DANONE

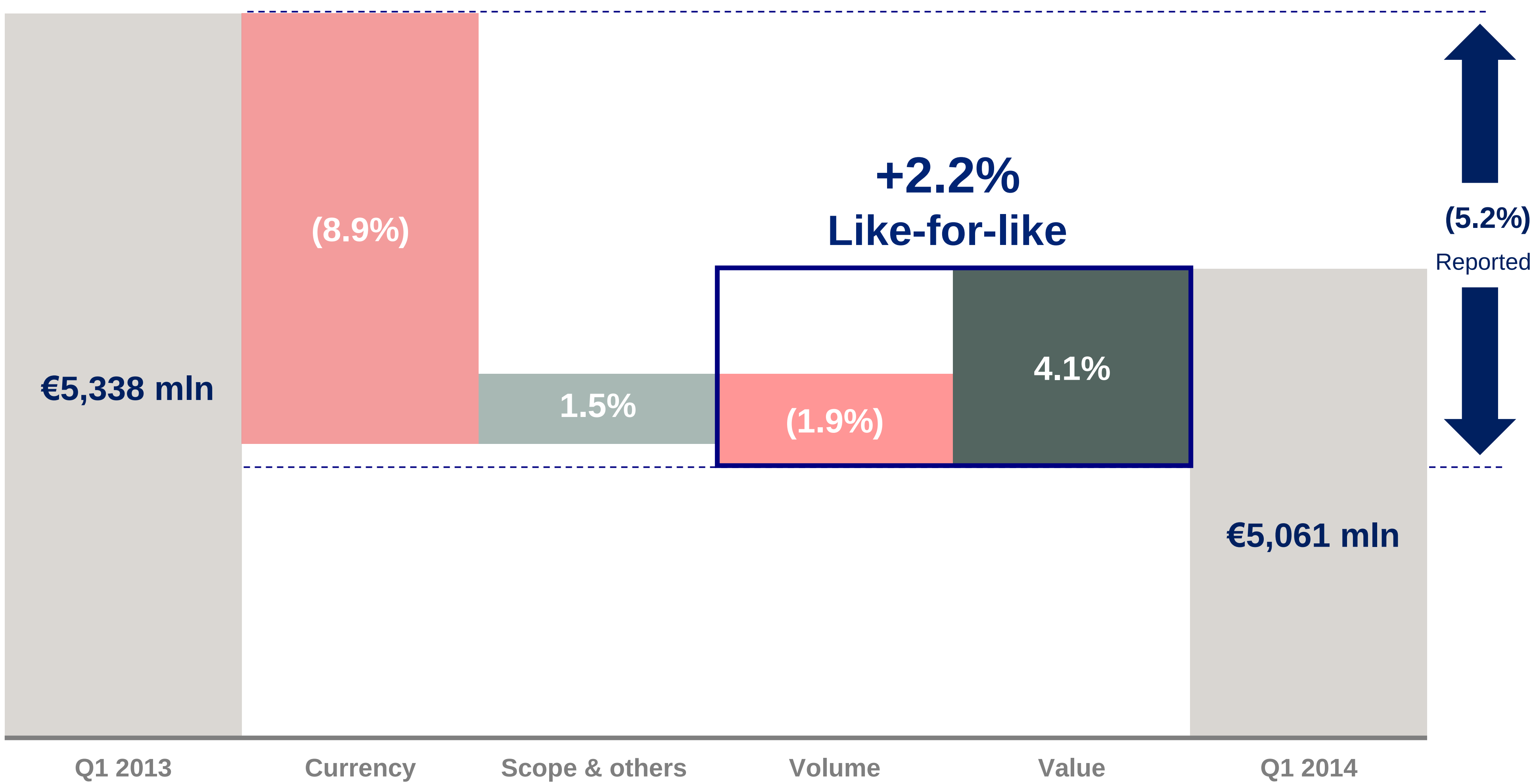
Q1 2014 Sales

April 16th, 2014

DISCLAIMER

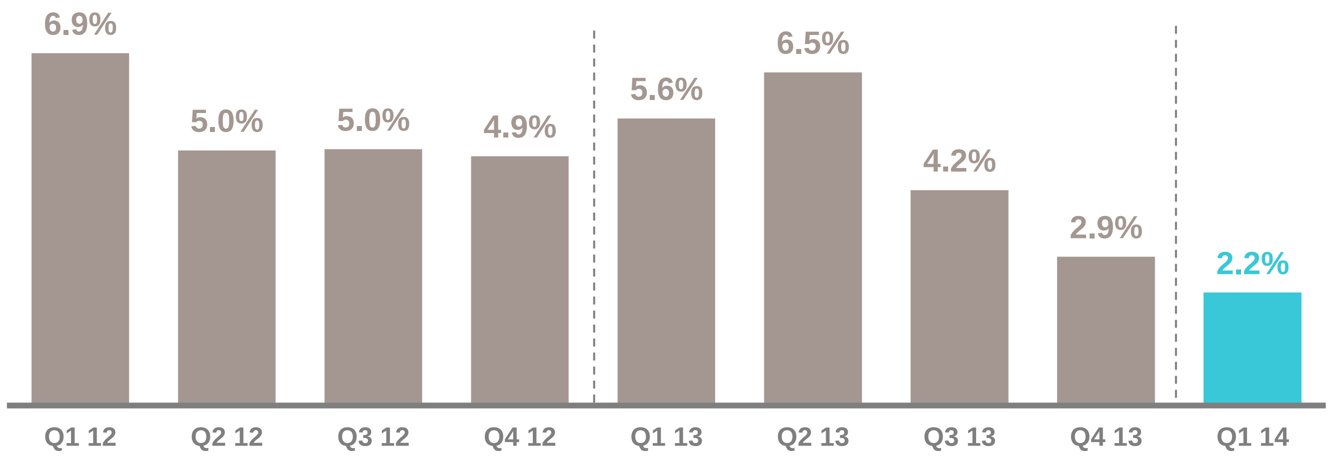
This document contains certain forward-looking statements concerning DANONE. Although DANONE believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those 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.

