slated for sale, closure or streamlining as part of the cost reduction initiatives, and pretax charges of $527 million (about $382 million after tax) have been recorded. The Corporation currently expects to incur cumulative pretax charges of $1.0 to $1.1 billion ($700 to $775 million after tax) through the end of 2008 that will yield annual pretax savings of at least $350 million in 2009. See Note 3 to the Consolidated Financial Statements for additional detail on the costs recorded in the second quarter.

Savings of approximately $25 million were realized in the second quarter of 2006. Based upon results to date and plans for the balance of the year, the Corporation expects to achieve at least $100 million of savings in 2006. Pretax charges for the full year are expected to total approximately $500 million.

The strategic cost reductions are corporate decisions and are not included in the business segments' operating profit performance. See Note 10 to the Consolidated Financial Statements for the 2006 costs of the strategic cost reductions related to the activities in the Corporation's business segments. The second quarter 2006 charges have been recorded in Cost of Products Sold ($66.4 million) and Marketing, Research and General Expenses ($23.0 million).

Additional Income Statement Commentary

- Nonoperating expense of $7.6 million for the second quarter of 2006 is the Corporation's pretax loss associated with its ownership interest in the synthetic fuel partnerships described in Note 5 to the Consolidated Financial Statements.
- Interest expense increased 19.0 percent primarily due to higher average interest rates.
- The Corporation's effective income tax rate was 26.8 percent in 2006 compared with 25.6 percent in 2005. A lower level of synthetic fuel tax benefits and related nonoperating expense than in the prior year were the main reasons the second quarter 2006 effective tax rate increased from 2005.
- The Corporation's share of net income of equity affiliates increased 32.8 percent primarily due to higher earnings at Kimberly-Clark de Mexico, S.A. de C.V. ("KCM"). KCM's results were driven by higher sales volumes and higher net selling prices, as well as lower currency transaction losses than in 2005.
- Minority owners' share of subsidiaries' net income increased 11.5 percent, primarily due to higher earnings of certain of the Corporation's subsidiaries in Latin America.
- As a result of the Corporation's ongoing share repurchase program, the average number of common shares outstanding declined, benefiting second quarter 2006 results by $.03 per share compared with last year.

First Six Months of 2006 Compared With First Six Months of 2005

Analysis of Net Sales

By Business Segment
(Millions of dollars)

Net Sales	**2006**	2005
Personal Care	**$ 3,340.1**	$ 3,134.5
Consumer Tissue	**2,931.6**	2,864.6
K-C Professional & Other	**1,313.2**	1,273.0
Health Care	**661.9**	615.1
Corporate & Other	**16.7**	15.6
Intersegment sales	**(34.2)**	(9.9)
Consolidated	**$ 8,229.3**	$ 7,892.9

Commentary:

	Percent Change in Net Sales Versus Prior Year				
		Changes Due To			
	Total Change	Volume Growth	Net Price	Currency	Mix/ Other
Consolidated	4	2	1	(1)	2
Personal Care	7	6	(1)	-	2
Consumer Tissue	2	(1)	3	(1)	1
K-C Professional & Other	3	-	3	(1)	1
Health Care	8	6	1	(1)	2

Consolidated net sales for the first six months of 2006 increased 4.3 percent.

- Personal care net sales increased 6.6 percent. The increase was primarily due to higher sales volumes in North America and higher sales volumes and net selling prices in the developing and emerging markets, tempered by lower net selling prices in North America and Europe. Favorable currency effects in North America, South Korea and Brazil were mostly offset by unfavorable effects in Europe and Australia.

- Consumer tissue net sales increased 2.3 percent because of higher net selling prices in each of the regions and higher sales volumes in the developing and emerging markets, partially offset by lower sales volumes in North America and Europe. Favorable product mix was offset by unfavorable currency effects, primarily in Europe.

- Net sales of K-C Professional & Other products increased 3.2 percent due to higher net selling prices and improved product mix.

- Health care net sales increased 7.6 percent on the strength of higher sales volumes.

By Geography
(Millions of dollars)

Net Sales	**2006**	2005
North America	**$ 4,795.7**	$ 4,618.0
Outside North America	**3,710.7**	3,543.7
Intergeographic sales	**(277.1)**	(268.8)
Consolidated	**$ 8,229.3**	$ 7,892.9

Commentary:

- Net sales in North America increased 3.8 percent principally due to higher personal care sales volumes and higher net selling prices for consumer tissue.

- Net sales outside of North America increased 4.7 percent because of the continued strength in the developing and emerging markets, tempered by lower net sales of consumer tissue products in Europe.

Analysis of Operating Profit

By Business Segment
(Millions of dollars)

Operating Profit	**2006**	2005
Personal Care	**$ 628.6**	$ 626.8
Consumer Tissue	**386.6**	406.6
K-C Professional & Other	**202.0**	205.1
Health Care	**126.0**	120.0
Other income and (expense), net	**(21.8)**	(13.4)
Corporate & Other	**(356.9)**	(71.3)
Consolidated	**$ 964.5**	$ 1,273.8

Note: For 2006, Corporate & Other and Other income (expense), net include $287.1 million and $10.9 million, respectively, of charges for strategic cost reductions, and other expenses not associated with the business segments.

Commentary:

	Percentage Change in Operating Profit Versus Prior Year						
		Change Due To					
	Total Change	Volume	Net Price	Raw Materials Cost	Energy and Distribution Expense	Currency	Other(a)
Consolidated	(24)	7	9	(6)	(9)	1	(26)(b)
Personal Care	-	12	(3)	(7)	(4)	1	1
Consumer Tissue	(5)	(2)	22	(5)	(15)	(1)	(4)
K-C Professional & Other	(2)	4	16	(2)	(10)	1	(11)
Health Care	5	15	5	(9)	(2)	(3)	(1)

(a) Includes higher marketing and general expenses, net of cost savings achieved.

(b) Includes costs aggregating $298.0 million for the strategic cost reductions.

Consolidated operating profit declined $309.3 million or 24.3 percent from the prior year. This decrease was primarily because of $298.0 million of charges for the previously mentioned strategic cost reductions. As previously stated, these charges are not included in the business segments. Through the first six months of 2006, higher sales volumes and increased net selling prices, along with cost savings of about $95 million, nearly offset cost inflation of approximately $190 million and higher marketing and general expenses. Stock-based compensation expense of about $19 million was recorded in the first six months of 2006.

- Personal care segment operating profit was essentially the same as the prior year, $1.8 million higher, because the benefits of increased sales volumes and cost savings were nearly offset by lower net selling prices, cost inflation and higher marketing and general expenses.

