



Emmanuel Faber
Vice-Chairman, Co-Chief Operating Officer

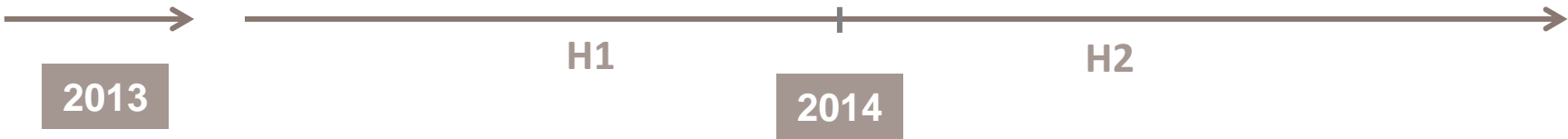
CAGE Conference
London - 19 March 2014



DANONE

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.

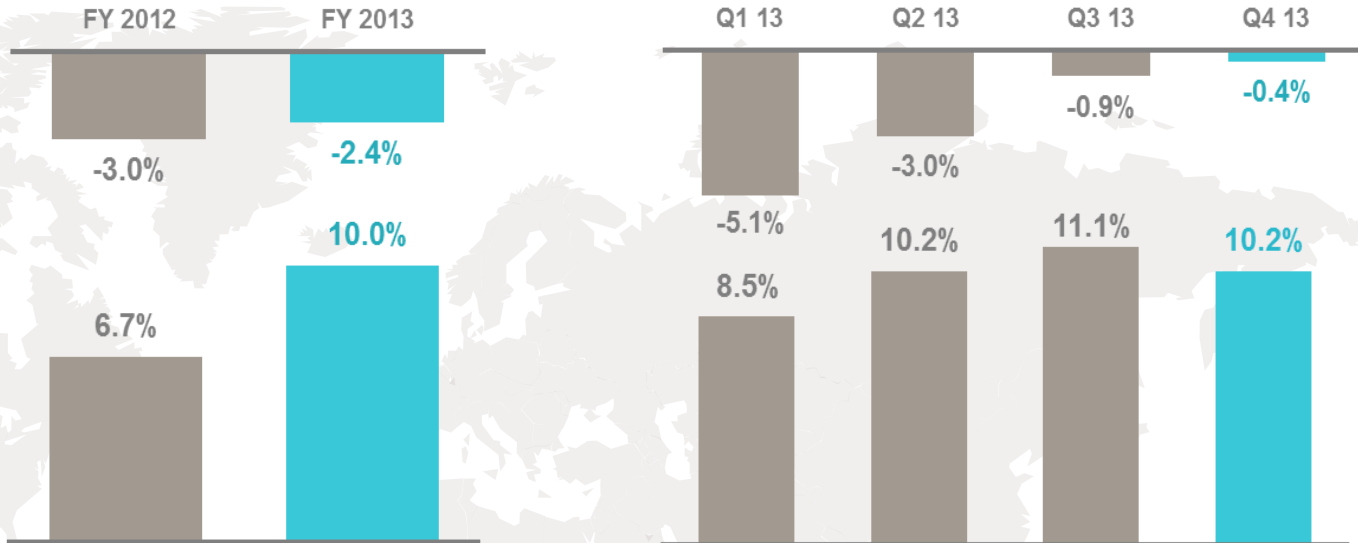
BRING DANONE BACK ON THE AGENDA OF A



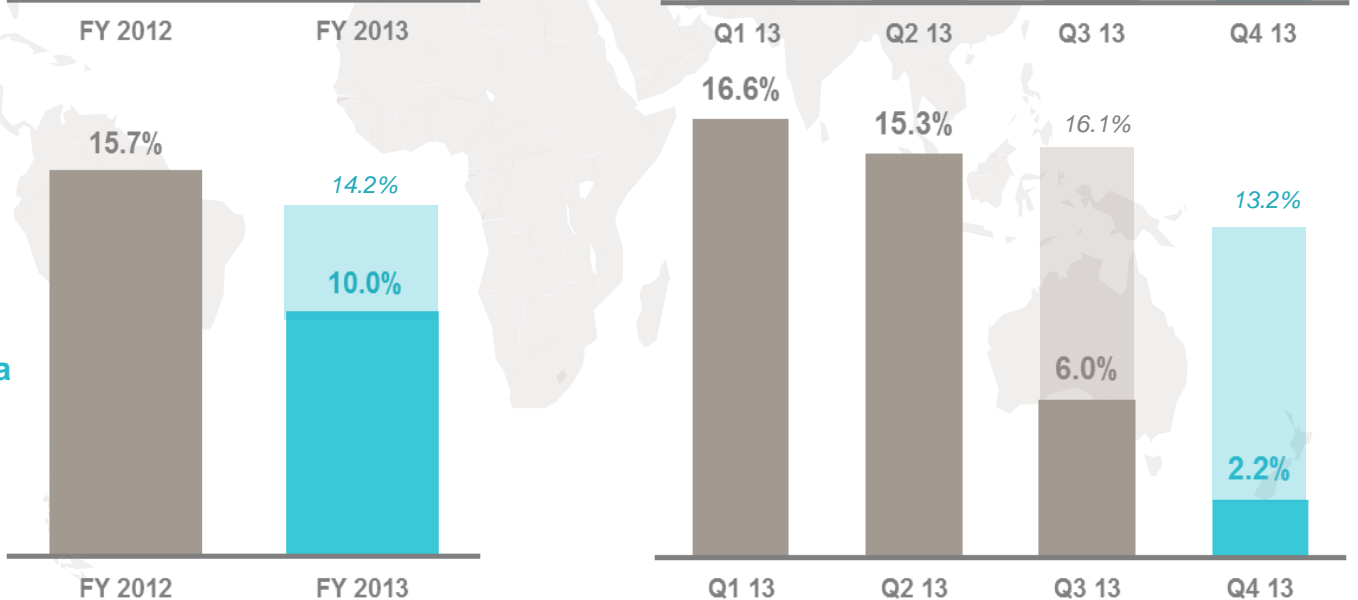
2013: STRONG GROWTH DYNAMICS ACROSS REGIONS



