



DANONE

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Disclaimer

This document contains certain forward-looking statements concerning DANONE. Although DANONE believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in these forward-looking statements. For a detailed description of these risks and uncertainties, please refer to the section “Risk Factors” in DANONE’s Annual Report (which is available on www.danone.com). DANONE undertakes no obligation to publicly update or revise any of these forward-looking statements. This document does not constitute an offer to sell, or a solicitation of an offer to buy, Danone shares.



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2012 a step change

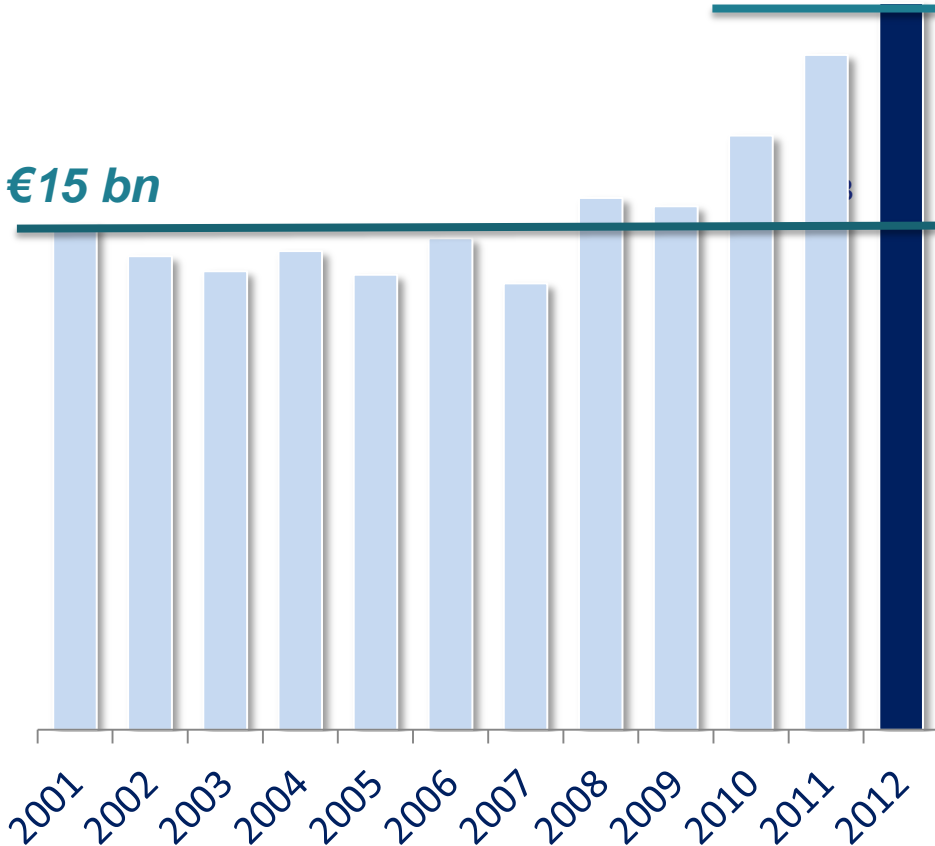
> € 20 bn sales

> 60% sales
in growth markets

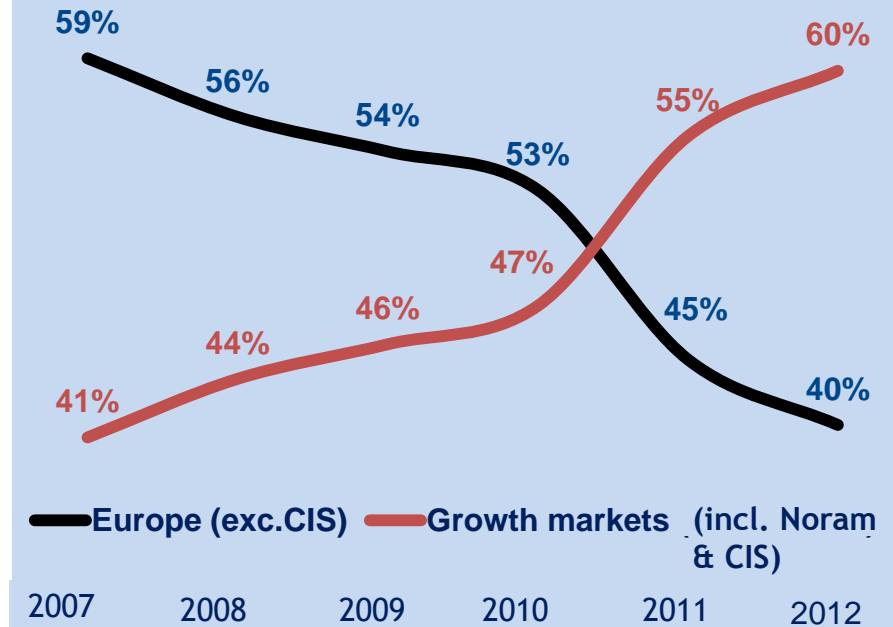
Global sales evolution

€20 bn

€15 bn



Sales evolution by geographies





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Group equation

2012 key figures

% Group Sales

39%

ALMA

21%

**NORAM
& CIS**

40%

EUROPE

TOTAL

TOPLINE

LFL
Growth

+ 15.7%

+ 6.7%

-3.0%

+ 5.4%

MARGIN

% margin