- Consumer tissue segment operating profit declined 4.9 percent as higher energy, distribution and general expenses, coupled with increased pulp costs, more than offset the benefit of increased net selling prices.

- Operating profit for K-C Professional & Other decreased 1.5 percent because increased energy, distribution, marketing and general expenses exceeded the benefits of higher net sales.

- Health care segment operating profit increased 5.0 percent due to the benefits of higher sales volumes, net selling prices and a favorable product mix, tempered by cost inflation and higher energy expenses.

- Other income and (expense), net for 2006 includes a loss on the first quarter sale of one of the properties that was disposed of as part of the strategic cost reductions. The effect of this loss was partially offset by lower foreign currency transaction losses in 2006 compared with 2005. In addition, the previously mentioned insurance settlement gain is included in 2005.

By Geography
(Millions of dollars)

Operating Profit	**2006**	2005
North America	**$ 982.6**	$ 1,047.4
Outside North America	**360.6**	311.1
Other income and (expense), net	**(21.8)**	(13.4)
Corporate & Other	**(356.9)**	(71.3)
Consolidated	**$ 964.5**	$ 1,273.8

Note: For 2006, Corporate & Other and Other income (expense), net include $287.1 million and $10.9 million, respectively, of charges for strategic cost reductions, and other expenses not associated with the geographic regions.

Commentary:

- Operating profit in North America decreased 6.2 percent primarily due to lower personal care and consumer tissue earnings.

- Operating profit outside North America increased 15.9 percent primarily because of higher earnings in the developing and emerging markets, and for personal care in Europe.

Additional Income Statement Commentary

- Nonoperating expense of $23.4 million for the first six months of 2006 is the Corporation's pretax loss associated with its ownership interest in the synthetic fuel partnerships described in Note 5 to the Consolidated Financial Statements.

- Under the Internal Revenue Code, the ability to use tax credits from the production of synthetic fuel is phased-out when the average annual domestic price of oil exceeds certain statutory amounts. The average annual domestic price for 2006 is estimated to result in a partial phase-out of the tax credits. These estimates will be updated as the year progresses, and may result in an adjustment in subsequent quarters of the credits recognized in the first six months of 2006.

- Interest expense increased 21.3 percent primarily due to higher average interest rates.

- The Corporation's effective tax rate was 27.3 percent in 2006 compared with 23.4 percent in 2005. A lower level of synthetic fuel tax benefits and related nonoperating expense than in the prior year were the main reasons the second quarter 2006 effective tax rate increased from 2005.

- The Corporation's share of net income of equity companies rose 23.3 percent to $81.9 million, driven mainly by higher net income at KCM, where results were driven by continued strong results in its consumer business and lower currency transaction losses than in 2005.

- Minority owners' share of subsidiaries' net income increased 8.5 percent, primarily due to higher earnings at certain of the Corporation's subsidiaries in Latin America, tempered by lower earnings of a subsidiary in the Middle East.

- As a result of the Corporation's ongoing share repurchase program, the average number of common shares outstanding declined, benefiting 2006 results by $.06 per share compared with last year.

Liquidity and Capital Resources

- Cash provided by operations for the first six months of 2006 increased by $36.0 million compared with 2005 primarily due to less of an increase in investment in operating working capital.

- Capital spending for the first six months of 2006 was $398.6 million. The Corporation continues to target full year capital spending between $900 million and $1 billion.

- During the first six months of 2006, the Corporation repurchased about 4.8 million shares of its common stock at a cost of approximately $284 million, including 2.5 million shares repurchased during the second quarter at a cost of $149 million. The Corporation continues to target total share repurchases of $750 million for the year.

- At June 30, 2006, total debt and preferred securities was $4.4 billion compared to $4.6 billion at December 31, 2005.

- Management believes that the Corporation's ability to generate cash from operations and its capacity to issue short-term and long-term debt are adequate to fund working capital, capital spending, payment of dividends, repurchases of common stock and other needs in the foreseeable future.

New Accounting Pronouncement

In June 2006, the Financial Accounting Standards Board ("FASB") issued Interpretation 48, *Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109 (Issued 6/06)* ("FIN 48"). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB Statement No. 109, *Accounting for Income Taxes.* FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The interpretation is effective for fiscal years beginning after December 15, 2006, with early adoption encouraged. The Corporation is currently evaluating FIN 48 to determine what effect, if any, adoption will have on its consolidated financial position or results of operations.

Environmental Matters

The Corporation has been named a potentially responsible party under the provisions of the federal Comprehensive Environmental Response, Compensation and Liability Act, or analogous state statutes, at a number of waste disposal sites, none of which, individually or in the aggregate, in management's opinion, is likely to have a material adverse effect on the Corporation's business, financial condition, results of operations, or liquidity.

Business Outlook

Under its Global Business Plan, the Corporation believes it is focused on the right strategies to deliver sustainable top- and bottom-line growth and improve returns to shareholders. Building on the sequential improvement in results in the second quarter, the Corporation's plan calls for further improvement in the second half of the year in spite of the inflationary environment it is currently facing. The Corporation has targeted more innovation in its products and believes its businesses in the developing and emerging markets should continue to grow rapidly. The Corporation further believes that continued solid top-line growth, aggressive cost reductions and sustained strong performance at K-C de Mexico should enable it to fully offset these additional cost pressures.

Information Concerning Forward-Looking Statements

Certain matters discussed in this report concerning, among other things, the business outlook, including new product introductions, cost savings, anticipated financial and operating results, strategies, contingencies and contemplated transactions of the Corporation, constitute forward-looking statements and are based upon management's expectations and beliefs concerning future events impacting the Corporation. There can be no assurance that these events will occur or that the Corporation's results will be as estimated.

The assumptions used as a basis for the forward-looking statements include many estimates that, among other things, depend on the achievement of future cost savings and projected volume increases. In addition, many factors outside the control of the Corporation, including the prices of the Corporation's raw materials, potential competitive pressures on selling prices or advertising and promotion expenses for the Corporation's products, and fluctuations in foreign currency exchange rates, as well as general economic conditions in the markets in which the Corporation does business, could impact the realization of such estimates.

For a description of these and other factors that could cause the Corporation's future results to differ materially from those expressed in any such forward-looking statements, see Part I, Item 1A of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2005 entitled "Risk Factors."

Item 4. Controls and Procedures.

As of June 30, 2006, an evaluation was performed under the supervision and with the participation of the Corporation's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Corporation's disclosure controls and procedures. Based on that evaluation, the Corporation's management, including the Chief Executive Officer and Chief Financial Officer, concluded that the Corporation's disclosure controls and procedures were effective as of June 30, 2006. There have been no significant changes during the quarter covered by this report in the Corporation's internal control over financial reporting or in other factors that could significantly affect internal control over financial reporting.