EUROPE

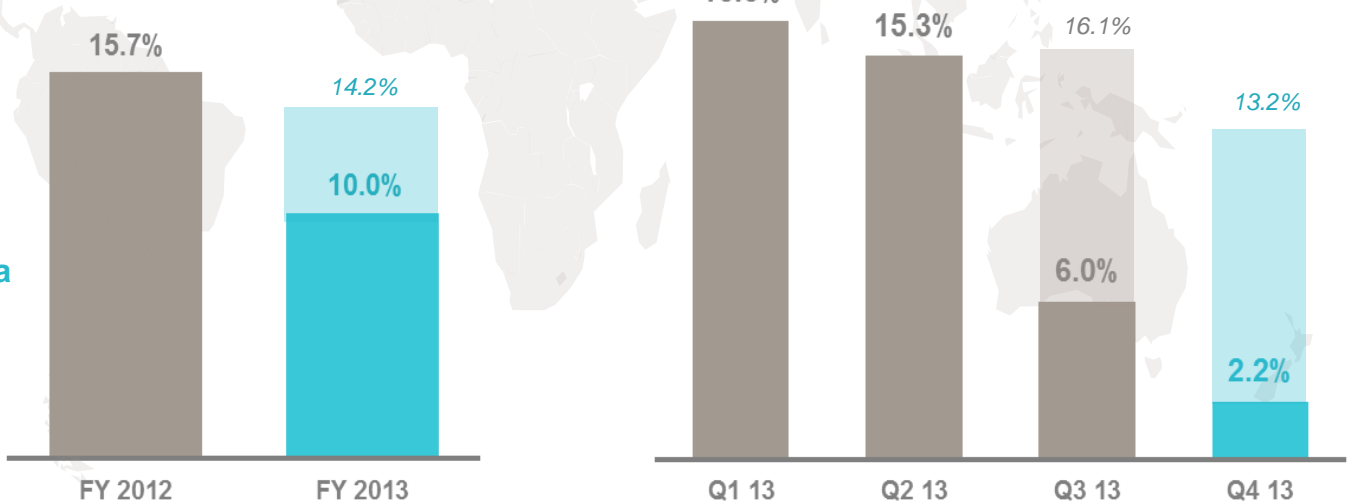


CIS & Noram CIS+USA+Canada



ALMA

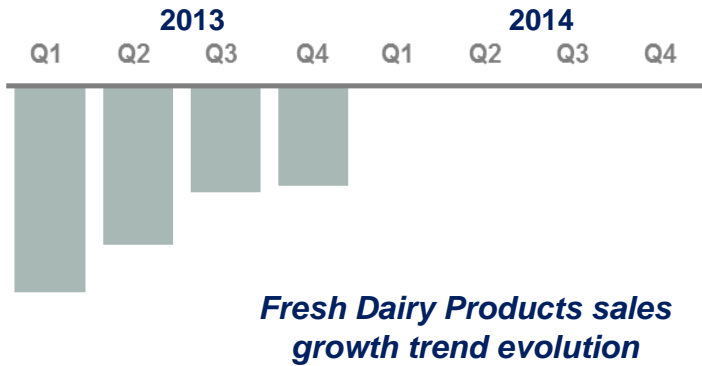
AsiapacLatamMiddleEastAfrica



KEY PRIORITIES FOR 2014



TURNING AROUND EUROPE



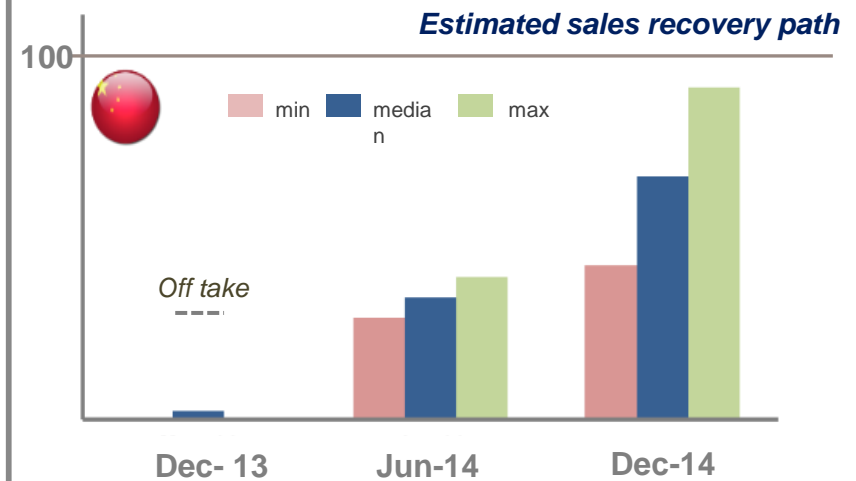
GROW AND NAVIGATE IN ALMA



KEEP WINNING CIS & NORAM



TURN EARLY LIFE NUTRITION ENGINE BACK TO FULL SPEED





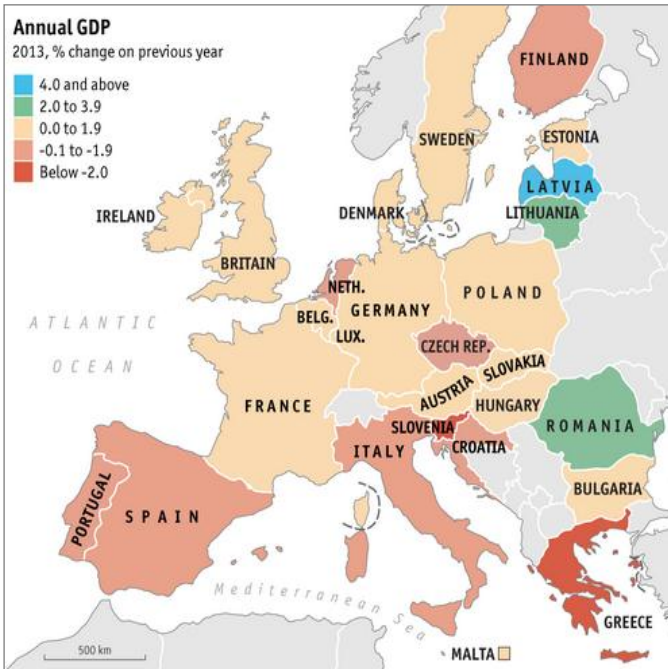
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TURNING AROUND EUROPE

