



Pierre-André Térésse Chief Financial Officer

Société Générale - The Premium Review
Paris - December 3, 2014



DANONE



SOCIETE GENERALE
Corporate & Investment Banking

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.

DANONE ID & KEY FIGURES

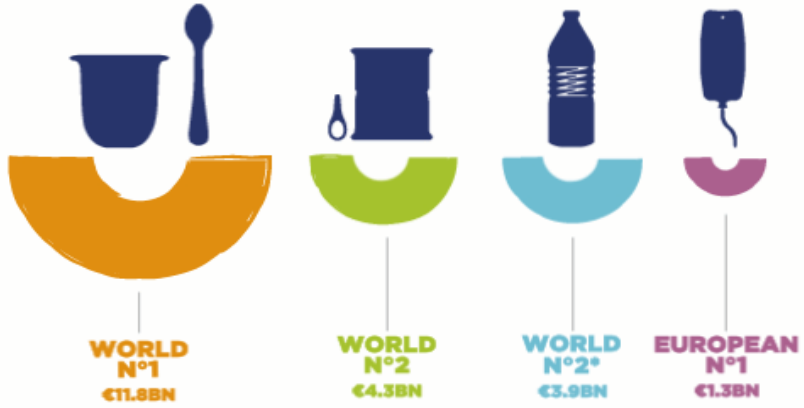


“BRINGING HEALTH THROUGH FOOD TO AS MANY PEOPLE AS POSSIBLE”

FOOD HEALTH

WE ARE A GLOBAL FOOD COMPANY
TURNED TO HEALTH, WELL-BEING & PLEASURE

PLEASURE

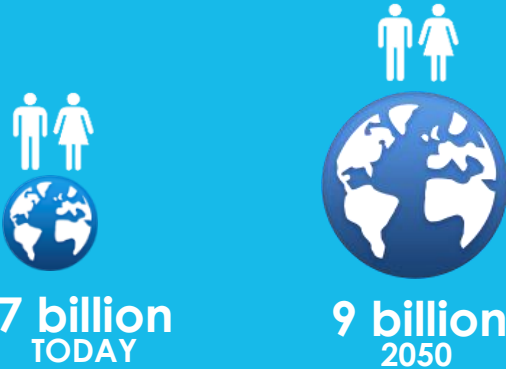


*by volume

A CRITICAL MISSION IN A CHANGING WORLD



GROWING POPULATION



RESOURCES SCARCITY AND VOLATILITY



BALANCING DIETS: A KEY CHALLENGE OF THE WORLD

1/4 undernourished
1/3 overweight adult
1/10 obese adult



**BRINGING HEALTH
THROUGH FOOD TO
AS MANY PEOPLE AS
POSSIBLE**

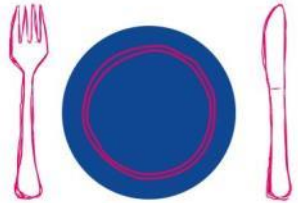
INCREASING FOOD SAFETY & QUALITY STANDARDS



2020

DANONE

Bringing health through food to as many people as possible



ALIMENTATION

Nourish body and mind, not just feed them



FOOD & WATER CYCLE

Transform our strategic resources into competitive edge



MANAGEMENT MODEL

Change Danone to remain Danone

- Understanding diet, nutrition and health in different cultures and communities



- Adapting products to local tastes and lifestyles



- Securing our licence to operate



- Strengthening our competitive advantage



- One Danone : leveraging our size while providing a stronger support to our business locally



- Building a world of diverse leaders and high performing teams



DANONE MODEL OF STRONG, SUSTAINABLE AND PROFITABLE GROWTH



PROFITABLE SUSTAINABLE GROWTH

PROFITABLE



- Keep adapting the European model
- Build on our strong platforms

SUSTAINABLE



- New growth initiatives to protect and balance growth dynamics
- Upstream management to create value and manage volatility