PART II – OTHER INFORMATION

Item 2. Stock Repurchases.

The Corporation regularly repurchases shares of Kimberly-Clark common stock pursuant to publicly announced share repurchase programs. All share repurchases by the Corporation were made through brokers in the open market. During 2006, the Corporation anticipates purchasing $750 million of its common stock. The following table contains information for shares repurchased during the second quarter of 2006. None of the shares in this table were repurchased directly from any officer or director of the Corporation.

Period (2006)	Shares Purchased (1)	Average Cost Per Share	Cumulative Number of Shares Purchased Pursuant To The Plan	Remaining Shares That May Be Repurchased
April 1 to 30	979,000	$ 57.82	8,095,000	41,905,000
May 1 to 31	770,000	60.23	8,865,000	41,135,000
June 1 to 30	761,000	60.68	9,626,000	40,374,000
Total	2,510,000			

(1) All share repurchases during the three months ended June 30, 2006 were made pursuant to a share repurchase program authorized by the Corporation's board of directors on September 15, 2005 which allowed for the repurchase of 50 million shares in an amount not to exceed $5.0 billion.

In addition, during May, 6,623 shares at a cost of $391,754 were purchased from current or former employees in connection with the exercise of employee stock options and other awards. No shares were purchased from such employees during April and June.

Item 6. Exhibits.

(a) Exhibits

(3)a Restated Certificate of Incorporation, dated June 12, 1997 and Certificate Eliminating Series A Junior Participating Preferred Stock, incorporated by reference to Exhibit No. (3)a of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2004.

(3)b By-Laws, as amended April 24, 2003, incorporated by reference to Exhibit No. (3)b of the Corporation's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2003.

(4) Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.

(10)n Form of Award Agreements under 2001 Equity Participation Plan, as amended, filed herewith.

(31)a Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), filed herewith.

(31)b Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.

(32)a Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

(32)b Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KIMBERLY-CLARK CORPORATION
(Registrant)

By: /s/ Mark A. Buthman
Mark A. Buthman
Senior Vice President and
Chief Financial Officer
(principal financial officer)

By: /s/ Randy J. Vest
Randy J. Vest
Vice President and Controller
(principal accounting officer)

August 8, 2006

EXHIBIT INDEX

Exhibit No.	Description
(3)a	Restated Certificate of Incorporation, dated June 12, 1997 and Certificate Eliminating Series A Junior Participating Preferred Stock, incorporated by reference to Exhibit No. (3)a of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2004.
(3)b	By-Laws, as amended April 24, 2003, incorporated by reference to Exhibit No. (3)b of the Corporation's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2003.
(4)	Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.
(10)n	Form of Award Agreements under 2001 Equity Participation Plan, as amended, filed herewith.
(31)a	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), filed herewith.
(31)b	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.
(32)a	Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
(32)b	Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

Exhibit (10)n

KIMBERLY-CLARK CORPORATION
2001 EQUITY PARTICIPATION PLAN
____ AWARD AGREEMENT

This Award, granted this ____ day of _____, ____, by Kimberly-Clark Corporation, a Delaware corporation (the "Corporation"), to ________ (the "Employee") subject to the terms and conditions of the 2001 Equity Participation Plan (the “Plan”), and the applicable Attachment to this Award Agreement.

NOW, THEREFORE, it is agreed as follows:

1. Number of Performance Restricted Stock Units Granted. The Corporation hereby grants to the Employee Performance Restricted Stock Units (“PRSUs”) at a target level of __________ (the “Target Level”), subject to Attachments A-1 and A-2 and the Corporation's attainment of the Performance Goals established by the Committee. The actual number of PRSUs earned by the Employee at the end of the Restricted Period may range from 0 to ___% of the Target Level. During the Restricted Period, the Employee may not sell, assign, transfer, or otherwise dispose of, or mortgage, pledge or otherwise encumber the Award.

2. Number of Time-Vested Restricted Share Units Granted. The Corporation hereby grants to the Employee the right to receive _________ Restricted Share Units of the $1.25 par value common stock of the Corporation, subject to the terms and conditions of Attachment B. During the Restricted Period, the Employee may not sell, assign, transfer, or otherwise dispose of, or mortgage, pledge or otherwise encumber the Restricted Share Units. The Restricted Share Units shall be subject to forfeiture until the Employee becomes vested in such Awards according to the following schedule:

   33% of the Restricted Share Units shall vest on ______________
   33% of the Restricted Share Units shall vest on ______________
   34% of the Restricted Share Units shall vest on ______________

3. Number of Shares Optioned; Option Price. The Corporation grants to the Employee the right and option to purchase in his own name, subject to the terms and conditions of Attachment C, all or any part of an aggregate of _____________ shares of the $1.25 par value common stock of the Corporation at a purchase price of $_____ per share. This option shall not be an incentive stock option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"). This option shall be subject to forfeiture until the Employee becomes vested in such Awards according to the following schedule:

   30% of the Nonqualified Stock Options shall vest on ______________
   30% of the Nonqualified Stock Options shall vest on ______________
   40% of the Nonqualified Stock Options shall vest on ______________

4. <u>Defined Terms</u>. Terms which are capitalized are defined herein or in the Plan and have the same meaning set forth herein or in the Plan, unless the context indicates otherwise.

5. <u>Noncompete</u>. Employee has until the end of the one hundred twenty (120) day period beginning from the date of grant of this option to sign and return both this Award Agreement and the attached Noncompete Agreement. If Employee does not sign and return both this Award Agreement and the attached Noncompete Agreement on or before the end of such one hundred twenty (120) day period then this Agreement shall not be binding on and shall be voidable by the Corporation, in which case it shall have no further force or effect.

IN WITNESS WHEREOF, the Corporation has caused this Award to be executed in its behalf by its Chairman of the Board of Directors and Chief Executive Officer, and to be sealed with its corporate seal and attested by its Secretary or Assistant Secretary, as of the day and year first above written, which is the date of this Award.

KIMBERLY-CLARK CORPORATION

By:____________________________
Title: Chairman of the Board and
Chief Executive Officer

I acknowledge receipt of a copy of the Plan and the Attachments to this Agreement, a copy of which was annexed hereto, and represent that I am familiar with the terms and provisions thereof. I hereby accept this Award subject to all the terms and provisions of the Plan and this Agreement including its Attachments. I hereby agree to accept as binding, conclusive, and final all decisions and interpretations of the Board of Directors and the Committee, upon any questions arising under the Plan. I acknowledge that I have no future rights to Award grants under this or any plans offered by the employer, including but not limited to, upon termination of the Plan or upon severance of my employment. As a condition of this Award, I authorize the Corporation to withhold and pay over to governmental taxing authorities in accordance with applicable federal, state or local laws any taxes required to be withheld as a result of this Award.