COMPLETING PLANS IN A TOUGH ECONOMIC CONTEXT



A DEFLATIONARY ENVIRONMENT



Europe 0.1%
Euro zone -0.3%
2013 GDP growth



RECOVERY IN PROGRESS



DAIRY EUROPE:
≈ 20% OF 2013 TOTAL GROUP NET SALES

EUROPE : PUSH FOR CONTINUOUS IMPROVEMENT AND TRANSFORM THE MODEL



SIMPLIFICATION

EUROPE
Savings plan



Adaptation and simplification of organizations



GLOBAL SOURCING

A new way of purchase



Industrial optimization



HARMONIZATION

Product
Optimization



Portfolio harmonization



Integrated management



EUROPE: SHAPING THE PORTFOLIO THROUGH INNOVATIONS



BEST PRODUCT



EXPANDING CATEGORIES



BEST PACKAGING



BEST SERVICE



FIRST EVER GLOBAL ACTIVIA CAMPAIGN IN PARTNERSHIP WITH WORLD FAMOUS SUPERSTAR SHAKIRA FOR ITS NEW 'DARE TO FEEL GOOD' CAMPAIGN

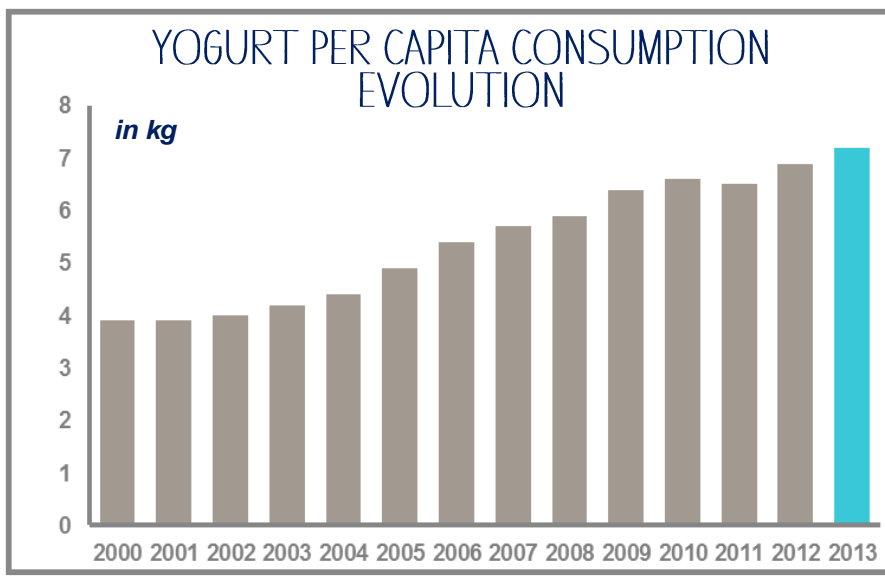
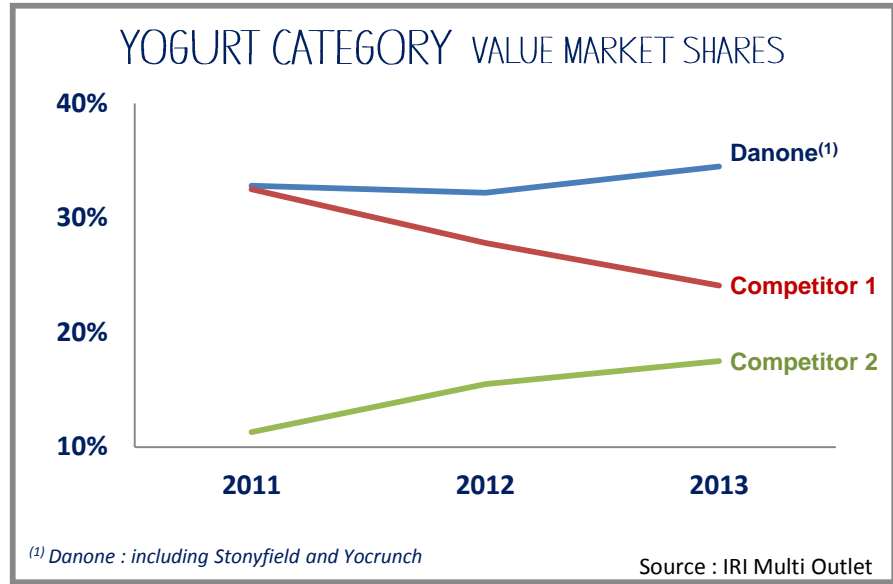
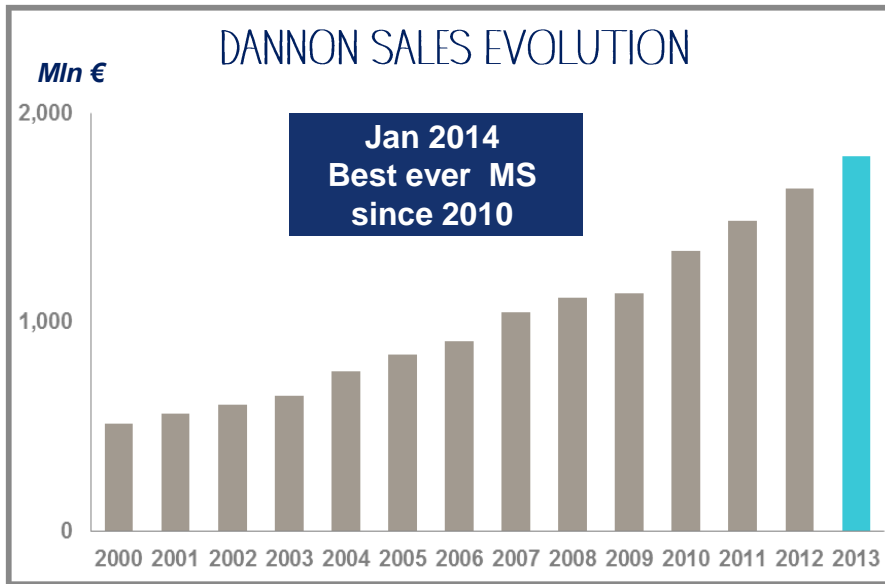


