
PRESS RELEASE



DANONE

Paris, December 12, 2014

Danone confirms strategic priorities and strengthens management team

Meeting on December 11, Danone's Board of Directors chaired by Franck Riboud reviewed the company's situation and prospects.

Danone confirmed its 2014 targets including organic growth of over 4.5% and trading operating margin down less than 20 basis points like-for-like. Free cash-flow will be between €1.3 and 1.4 billion.

CEO Emmanuel Faber said: "When I was appointed in October, I shared with our 100,000 employees that there was no greater inspiration than our mission: bringing health through food to as many people as possible. As 2014 draws to an end, I want to re-emphasize that message and reiterate that each of our core businesses—Fresh Dairy Products, Waters, Early Life Nutrition and Medical Nutrition—has a role to play in living up to our mission and achieving the profitable, sustainable growth that is an integral part of our strategy."

Against this backdrop, Danone will continue to expand capacity rapidly and build development platforms in fast-growing regions, particularly Asia and Africa. Investments made for this purpose over the past two years have resulted in a higher use of debt than in the past, at a level that could imply a credit rating one notch lower, and that is appropriate for this current period of development given the company's sound cash-flow outlook and debt structure.

To deploy this strategy and support the "Danone 2020" ambition, Emmanuel Faber has decided to strengthen his management team, announcing the following appointments that will take effect from January 1, 2015:

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Gustavo Valle is appointed Executive Vice President Fresh Dairy Products. He is tasked with consolidating the division's return to growth initiated by Thomas Kunz. After successfully leading the development of Danone's Dairy business in Brazil and in the United States, Gustavo Valle was serving as Executive Vice President Europe.

Pierre-André Térissé is appointed Executive Vice President of the newly created Africa division. Over the past two years, Danone has consolidated existing positions and entered new markets on this continent, generating revenues of €1.2 billion. The company has set up this new multi-business structure to accelerate expansion in this strategic region. Since 2008, Pierre-André Térissé has served as the company's CFO.

Cécile Cabanis is appointed to replace Pierre-André Térissé as CFO effective February 20, 2015. She joined Danone in 2004, and has served in a range of key positions in finance, including Corporate Finance Director, then head of Business Development. Since 2010, she has been Vice President Finance for the Fresh Dairy Products division.

To ensure optimum deployment of the company's new governance structure, marked by the separation of its Chairman and CEO functions, the Board approved the following principles:

- **Laurent Sacchi** will fully focus on his mission as Executive Vice President Chairman's Office and Company Secretary of the Board, as liaison between the Chairman and the CEO on major business topics for the company. He will also represent the company in interaction with external bodies with which Danone wants to strengthen its relations and dialog.
- **Bertrand Austruy** is appointed General Secretary, a new function combining legal affairs, regulatory matters, compliance and food safety, as well as communications and public affairs. He joined Danone in 2001 and previously served as General Counsel, Vice President Product Compliance and Food Safety.

Gustavo Valle, Cécile Cabanis and Bertrand Austruy will join the company's Executive Committee.

Commenting on the management changes, Emmanuel Faber noted: "Speaking on Franck Riboud's and my behalf, I would like to extend our warmest thanks to Thomas Kunz for his contribution to Danone's development for over 24 years, including more than 10 as a member of our Executive Committee. Thomas Kunz was the driving force behind the turnaround of our Waters division, the acceleration in aquadrinks and the first stages of the turnaround at our Fresh Dairy Products division. The team we have appointed will focus on our short-term priorities and will take Danone to a new stage in its growth. This new development reflects the medium-term goals set under our Danone 2020 roadmap."

New Executive Committee at January 1, 2015

Emmanuel Faber, CEO and Vice-Chairman, Board of Directors

Bertrand Austruy, General Secretary

Marc Benoit, Executive Vice President Human Resources

Cécile Cabanis, Chief Financial Officer

Francisco Camacho, Executive Vice President Waters

Félix Martin Garcia, Executive Vice President Early Life Nutrition

Flemming Morgan, Executive Vice President Medical Nutrition

Jean-Philippe Paré, Executive Vice President Research & Development

Pierre-André Térissé, Executive Vice President Africa

Gustavo Valle, Executive Vice President Fresh Dairy Products

Biographies

Gustavo VALLE, Argentinean, age 50

After starting his career at various companies in Argentina, Gustavo Valle joined Danone in 1996 as Financial Controller, then Finance Director of Danone Argentina. In 2002, he was named General Manager of Danone Waters Argentina; in 2004, General Manager of Danone Dairy Brazil; and in 2009, General Manager of Dannon US.

In January 2014, Gustavo Valle was appointed Executive Vice President Fresh Dairy Products Europe.

Cécile CABANIS, French, age 43

Cécile Cabanis began her career in 1995 with L'Oréal in South Africa as Logistics Manager and Financial Controller before moving to France as Internal Auditor. In 2000, she was appointed Deputy Director Mergers & Acquisitions at France Télécom. In 2004, she joined Danone as Corporate Finance Director. In 2005, she was appointed Business Development Director and in 2008 became Vice President Finance Dairy Western Europe.

Since September 2010, Cécile Cabanis has been Vice President Finance, Fresh Dairy Products division.

Bertrand AUSTRUY, French, age 41

Bertrand Austruy began his career in 1997 as a business attorney in Paris. In 2001, he joined Danone's Fresh Dairy Products France unit as General Counsel, before being appointed General Counsel Asia-Pacific in 2003. In 2007, he returned to France as General Counsel International Business and Partnerships. In 2010, he was named General Counsel of the company.

Since January 2014, Bertrand Austruy has been General Counsel and Vice President Product Compliance and Food Safety.

About Danone

Danone is an international company present on five continents. The group holds top positions in healthy food through four businesses: Fresh Dairy Products, Early Life Nutrition, Waters, and Medical Nutrition. Its mission is to bring health through food to as many people as possible.

Danone has more than 190 production plants and around 104,000 employees. In 2013, it generated sales of over €21 billion, with more than half in emerging countries.

Listed on Euronext Paris, Danone is a component stock of leading social responsibility indexes including the Dow Jones Sustainability Index, Vigeo and the Ethibel Sustainability Index. Danone is also rated no. 1 in the 2013 ATNI Index.

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