14.8%

10.2%

15.7%

14.18%

LFL
margin
change

+ 31 bps

+ 144 bps

- 190 bps

- 50 bps



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EUROPE: Our roadmap to restore growth

The best packaging



The right organization



The best product



The right price point



Differentiating innovation





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Plan for competitiveness in Europe

EUROPE - 26 countries



SAVINGS

€200mIn

&

**ADAPT &
SIMPLIFY**

**ORGANISATION
& PROCESSES**

REGAIN COMPETITIVE EDGE

Stronger brand identity + better formula + ownable pack

Renovation of Corpos Danone, core range and Dan'up



The right price



Innovation



Stronger brand identity + better formula + ownable pack



A key innovation : Danette Le Liégeois



A full activation model



The right price





NORAM & CIS

2 major engines focused on Fresh Dairy Products

NORAM

10% Group Sales

1 Fresh Dairy Products
ca. 32% market share

CIS

12% Group Sales

1 Fresh Dairy Products
ca. 35% market share



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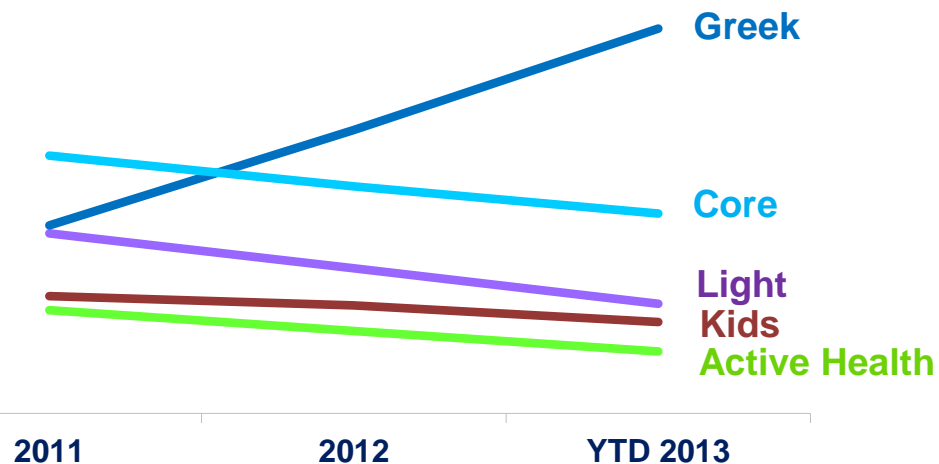
US: Further building the Greek yogurt segment