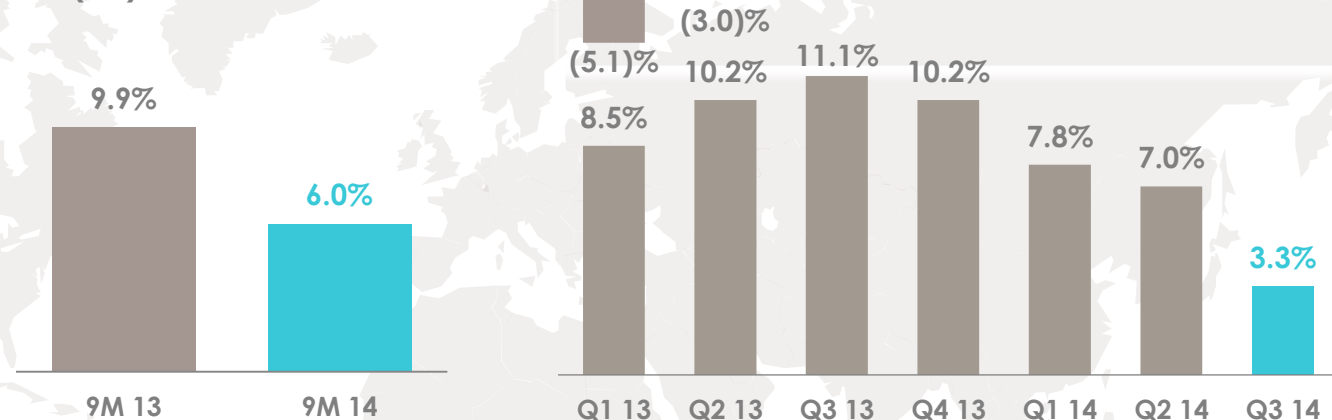
GEOGRAPHICAL DYNAMICS



EUROPE

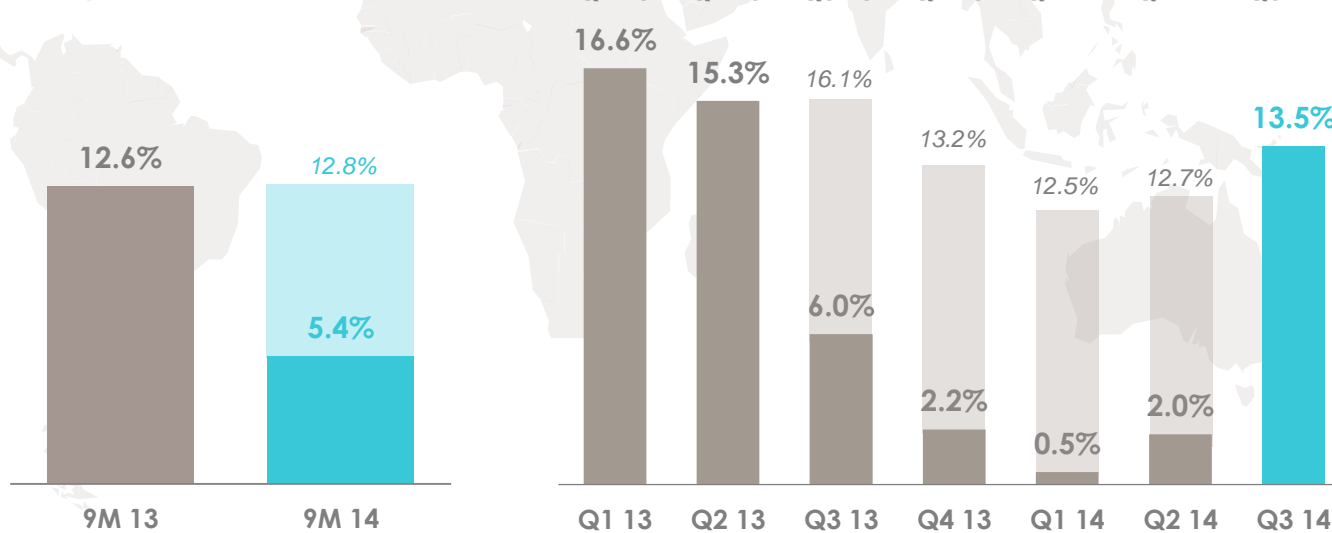


CIS & NORAM CIS+USA+Canada



ALMA

AsiapacLatamMiddleEastAfrica



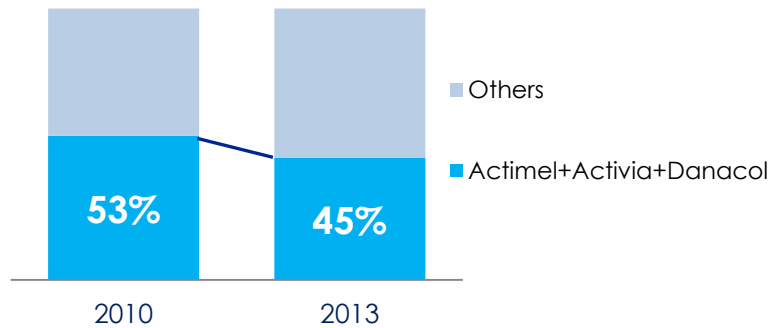


REBASING THE PORTFOLIO

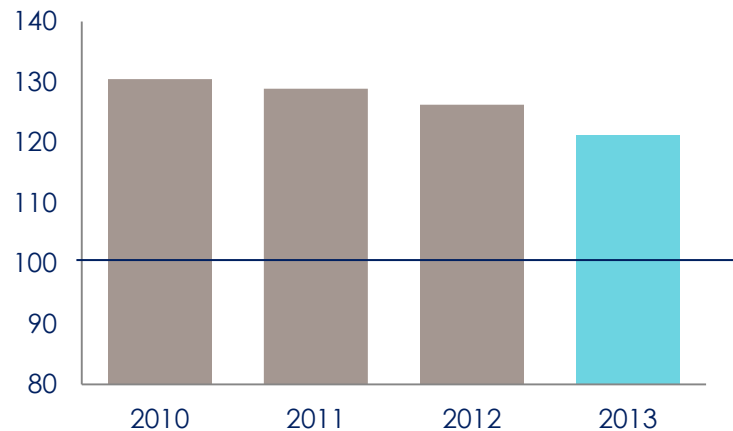


SHARPENING PRODUCT SUPERIORITY

« ACTIBRANDS » WEIGHT IN SALES



PRICE INDEX DANONE VS MARKET





SIMPLIFICATION

EUROPE Savings plan
Adaptation and simplification of organizations

GLOBAL SOURCING
A new way of purchase