____
EMPLOYEE

Attachment A-1

KIMBERLY-CLARK CORPORATION
PERFORMANCE RESTRICTED STOCK UNIT
____ AWARD AGREEMENT

This Award, granted this ____ day of _____, ____, by Kimberly-Clark Corporation, a Delaware corporation (hereinafter called the "Corporation"), subject to the terms and conditions of the 2001 Equity Participation Plan (the “Plan”) and the Award Agreement.

W I T N E S S E T H:

WHEREAS, the Corporation has adopted the 2001 Equity Participation Plan (the "Plan") to encourage those employees who materially contribute, by managerial, scientific or other innovative means, to the success of the Corporation or of an Affiliate, to acquire an ownership interest in the Corporation, thereby increasing their motivation for and interest in the Corporation's or the Affiliate's long-term success;

NOW, THEREFORE, it is agreed as follows:

1. Number of Share Units Granted. The Corporation hereby grants to the Employee Performance Restricted Stock Units (“PRSUs”) at a target level set forth in the Award Agreement (the “Target Level”), subject to the terms, conditions and restrictions set forth herein and in the Plan, and the Corporation's attainment of the Performance Goals established by the Committee. The actual number of PRSUs earned by the Employee at the end of the Restricted Period may range from 0 to ___% of the Target Level.

2. Transferability Restrictions.

   (a) Restricted Period. During the Restricted Period, the Employee may not sell, assign, transfer, or otherwise dispose of, or mortgage, pledge or otherwise encumber the Award. Except as provided under paragraph 2, the Award shall be subject to forfeiture until the end of the Restricted Period on ________, ____. Employee becomes 100% vested in the number of PRSUs earned based on attainment of the Performance Goal at the end of the Restricted Period as approved and authorized by the Committee.

   The Restricted Period shall begin on the date of the granting of this Award, and shall end ________, ____. Holders of Awards shall have none of the rights of a shareholder with respect to such shares including, but not limited to, any right to receive dividends in cash or other property or other distribution or rights in respect of such shares except as otherwise provided in this Agreement, nor to vote such shares as the record owner thereof.

During the Restricted Period, the Employee will be paid in cash within 60 days an amount equal to any dividends and other distributions which would have been paid on shares of Common Stock, based on the Target Level of PRSUs granted under this Award. The amount equal to any dividends and other distributions on the Award shall be paid to the Employee if, as and when dividends are declared and paid by the Corporation with respect to its outstanding shares of Common Stock. In the case of dividends paid in property other than cash, the amount of the dividend shall be deemed to be the fair market value of the property at the time of the payment of the dividend, as determined in good faith by the Corporation. The Corporation shall not be required to segregate any cash or other property of the Corporation. Any amounts which become payable to an Employee shall be paid from the general assets of the Corporation.

(b) Termination of Employment. Employee shall forfeit any unvested Award upon termination of employment unless such termination (i) is due to a Qualified Termination of Employment, or (ii) if more than six months after the date of grant, due to death, Retirement, Total and Permanent Disability, or the shutdown or divestiture of a business unit. An authorized leave of absence shall not be deemed to be a termination of employment. A termination of employment with the Corporation or an Affiliate to accept immediate reemployment with the Corporation or an Affiliate likewise shall not be deemed to be a termination of employment.

(c) Death, Retirement, or Total and Permanent Disability. In the event that more than six months after the date of grant the Employee's termination of employment is due to death or Total and Permanent Disability, it shall result in pro rata vesting, as determined by the Committee, and the number of shares that are considered to vest shall be determined at the end of the Restricted Period, prorated for the number of full months of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid within 90 days following the end of the Restricted Period. In the event that more than six months after the date of grant the Employee's termination of employment is due to Retirement it shall result in 100% vesting in the number of Restricted Share Units earned based on attainment of the Performance Goal at the end of the Restricted Period as approved and authorized by the Committee, and such Award shall be paid within 90 days following the end of the Restricted Period.

(d) Shutdown or Divestiture. In the event that more than six months after the date of grant the Employee's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business it shall result in pro rata vesting, as determined by the Committee, and the number of shares that are considered to vest shall be determined at the end of the Restricted Period, prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid within 90 days following the end of the Restricted Period.

(e) Qualified Termination of Employment. In the event of a Qualified Termination of Employment all restrictions will lapse and the shares will become fully vested and the number of shares that shall be considered to vest shall be the greater of the Target Level or the number of shares which would have vested based on the attainment of the Performance Goal as of the end of the prior calendar year and shall be paid within 10 days following the last day of employment of the Employee with the Corporation.

(f) Payment of Awards. The payment of the Award shall be made in shares of Common Stock. Except as may otherwise be provided in subparagraph 2(e), the payment of an Award to an Employee who is not a Key Employee shall be made within 90 days following the end of the Restricted Period. Notwithstanding anything in this Agreement to the contrary, except in the event of death, the payment of an Award to an Employee who is a Key Employee shall be made at the later of the first day of the seventh month following the date of separation from service or the end of the Restricted Period. A Key Employee is any Employee who meets the definition of a specified employee as defined in Section 409A(a)(2)(B)(i) of the Code and the regulations promulgated thereunder.

(g) Payment of Withholding Taxes. No shares of Common Stock, nor any cash payment, may be delivered under this Award, unless prior to or simultaneously with such issuance, the Employee or, in the event of his death, the person succeeding to his rights hereunder, shall pay to the Corporation such amount as the Corporation advises is required under applicable federal, state or local laws to withhold and pay over to governmental taxing authorities by reason of the delivery of such shares of Common Stock and any cash payment pursuant to this Award. The Corporation may, in its discretion, withhold payment of required withholding taxes with cash or shares of Common Stock which otherwise would be delivered following the date of vesting of the Award under this paragraph 2.

3. Nontransferability. Neither the Award nor the Employee's right to receive payment for vested Awards may be assigned or transferred except upon the death of the Employee (i) by will, (ii) by the laws of descent and distribution or (iii) pursuant to a designation by the Employee of a beneficiary or beneficiaries, provided that no such designation shall be effective unless filed with the Committee prior to the death of such Employee.

4. Compliance with Law. No payment may be made under this Award, unless prior to the issuance thereof, the Corporation shall have received an opinion of counsel to the effect that this Award by the Corporation to the Employee will not constitute a violation of the Securities Act of 1933, as amended. As a condition of this Award, the Employee shall, if requested by the Corporation, submit a written statement in form satisfactory to counsel for the Corporation, to the effect that any shares received under this Award shall be for investment and not with a view to the distribution thereof within the meaning of the Securities Act of 1933, as amended, and the Corporation shall have the right, in its discretion, to cause the certificates representing shares hereunder to be appropriately legended to refer to such undertaking or to any legal restrictions imposed upon the transferability thereof by reason of such undertaking.