Q1 2014 - SALES GROWTH ANALYSIS



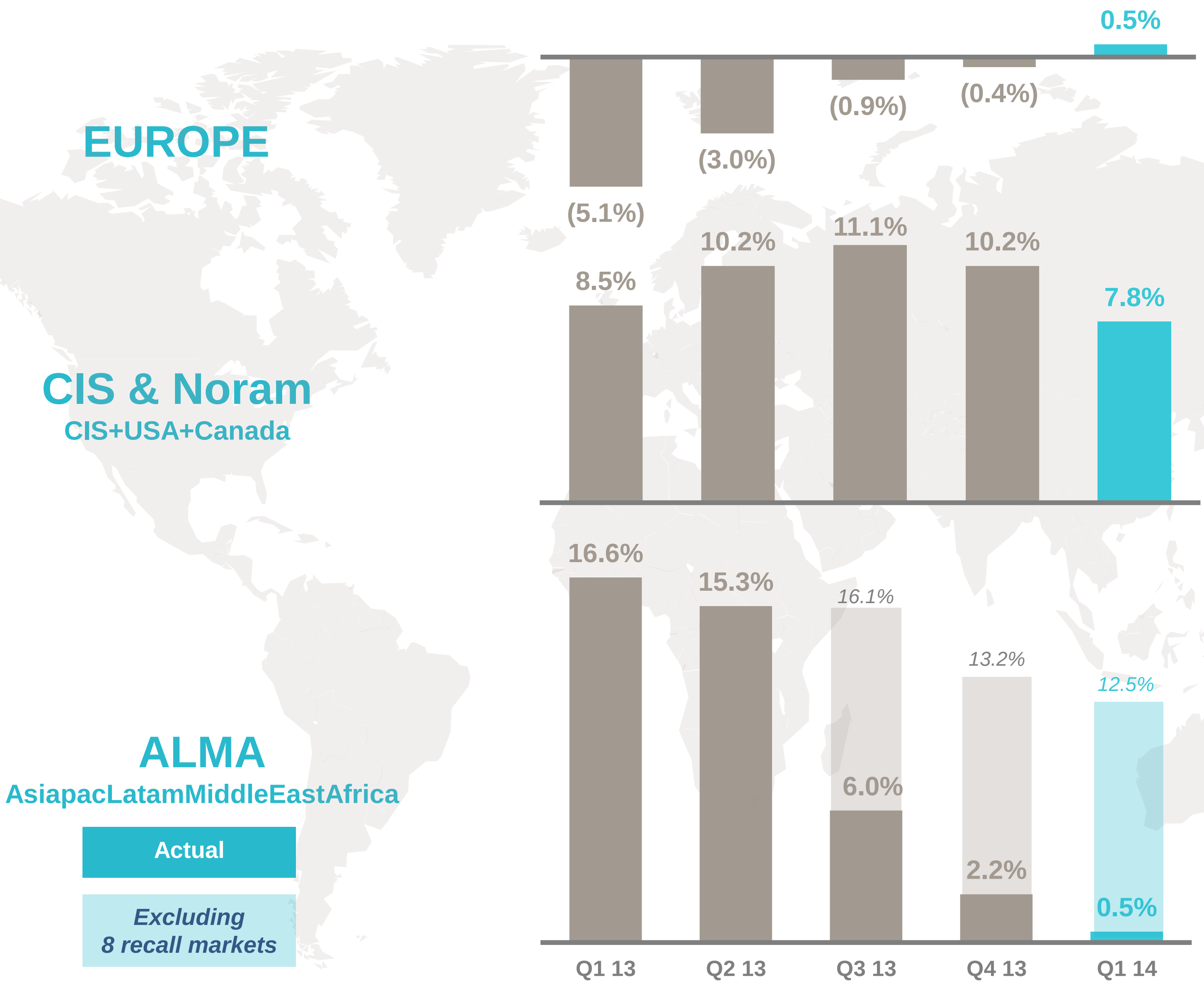
TOTAL GROUP: BOTTOMING ON HIGH COMPS

Like-for-like sales growth per quarter



- High comps following Fonterra false alert
- Quarterly performance in line with roadmap, in a volatile environment