Suppliers
Business units

Industrial optimization

HARMONIZATION

Product Optimization
Portfolio harmonization

Integrated management

EUROPEAN NETWORK 16 PLANTS BY MID 2015



2013
Sale of Castello, Benesov, Sofia and closure of Sevilla

2014
Closure project of Casale, Budapest, Hagenow



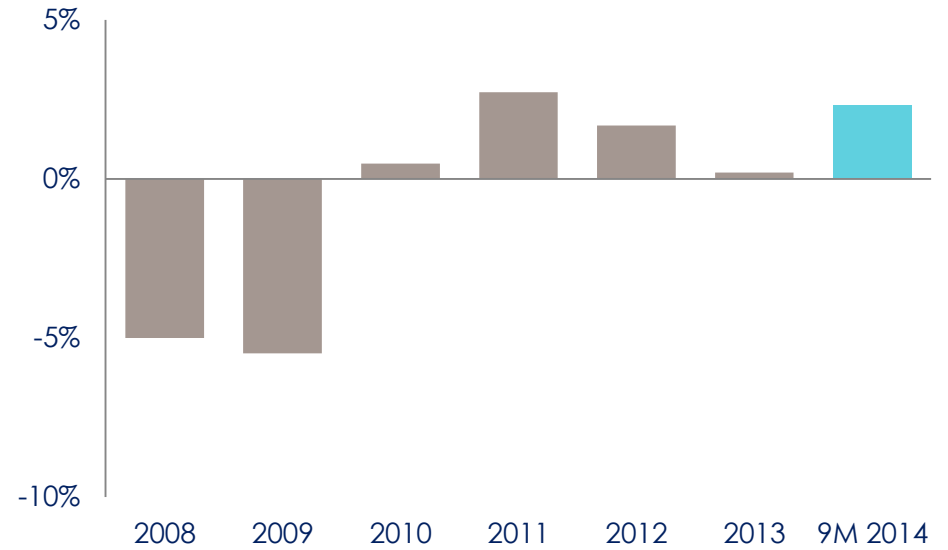
DEFENDING THE CATEGORY



REINVENTING BRANDS' IDENTITY



EUROPE WATERS SALES GROWTH EVOLUTION



INVESTING IN AQUADRINKS



CIS: CONTINUED AGENDA OF MIX IMPROVEMENT IN A STRONG MILK INFLATION CONTEXT