The Award granted hereby is subject to the condition that if the listing, registration or qualification of the shares subject hereto on any securities exchange or under any state or federal law, or if the consent or approval of any regulatory body shall be necessary as a condition of, or in connection with, the granting of the Award or the delivery of shares thereunder, such shares may not be delivered unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained. The Corporation agrees to use its best efforts to obtain any such requisite listing, registration, qualification, consent or approval.

The Employee is solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses, or notices, which may be necessary for the Employee to hold the Award, or to receive any payment of cash or shares or to hold or sell the shares subject to the Award, if any. Neither Kimberly-Clark nor its Affiliates will be responsible for obtaining any such approvals, licenses or permits, or for making any such notices, nor will the Corporation nor its Affiliates be liable for any fines or penalties the Employee may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.

5. No Right of Continued Employment. The granting of this Award does not confer upon the Employee any legal right to be continued in the employ of the Corporation or its Affiliates, and the Corporation and its Affiliates reserve the right to discharge the Employee whenever the interest of the Corporation or its Affiliates may so require without liability to the Corporation or its Affiliates, the Board of Directors of the Corporation or its Affiliates, or the Committee, except as to any rights which may be expressly conferred on the Employee under this Award.

6. Discretion of the Corporation, Board of Directors and the Committee. Any decision made or action taken by the Corporation or by the Board of Directors of the Corporation or by the Committee arising out of or in connection with the construction, administration, interpretation and effect of this Award shall be within the absolute discretion of the Corporation, the Board of Directors of the Corporation or the Committee, as the case may be, and shall be conclusive and binding upon all persons.

7. Inalienability of Benefits and Interest. This Award and the rights and privileges conferred hereby shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void and no such benefit or interest shall be in any manner liable for or subject to debts, contracts, liabilities, engagements, or torts of the Employee.

8. Delaware Law to Govern. The Plan is governed by and subject to the laws of the United States of America. All questions pertaining to the construction, interpretation, regulation, validity and effect of the provisions of this Award and any rights under the Plan shall be determined in accordance with the laws of the State of Delaware.

9. Purchase of Common Stock. The Corporation and its Affiliates may, but shall not be required to, purchase shares of Common Stock of the Corporation for purposes of satisfying the requirements of this Award. The Corporation and its Affiliates shall have no obligation to retain and shall have the unlimited right to sell or otherwise deal with for their own account, any shares of common stock of the Corporation purchased for satisfying the requirements of this Award.

10. Notices. Any notice to be given to the Corporation under this Award shall be addressed to the Corporation in care of its Director of Compensation located at the World Headquarters, and any notice to be given to the Employee under the terms of this Award may be addressed to him at his address as it appears on the Corporation's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered and deposited, postage and registry fee prepaid, in a post office or branch post office regularly maintained by the United States Government.

11. Changes in Capitalization. In the event there are any changes in the common stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and changes shall be made by the Committee in (a) the number of shares subject to this Award, and (b) such other provisions of this Award as may be necessary and equitable to carry out the foregoing purposes.

12. Effect on Other Plans. All benefits under this Award shall constitute special compensation and shall not affect the level of benefits provided to or received by the Employee (or the Employee's estate or beneficiaries) as part of any employee benefit plan of the Corporation or an Affiliates. This Award shall not be construed to affect in any way the Employee's rights and obligations under any other plan maintained by the Corporation or an Affiliate on behalf of employees.

13. Discretionary Nature of Award. The grant of an Award is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Future grants, if any, will be at the sole discretion of Kimberly-Clark, including, but not limited to, the timing of any grant, the number of PRSUs and vesting provisions. The value of the Award is an extraordinary item of compensation outside the scope of the Employee’s employment contract, if any. As such, the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

14. Data Privacy. The Employee hereby authorizes their employer to furnish Kimberly-Clark (and any agent of Kimberly-Clark administering the Plan or providing Plan recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and administration of the Plan and the Employee waives any data privacy rights such Employee might otherwise have with respect to such information.

15. Conflict with Plan. This Award is awarded pursuant to and subject to the Plan. This Agreement is intended to supplement and carry out the terms of the Plan. It is subject to all terms and provisions of the Plan and, in the event of a conflict, the Plan shall prevail.

16. Successors. This Award shall be binding upon and inure to the benefit of any successor or successors of the Corporation.

17. Amendments. The Committee may at any time alter or amend this Award to the extent (1) permitted by law, (2) permitted by the rules of any stock exchange on which the common stock or any other security of the Corporation is listed, and (3) permitted under applicable provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended (including rule 16b-3 thereof).

18. Defined Terms. Terms which are capitalized are defined herein or in the Plan and have the same meaning set forth in the Plan, unless the context indicates otherwise.

Attachment A-2

Performance Goal for Kimberly-Clark Corporation Performance Restricted Stock Unit Awards Granted ________, ____

[Performance Goal as determined by Compensation Committee at time of grant to be set forth on this Attachment A-2]

Attachment B

KIMBERLY-CLARK CORPORATION
TIME-VESTED RESTRICTED SHARE UNIT
____ AWARD AGREEMENT

This Award, granted this ____ day of _____, ____, by Kimberly-Clark Corporation, a Delaware corporation (hereinafter called the "Corporation"), subject to the terms and conditions of the 2001 Equity Participation Plan (the “Plan”) and the Award Agreement.

W I T N E S S E T H:

WHEREAS, the Corporation has adopted the 2001 Equity Participation Plan (the "Plan") to encourage those employees who materially contribute, by managerial, scientific or other innovative means, to the success of the Corporation or of an Affiliate, to acquire an ownership interest in the Corporation, thereby increasing their motivation for and interest in the Corporation's or the Affiliate's long-term success;

NOW, THEREFORE, it is agreed as follows:

1. Number of Share Units Granted. The Corporation hereby grants to the Employee the right to receive the number of Time-Vested Restricted Share Units of the $1.25 par value common stock of the Corporation set forth in the Award Agreement, subject to the terms, conditions and restrictions set forth herein and in the Plan.

2. Transferability Restrictions.

(a) Restricted Period. During the Restricted Period, the Employee may not sell, assign, transfer, or otherwise dispose of, or mortgage, pledge or otherwise encumber the Award. The Restricted Share Units shall be subject to forfeiture until the Employee becomes vested in such Award according to the schedule set forth in the Award Agreement.

