CAGNY

February 23, 2017

Emmanuel Faber, CEO

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 Registration Document (the current version of which is available on www.danone.com).
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All references in this presentation to like-for-like changes, recurring operating income, recurring operating margin, recurring net income, recurring income tax rate, recurring EPS, free cash-flow, free cash-flow excluding exceptional items, and net financial debt correspond to financial indicators not defined by IFRS used by Danone, which are defined at the end of this presentation.

Due to rounding, the sum of values presented in this document may differ from totals as reported. Such differences are not material.

Emmanuel Faber

CEO

2016 key highlights

2016: a year of significant progress

2014 2015 **2016** DANONE 2020*

STRONG PROFITABLE SUSTAINABLE GROWTH

LFL sales growth(1): FY 2014 +4.7% | FY 2015 +4.4%

Recurring operating margin(1): FY 2014 | FY 2015

net sales	recurring operating margin
+2.9%(1)	+70 bps(1)
recurring EPS	**free cash flow**
+9.3%(1)	+16.8%(2)

STRONG PROFITABLE SUSTAINABLE GROWTH

(1) Like-for-like (2) Excluding exceptional items

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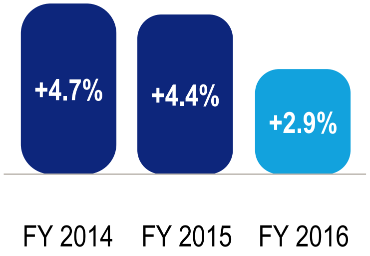
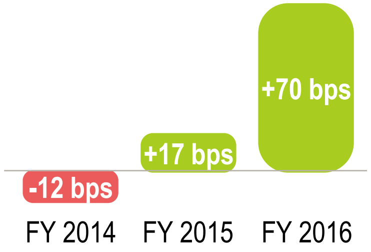
2016: year of major progress in building profitable model of growth

LFL sales growth



Recurring operating margin[1]



GROWTH

PROFIT

AGILITY

CONSISTENCY

Priority to profitable growth

Discipline on financial metrics

(1) Like-for-like

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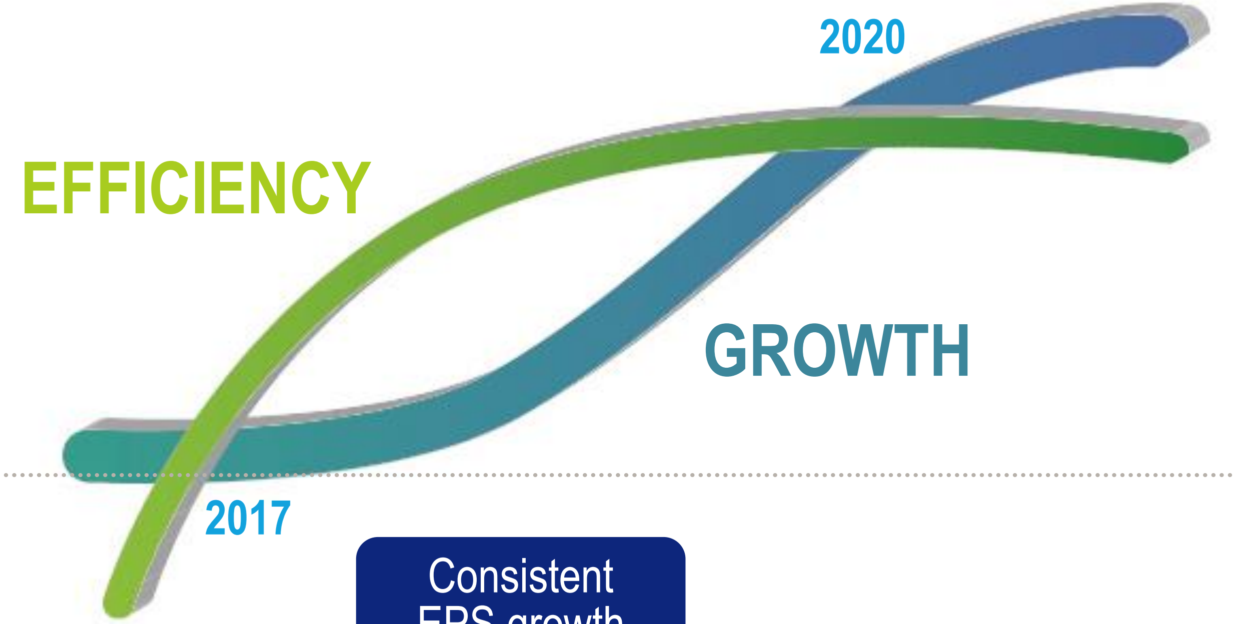
2017: another step in Danone's transformation

Decoupling Danone's mid term growth transformation agenda and our immediate efficiency agenda



