



Franck Riboud

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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 Registration Document (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.

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



2014 Highlights



H1 2014 KEY ACHIEVEMENTS



OVERCOME MILK INFLATION



Q1 margin under pressure as a result of record milk prices

Pricing, mix & cost management
→ Q2 bounce back

Milk prices now stabilized / down

INNOVATION & MIX IN KEY MARKETS



EUROPE: Danio, evian La Goutte and Looney Drinks

NORAM/CIS: Tëma Biolact, Creamery & Oikos Frozen

ALMA: Nutrilon & Dumex International, VIT Levité

STRENGTHEN OUR STRATEGIC PLATFORMS



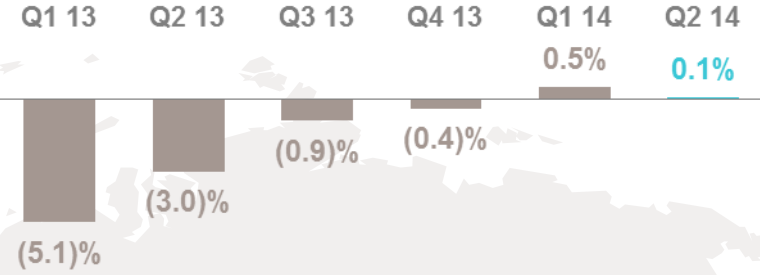
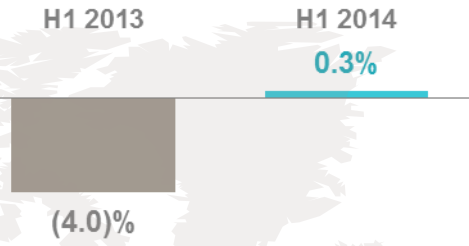
Closing of COFCO Mengniu partnership:
Increased stake & Fresh Dairy JV

Strengthening Africa:
40% stake in Brookside (East Africa)

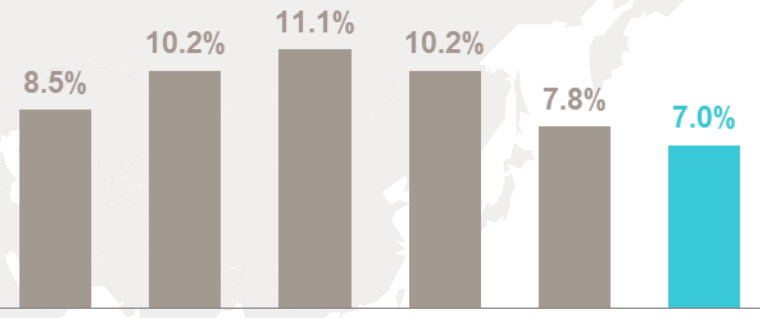
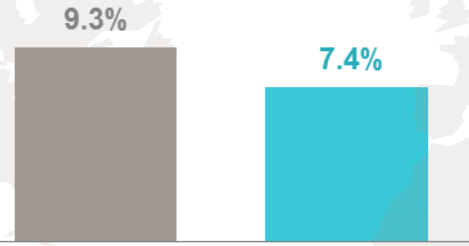
GEOGRAPHICAL DYNAMICS



