



**DANONE**

Paris, November 18th, 2009

**Danone reconfirms its objectives for 2009 and announces objectives for the medium-term**

- **Like-for-like sales growth of at least 5%**
- **Annual free cash flow from operations to reach € 2 bn by 2012**

Danone hosted an Investor Seminar in Amsterdam, the Netherlands, on November 17<sup>th</sup> and 18<sup>th</sup> 2009. These two days focused, among others, on the Company's corporate mission and strategy, as well as on the long-term business growth drivers of its divisions.

Today, at the end of the Investor Seminar, Emmanuel Faber, co-COO of Danone, elaborated on the Company's financial objectives.

**Objectives 2009 reconfirmed**

- Like-for-like sales growth close to 4% in the second half of 2009;
- Like-for-like improvement of the trading operating (EBIT) margin between 60 and 70 bps for FY 09;
- A +10% growth of its underlying fully-diluted earnings per share for FY 09 at constant scope of consolidation and constant exchange rates and excluding the effects of the € 3 bn capital increase which took place in June 2009 and
- Double-digit growth of the free cash flow from operations in FY 09.

**Medium-term objectives:**

- Like-for-like annual sales growth of at least 5% and
- Annual free cash flow from operations to reach € 2 bn by 2012.

Emmanuel Faber, commented on the medium-term objectives: "The world at large has gone, and is still going through, a profound transformational phase which will have a long-lasting impact on society and on consumer behavior in specific. Our market share gains in 2009 are an evidence of the continued unparalleled ability of our brands to create value for our consumers, once adapted to the new macro-economic conditions. We are, more than ever, convinced of the relevance of our mission to "bring health through food to the largest number of people". We are also convinced that the strength and uniqueness of our business models and our leading market positions will enable us to succeed in this mission and to deliver a strong and sustainable long-term performance.

We will therefore continue to focus on delivering above category top-line growth which will be predominantly driven by volume growth. The constituents of our top-line growth as well as our continued focus on cost competitiveness will remain the key drivers of our value creation. In addition, the last twelve to eighteen months have reinforced the competitive importance of generating cash. Taking into account the unique cash generative capabilities of our businesses, we target free cash flow from operations to reach € 2 bn by 2012.”

#### FORWARD-LOOKING STATEMENTS

*This press release 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](http://www.danone.com)).*

#### **About Danone**

Danone is a Fortune 500 company and one of the most successful healthy food companies in the world. Its mission is to bring health through food to as many people as possible. Fulfilling this mission is a major contributor to Danone’s continuous rapid growth. Danone, with 160 plants and around 80,000 employees, has a presence in all five continents and over 120 countries. In 2008, Danone recorded € 15.2 billion in sales. Danone enjoys leading positions on healthy food in four businesses: fresh dairy products (n°1 worldwide), water (n°2 on the packaged water market), baby nutrition (n°2 worldwide) and medical nutrition. Listed on Euronext Paris, Danone is also ranked among the main indexes of social responsibility: Dow Jones Sustainability Index Stoxx and World, ASPI Eurozone and Ethibel Sustainability index.