SOLID LOCAL PLATFORM

- Local brands volume >80% of total portfolio



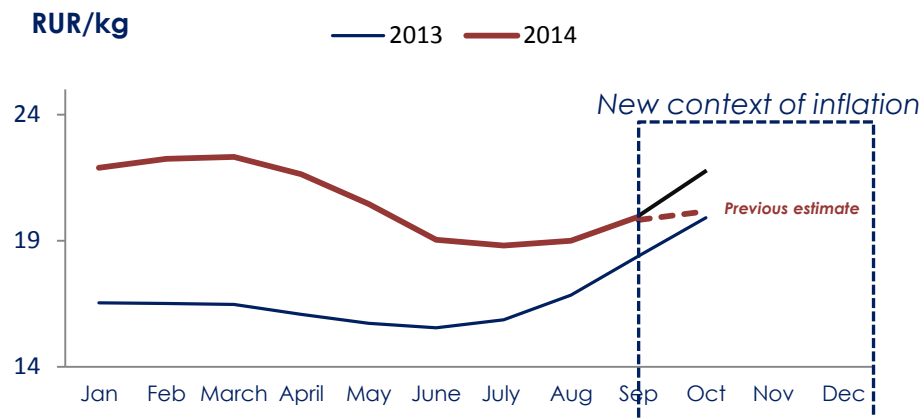
- 100% local milk sourcing



- 100% local production



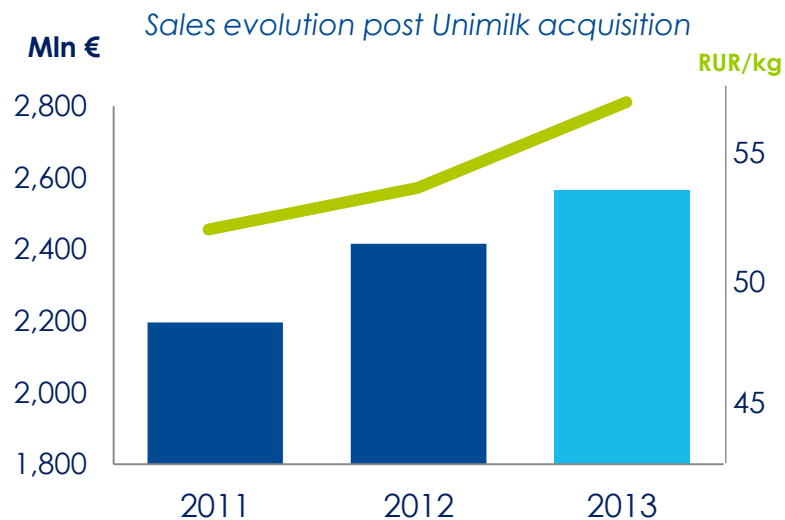
MILK PRICE INFLATION EVOLUTION



Q3 RUSSIAN SALES BREAKDOWN



KEEP ADDING VALUE THROUGH MIX AND BRANDS

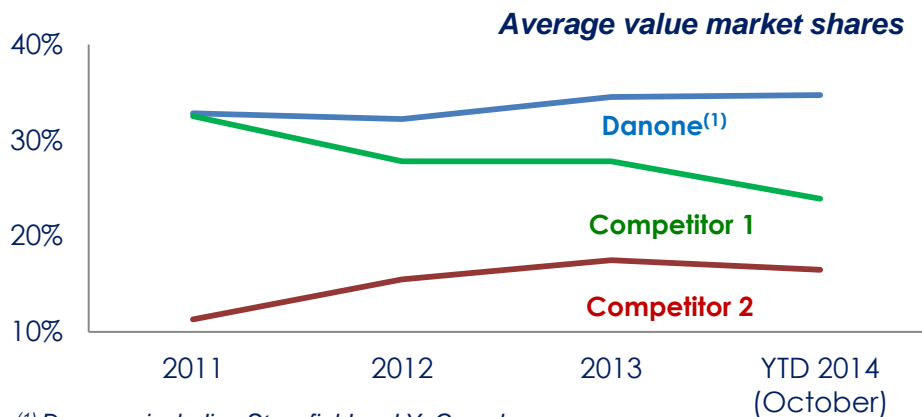


UNITED STATES: REVIGORATE THE CATEGORY AND GROW AS A STRONGER LEADER



DANONE

LEADING THE YOGURT CATEGORY

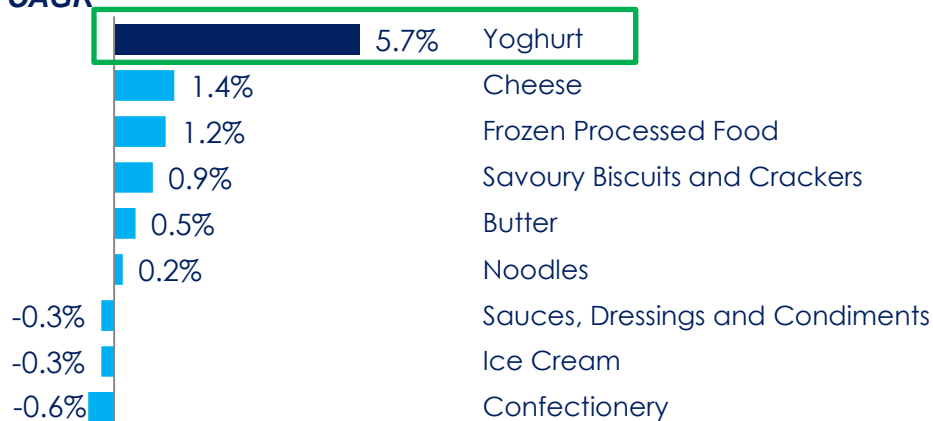