EUROPE

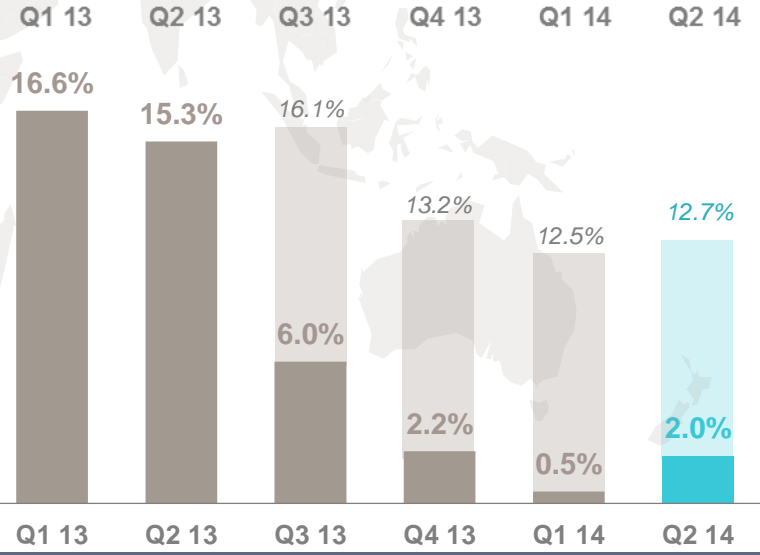
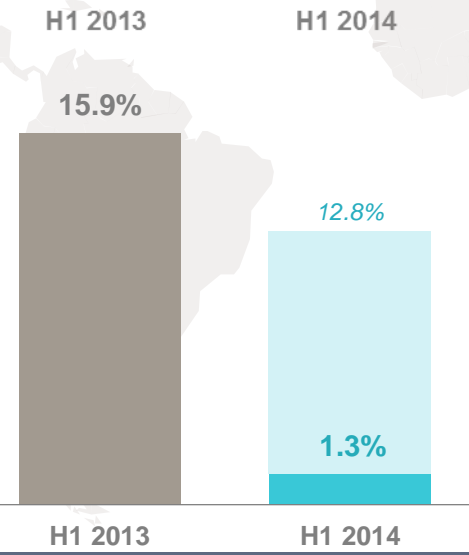