Consistent EPS growth

Launching a comprehensive, company-wide program to maximize efficiency

Disciplined Choices

Maximize Efficiency…

Sustainably

BUY BETTER
SPEND BETTER
WORK BETTER

PROGRAM PROTEIN

SCOPE

professional services
sales & marketing spendings
operations spendings

€ 1 BN
SAVINGS

Invest For Impact

…To build muscle

Reinvest in growth projects

Delivering efficiency and resources for the short, mid and long term

Short term | Mid term | Long term

Program PROTEIN

Global procurement organization

New CPO Role

Strategic Resources Cycles & Operations

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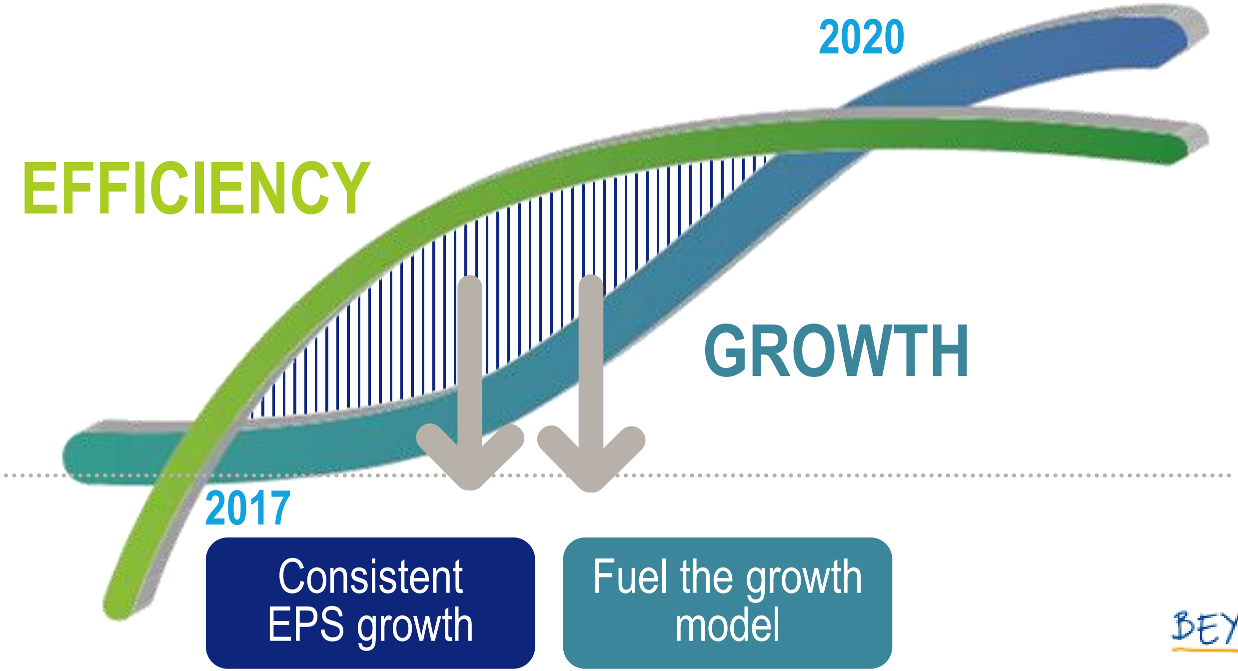
Decoupling Danone's growth & efficiency agendas



STRONG PROFITABLE SUSTAINABLE GROWTH

BEYOND BUDGET

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Keep building a stronger model of growth

2015 | 2016 | 2017 | … | DANONE 2020*

PROFITABLE GROWTH

PROFITABLE SUSTAINABLE GROWTH

STRONG PROFITABLE SUSTAINABLE GROWTH

Consistent EPS growth

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US: a major platform to reinforce Danone's growth resilience

US: a major platform to reinforce Danone's growth resilience

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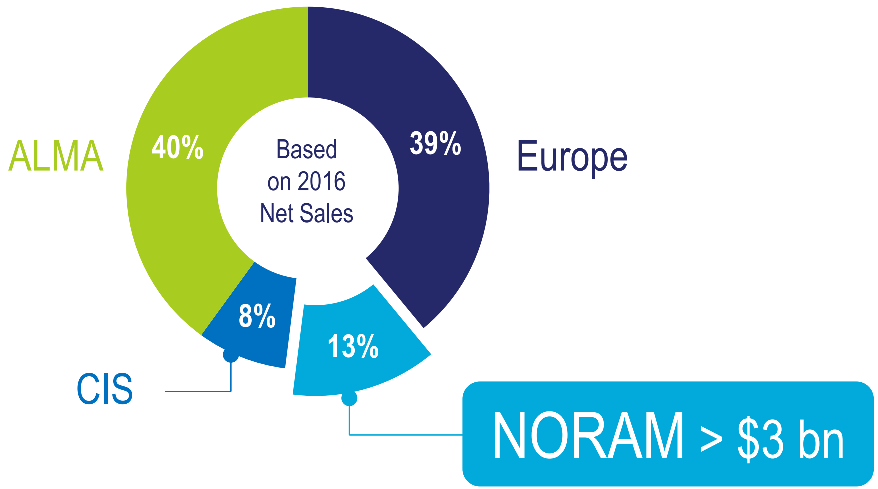

- Expand evian
- Develop medical business
- 100% organic platform
- Lead yogurt category development

ALMA: Asia Pacific, Latin America, Middle East and Africa
CIS: Commonwealth of Independent States
NORAM : North America > USA and Canada

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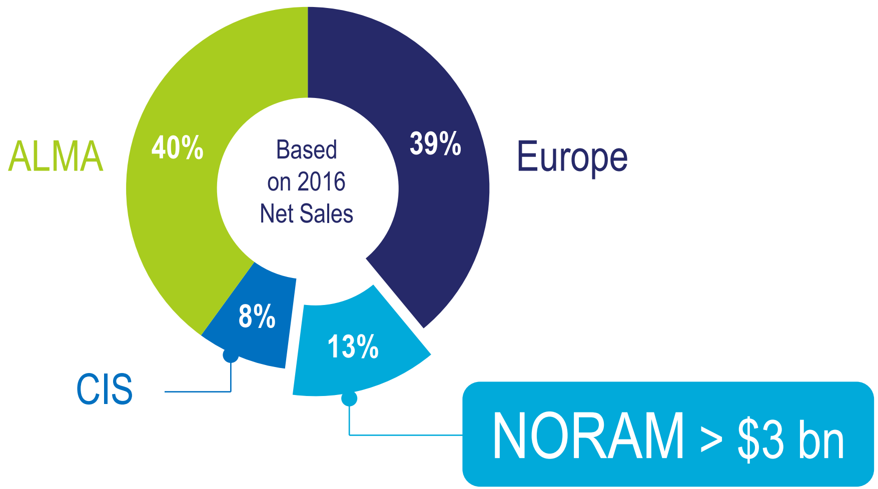
US: a major platform to reinforce Danone's growth resilience



Expand evian

ALMA: Asia Pacific, Latin America, Middle East and Africa
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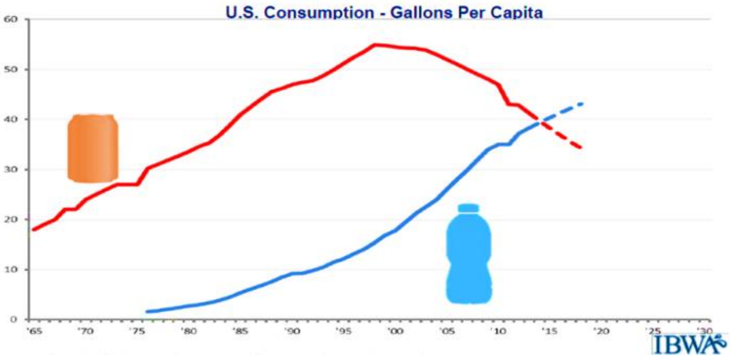
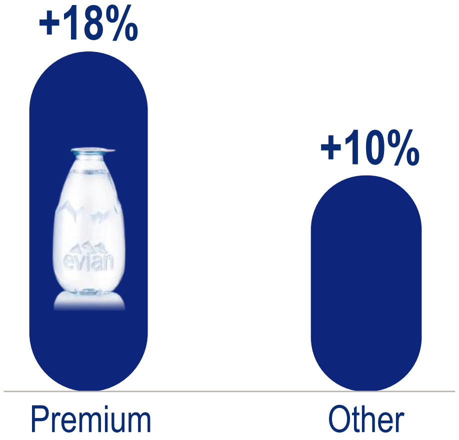
evian is positioned on fastest growing segments: still and premium