⁽¹⁾ Danone : including Stonyfield and YoCrunch

Source: IRI Multi Outlet

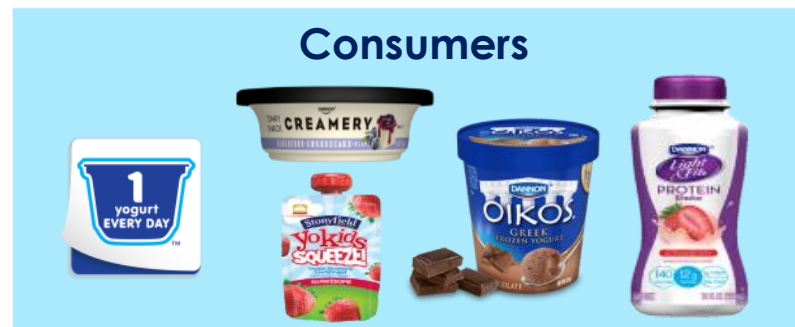
2004-2014 FASTEST GROWING FOOD CATEGORIES

2004-2014 CAGR



Source: Euromonitor

DANNON'S FUTURE GROWTH PILLARS



DAIRY ASIA: UNLOCK POTENTIAL IN CHINA



A STRATEGIC ALLIANCE WITH MENGNU

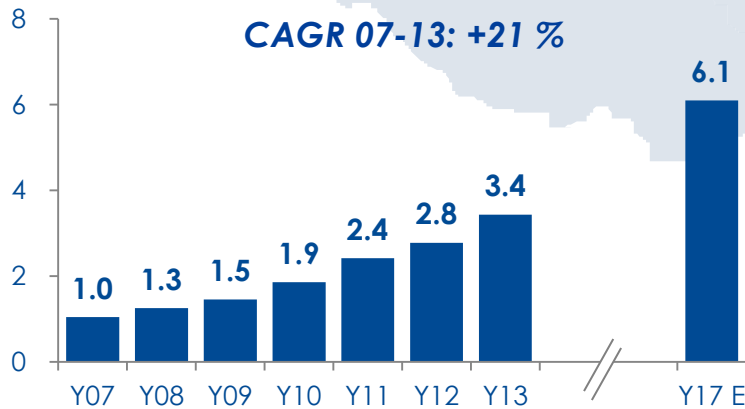


- Sales >700 mln€ with volume growth >20%
- #1 in yogurt with 23% MS
- **Nation-wide** sourcing, manufacturing & distribution
- Top 3 brands: >50 % portfolio