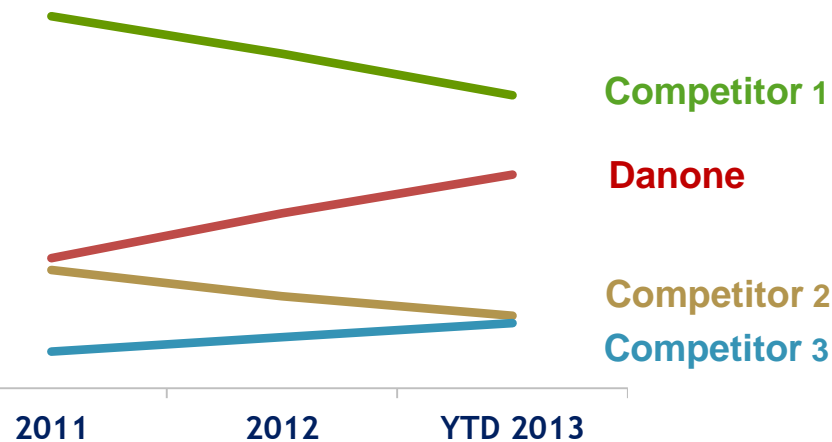
Greek segment latest innovations



Fresh Dairy category - Value market shares by segment



Greek yoghurt segment - Value market shares





Happy Family : Investing in the fast growing premium organic Baby food in the United States

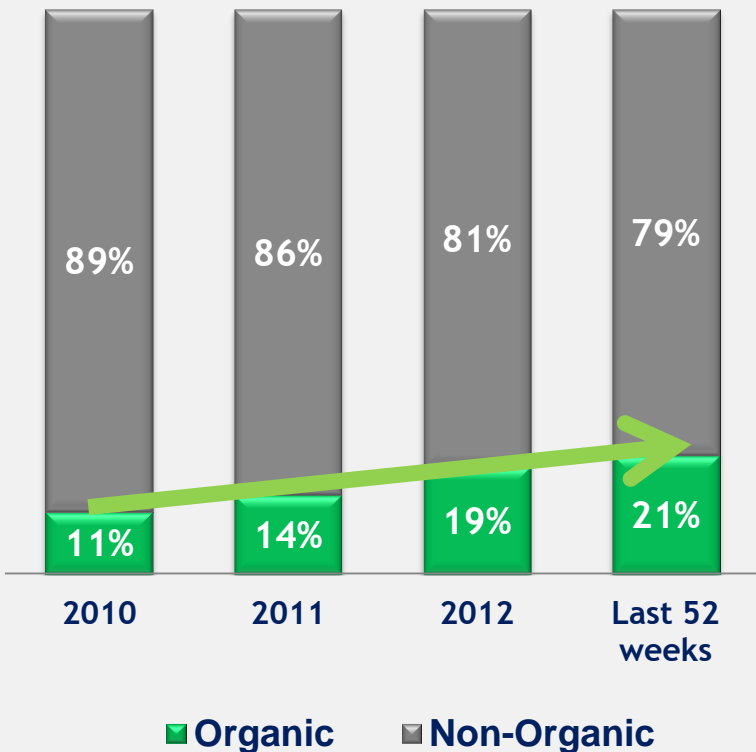


US Weaning Food Market

CAGR
2010-2012

+1%

\$1.5 bn



+38%

Source : Nielsen US Baby Food Category March, 16 2013 and Danone Estimates



Continuous strong growth of key brands

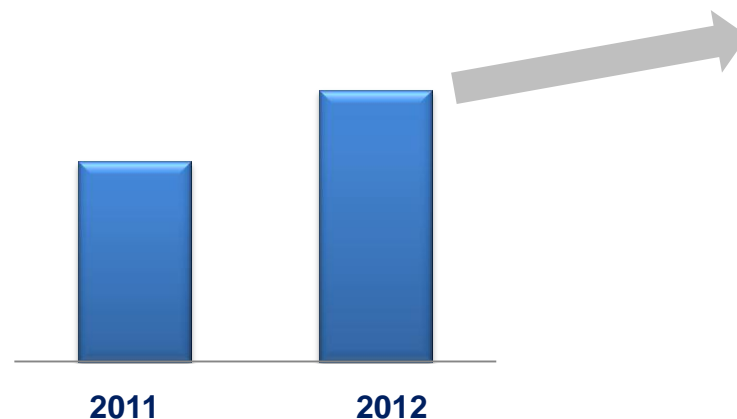


Double
digit
growth
YTD

Solid volume growth



Solid margin evolution





ALMA:

Continuing to build the Fresh Dairy Products category

LatAm
PCC: 5-8 kg

#1

Africa Middle-East
PCC: <3 kg

#1

Asia Pacific
PCC: <3 kg

#8

Started 2008

Started 2009

Started 2009

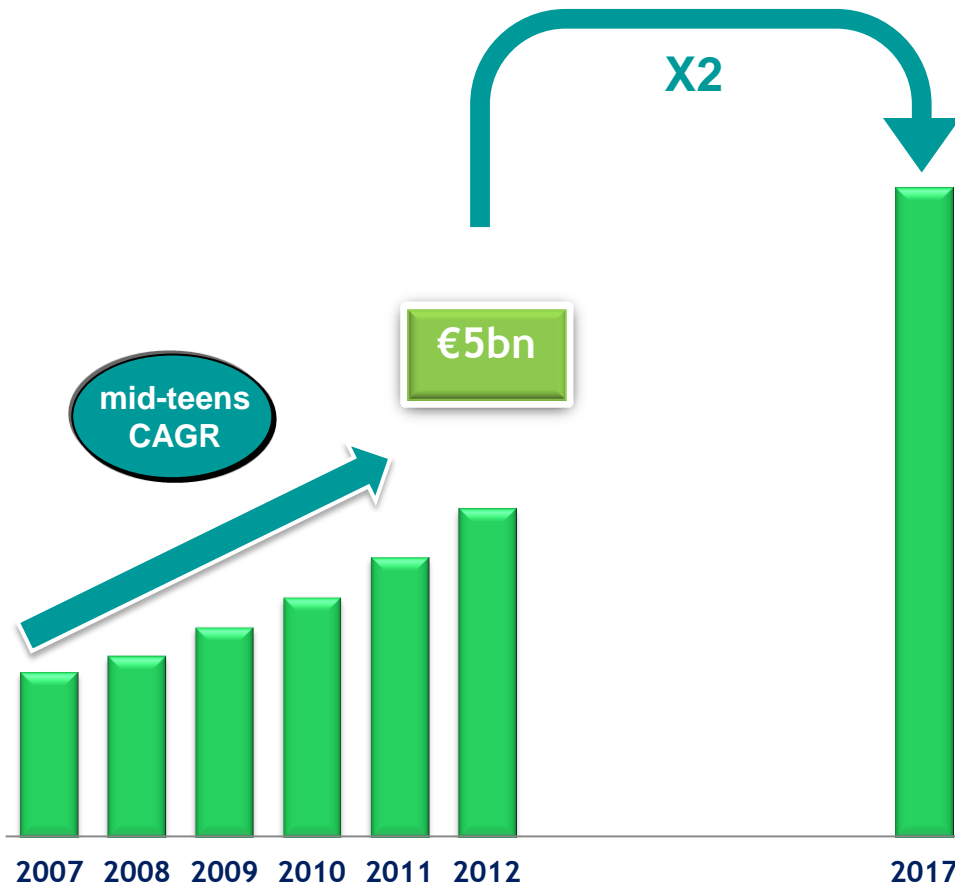
Started 2010

■ # 1 position ■ Other position

Source : Euromonitor & Internal estimations



Fresh Dairy Products in China



#1 in liquid milk products

#1 in yogurt

Nation-wide sourcing, manufacturing & distribution platform





The leading dairy player in Morocco

#1 in Milk (volume MS : ca. 60%)

#1 in Fresh Dairy Products (volume MS : ca. 55%)

