

---

## PRESS RELEASE

---



**DANONE**

Paris, June 11th 2010

### **Danone to acquire Medical Nutrition USA, Inc.**

**Danone today announced that it has entered into an agreement with Medical Nutrition USA, Inc. (referred to herein as “MNI”), pursuant to which Danone would acquire MNI.**

Under the terms of the agreement, Danone will pay an amount of approximately \$ 62 mln in cash to MNI's shareholders for the acquisition of 100 percent of the capital.

MNI introduced the concept of liquid protein supplements for elderly people in the US long term care market in 2003. The Company's flagship range of products now addresses protein supplementation and wound care support. Since 2003, this strategic focus and continuous innovation has resulted in a tenfold increase in revenues for MNI, to \$16 mln in the fiscal year ended January 31st, 2010.

MNI's organisation and portfolio of products will become part of Danone's Medical Nutrition division. Danone's North American Medical Nutrition business, Nutricia North America, is headquartered in Rockville, MD and its sales amounted to \$70 mln in 2009.

The benefit of this transaction relies in the strong complementarities both in terms of product ranges and channels of distribution. MNI has developed a solid access to the very promising long term care channel while Nutricia's products in the US are mainly aimed at infants and distributed in pharmacies.

Flemming Morgan, President of Medical Nutrition for Danone said, *"I am delighted that the MNI team will be joining our Medical Nutrition Division, including Nutricia North America. Because MNI's competencies and successful product lines are so complementary to ours, the combination of the two businesses will reinforce Danone's leadership in Advanced Medical Nutrition, and allow us to expand our reach and benefit the quality of life of more patients, particularly in the US."*

*"The merger is a wonderful opportunity for MNI customers, employees and shareholders alike,"* Frank A. Newman, MNI chairman and Chief Executive Officer said. *"The combination of Danone's global reach and research in paediatric medical nutrition with MNI's product leadership in nutrition medicine for the elderly in the US represents a formidable coupling of complementary strengths that will benefit our customers and employees."*

The transaction is subject to customary closing conditions and is expected to close early in the third calendar quarter.

For any press enquiries please contact :  
William Green, Director Communications - Nutricia Advanced Medical Nutrition  
william.green@danone.com  
+31 6 5239 6736

**About Medical Nutrition USA, Inc.**

Medical Nutrition USA develops and distributes products for the nutritionally at risk who are under medical supervision. Its products are used primarily in long-term care facilities, hospitals, dialysis clinics and bariatric clinics. The Company's product lines include Pro-Stat<sup>®</sup>, Fiber-Stat<sup>®</sup>, UTI-Stat<sup>®</sup> and Diff-Stat<sup>®</sup> as well as private label products. Additional information is available at [www.mdnuc.com](http://www.mdnuc.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 2009, Danone recorded € 15 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.