GEOGRAPHICAL DYNAMICS: Like-for-like sales growth



SALES PERFORMANCE BY DIVISION

FRESH DAIRY PRODUCTS: SOLID GROWTH AND MILK INFLATION

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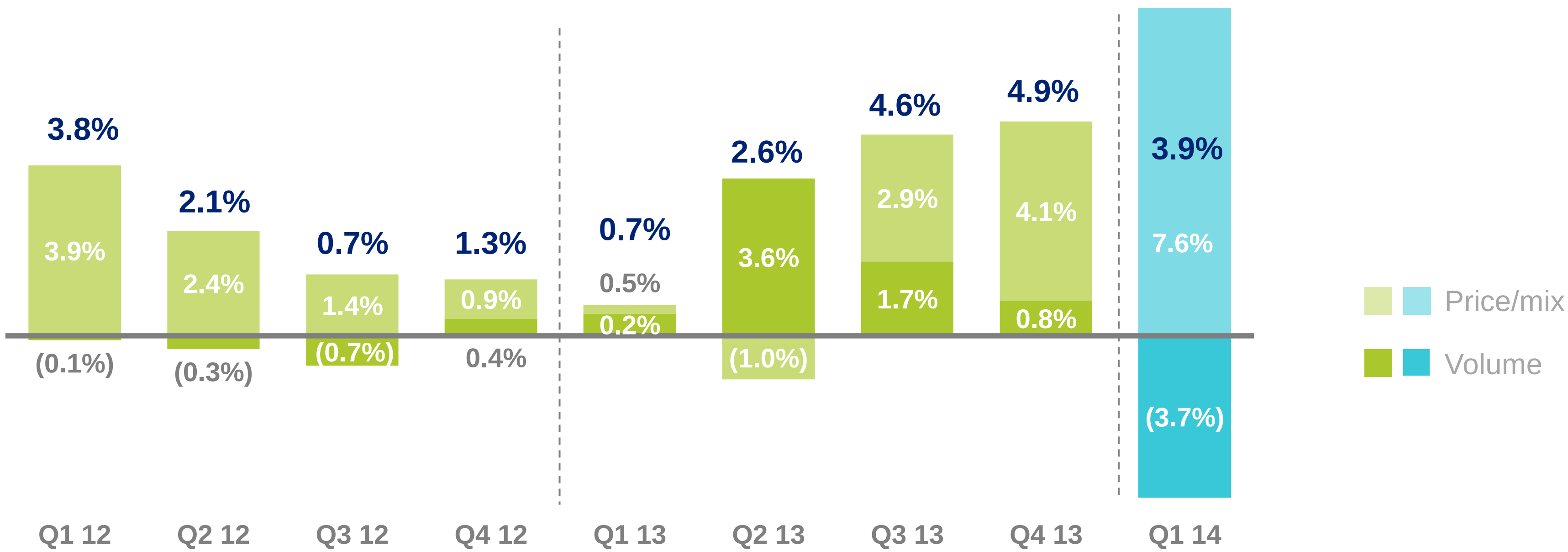
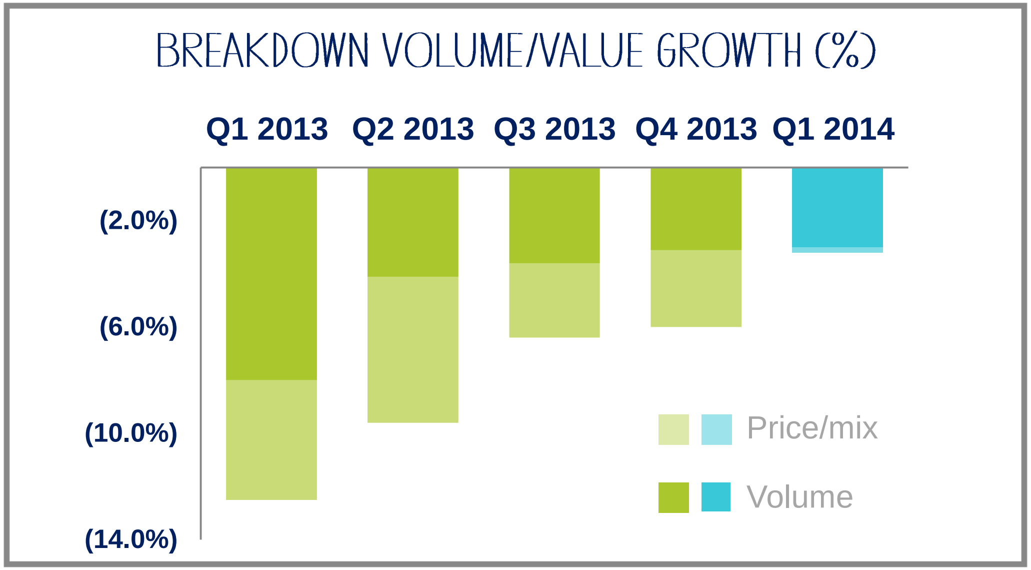
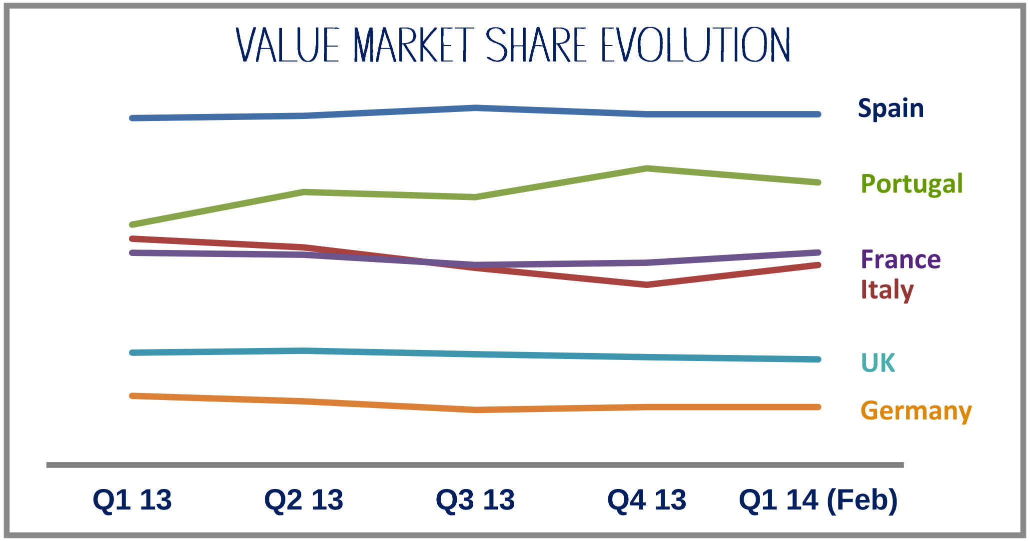
Like-for-like sales growth per quarter