- * Largest-ever integrated communications campaign
- * Launched in over 50 countries worldwide
- * Drive the brand's evolving healthy lifestyle positioning: inner health and well being

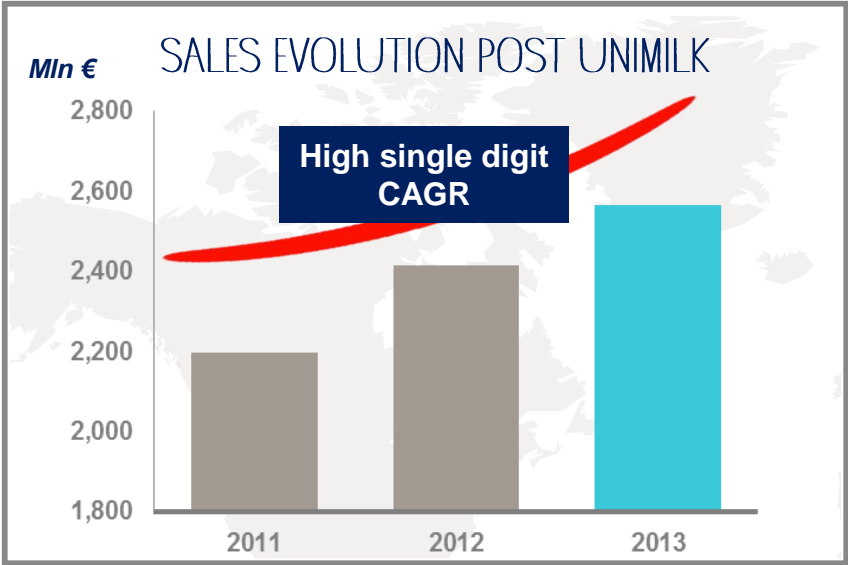


**KEEP WINNING
CIS & NORAM**

UNITED STATES: LEADING THE CATEGORY GROWTH



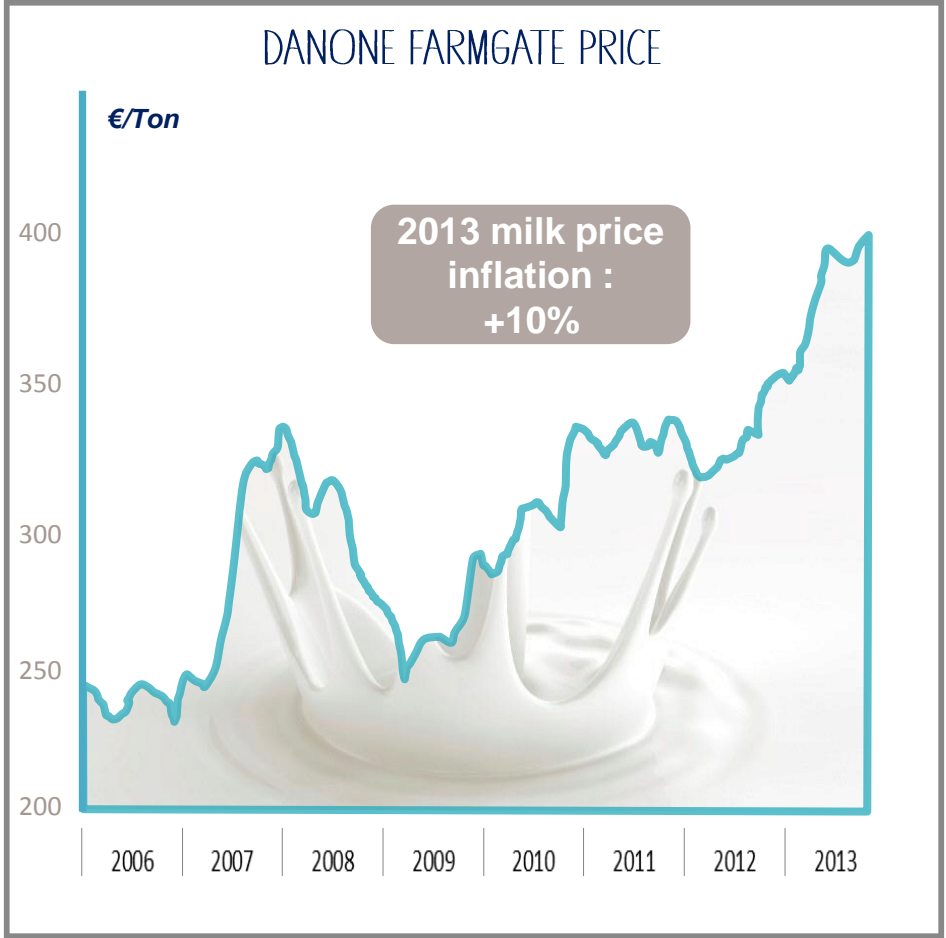
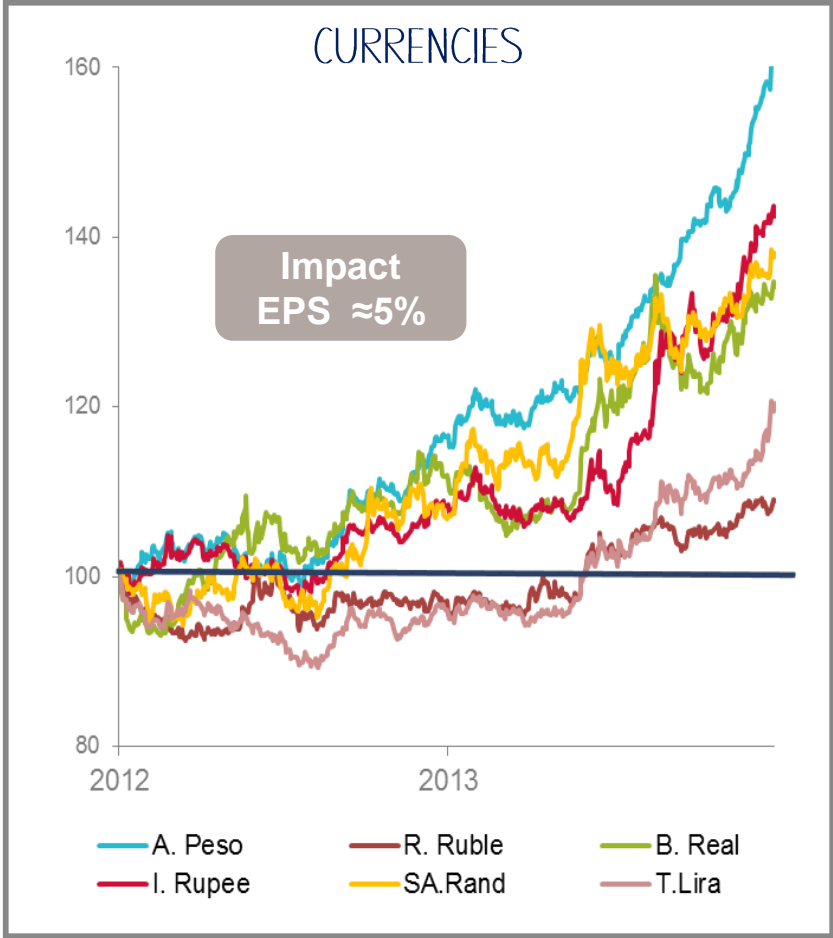
KEEP BUILDING A STRONGER CIS