Switch towards healthier options



Premium water is the fastest growing segment



US sales evolution 2010 -2015

Source(s): http://issuu.com/ibwa/docs/final_bwr_feb-mar2014 , IBWA DGA Presentation / Canadean

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evian US: delivering strong results leveraging unique evian attributes

Pioneering on unique innovations

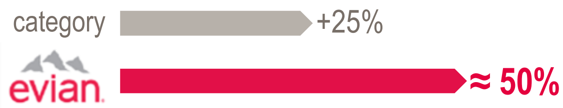
Re-engaging on our origin

Increase of brand visibility and experience

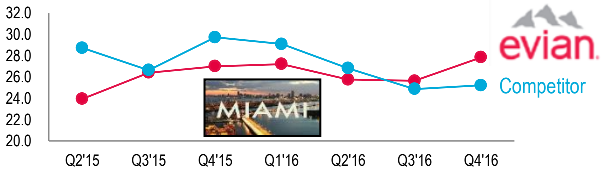
Winning in strategic channels and selected cities while leveraging unique sales partnerships

sales evolution 2015 -2016

Re-gaining strong momentum in retail



Conquering retail leadership in selected key epicenters



** Source: IRI Large Stores/ Last 52 weeks/ Week ending 01/22/17. Premium Still market*

US medical nutrition: Nutricia leading player in niche medical food

Expand the business by acquisitions and innovations

2007 – 2012: development through acquisitions
since 2015: innovative product launches

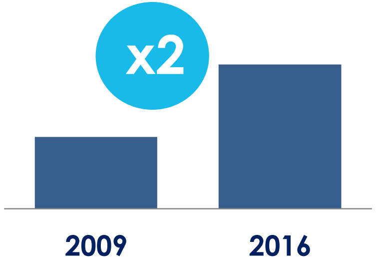

Focus on disease-specific categories (mostly paediatrics)

NUTRICIA Neocate®

NUTRICIA Metabolics

>80% of total sales

Strong sales evolution driven by innovations and new therapeutic areas



Total US net sales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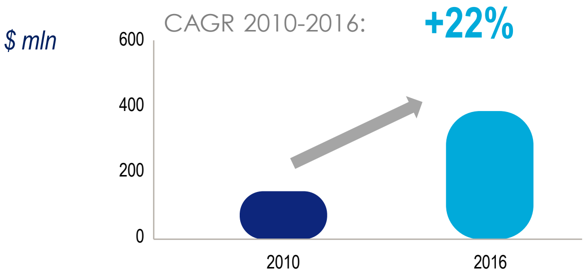
US Early Life Nutrition = 100% organic platform : Happy Family

Organic continues to over-perform in the baby food category



Organic Food Sales

>+30% Fastest growing baby food brand in 2016 [1]

Happy Family drove the growth in the organic baby food category in 2016

#1 Organic Brand (excl. Walmart)

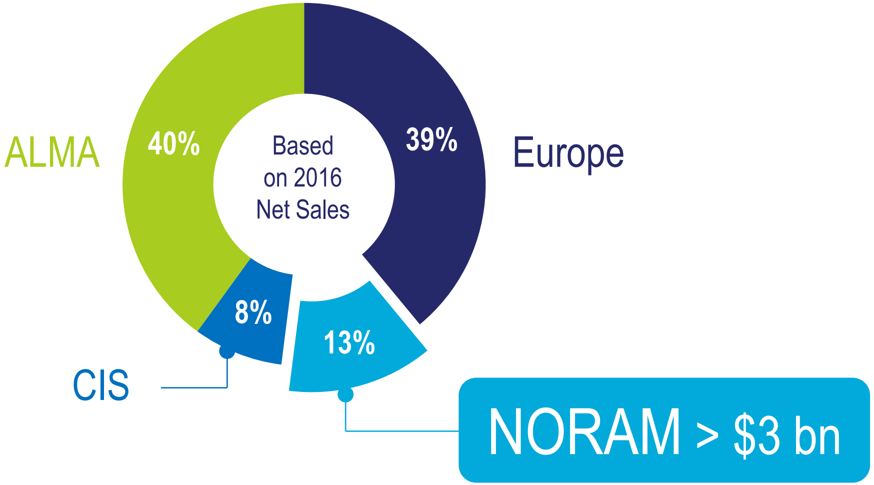
#1 Brand in the natural channel

Leading innovation and transparency in the baby food market

Source: IRI data

[1] Total MULO

US: a major platform to reinforce Danone's growth resilience



Expand evian

Develop medical business

100% organic platform

Lead yogurt category development

ALMA: Asia Pacific, Latin America, Middle East and Africa
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Danone recognized for its Category Leadership and Partnership

Manufacturers	Overall performance
Dannon	1
Chobani	1
WhiteWave	3
General Mills	4
Sargento	5
Unilever	6
The Kraft Heinz Company	7
Hood	8
Nestlé USA	9
Organic Valley	10
Califia Farms	11
ConAgra Foods	12
The Hain Celestial Group	13
Dean Foods	14
Bel Brands	15
Johnson & Johnson	16