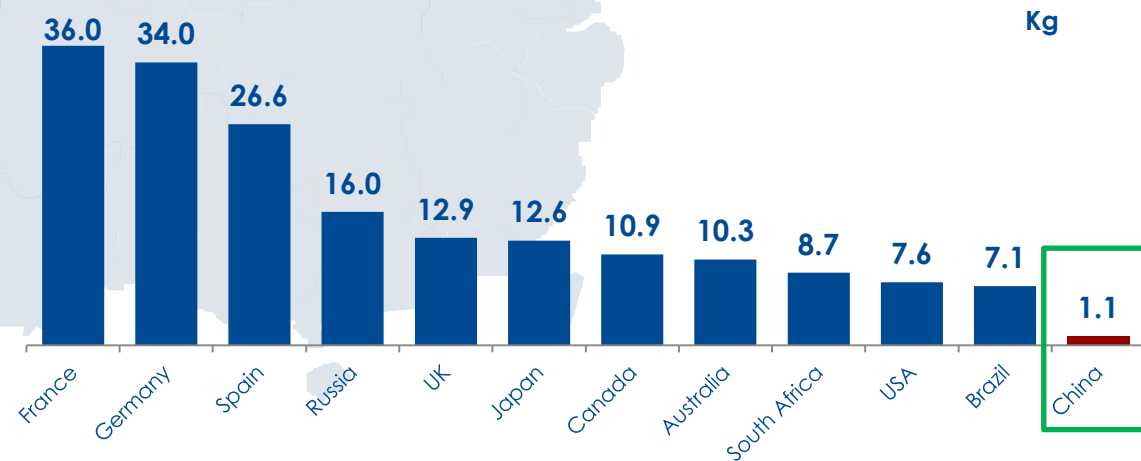


CHINA YOGURT MARKET (Bn €)

CAGR 07-13: +21 %



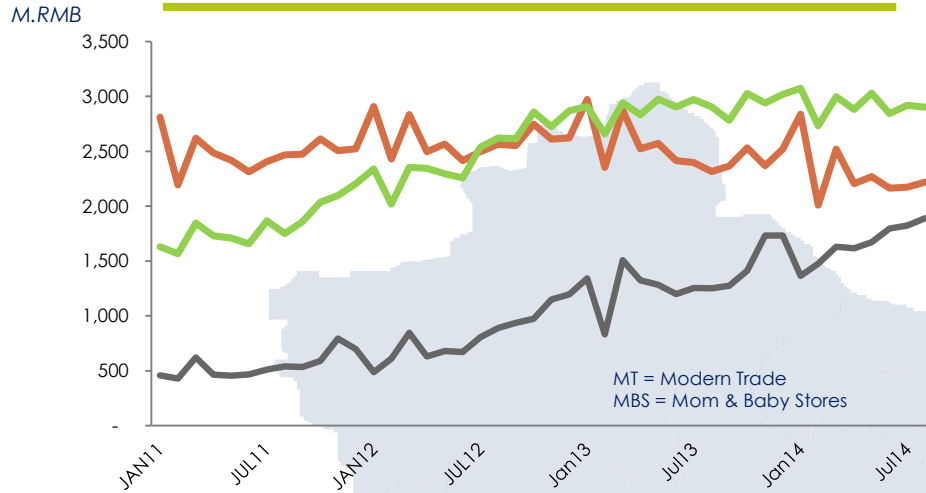
FRESH DAIRY PRODUCTS PCC ACROSS COUNTRIES