The Restricted Period shall begin on the date of the granting of this Award, and shall end upon the vesting of the Award according to the schedule set forth in the Award Agreement. Holders of Awards shall have none of the rights of a shareholder with respect to such shares including, but not limited to, any right to receive dividends in cash or other property or other distribution or rights in respect of such shares except as otherwise provided in this Agreement, nor to vote such shares as the record owner thereof.

During the Restricted Period, the Employee will be paid in cash within 60 days an amount equal to any dividends and other distributions which would have been paid on shares of Common Stock, based on the Restricted Share Units granted under this Award. The amount equal to any dividends and other distributions on the Award shall be paid to the Employee within sixty days of when dividends are paid by the Corporation with respect to its outstanding shares of Common Stock. In the case of dividends paid in property other than cash, the amount of the dividend shall be deemed to be the fair market value of the property at the time of the payment of the dividend, as determined in good faith by the Corporation. The Corporation shall not be required to segregate any cash or other property of the Corporation. Any amounts which become payable to an Employee shall be paid from the general assets of the Corporation.

(b) Termination of Employment. Employee shall forfeit any unvested Award upon termination of employment unless such termination (i) is due to a Qualified Termination of Employment, or (ii) if more than six months after the date of grant, due to death, Retirement, Total and Permanent Disability, or the shutdown or divestiture of a business unit. An authorized leave of absence shall not be deemed to be a termination of employment. A termination of employment with the Corporation or an Affiliate to accept immediate reemployment with the Corporation or an Affiliate likewise shall not be deemed to be a termination of employment.

(c) Death, Retirement, or Total and Permanent Disability. In the event that more than six months after the date of grant the Employee's termination of employment is due to death or Total and Permanent Disability, it shall result in pro rata vesting, as determined by the Committee, and the number of shares that are considered to vest shall be prorated for the number of full months of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid within 90 days following the Participant's termination of employment. In the event that more than six months after the date of grant the Employee's termination of employment is due to Retirement it shall result in 100% vesting of the Award at the end of the Restricted Period, and such Award shall be paid within 90 days following such termination of employment.

(d) Shutdown or Divestiture. In the event that more than six months after the date of grant the Employee's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business it shall result in pro rata vesting, as determined by the Committee, and the number of shares that are considered to vest shall be determined at the end of the Restricted Period, prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid within 90 days following the end of the Restricted Period.

(e) Qualified Termination of Employment. In the event of a Qualified Termination of Employment all restrictions will lapse and the shares will become fully vested and shall be paid within 10 days following the last day of employment of the Employee with the Corporation.

(f) Payment of Awards. The payment of the Award shall be made in shares of Common Stock. Except as may otherwise be provided in subparagraph 2(e), the payment of an Award to an Employee who is not a Key Employee shall be made within 90 days following the date of vesting of the Award under the previous subparagraphs. Notwithstanding anything in this Agreement to the contrary, except in the event of death, the payment of an Award to an Employee who is a Key Employee shall be made at the first day of the seventh month following the date of separation from service. A Key Employee is any Employee who meets the definition of a specified employee as defined in Section 409A(a)(2)(B)(i) of the Code and the regulations promulgated thereunder.

(g) Payment of Withholding Taxes. No shares of Common Stock, nor any cash payment, may be delivered under this Award, unless prior to or simultaneously with such issuance, the Employee or, in the event of his death, the person succeeding to his rights hereunder, shall pay to the Corporation such amount as the Corporation advises is required under applicable federal, state or local laws to withhold and pay over to governmental taxing authorities by reason of the delivery of such shares of Common Stock and any cash payment pursuant to this Award. The Corporation may, in its discretion, withhold payment of required withholding taxes with cash or shares of Common Stock which otherwise would be delivered following the date of vesting of the Award under this paragraph 2.

3. Nontransferability. Neither the Award nor the Employee's right to receive payment for vested Awards may be assigned or transferred except upon the death of the Employee (i) by will, (ii) by the laws of descent and distribution or (iii) pursuant to a designation by the Employee of a beneficiary or beneficiaries, provided that no such designation shall be effective unless filed with the Committee prior to the death of such Employee.

4. Compliance with Law. No payment may be made under this Award, unless prior to the issuance thereof, the Corporation shall have received an opinion of counsel to the effect that this Award by the Corporation to the Employee will not constitute a violation of the Securities Act of 1933, as amended. As a condition of this Award, the Employee shall, if requested by the Corporation, submit a written statement in form satisfactory to counsel for the Corporation, to the effect that any shares received under this Award shall be for investment and not with a view to the distribution thereof within the meaning of the Securities Act of 1933, as amended, and the Corporation shall have the right, in its discretion, to cause the certificates representing shares hereunder to be appropriately legended to refer to such undertaking or to any legal restrictions imposed upon the transferability thereof by reason of such undertaking.

The Award granted hereby is subject to the condition that if the listing, registration or qualification of the shares subject hereto on any securities exchange or under any state or federal law, or if the consent or approval of any regulatory body shall be necessary as a condition of, or in connection with, the granting of the Award or the delivery of shares thereunder, such shares may not be delivered unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained. The Corporation agrees to use its best efforts to obtain any such requisite listing, registration, qualification, consent or approval.

The Employee is solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses, or notices, which may be necessary for the Employee to hold the Award, or to receive any payment of cash or shares or to hold or sell the shares subject to the Award, if any. Neither Kimberly-Clark nor its Affiliates will be responsible for obtaining any such approvals, licenses or permits, or for making any such notices, nor will the Corporation nor its Affiliates be liable for any fines or penalties the Employee may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.

5. No Right of Continued Employment. The granting of this Award does not confer upon the Employee any legal right to be continued in the employ of the Corporation or its Affiliates, and the Corporation and its Affiliates reserve the right to discharge the Employee whenever the interest of the Corporation or its Affiliates may so require without liability to the Corporation or its Affiliates, the Board of Directors of the Corporation or its Affiliates, or the Committee, except as to any rights which may be expressly conferred on the Employee under this Award.

6. Discretion of the Corporation, Board of Directors and the Committee. Any decision made or action taken by the Corporation or by the Board of Directors of the Corporation or by the Committee arising out of or in connection with the construction, administration, interpretation and effect of this Award shall be within the absolute discretion of the Corporation, the Board of Directors of the Corporation or the Committee, as the case may be, and shall be conclusive and binding upon all persons.

7. Inalienability of Benefits and Interest. This Award and the rights and privileges conferred hereby shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void and no such benefit or interest shall be in any manner liable for or subject to debts, contracts, liabilities, engagements, or torts of the Employee.

8. Delaware Law to Govern. The Plan is governed by and subject to the laws of the United States of America. All questions pertaining to the construction, interpretation, regulation, validity and effect of the provisions of this Award and any rights under the Plan shall be determined in accordance with the laws of the State of Delaware.