● Top Third Rank ● Middle Third Rank ● Lower Third Rank

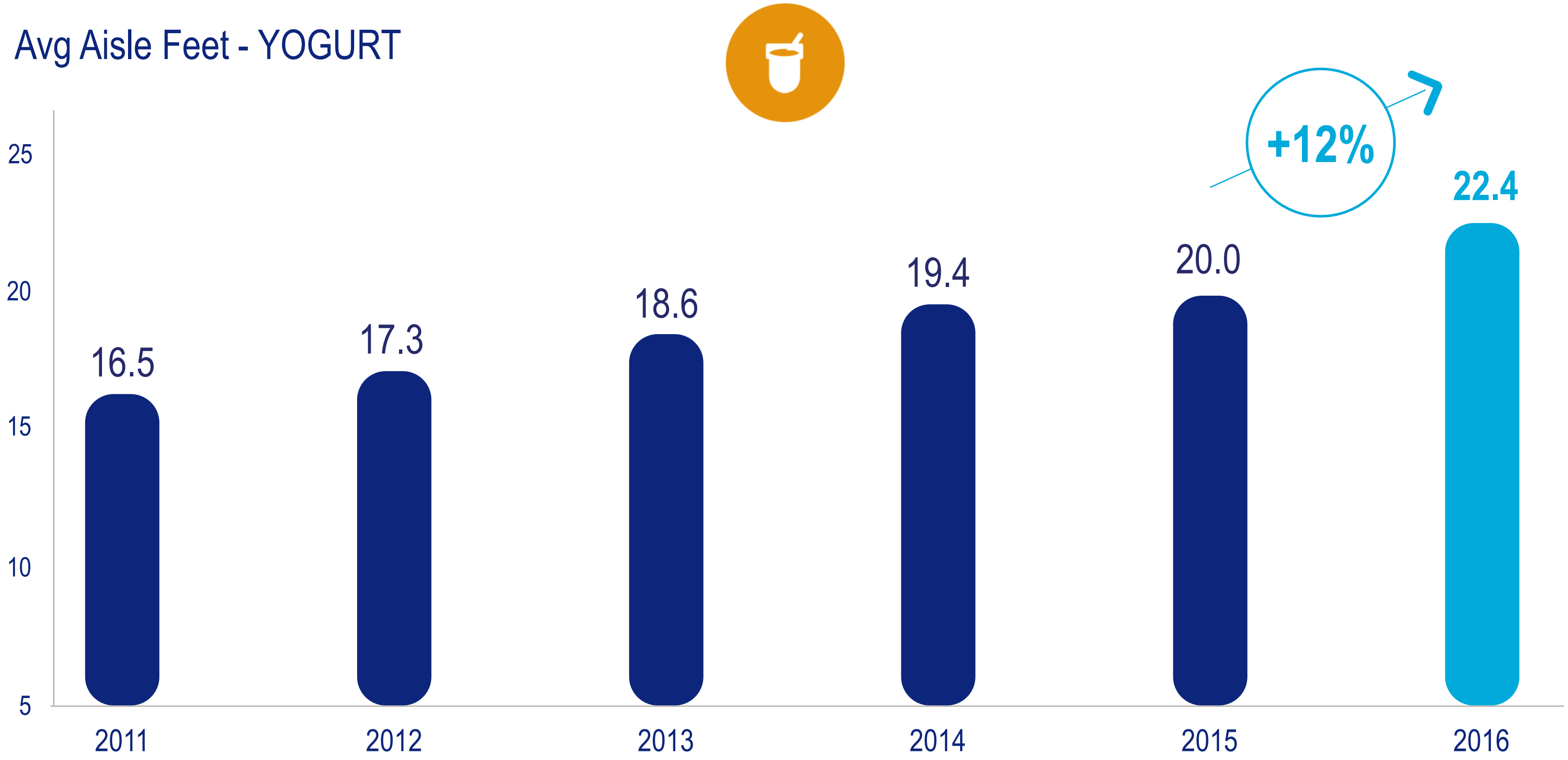
#1 Overall Refrigerated Manufacturer

#1 in Category Development

Source : Advantage Report™ – FMCG

Dannon - Refrigerated - Dairy (Grocery/Mass/Club/Value Channels) / Performance based on Net Favorable rank

Total Yogurt space continues to grow



Source: IRI Q4 AUDIT DATA - Grocery 2011-2016

A wide portfolio positioned in all sub categories

Multi Segment Approach	Proactive Health	Every Day Regular	Light	Every Day Greek	Baby/Kids	Organic	Indulgent
	ACTIVIA	DANNON	Light & Fit	OIKOS	Danimals / Stonyfield YoKids	Stonyfield Organic	YoCrunch
Dollar Share of Sub category	90	10	45	24	53	68	33
Ranking	#1	#2	#1	#2	#1	#1	#1

Source: IRI total US Mulo L52w ending 1/29/2017

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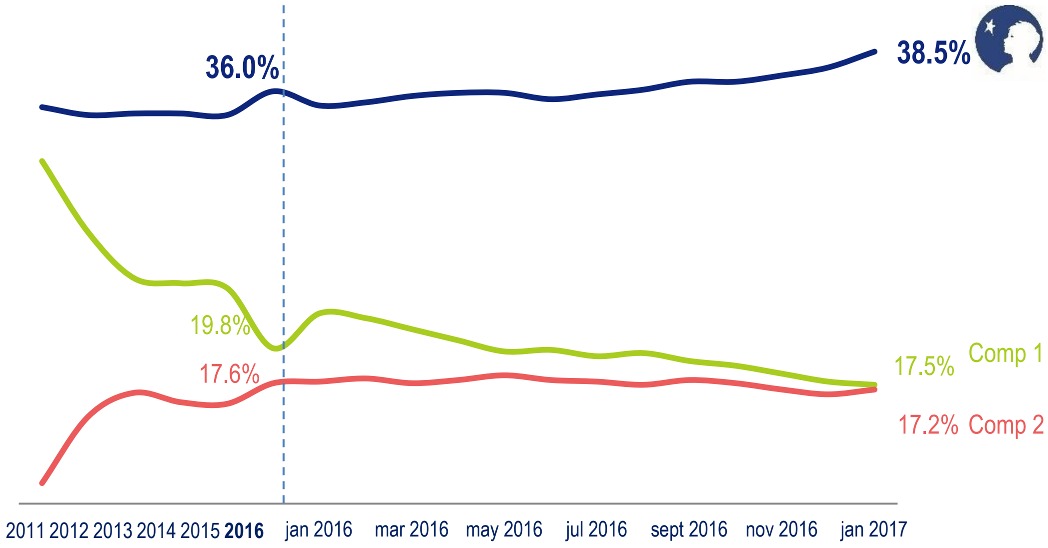
Danone: sustained leadership driven by innovation across the range