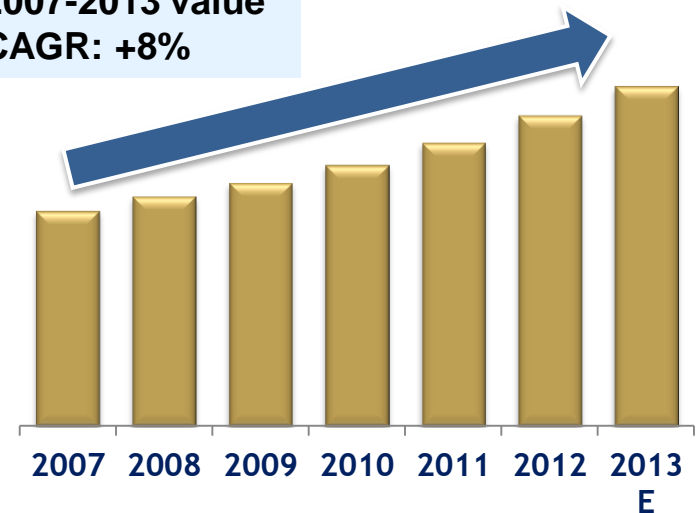
70 000 points of sales in Morocco

→ 2012 net sales of 604M€

→ 2012 EBITDA margin : 15.8%

High single digit FDP market growth

2007-2013 value
CAGR: +8%



Source : Euromonitor – Yogurt & sour milk products

Ongoing transition

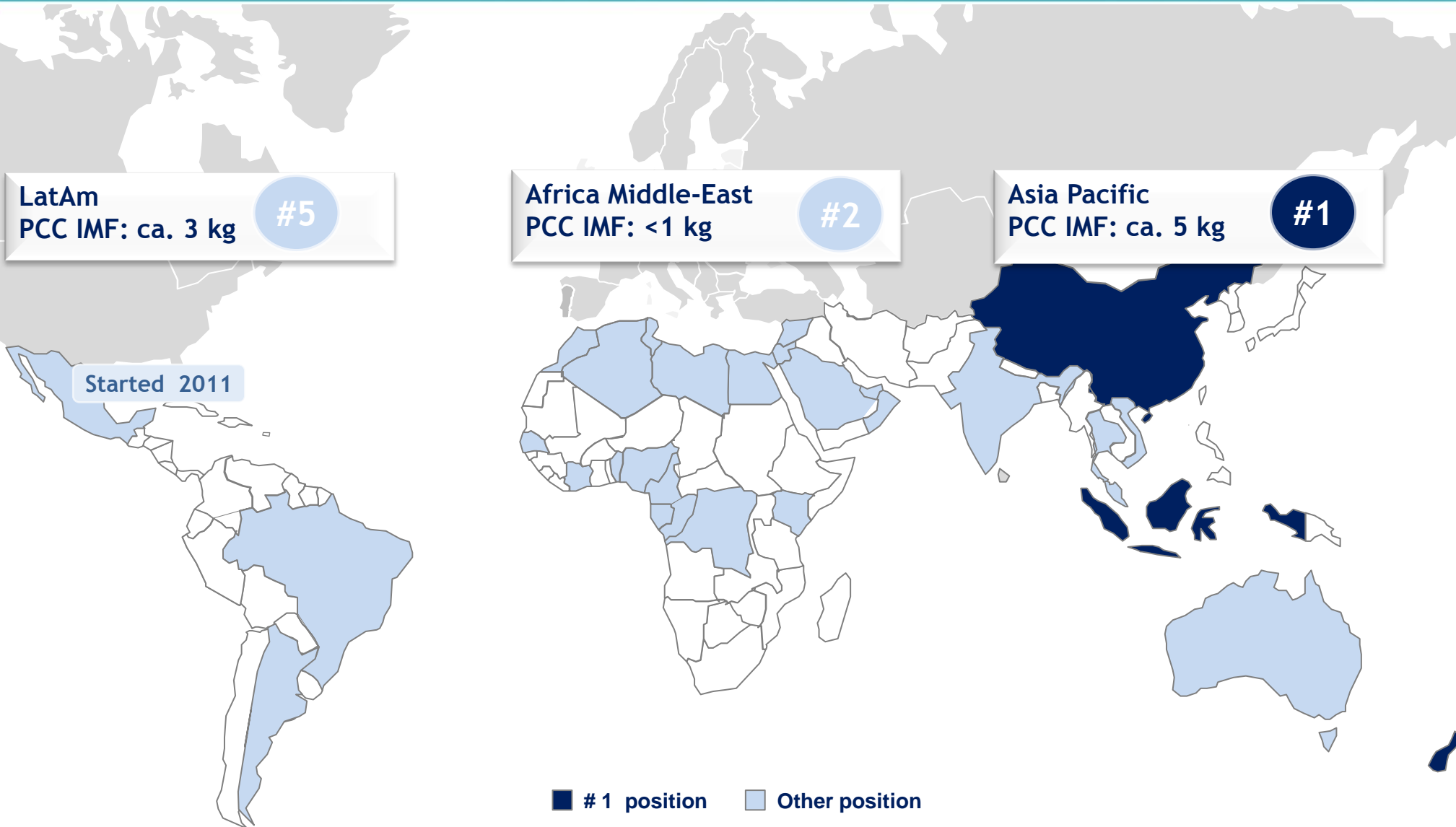
- New management team
- Integration process started : systems, human resources, quality etc...





