



# 2006 First Quarter Sales

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# FORWARD LOOKING STATEMENTS

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**This presentation contains forward-looking statements that reflect Danone's current views and estimates. These statements are based on many factors and assumptions. Changes in such factors or assumptions could produce significantly different results.**



## Q1 2006 Net Sales

**+9%** Like-for-like Sales growth

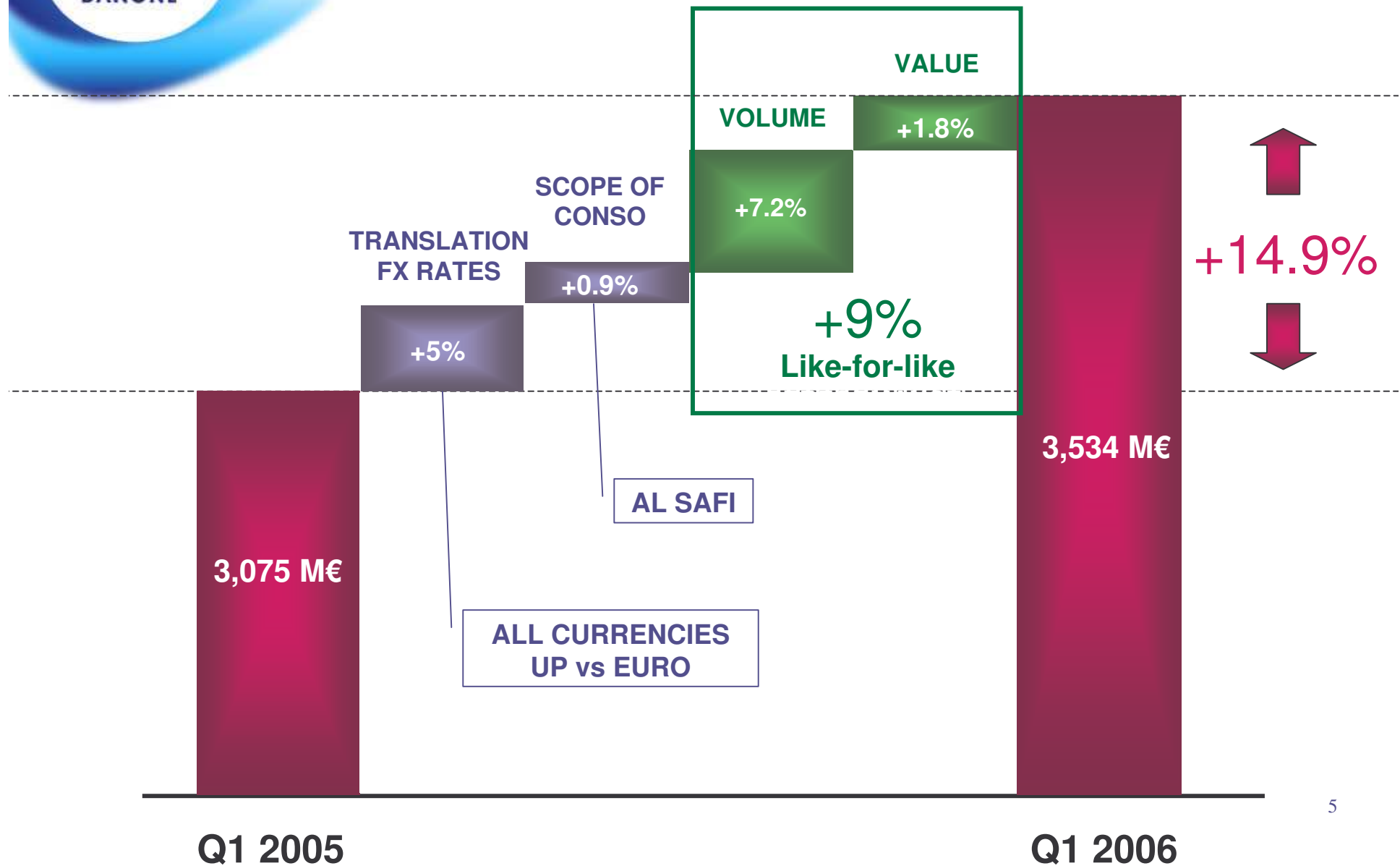


## KEY TAKE-AWAYS

- **A very good start of the year**
- **somewhat “helped” by the number of days of sales vs last year (late Easter in 2006 vs 2005)**
- **Signs of stabilization in France on the back of low comparison basis**
- **Top line excluding France growing more than 10% driven by New Frontiers countries at +18%**
- **No major change in growth patterns vs 2005**