Total US



Source: IRI InfoScan; Total US - MULO, Latest Quad Week Ending 1/29/17

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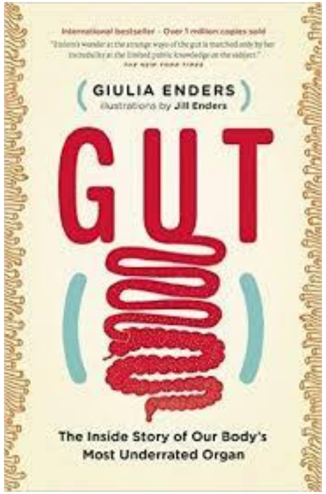
Opportunity to anticipate evolving consumer landscape

Fast growing awareness



#2m readers in Germany
#2.5m viewers on videos related to the book

Changing Consumer Behaviors

Alimentation Revolution calling for brands engaging in a new way with their communities of consumers

DANNON
OIKOS
Danimals

DANONE's COMMITMENT TO HEALTH AND NUTRITION IN THE FIRST 1000 DAYS

Position Paper

DANONE

DANONE NUTRICIA
Early Life Nutrition

Consumers piercing “the corporate veil” behind brands

Transparency

&

Fairness

Brought to you by the community of
Certified
B
Corporations

- > Danone B-Corp 2015 partnership
- > Happy Family (USA) accredited B-Corp
- > Danone Spain accredited B-Corp
- > Danone & WhiteWave expected to combine US-based activities into a public B-Corp

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WhiteWave

a perfect combination to strengthen Danone 2020 plan

WhiteWave
A perfect combination to strengthen Danone 2020 plan

BRINGING HEALTH THROUGH FOOD
TO AS MANY PEOPLE AS POSSIBLE

Changing the way the world
eats for the better

WhiteWave
A perfect combination to strengthen Danone 2020 plan

TAKING THE SUSTAINABILITY EQUATION OF DAIRY AND PLANT-BASED TO THE NEXT LEVEL

Combine world-class research on Dairy and Plant-based fermentation

Opportunities within Danone 2020 plan to reduce agricultural impact

Improve nutritional density of global portfolio

Cross-fertilize R&D with Danone in fermenting vegetal local protein bases

Use Danone's expertise to broaden adoption

+ WhiteWave

DOUBLING THE SIZE OF DANONE IN THE US ABOVE $6 BN

Fastest growing food & beverage company in the US(1)

Entering the US top 15 food & beverage league(2)

Creating the US #1 refrigerated dairy company(3)

Sources: Euromonitor, Nielsen
(1) Nielsen AOC last 52 weeks period ended 6/27/2015; Top 25 manufacturers in Edible Departments (grocery, dairy, deli, frozen, bakery, produce, meat)
(2) Based on Euromonitor ; Retail Value in Packaged Food + Soft Drink, 2015 figures
(3) Nielsen AOC last 52 weeks: including butter, cream/creamers, margarine and spreads, milk, whipped toppings and yogurt and excluding cheese

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US & EU plant-based foods and beverages

US & EU PLANT-BASED FOODS AND BEVERAGES

US plant-based foods and beverages | **EU** plant-based foods and beverages

2013-2016 CAGR

US plant-based foods and beverages	EU plant-based foods and beverages
+9%	**+17%**
#1 Position	**#1** Position
Silk, So Delicious, Vega	Alpro

Household penetration

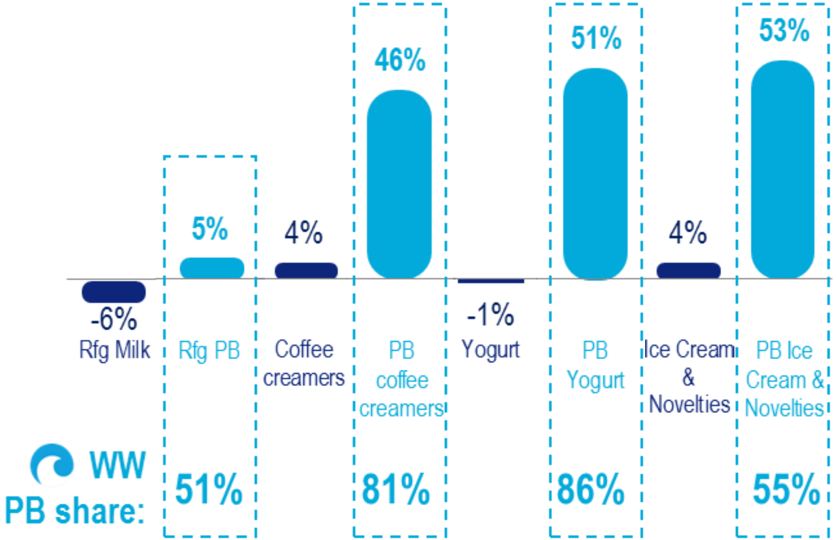
US plant-based beverages	Europe plant-based beverages
33%	20%