- Solid performance in key markets: Europe and CIS & Noram
- Value-driven growth in a context of price increase

FRESH DAIRY EUROPE: RECOVERY CONTINUES





Danio roll-out
France, Portugal, Spain, the Netherlands

Velouté
Spain

Flan de Queso
Spain

FRESH DAIRY US: A SOLID LEADER POSITION

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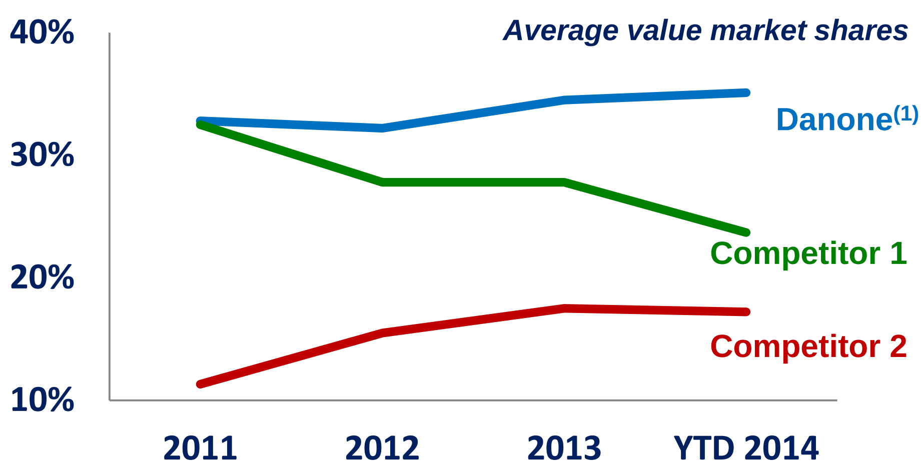
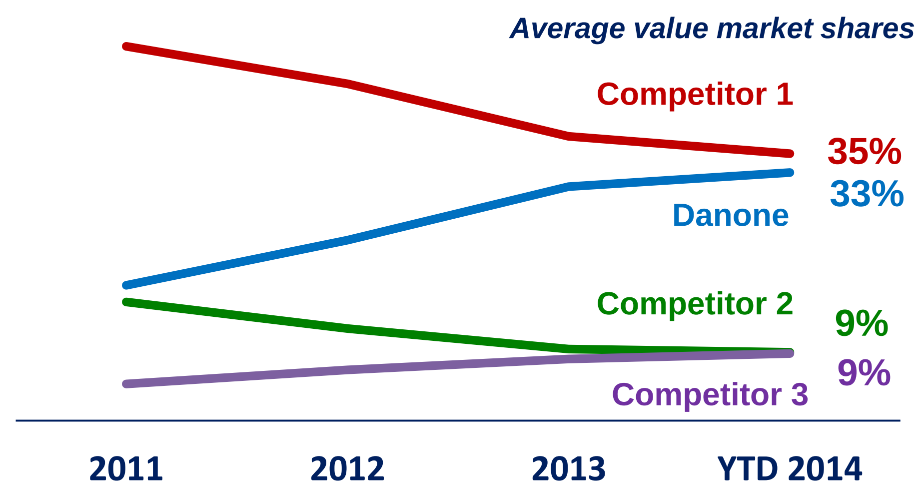
LEADING THE YOGURT CATEGORY