9. Purchase of Common Stock. The Corporation and its Affiliates may, but shall not be required to, purchase shares of Common Stock of the Corporation for purposes of satisfying the requirements of this Award. The Corporation and its Affiliates shall have no obligation to retain and shall have the unlimited right to sell or otherwise deal with for their own account, any shares of common stock of the Corporation purchased for satisfying the requirements of this Award.

10. Notices. Any notice to be given to the Corporation under this Award shall be addressed to the Corporation in care of its Director of Compensation located at the World Headquarters, and any notice to be given to the Employee under the terms of this Award may be addressed to him at his address as it appears on the Corporation's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered and deposited, postage and registry fee prepaid, in a post office or branch post office regularly maintained by the United States Government.

11. Changes in Capitalization. In the event there are any changes in the common stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and changes shall be made by the Committee in (a) the number of shares subject to this Award, and (b) such other provisions of this Award as may be necessary and equitable to carry out the foregoing purposes.

12. Effect on Other Plans. All benefits under this Award shall constitute special compensation and shall not affect the level of benefits provided to or received by the Employee (or the Employee's estate or beneficiaries) as part of any employee benefit plan of the Corporation or an Affiliate. This Award shall not be construed to affect in any way the Employee's rights and obligations under any other plan maintained by the Corporation or an Affiliate on behalf of employees.

13. Discretionary Nature of Award. The grant of an Award is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Future grants, if any, will be at the sole discretion of Kimberly-Clark, including, but not limited to, the timing of any grant, the number of Restricted Share Units and vesting provisions. The value of the Award is an extraordinary item of compensation outside the scope of the Employee’s employment contract, if any. As such, the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

14. Data Privacy. The Employee hereby authorizes their employer to furnish Kimberly-Clark (and any agent of Kimberly-Clark administering the Plan or providing Plan recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and administration of the Plan and the Employee waives any data privacy rights such Employee might otherwise have with respect to such information.

15. Conflict with Plan. This Award is awarded pursuant to and subject to the Plan. This Agreement is intended to supplement and carry out the terms of the Plan. It is subject to all terms and provisions of the Plan and, in the event of a conflict, the Plan shall prevail.

16. Successors. This Award shall be binding upon and inure to the benefit of any successor or successors of the Corporation.

17. Amendments. The Committee may at any time alter or amend this Award to the extent (1) permitted by law, (2) permitted by the rules of any stock exchange on which the common stock or any other security of the Corporation is listed, and (3) permitted under applicable provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended (including rule 16b-3 thereof).

18. Defined Terms. Terms which are capitalized are defined herein or in the Plan and have the same meaning set forth in the Plan, unless the context indicates otherwise.

Attachment C

KIMBERLY-CLARK CORPORATION
OPTION AWARD
____ AWARD AGREEMENT

This Award, granted this ____ day of _____, ____, by Kimberly-Clark Corporation, a Delaware corporation (hereinafter called the "Corporation"), subject to the terms and conditions of the 2001 Equity Participation Plan (the “Plan”) and the Award Agreement.

W I T N E S S E T H:

WHEREAS, the Corporation has adopted the 2001 Equity Participation Plan (the "Plan") to encourage those employees who materially contribute, by managerial, scientific or other innovative means, to the success of the Corporation or of an Affiliate, to acquire an ownership interest in the Corporation, thereby increasing their motivation for and interest in the Corporation's or the Affiliate's long-term success;

NOW, THEREFORE, it is agreed as follows:

1. Number of Shares Optioned; Option Price. The Corporation grants to the Employee the right and option to purchase in his own name, on the terms and conditions hereinafter set forth, all or any part of an aggregate of the number of shares of the $1.25 par value common stock of the Corporation, and at the purchase price per share, set forth in the Award Agreement. This option shall not be an incentive stock option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

2. Exercise of Option.

   (a) Limitations on Exercise. This option shall be subject to forfeiture until the Employee becomes vested in such Awards according to the schedule set forth in the Award Agreement. This option shall not be exercisable until at least one year has expired after the granting of this option, during which time the Employee shall have been in the continuous employ of the Corporation or an Affiliate; provided, however, that the option shall become exercisable immediately in the event of a Qualified Termination of Employment of a Participant, without regard to the limitations set forth below in this subsection. Provided, however, that if the Employee's employment is terminated for any reason other than death, Retirement, or Total and Permanent Disability, this option shall only be exercisable for three months following such termination and only for the number of shares which were exercisable on the date of such termination. In no event, however, may this option be exercised more than ten (10) years after the date of its grant.

The above provisions of Section 2(a) notwithstanding, to the extent provided by rules of the Committee referred to in the Plan (hereinafter referred to as the "Committee"), this option is not exercisable during any period during which the Employee's right to make deposits to the Kimberly-Clark Corporation Salaried Employees Incentive Investment Plan is suspended pursuant to a provision of such plan or rules adopted thereunder to comply with regulations regarding hardship withdrawals promulgated by the Internal Revenue Service.

A leave of absence shall not be deemed to be a termination of employment. A termination of employment with the Corporation or an Affiliate to accept immediate reemployment with the Corporation or an Affiliate likewise shall not be deemed to be a termination of employment.

(b) Exercise after Death, Retirement, or Disability. If the Employee dies, Retires or becomes Totally and Permanently Disabled without having exercised this option in full, the remaining portion of this option, determined without regard to the limitations in subsection 2(a), may be exercised within the earlier of (i) three years from the date of death or Total and Permanent Disability or five years from the date of Retirement, as the case may be, or (ii) the remaining period of this option. In the case of an Employee who dies, this option may be exercised by the person or persons to whom the Employee's rights under this option shall pass by will or by applicable law or, if no such person has such rights, by his executor or administrator. "Retirement" means termination of employment on or after the date the Participant has attained age 55.

(c) Method of Exercise. This option shall be exercised by delivering to the Corporation, at the office of the Treasurer located at the World Headquarters, written notice of the number of shares with respect to which option rights are being exercised and by paying in full the option price of the shares at the time being acquired. Payment may be made in cash, a check payable to the Corporation, or in shares of the Corporation's common stock transferable to the Corporation and having a fair market value on the transfer date equal to the amount payable to the Corporation. The date of exercise shall be deemed to be the date the Corporation receives the written notice and payment for the shares being purchased. The Employee shall have none of the rights of a stockholder with respect to shares covered by such options until the Employee becomes record holder of such shares.