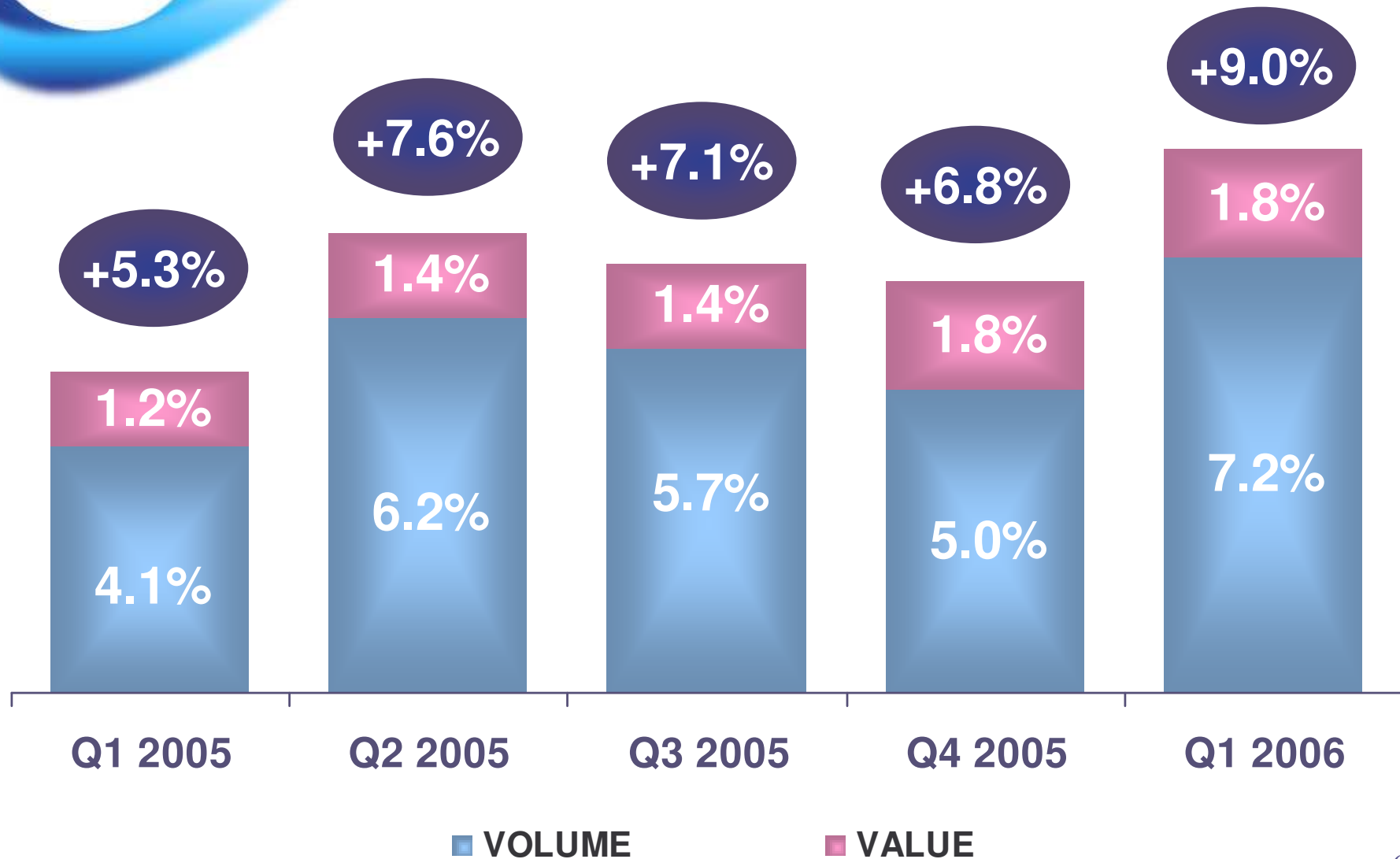


# Q1 2006 Net Sales





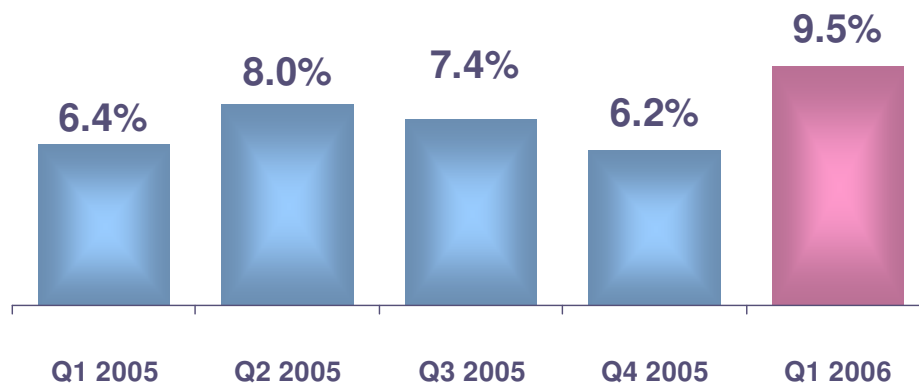
# Quarterly Net Sales Volume & Value breakdown