ASIA ELN: BUILD A STRONGER PLATFORM IN CHINA



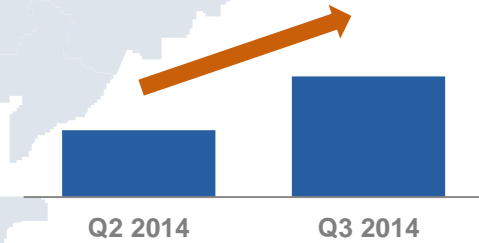
GLOBAL SALES VALUE PER CHANNEL



SUCCESSFUL NUTRILON PLATINUM LAUNCH



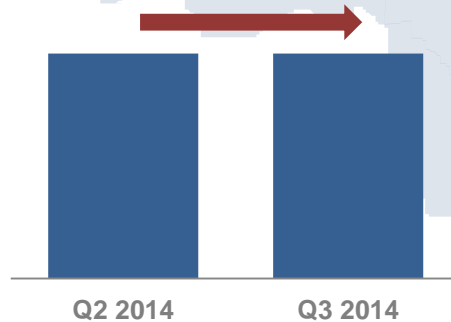
Sales evolution



SLOW RECOVERY OF DUMEX



Sales evolution



EXPANSION OF THE DANONE AND MENGNIU STRATEGIC ALLIANCE TO GROW YASHILI



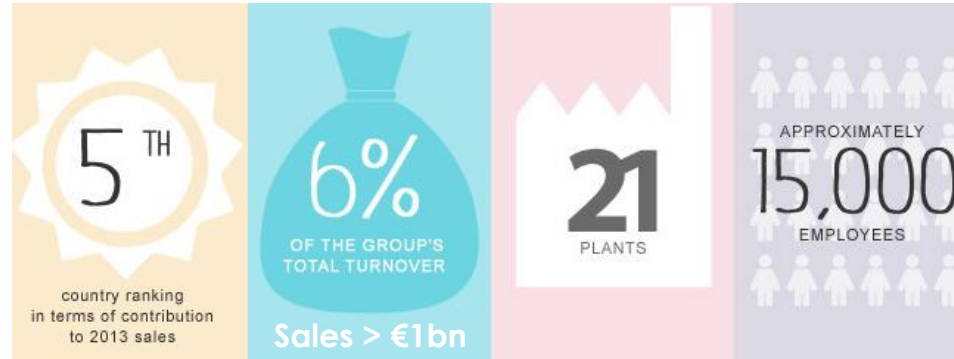
蒙牛



DANONE



ASIA: GROW STRONG EXISTING PLATFORMS EXAMPLE OF INDONESIA



WATERS AND EARLY LIFE NUTRITION : 2 LEADING DIVISIONS IN INDONESIA

Aqua

- #1 bottled mineral water since 1974 with >60% MS
- >10 bn litres per year



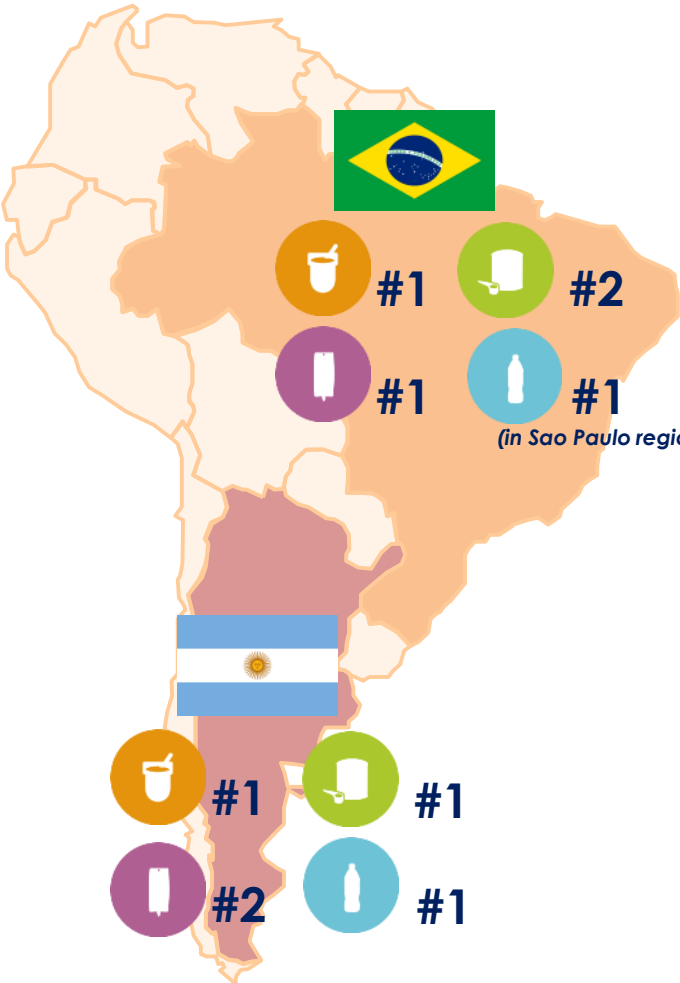
Mizone

- Launched in 2005 in Indonesia
- >30% MS

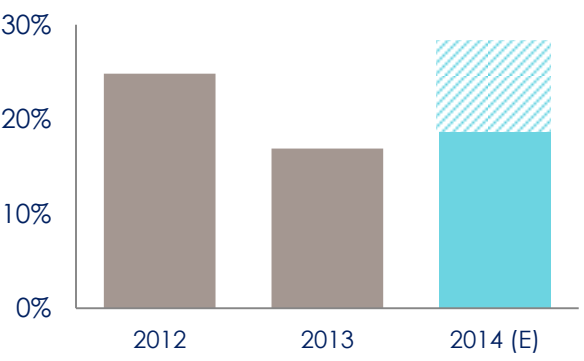