(1) *Danone : including Stonyfield and Yocrunch*

Source : IRI Multi Outlet

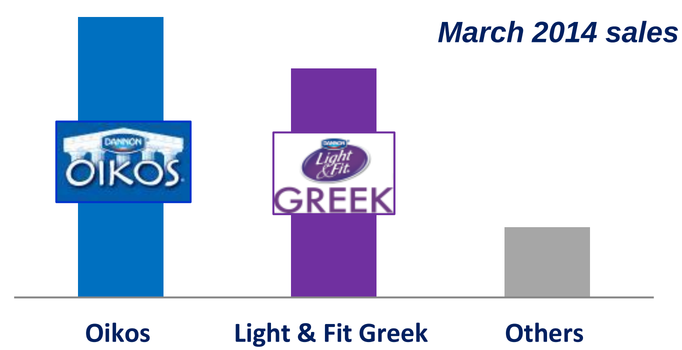
CO-LEADING THE GREEK YOGURT SEGMENT



Source : IRI Multi Outlet

- Category growth: a slow start to the year
- Danone: leader of the category and co-leader of the Greek segment

DANONE GREEK OFFER



FRESH DAIRY CIS: A STRONGER PORTFOLIO TO FACE INFLATION

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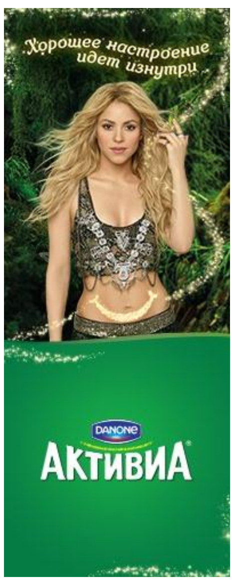
MILK PRICE EVOLUTION