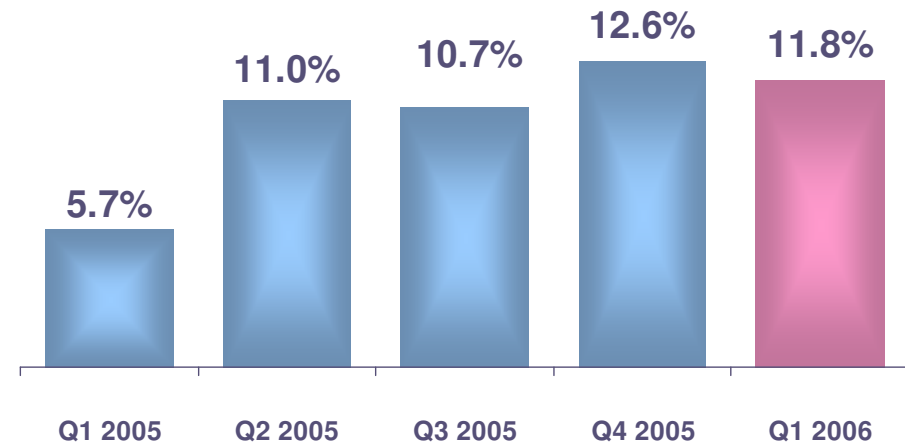


# Quarterly like-for-like sales growth by business line

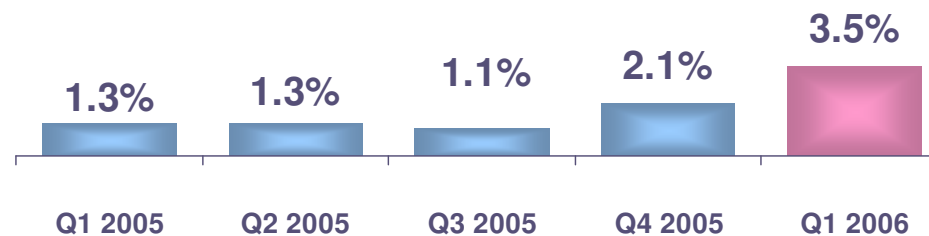
## FRESH DAIRY PRODUCTS



## BEVERAGES



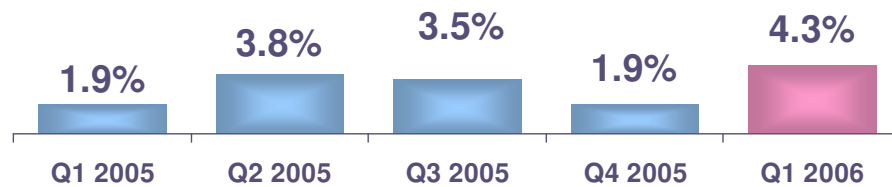
## BISCUITS & CEREAL PRODUCTS



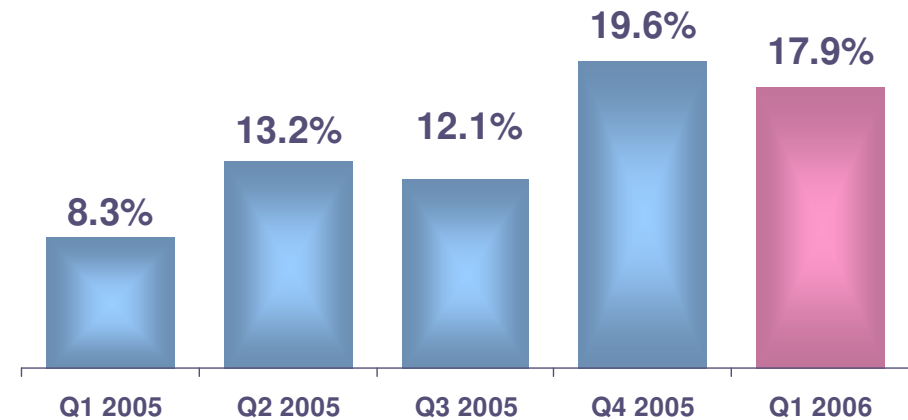


# Quarterly like-for-like sales growth by geographical area

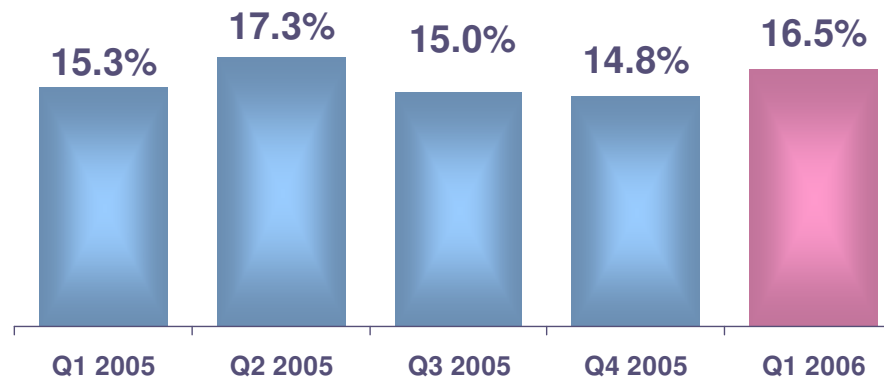
## EUROPE



## ASIA



## REST OF WORLD







## 2006 Targets

**Sales like-for-like**

**+5% to +7%**

**Trading operating  
margin**

**+20 bp to +40 bp**  
Like-for-like

**Underlying EPS \***

**Low double-digit  
growth**

\* From continuing activities



# Back-up



# Q1 2006 sales growth Breakdown volume/value

Like-for-like

Volume

Value

Total

Fresh Dairy Products

+8.1%

+1.4%

+9.5%

Beverages

+6.9%

+4.9%

+11.8%

Biscuits & Cereal Products

+4.8%

-1.3%

+3.5%

Europe

+4.0%

+0.3%

+4.3%

Asia

+13.5%

+4.4%

+17.9%

Rest of World

+12.4%

+4.1%

+16.5%