CIS & NORAM *CIS+USA+Canada*



ALMA

AsiapacLatamMiddleEastAfrica



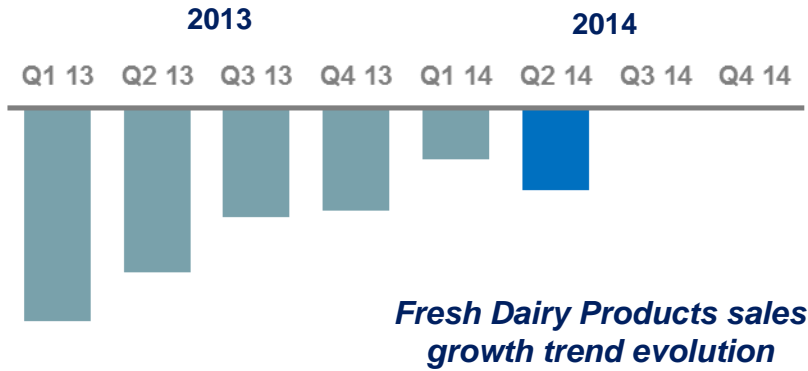
Actual

**Excluding
8 recall markets**

2014 AGENDA - DELIVER ON 2014 KEY PRIORITIES



TURNING AROUND EUROPE



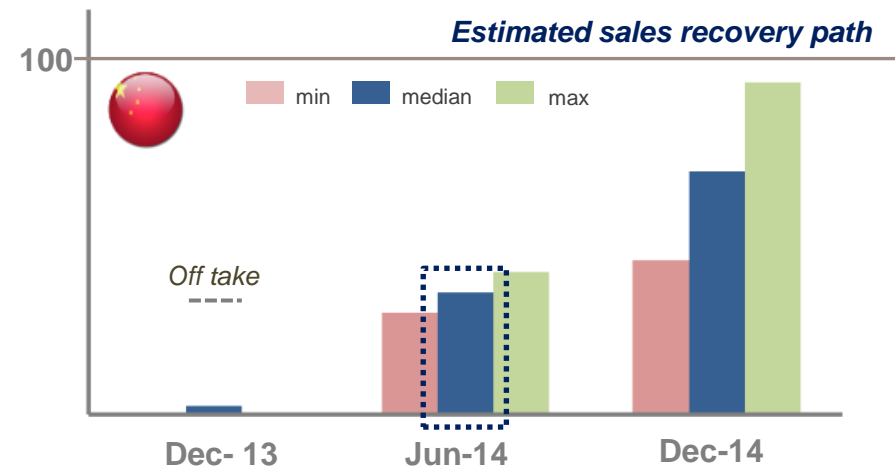
GROW AND NAVIGATE IN ALMA



KEEP WINNING CIS & NORAM



TURN ELN ENGINE BACK TO FULL SPEED





ALIMENTATION BY DANONE



FOOD & WATER CYCLE MANAGEMENT



UNIQUE MANAGEMENT MODEL



ONE BOARD

**14 Board members
71% independent**

ONE CHAIRMAN



ONE CEO



ONE COMEX



Simplified governance - Strengthened execution

WORLD OPPORTUNITIES AND TURBULENCES



OPPORTUNITIES



NEW ENVIRONMENTAL STAKES



FOODSTYLE



DEMOGRAPHY



ACCESS TO TECHNOLOGY

TURBULENCES



RECESSION



VOLATILITY



POLITICAL INSTABILITY



FINANCIAL MARKETS

A CRITICAL MULTI-DIMENSIONAL MISSION



HELPING CONSUMERS TO BALANCE DIET BETWEEN TASTE, CONVENIENCE AND NUTRITION



ADAPTING TO STRONGLY ANCHORED LOCAL DIETS, SOCIAL & CULTURAL HABITS



REACHING A LARGE ARRAY OF CONSUMERS IN DIFFERENT GEOGRAPHIES, MOMENTS, PLACES



ADDRESSING EVOLVING LIFESTYLES



CONSTANTLY RE-INVENTING OUR CATEGORIES TO ADAPT TO A LARGE ARRAY OF CONSUMERS & NEEDSTATES



GREEK YOGURT FOR KIDS



PRODUCTS ADAPTED TO LOCAL NUTRITIONAL STATUS



TĚMA: FRESH DAIRY PRODUCTS FOR TODDLERS



PACKAGING INNOVATION



LONG SHELVES LIFE JELLY



Kids products c.10% of Dairy division

AFRICA: THE RELEVANT HOLISTIC APPROACH



Securing a sustainable milk supply chain in the long-term with **local sourcing**

DanFarm & Milk Collecting Communities in Egypt



Adapting products to local tastes and constraints



Development of long shelf-life yogurts in South Africa

Building a **strong sales distribution network** suitable to geographical realities