(d) Payment of Withholding Taxes. No shares of common stock may be purchased under this option, unless prior to or simultaneously with such purchase, (i) the Participant, (ii) in the event of his death, the person succeeding to his rights hereunder or, (iii) in the event of a transfer of an option under Section 8 hereof, either the Participant, the Immediate Family Members or the entity succeeding to his rights hereunder, shall pay to the Corporation such amount as the Corporation advises is required under applicable federal, state or local laws to withhold and pay over to governmental taxing authorities by reason of the purchase of such shares of common stock pursuant to this option. Other than a purchase of shares pursuant to an option which had previously been transferred under Section 8 hereof, payment of required withholding taxes may be made with shares of the Corporation's common stock which otherwise would be distributable upon exercise of the option, pursuant to the rules of the Committee.

3. Nontransferability. Except as may otherwise be provided under Section 8 hereof, this option shall be transferable only by will or by the laws of descent and distribution, and during the Employee's lifetime shall be exercisable only by him.

4. Compliance with Law. No shares of common stock may be purchased under this option, unless prior to the purchase thereof, the Corporation shall have received an opinion of counsel to the effect that the issuance and sale of such shares by the Corporation to the Employee will not constitute a violation of the Securities Act of 1933, as amended. As a condition of exercise, the Employee shall, if requested by the Corporation, submit a written statement in form satisfactory to counsel for the Corporation, to the effect that any shares of common stock purchased upon exercise of this option will be purchased for investment and not with a view to the distribution thereof within the meaning of the Securities Act of 1933, as amended, and the Corporation shall have the right, in its discretion, to cause the certificates representing shares of common stock purchased hereunder to be appropriately legended to refer to such undertaking or to any legal restrictions imposed upon the transferability thereof by reason of such undertaking.

   The option granted hereby is subject to the condition that if the listing, registration or qualification of the shares subject hereto on any securities exchange or under any state or federal law, or if the consent or approval of any regulatory body shall be necessary as a condition of, or in connection with, the granting of the option or the delivery or purchase of shares thereunder, such option may not be exercised in whole or in part unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained. The Corporation agrees to use its best efforts to obtain any such requisite listing, registration, qualification, consent or approval.

5. No Right of Continued Employment. The granting of this option does not confer upon the Employee any legal right to be continued in the employ of the Corporation or its Affiliates, and the Corporation and its Affiliates reserve the right to discharge the Employee whenever the interest of the Corporation or its Affiliates may so require without liability to the Corporation or its Affiliates, the Board of Directors of the Corporation or its Affiliates, or the Committee, except as to any rights which may be expressly conferred on the Employee under this option.

6. Discretion of the Corporation, Board of Directors and the Committee. Any decision made or action taken by the Corporation or by the Board of Directors of the Corporation or by the Committee arising out of or in connection with the construction, administration, interpretation and effect of this option shall be within the absolute discretion of the Corporation, the Board of Directors of the Corporation or the Committee, as the case may be, and shall be conclusive and binding upon all persons.

7. Modification of Awards. The Committee may in its sole and absolute discretion, by written notice to the Employee, limit the period in which this option may be exercised to a period ending at least three months following the date of such notice, and/or limit or eliminate the number of shares subject to option after a period ending at least three months following the date of such notice.

8. Inalienability of Benefits and Interest. This option and the rights and privileges conferred hereby shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void and no such benefit or interest shall be in any manner liable for or subject to debts, contracts, liabilities, engagements, or torts of the Employee.

9. Delaware Law to Govern. All questions pertaining to the construction, interpretation, regulation, validity and effect of the provisions of this option shall be determined in accordance with the laws of the State of Delaware.

10. Purchase of Common Stock. The Corporation and its Affiliates may, but shall not be required to, purchase shares of common stock of the Corporation for purposes of satisfying the requirements of this option. The Corporation and its Affiliates shall have no obligation to retain and shall have the unlimited right to sell or otherwise deal with for their own account, any shares of common stock of the Corporation purchased for satisfying the requirements of this option.

11. Notices. Any notice to be given to the Corporation under this option shall be addressed to the Corporation in care of its Treasurer located at the World Headquarters, and any notice to be given to the Employee under the terms of this option may be addressed to him at his address as it appears on the Corporation's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered and deposited, postage and registry fee prepaid, in a post office or branch post office regularly maintained by the United States Government.

12. Changes in Capitalization. In the event there are any changes in the common stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and changes shall be made by the Committee in (a) the number of shares and the option price per share of stock subject to this option, and (b) such other provisions of this option as may be necessary and equitable to carry out the foregoing purposes, provided, however that no such adjustment or change may be made to the extent that such adjustment or change will result in the disallowance of a deduction to the Corporation under section 162(m) of the Code or any successor section.

13. Effect on Other Plans. All benefits under this option shall constitute special compensation and shall not affect the level of benefits provided to or received by the Employee (or the Employee's estate or beneficiaries) as part of any employee benefit plan of the Corporation or an Affiliates. This option shall not be construed to affect in any way the Employee's rights and obligations under any other plan maintained by the Corporation or an Affiliate on behalf of employees.

14. Successors. This option shall be binding upon and inure to the benefit of any successor or successors of the Corporation.

15. Amendments. The Committee may at any time alter or amend this option to the extent (1) permitted by law, (2) permitted by the rules of any stock exchange on which the common stock or any other security of the Corporation is listed, (3) permitted under applicable provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended (including rule 16b-3 thereof), and (4) that such action would not result in the disallowance of a deduction to the Corporation under section 162(m) of the Code or any successor section (including the rules and regulations promulgated thereunder). Notwithstanding anything to the contrary contained herein, the Committee may not take any action that would result in any amount payable under this option qualifying as "applicable employee remuneration" as so defined for purposes of section 162(m) of the Code.

16. Defined Terms. Terms which are capitalized are defined herein or in the Plan and have the same meaning set forth in the Plan, unless the context indicates otherwise.

Exhibit No. (31)a

CERTIFICATIONS

I, Thomas J. Falk, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

August 8, 2006

/s/ Thomas J. Falk
Thomas J. Falk
Chief Executive Officer

Exhibit No. (31)b

CERTIFICATIONS

I, Mark A. Buthman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 8, 2006

/s/ Mark A. Buthman
Mark A. Buthman
Chief Financial Officer

Exhibit No. (32)a

Certification of Chief Executive Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Thomas J. Falk, Chief Executive Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

(1) the Form 10-Q, filed with the Securities and Exchange Commission on August 8, 2006 ("accompanied report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Thomas J. Falk
Thomas J. Falk
Chief Executive Officer

August 8, 2006

Exhibit No. (32)b

Certification of Chief Financial Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Mark A. Buthman, Chief Financial Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

(1) the Form 10-Q, filed with the Securities and Exchange Commission on August 8, 2006 ("accompanied report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Mark A. Buthman
Mark A. Buthman
Chief Financial Officer

August 8, 2006