>30%

Q1 VOLUME BREAKDOWN & GROWTH

VISIBILITY ON SHELVES



FRESH DAIRY PRODUCTS – Selected innovations Q1

Danino Greek
Canada

Duo Mousse
Argentina

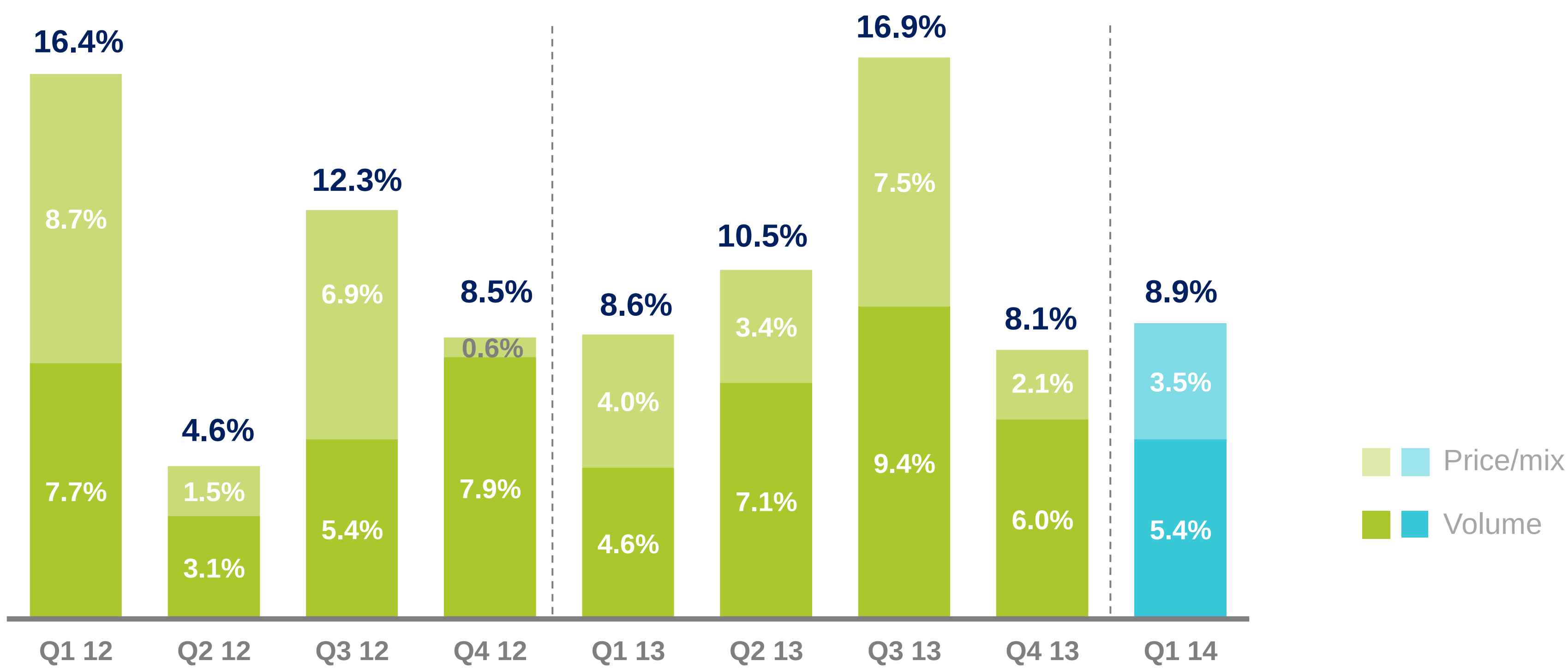
Activia new bottle
Mexico

Activia Greek Light
United States

Activia Bilayer
Russia

WATERS: SUSTAINED STRONG GROWTH

Like-for-like sales growth per quarter



- Aquadrinks performance still strong across regions
- A resilient and healthy volume/value balance

WATERS – Selected innovations Q1

evian Spider-man campaign
The Amazing Baby & me 2
evian World

Evian 33cl Monsieur Madame
France

Mizone 1L
China

Vit Levité
Indonesia

Mizone Fres'in
Indonesia

EARLY LIFE NUTRITION: ON TRACK

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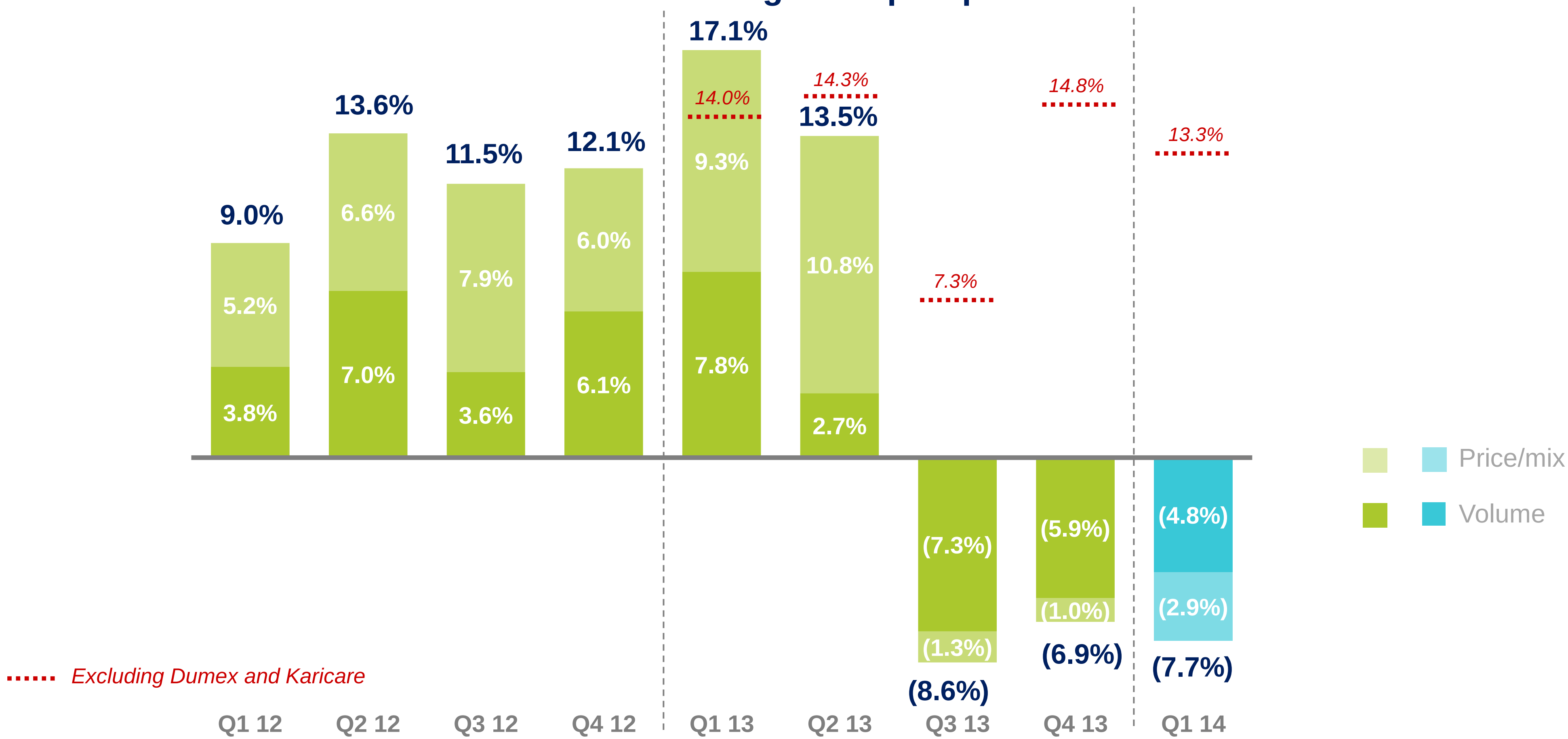
Like-for-like sales growth per quarter