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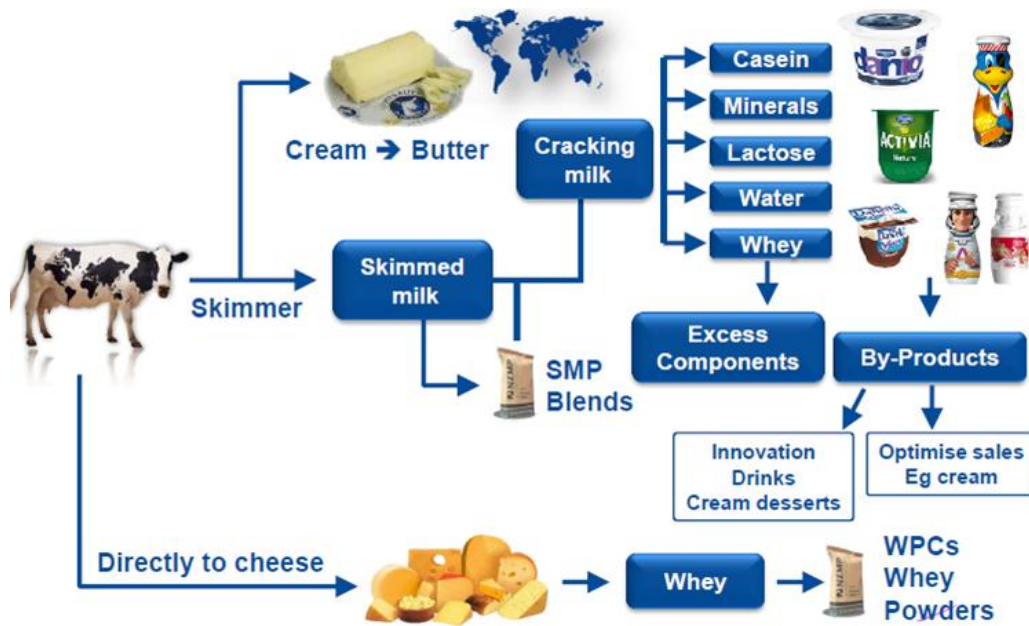
MANAGING VOLATILITY