Fan Milk 31,000 street independent vendors

Demonstrating **relevance to local challenges**



Senegal



Madagascar



Senegal



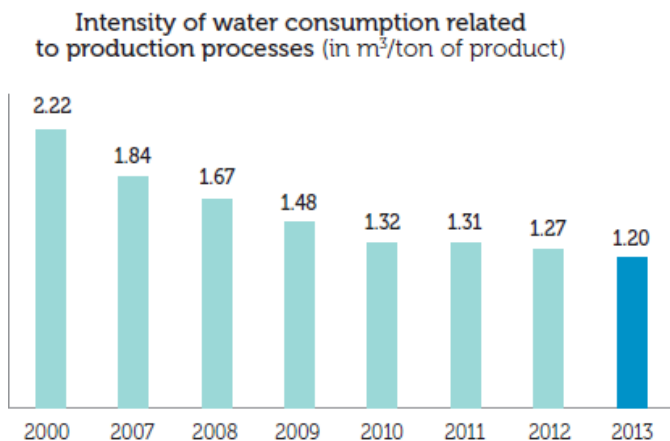
Kenya



MANAGE UPSTREAM TO CREATE VALUE: STRATEGIC PROJECTS TODAY & TOMORROW

RESOURCE EFFICIENCY

Waste reduction



-46%

Reduction of water consumption since 2000

Recycling



9%

RPET used in Waters division

Optimization



20%

Platinum deployed in 20% of WW volumes

FRANCE (2014): MULTI-BRAND CAMPAIGN

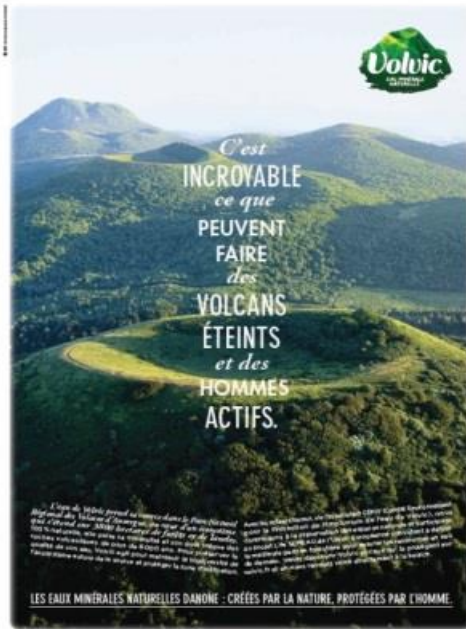


evian

Il n'y a PAS DE MIRACLE, IL FAUT DES HOMMES pour PROTÉGER les MIRACLES.

L'eau de source prend son chemin en passant par des montagnes, des forêts, des rivières et des lacs. Elle est protégée par la nature et les hommes. Elle est pure, fraîche et saine. Elle est Evian. Elle est créée par la nature et protégée par l'homme.

LES EAUX MINÉRALES NATURELLES DANONE - CRÉÉES PAR LA NATURE, PROTÉGÉES PAR L'HOMME.




Volvic

C'est INCROYABLE ce que PEUVENT FAIRE des VOLCANS ÉTEINTS et des HOMMES ACTIFS.

L'eau de Volvic prend son chemin dans les montagnes de la région de la Montagne d'Auvergne. Elle est protégée par la nature et les hommes. Elle est pure, fraîche et saine. Elle est Volvic. Elle est créée par la nature et protégée par l'homme.

LES EAUX MINÉRALES NATURELLES DANONE - CRÉÉES PAR LA NATURE, PROTÉGÉES PAR L'HOMME.




BADOIT

Ici, DES HOMMES VEILLENT ensemble SUR UN PRÉCIEUX GISEMENT de fines BULLES.

L'eau de Badoit prend son chemin dans les montagnes de la région de la Montagne d'Auvergne. Elle est protégée par la nature et les hommes. Elle est pure, fraîche et saine. Elle est Badoit. Elle est créée par la nature et protégée par l'homme.

LES EAUX MINÉRALES NATURELLES DANONE - CRÉÉES PAR LA NATURE, PROTÉGÉES PAR L'HOMME.



Salvat

L'EAU QUI JAILLIT ICI n'a besoin DE PERSONNE POUR PÉTILLER, MAIS de quelqu'un POUR CONTINUER À LE FAIRE.

L'eau de Salvat prend son chemin dans les montagnes de la région de la Montagne d'Auvergne. Elle est protégée par la nature et les hommes. Elle est pure, fraîche et saine. Elle est Salvat. Elle est créée par la nature et protégée par l'homme.

LES EAUX MINÉRALES NATURELLES DANONE - CRÉÉES PAR LA NATURE, PROTÉGÉES PAR L'HOMME.

ONE DANONE: A UNIQUE MANAGEMENT MODEL TO SUPPORT A MULTI-LOCAL RELEVANT COMPANY



UNIQUE CULTURE & VALUES

**DUAL ECONOMIC
& SOCIAL PROJECT**



**EMPOWERING
LEADERSHIP**

ONE DANONE: MADE OF VALUES AND TALENTS



Record participation rate of 88%

ENGAGED

Attachment to the company and willingness to give extra effort

ENABLED

A work environment that supports productivity & performance

ENERGIZED

Individual physical, social and emotional well-being at work

81 % LONG TERM COMMITMENT

DANONE AS A KEY LEADER IN A PROMISING FOOD CATEGORY



BRINGING HEALTH THROUGH
FOOD
TO AS MANY PEOPLE AS POSSIBLE