- Asia recovery in line with the plan
- Strong dynamics in rest of the world

EARLY LIFE NUTRITION– Selected innovations Q1

Dumex Standard Relaunch
China

Nutrilon Platinum
China

Golden Gate
United Kingdom

Dumex Fruit & Veg
Vietnam

Blédina in pouches
France

Dumex Supermix UHT
for pregnant and lactating mothers
Thailand

MEDICAL NUTRITION: SUSTAINED SOLID GROWTH

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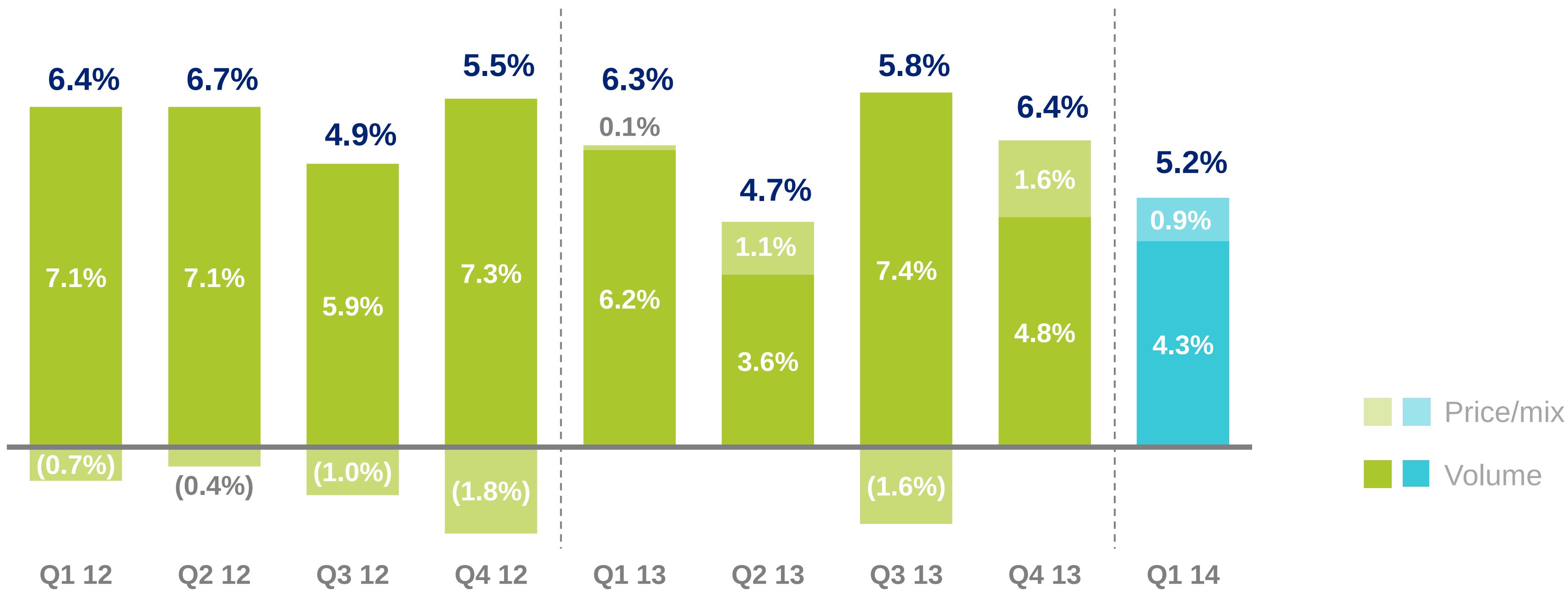
Like-for-like sales growth per quarter



- Solid performance in Europe across categories

MEDICAL NUTRITION – Selected innovations Q1

Adults & Elderly
Pro-Stat Sugar Free
USA

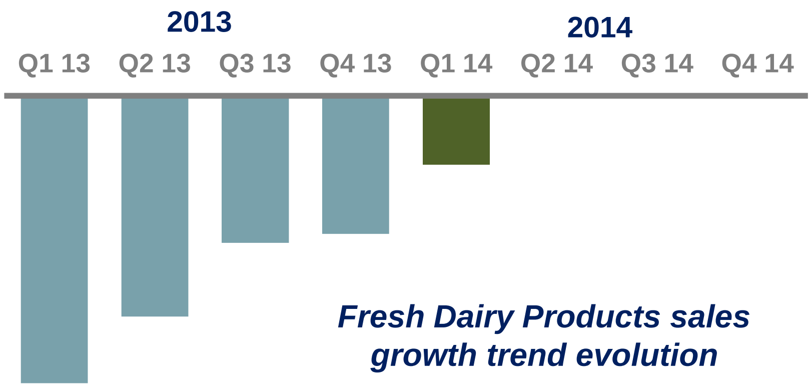
Paediatric
Nutrini Creamy Fruit
Germany, the Netherlands, UK