KEY PRODUCTIVITY INITIATIVES

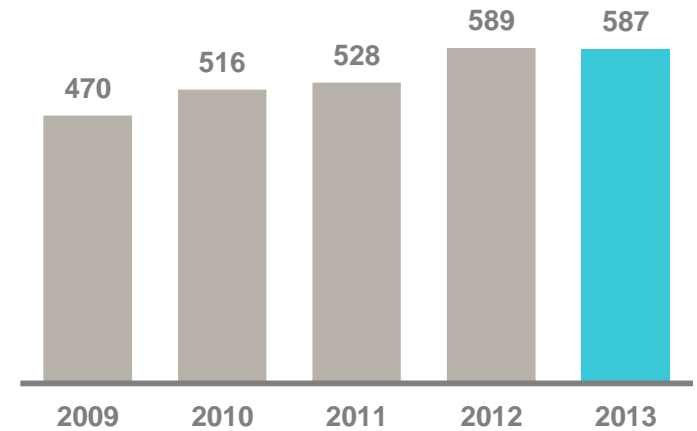


OPTIMIZE MILK EQUATION



COGS PRODUCTIVITY

Mln €

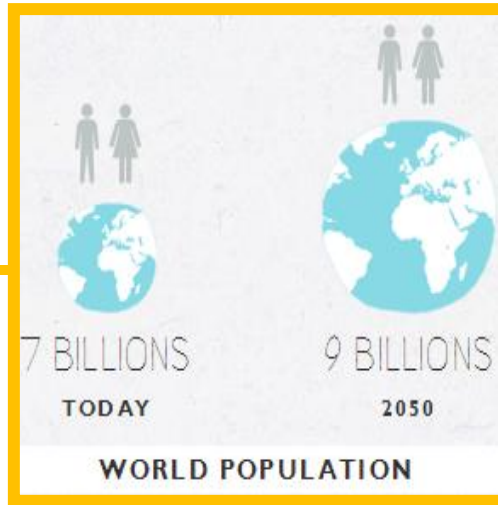


DEVELOP SUSTAINABLE AND HIGHEST QUALITY STANDARDS SOURCING



SECURING LONG-TERM MILK

Build relationship with Russian firm Damate to construct new Dairy farms



PILOT FARM : DAN FARM IN EGYPT



BEST IN CLASS QUALITY STANDARDS

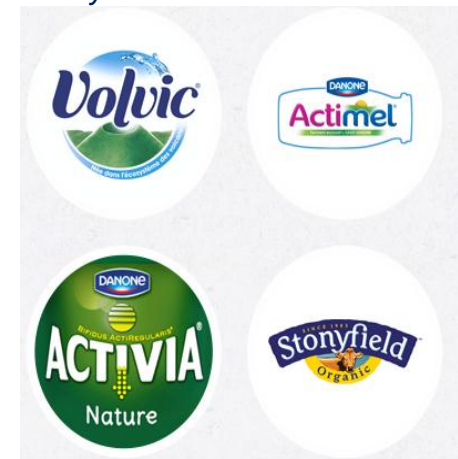


RECYCLED PET



EXPERIMENTING WITH RENEWABLE MATERIALS

plant-based plastics used by 4 brands in 7 countries



DANONE : A UNIQUE MODEL FOR DOING BUSINESS



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NUTRIPLANET
A method of analyzing the specific health and nutrition issues for a country's population (or age group) using nutritional, epidemiological, socio-economic and cultural data.

- ✓ Reliability
- ✓ Progress
- ✓ Well-being
- ✓ Cultures

45 COUNTRIES COVERED BY A NUTRIPLANET STUDY

1 CHARTER

FOOD NUTRITION & HEALTH

200 PARTNERSHIPS WITH INTERNATIONAL SCIENTIFIC COMMUNITIES

5 COMMITMENTS TO RESPOND TO PUBLIC HEALTH PROBLEMS LINKED TO CURRENT AND FUTURE DIETS

A SUSTAINABLE RELATIONSHIP BETWEEN DANONE & ITS ECOSYSTEM

-35% IN CO₂ EMISSIONS BETWEEN 2008 & 2012

LIVELIHOODS FUND

100 MILLION TREES PLANTED

THE CONNECTION BETWEEN THE ECONOMIC AND SOCIAL SPHERES

36.000 EMPLOYEES ENJOY HEALTH INSURANCE

DAN'CARES

THE DANONE ECOSYSTEM FUND

43 35 48.000
PROJECTS SUBSIDIARIES JOBS CONCERNED

10 ACTIVE PROJECTS

DANONE.COMMUNITIES



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GROW AND NAVIGATE IN ALMA

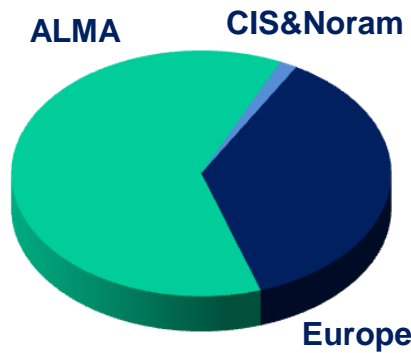
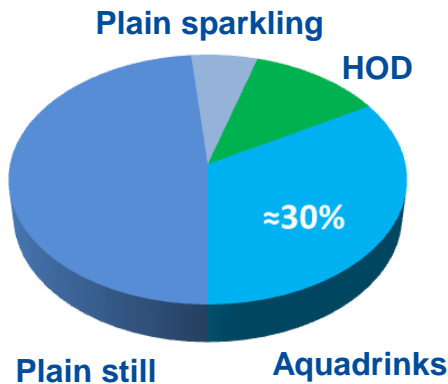
BRINGING AQUADRINKS TO CONSUMERS



SALES OF AQUADRINKS WITHIN WATER DIVISION : $\approx 30\%$

2013 GROWTH $> 20\%$

WATERS GEOGRAPHICAL AND CATEGORY SALES SPLIT



2013 Margin growth : +10 bps

TAILOR-MADE TO LOCAL NEEDS AND HABITS



New Year

Fool's Day

Net gaming

E-commerce



CONSISTENT ACTIVATION ACROSS TOUCH-POINTS



BRAZIL : STRONG GROWTH ACROSS CATEGORIES



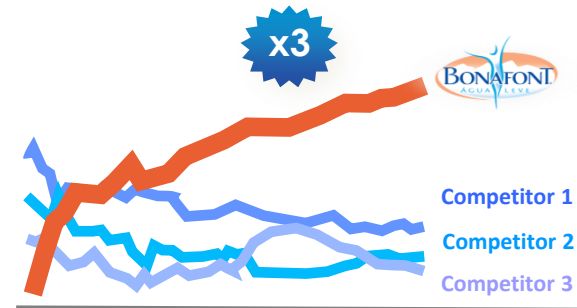
FRESH DAIRY PRODUCTS: DRIVING FRESH DAIRY MARKET GROWTH

2013 performance :