Plant-based categories outperforming conventional

US & EU PLANT-BASED FOODS AND BEVERAGES

$ Sales % change vs. LY

Nielsen xAOC 52 weeks ended 12.31.2016



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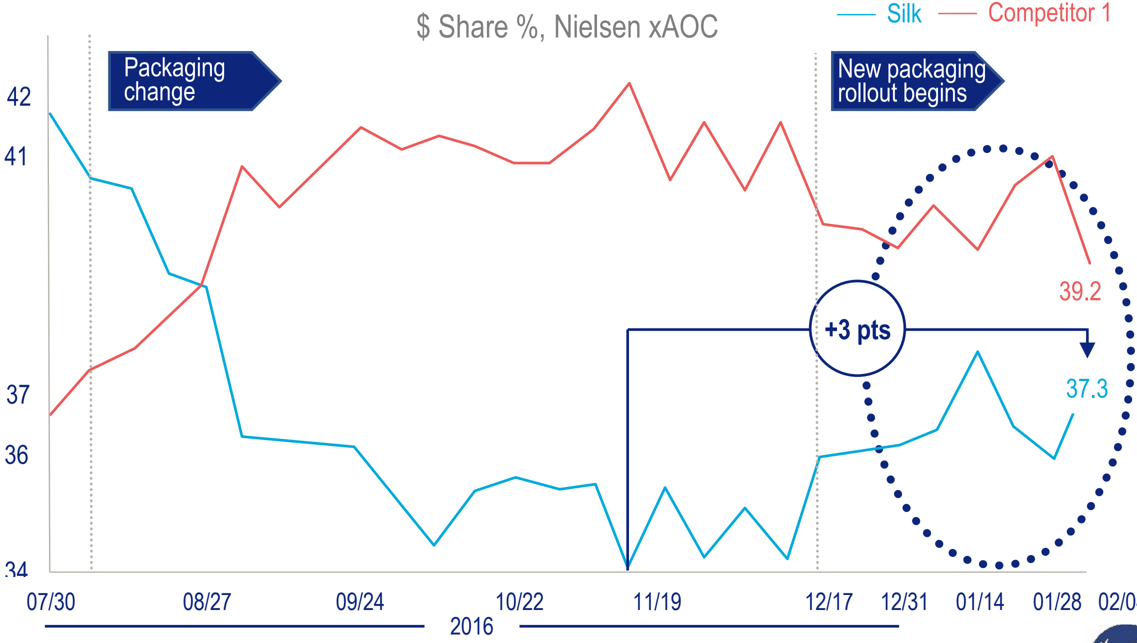
Silk: addressing brand execution during Q4

New Silk brand marketing to support new packaging & recent innovations

Plant-Based Beverages – Rfg Almond & Nut Based Blends

$ Share %, Nielsen xAOC



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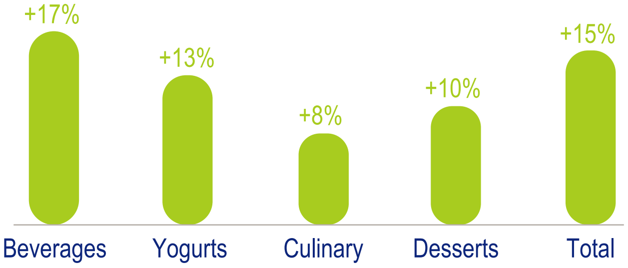
Alpro positioned in a booming category

Category performance

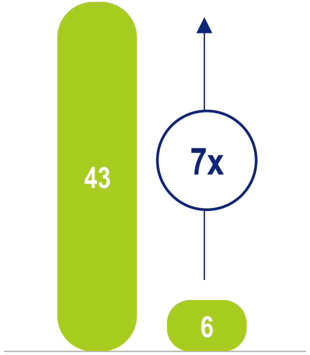
Core beverage category: +15% behind continued expansion of new ingredient beverages (e.g. almond)

Sales X2
Since 2012

Alpro's % age of growth by segment: 2016 vs 2015



Alpro is the largest plant-based market participant with a pan European and multi-category reach



Alpro's market share of 43% is **7x** next closest branded competitor

Source: Nielsen MAT P10 2016 / Nielsen EU9 MAT P10 2012 – 2016; constant currency figures

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US organic foods & beverages

US ORGANIC FOODS & BEVERAGES

US organic dairy	US organic salad
2013-2016 CAGR	
+9%	+10%

#1
Position

Household penetration

US organic milk	US organic salad
15%	45%

Source: Household penetration is Nielsen Panel Data as of last 52 weeks ended 12.31.2016; Narrow category definitions for US organic dairy and US organic packaged salads are Nielsen xAOC CAGRs for the year-ended 2013-2016; Brand positions for Horizon and Earthbound are xAOC L52 weeks 12.31.2016; Brand position for Wallaby is SPINS L52 weeks ended 12.31.2016

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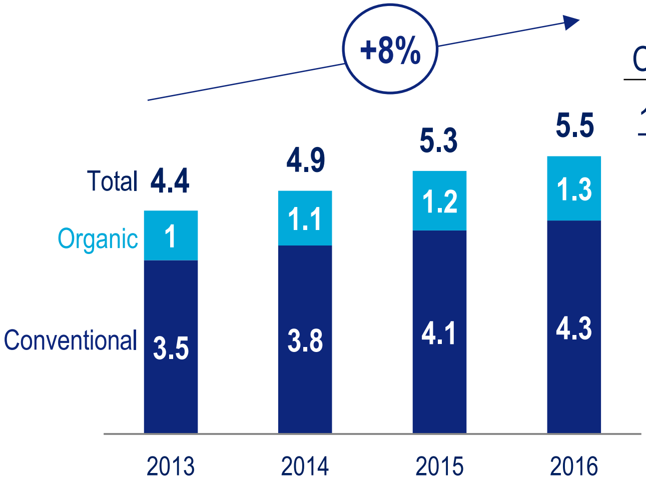
Earthbound Farm leading organic salad category