Metabolic Disorder
PKU Lophlex LQ Juicy
Worldwide

2014 OUTLOOK

KEY PRIORITIES FOR 2014: IN LINE WITH ROADMAP

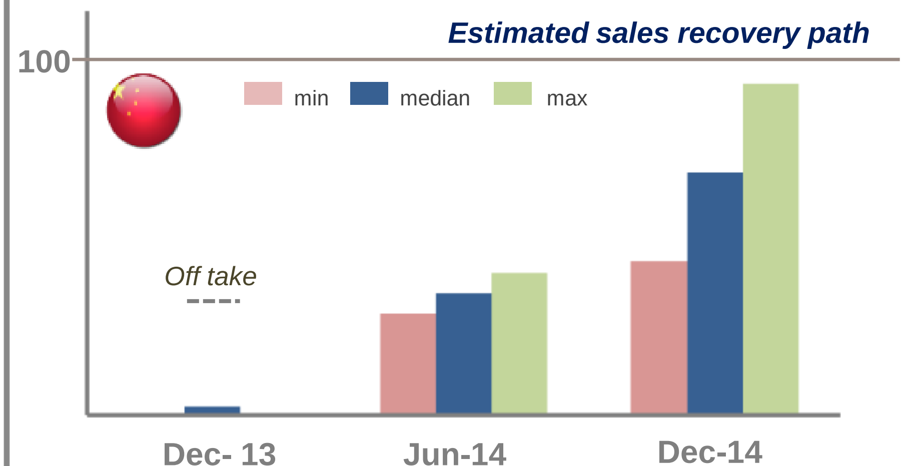
TURNING AROUND EUROPE



GROW AND NAVIGATE IN ALMA

KEEP WINNING CIS & NORAM

TURN ELN ENGINE BACK TO FULL SPEED



2014 GUIDANCE

	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

BRING DANONE BACK ON THE AGENDA OF A ….

2013

H1

2014

H2

APPENDIX

IMPACT OF CURRENCIES AND SCOPE – Q1 2014

	Fresh Dairy Products	Waters	Early Life Nutrition	Medical Nutrition	Total
Reported sales growth	(4.8)%	+0.8%	(12.6)%	+1.8%	(5.2)%
Currency	(10.0)%	(9.9)%	(6.9)%	(3.9)%	(8.9)%
Scope of consolidation	+1.3%	+1.8%	+2.0%	+0.5%	+1.5%
Like-for-like sales growth	+3.9%	+8.9%	(7.7)%	+5.2%	+2.2%

Q1 2014
SALES BY BUSINESS & GEOGRAPHICAL AREA

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€ mln	Q1 2013	Q1 2014	Like-for-like sales growth
Fresh Dairy Products	2,952	2,809	+3.9%
Waters	887	895	+8.9%
Baby Nutrition	1,177	1,029	(7.7)%
Medical Nutrition	322	328	+5.2%
Europe	2,005	2,053	+0.5%
CIS+Noram	1,163	1,154	+7.8%
ALMA	2,170	1,854	+0.5%
Total	**5,338**	**5,061**	**+2.2%**

Q1 2014 LIKE-FOR-LIKE SALES GROWTH BREAKDOWN VOLUME/VALUE

Like-for-like	Volume	Price/mix	Total
Fresh Dairy Products	(3.7)%	+7.6%	+3.9%
Waters	+5.4%	+3.5%	+8.9%
Baby Nutrition	(4.8)%	(2.9)%	(7.7)%
Medical Nutrition	+4.3%	+0.9%	+5.2%
Europe	(0.4)%	+0.9%	+0.5%
CIS+Noram	(3.7)%	+11.5%	+7.8%
ALMA	(2.9)%	+3.4%	+0.5%
Total	(1.9)%	+4.1%	+2.2%

CHANGES IN EXCHANGE RATES
28.9% OF SALES DENOMINATED IN €

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	% total Q1 14 sales	Q1 14 vs Q1 13 (avg)
US dollar	10.3%	(3.6%)
Russian ruble	10.2%	(16.5%)
Chinese yuan	5.4%	(1.7%)
Indonesian rupiah	5.2%	(21.0%)
British pound	5.2%	2.8%
Mexican peso	5.1%	(7.9%)
Brazilian real	4.7%	(18.7%)
Argentine peso	4.5%	(36.5%)
Polish zloty	2.7%	(0.7%)
Moroccan Dirham	2.7%	(0.7%)