- **28% value market share**
- **>15% like-for-like sales growth**



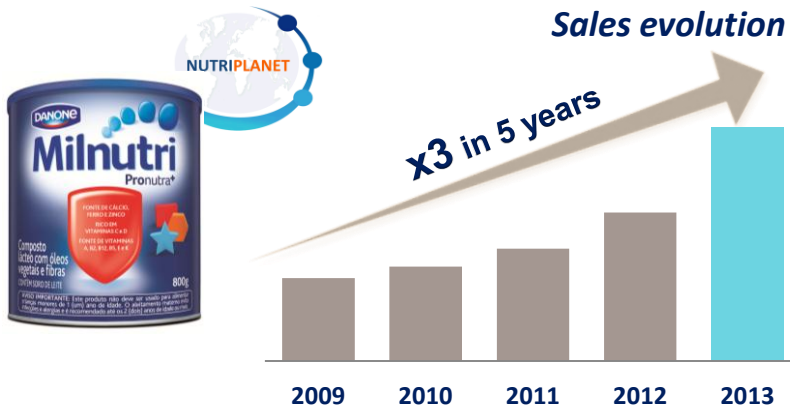
WATERS : BONAFONT – A MARKET LEADER IN SAO PAULO AREA



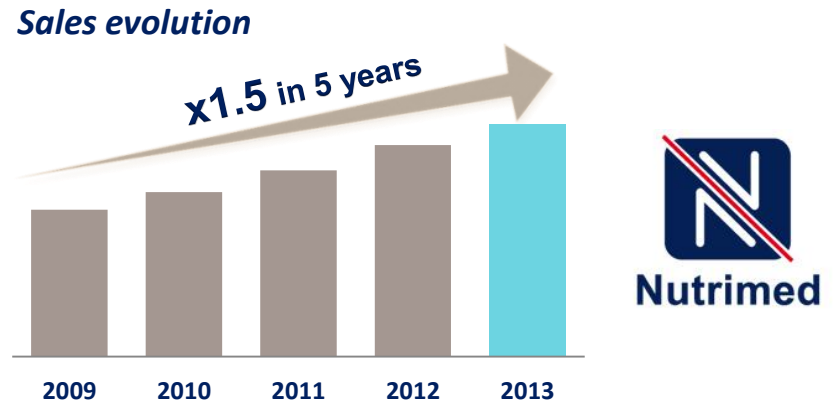
Set in 2008 2009 2010 2011 2012 2013

Source: MT SHARE – VOLUME – IPANEL GSP

EARLY LIFE NUTRITION : DEVELOPING MARKET FROM A CHALLENGER POSITION



MEDICAL NUTRITION : 6TH LARGEST MARKET FOR DANONE MEDICAL NUTRITION

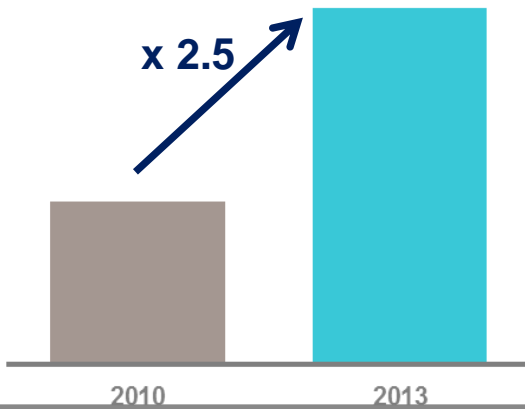


AFRICA: LEVERAGE STRONG POSITIONS

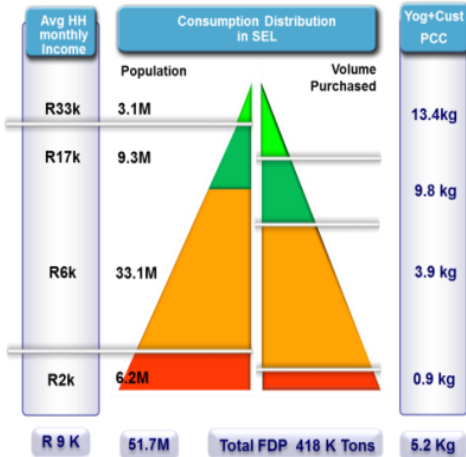


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CANN EVOLUTION 2010-2013



PCC POTENTIAL DOWN THE PYRAMID (EG: SOUTH AFRICA)

