



DANONE

Paris, December 10<sup>th</sup> 2009

## Danone to acquire 100% of Danone Clover joint-venture in South Africa

**Danone and Clover SA are pleased to announce that Clover SA has agreed to sell its 45% shareholding in the joint-venture Danone Clover to Danone, for an amount of Rand 1,085 mln (close to € 100 mln) in cash. Post completion of this transaction, which is subject to official approvals, Danone will hold 100% of Danone Clover, the market leader in fermented fresh dairy products & desserts in South Africa.**

In addition to the change in the shareholder structure, the agreement redefines the collaboration between the two companies through the services Clover SA will continue to provide in the coming years, notably in the fields of raw milk supply and distribution.

Danone Clover was created in 1998 by Danone, the worldwide leader in Fresh Dairy Products, and Clover SA, the leading player in the South African market of dairy products. Through the joint-venture, the two companies jointly re-invented the market and innovated over the last 12 years, driving a five-fold increase in the yoghurt consumption.

In 2009, Danone Clover holds a 44% value market share through the Nutriday, Activia, Ultramel and Inkomazi brands. The company operates two production sites in Eastern Johannesburg.

Bernard Hours, co-Chief Operating Officer of Danone, commented: *“Partnering with one of the most attractive food companies in Africa has been a great adventure for Danone and has enabled us to successfully build a franchise with sustainable growth, not just in South Africa, but more broadly in the entire region (notably in Angola, Namibia, Mozambique). The trust and professionalism of Clover’s teams have played a key role in this achievement. Taking full control of this joint-venture reflects our ambition as well as the confidence we have in the growth perspectives of this business. It also reflects the determination of our employees to deliver Danone’s mission to bring health through food to as many people as possible, to benefit South African consumers.”*

Johann Vorster, Chief Executive Officer of Clover, commented: *“Clover SA has greatly benefitted from this joint-venture over the past 12 years, and realized a sizeable profit through this transaction. The funds it will receive from this sale will be put to good use in repositioning its factories and reshaping its distribution facilities, something it wanted to do for some time but was not able to do due to a lack of funds. A new beginning for both organizations is something to look forward to in the future. We are of the opinion that Danone Clover will continue to drive healthy growth in this category independently from us.”*

**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.