**GROUP**

**+7.2%**

**+1.8%**

**+9.0%**



# Major changes in exchange rates

	% total Q1 '06 sales	Q1 '06 vs Q1 '05 (average)
Chinese Yuan	11%	+12%
US Dollar	7%	+9%
Mexican Peso	4%	+14%
Russian Rouble	3%	+8%
Argentinian Peso	3%	+4%
Indian Rupee	3%	+7%
Polish Zloty	3%	+4%
Brazilian Real	2%	+ 32%
Canadian Dollar	2%	+16%
Indonesian Rupee	2%	+10%

**46% of Group sales are denominated in Euro (Q1 2006)**



# 1st quarter reported sales by Business line and Geographical Area

	Q1 2005	Q1 2006	%
Fresh Dairy Products	1,713	1,990	+16.1%
Beverages	797	947	+18.9%
Biscuits & Cereal Products	565	597	+5.7%
<b>GROUP</b>	<b>3,075</b>	<b>3,534</b>	<b>14.9%</b>
Europe	1,986	2,079	+4.7%
Asia	523	678	+29.6%
Rest of World	566	777	+37.3%



# Share Buyback program

## 2006 Share Buyback (YTD 03/31/06)

Number of Shares 1.06 million

in % of outstanding capital at 03/31/06 0.4%

Cost 102 M€

## Treasury Stock at 03/31/2006

- 20,060,680 shares
- 7.59% of the outstanding capital

Outstanding capital at 03/31/06: 264,235,190