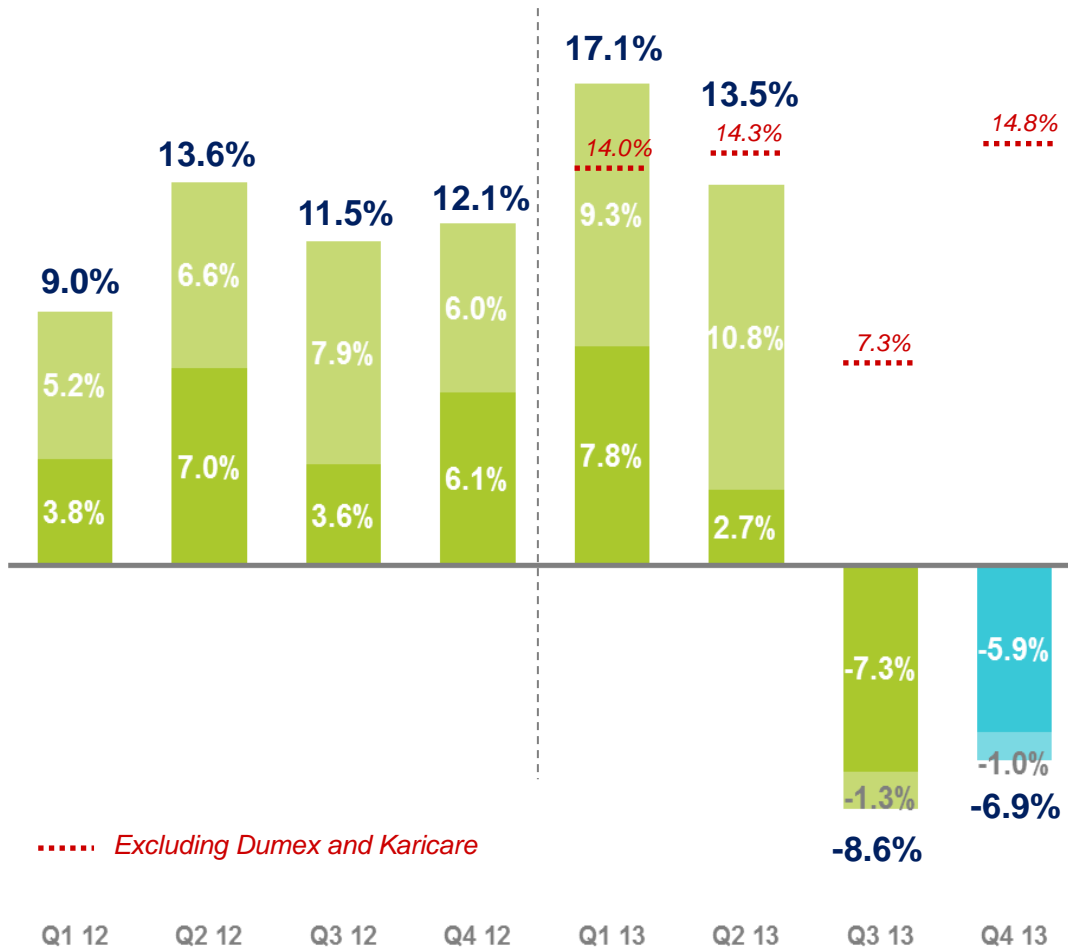


**TURN EARLY LIFE
NUTRITION ENGINE BACK
TO FULL SPEED**

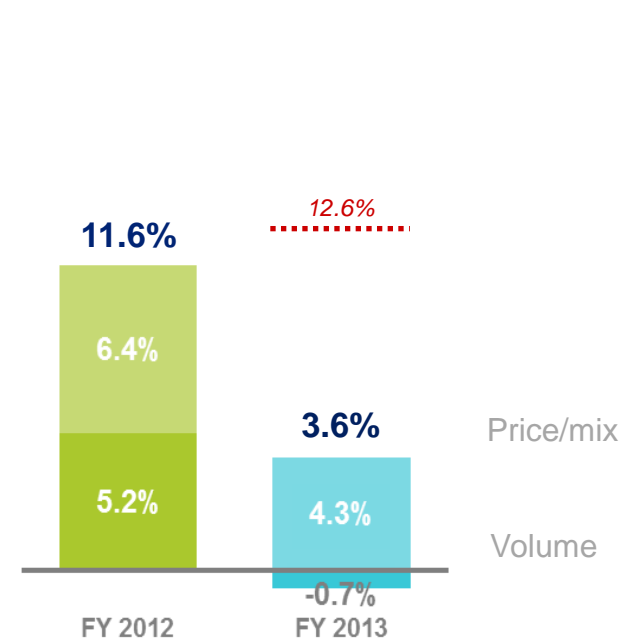
EARLY LIFE NUTRITION: STRONG UNDERLYINGS



LIKE-FOR-LIKE SALES GROWTH PER QUARTER



LIKE-FOR-LIKE SALES GROWTH



2014 : FROM 1 TO 3 ENGINES TO DRIVE GROWTH IN CHINA



DUMEX QUALITY WITH EMOTION

1 brand **Dumex** 2 lines



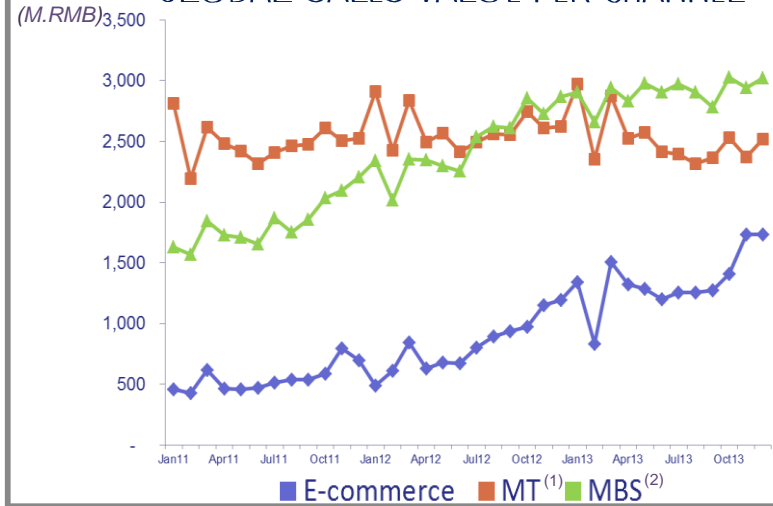
Emotion



- 1 品牌品质
- 2 全球品质
- 3 品质品质
- 4 高品质
- 5 品质品质
- 6 品质品质
- 7 品质品质



GLOBAL SALES VALUE PER CHANNEL



LAUNCH OF AN ULTRA-PREMIUM RANGE

Services

NUTRICIA Program



Products



(1) Modern Trade (2) Mum and Baby stores

2014 objectives

Sales growth ⁽¹⁾	4.5% to 5.5%
Trading operating margin ⁽¹⁾	Stable ± 20 bps
Free cash-flow excluding exceptional items ⁽²⁾	around €1.5 bn

With no impact in 2013:

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

(2) Free cash-flow excluding exceptional items : cash flows provided or used by operating activities less capital expenditure net of disposals, excluding acquisition costs related to business combinations and earn-outs related to business combinations and paid subsequently to acquisition date and before cash-flows related to initiatives that may be taken by the Group to deploy the plan to generate savings and adapt its organizations in Europe



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