Organic salad category remains healthy

Salad Category, $BN

Nielsen xAOC, L52 Wks WE 12/31/2016

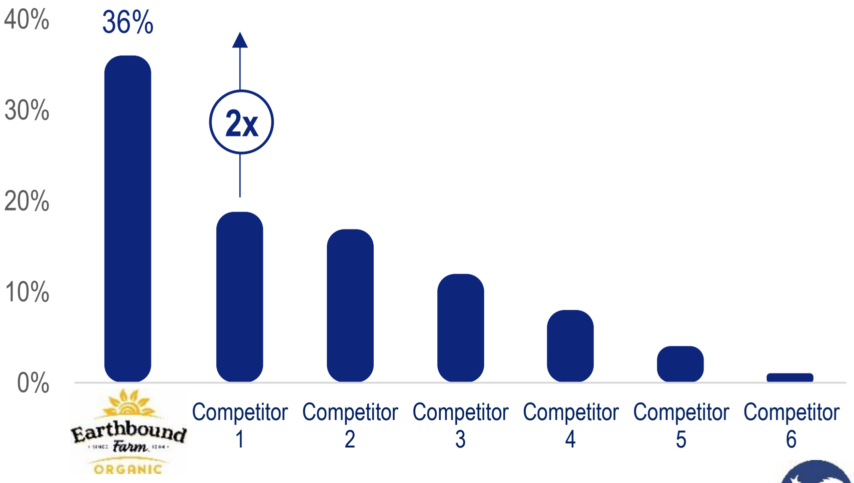


CAGR %	%
13-16	16
10%	5%
7%	4%

Earthbound: leading organic salad player

Total Branded Organic Salad Category Share

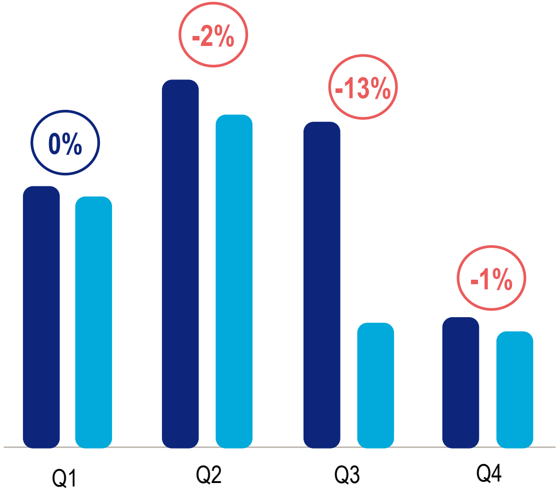
Nielsen xAOC, L52 WE 12/31/2016



Earthbound Farm: 2016 execution challenges

2016 sales by quarter in m$

● 2015 ● 2016



> Lower distribution levels since Q4 2015 and initial installation of SAP

Q4 2016 additional extra costs in m$

-25 m$

Additional Q4 costs related to elevated supply chain and other higher costs due to excess supply of organic leafy greens and produce

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US nutritionals

US NUTRITIONALS

US protein powders | US protein bars

2013-2016 CAGR

+13% | **+10%**

#1 Position vega **plant-based protein powders**

Household penetration

US total protein powders

14%

US plant-based protein powders

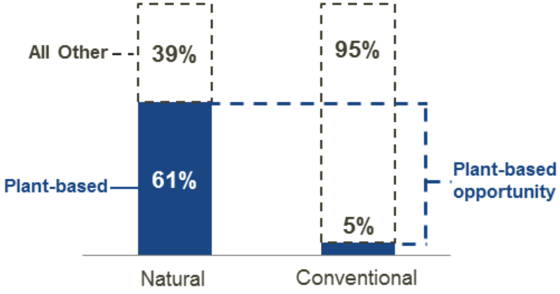
5%

Source: Household penetration is Nielsen Panel Data as of last 52 weeks ended 12.31.2016; Narrow category definition for US protein powders and US protein bars are Nielsen xAOC CAGRs for the year-ended 2013-2016; Brand position for Vega is xAOC L4 weeks as of 12.31.2016

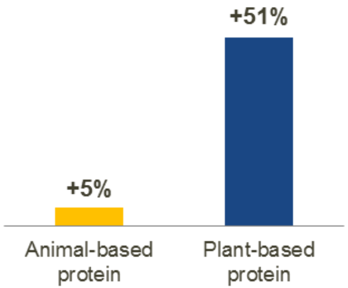
Vega: continued growth opportunities for plant-based nutritionals

Continued growth opportunities

Plant-based
channel penetration
(% share)



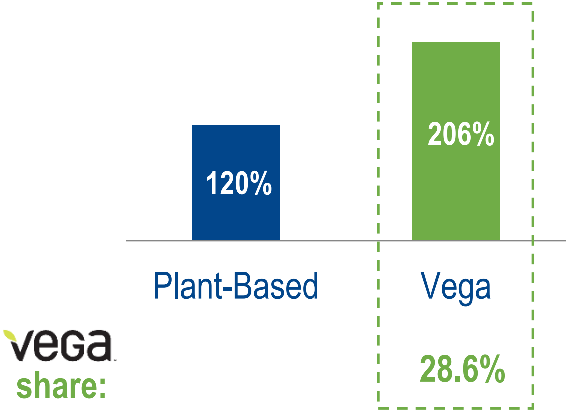
Conventional channel
growth rate
($ growth)



> Leader in fast-growing, on-trend plant-based nutrition category
> Broadening distribution
> Further innovating
> Geographic expansion opportunities

Vega outperforming category

$ Sales % change vs. LY
Nielsen US grocery L52 weeks ended January 28, 2017



Nielsen xAOC protein share percentage split for 52 weeks ended 12.27.2015; plant-based channel penetration for natural & xAOC channels per SPINS & Nielsen L52W ended 3.22.2015

US coffee creamers and beverages

US COFFEE & COFFEE CREAMERS

US coffee creamers
&
beverages

2013-2016 CAGR

+6%

#2 Position — International Delight

#1 Position — Land O'Lakes

US refrigerated coffee creamers

41%

US ready-to-drink beverages

22%

Creamers

Ready-to-drink

Source: Household penetration is Nielsen Panel Data as of last 52 weeks ended 12.31.2016; Narrow category definition for US coffee creamers and beverages, refrigerated coffee creamers, and ready-to-drink beverages are Nielsen xAOC CAGRs for the year-ended 2013-2016; Brand position for International Delight and Land O'Lakes is xAOC L52 weeks as of 12.31.2016