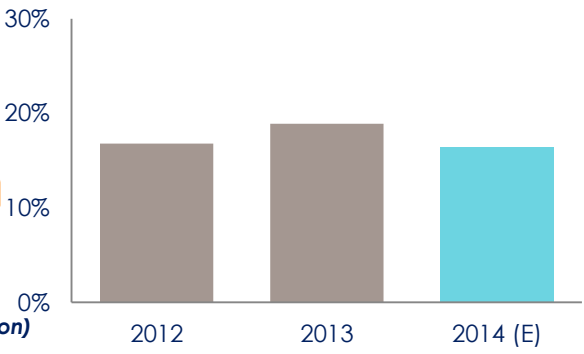
- >10% weight in ELN division total 2013 Sales with Sales > €500mln
- #1 with >40% MS with 3 brands



LATAM: CONTINUED STRONG GROWTH WITH SIGNIFICANT CONTRASTS



Sales growth evolution



Brazil

2014 est. inflation	+6% (1)
BRL vs Dollar YTD 2014	-8%(1)

Argentina

2014 est. inflation	+25%(1)
ARS vs Dollar YTD 2014	-31%(1)

January 23, 2014
official devaluation by
-20% vs dollar

(1) Bloomberg Nov 2014

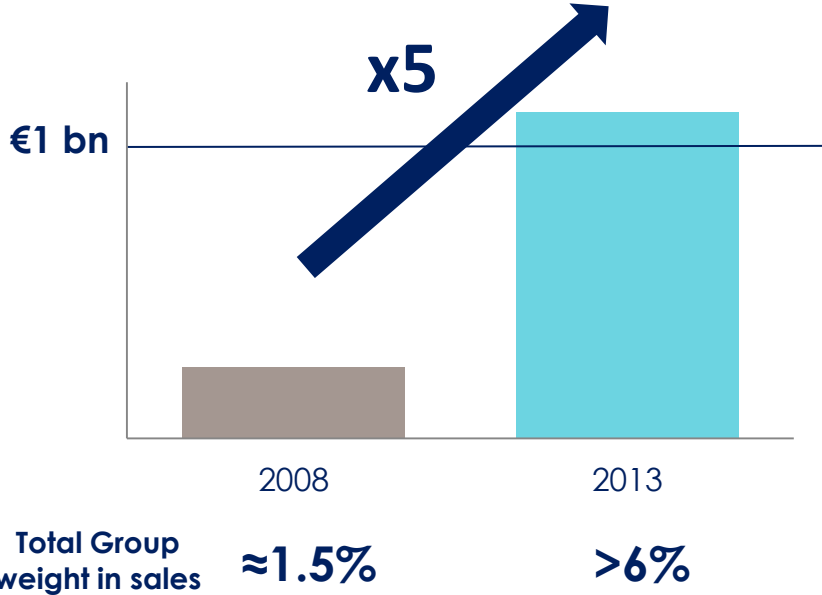
AFRICA: ACCELERATE THE DEVELOPMENT OF OUR PLATFORM



PRESENCE IN 40 COUNTRIES



SALES EVOLUTION



> 8,000 EMPLOYEES

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

(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