ALMA

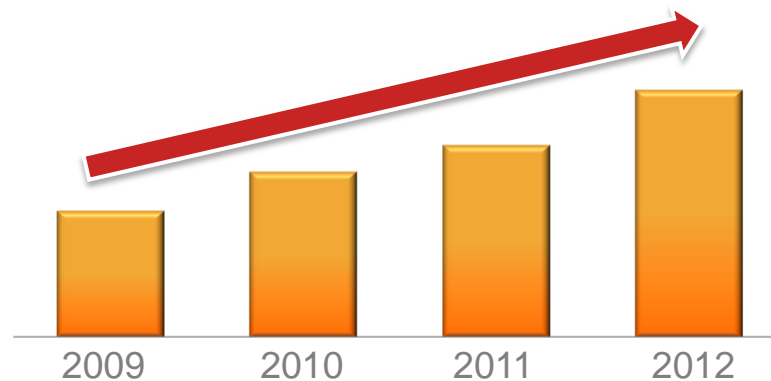
Baby Nutrition: big opportunity ahead





1. Dumex Relaunch Mainland
2. Full entry in Hong Kong
3. E-tailing management

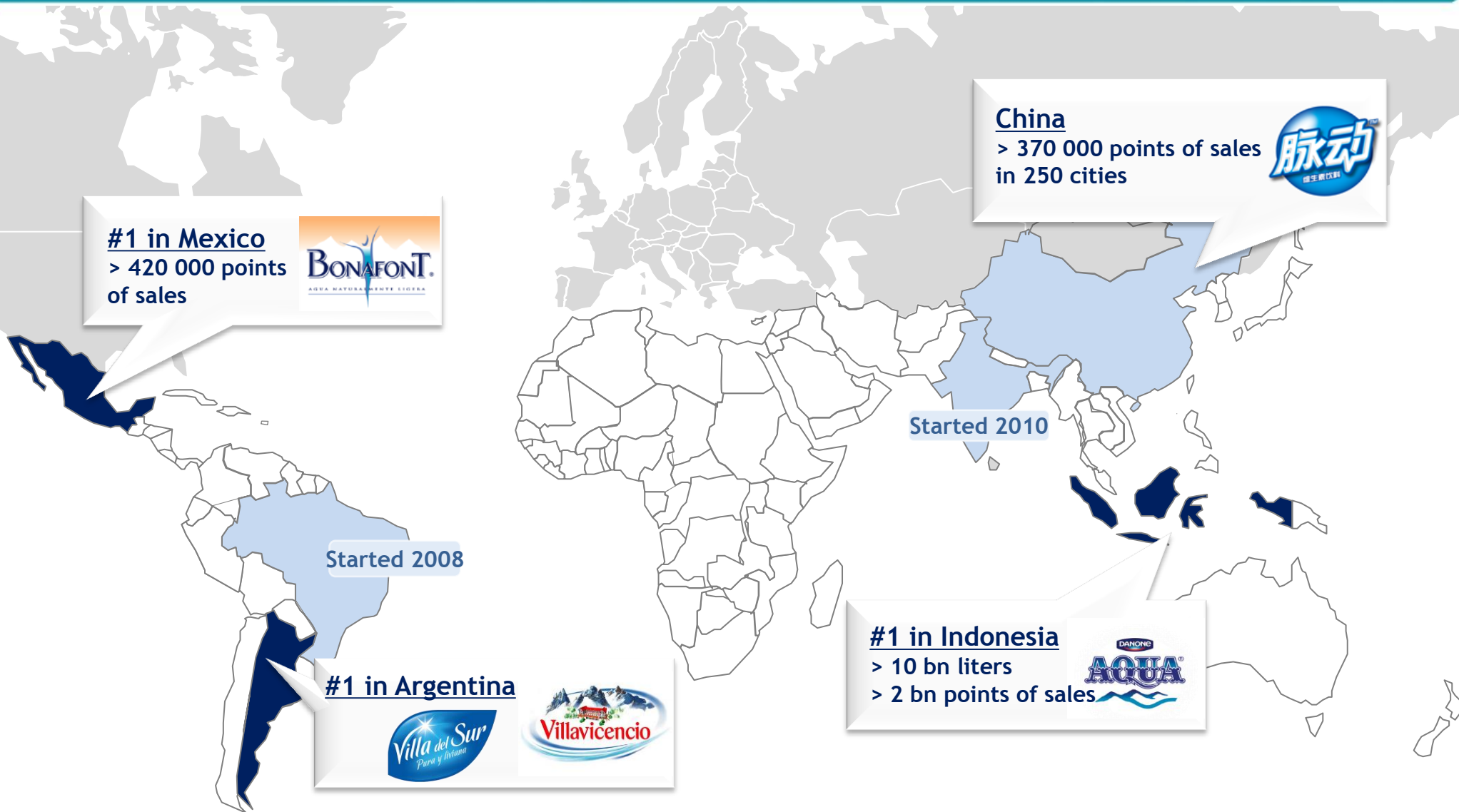
Sales growth evolution in Greater China





ALMA

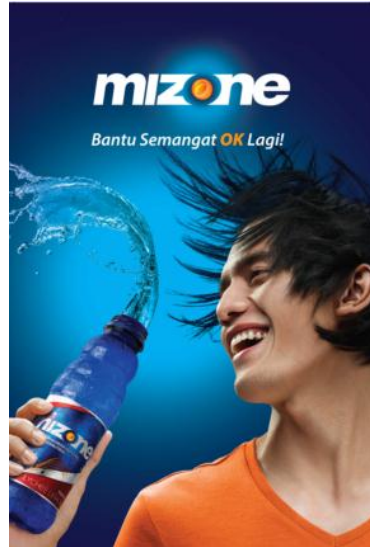
Waters: a portfolio of strong businesses





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Aquadrinks: unlocking the potential of the category



Like-for-like sales growth





A unique mission :

“Bring health through food to as many people as possible”

EUROPE

NORAM & CIS

ALMA

→ 2007-2012: from 600mln to 900mln Danone consumers

2013 a year of transition

● Europe :



Adapt & fix

- Savings & competitiveness
- Value for consumers

● Growth markets :



Invest & leverage

2014 back to

Strong
Sustainable
Profitable

GROWTH





2013 Objectives

	2013 objectives
Sales growth ⁽¹⁾	At least 5%
Trading operating margin ⁽¹⁾	-30bps to -50bps
Free cash-flow ⁽²⁾	Around € 2 bn Ex exceptional items

(1) Like-for-like : Based on constant scope of consolidation and constant exchange rates

(2) Free cash-flow: Cash flow from operations less capital expenditure (net of disposals) and excluding business combinations fees



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