WhiteWave's Q4 2016 results

LfL Sales growth (1) : +4%
+5% excluding Fresh Foods

Q4 LfL Americas +3%

Plant-based Foods & Beverages **+3%**
Category: +11%

Premium Dairy **-1%**
Category: -2%

Fresh Foods **-1%**
Category: +1%

Coffee Creamers & Beverages **+7%**
Category: +3%

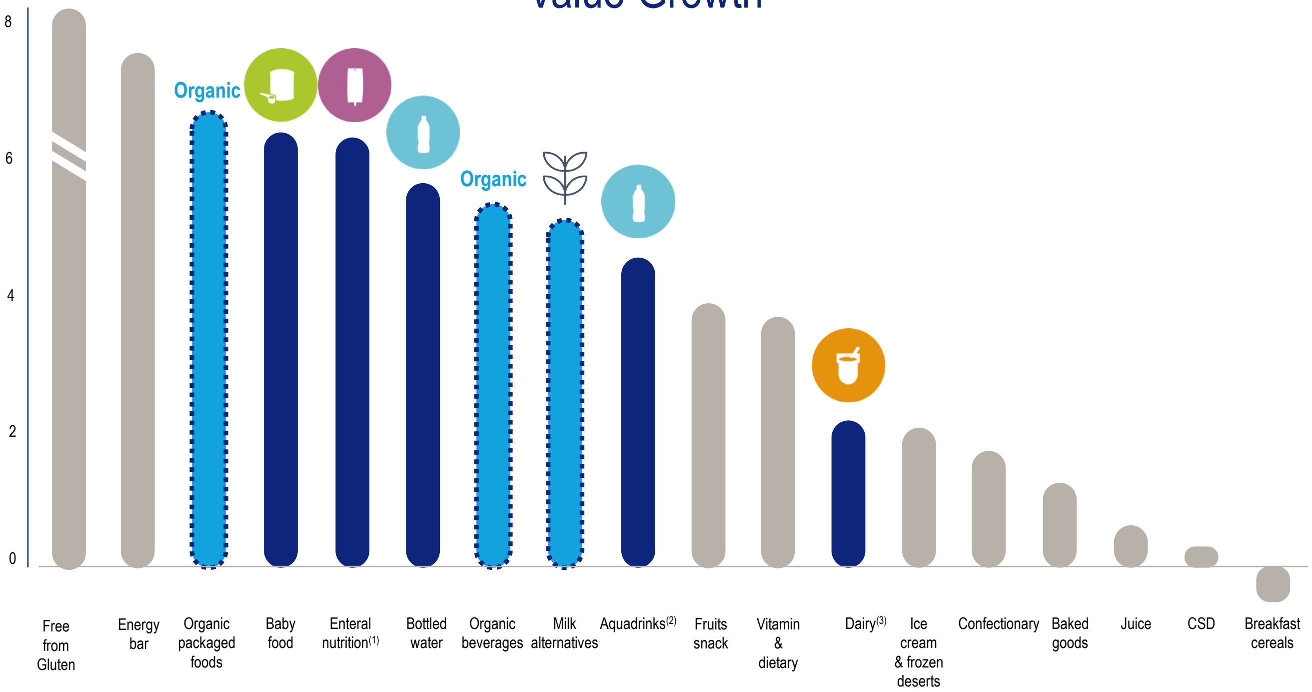
Q4 LfL Europe +11%

Plant-based Foods & Beverages
Category: +13%

(1) adjusted constant currency net sales;
Note: Category definitions: US plant-based foods & beverages = WhiteWave's collective plant-based categories excluding plant-based creamers, Fresh Foods = organic packaged salad, Premium Diary = total organic milk, and Coffee Creamers & Beverages = WhiteWave's collective refrigerated coffee creamers.
Category growth rates based on Nielsen xAOC L13 weeks ended 12.31.2016; Europe based on Nielsen P10 2016

Danone continues to assemble and grow an unparalleled portfolio of healthy diet categories

% CAGR 2011-2016 Global Retail Value Growth



Sources: Euromonitor. Retail Sales 2011 - 2016 ; Constant 2016 prices; (1) Source: Kalorama Information 2012 Note: Allergy category not included in this data (2) Source for aquadrinks: Canadean – 27 countries, Date: 2008 – 2014, (3) Aggregation of butter and margarine, drinking milk products, cheese, yoghurt and sour milk drinks, and other dairy products.

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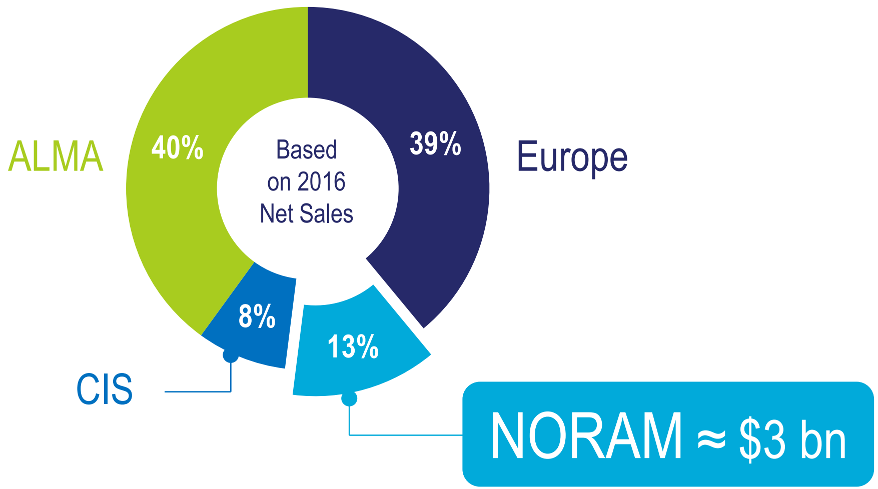
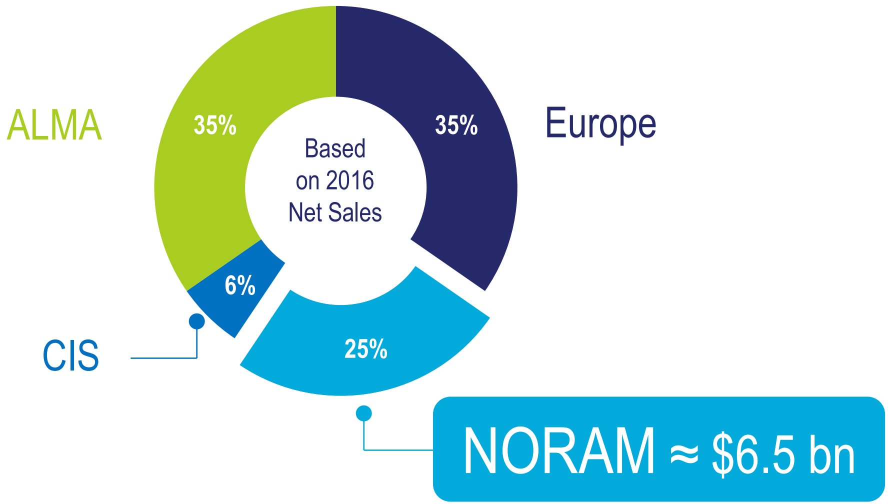
Rebalancing Danone geographies for more resilient growth





ALMA: Asia Pacific, Latin America, Middle East and Africa
CIS: Commonwealth of Independent States
NORAM : North America > USA and Canada

WhiteWave
A perfect match to accelerate strong sustainable profitable growth

Strong Value Creation

Superior growth categories in stable geographies

Significant synergies

Accretive to Danone equation

Like-for-like sales growth
Extra +0.5% to +1%

Ebit margin
Accretive year 2

EPS
Solid accretion from Year 1
>10% accretion (1)

(1) Based on run-rate synergies