



Press release – Paris, June 14, 2016

## DANONE ADJUSTS ITS 2016 GUIDANCE

- 2016 Trading operating margin target upgraded from “solid improvement<sup>1</sup>” to a range of +50bps to +60bps<sup>1</sup>
- 2016 Sales growth<sup>1</sup> guidance confirmed within a range of +3% to +5%
- 2020 targets remain unchanged

All references in this document to like-for-like changes, trading operating margin correspond to financial indicators not defined by IFRS that are used by Danone. Their definitions, as well as their reconciliation with financial statements, are described in Danone FY2015 and Q1 2016 Press releases.

As part of its transformation plan by 2020, Danone continues to strengthen its balanced growth model.

To consolidate this model in a still volatile and complex environment and anchor profitable growth in a sustainable manner, the company relies more than ever on disciplined resource allocation, favoring solid execution of its growth plan.

Cécile Cabanis, Danone Chief Financial Officer said: *“In 2016, we continue to implement our agenda to transform the company and increase the resilience of our business model through disciplined resources allocation, efficiencies and cost optimization. We leverage our ability to regularly review our investment plans to appropriately fund our short, mid and long-term initiatives and deliver profitable growth in a consistent manner. With fast evolving dynamics in some emerging markets and notably China, we are adjusting the pace of topline refueling for 2016 in these specific geographies. This leads us to upgrade for the year our guidance for trading operating margin from “solid improvement<sup>1</sup>” to a range of +50bps to +60bps<sup>1</sup>, while confirming our sales growth<sup>1</sup> guidance within a range of +3% to +5%.”*

Danone's 2020 targets<sup>2</sup> remain unchanged: to generate a strong, profitable and sustainable growth.

**A conference call for analysts and investors, chaired by CFO Cécile Cabanis, will be broadcast live today from 8.15 a.m. (Paris time) at [www.danone.com](http://www.danone.com).**

**Related slides will also be available on the Corporate website, in the Investors section.**

<sup>1</sup> Like-for-like

<sup>2</sup> Sales growth equal to or higher than 5%, composed of the following dynamics : between +3% and +5% for the Fresh Dairy Products division; between +7% and +10% for the Waters division and the Early Life Nutrition division ; between +6% and +8% for the Medical Nutrition division. Danone is committed to annual growth in margin driven primarily by a structural recovery in the margin reported by its Fresh Dairy Products division. Danone anticipates a rise of over 200 basis points in the Fresh Dairy Products division's aggregate margin between 2015 and 2020, compared to the 2014 figure, at constant exchange rates.

## 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 "Risk Factor" section of Danone's Registration Document (available at [www.danone.com](http://www.danone.com)).*

### **About Danone ([www.danone.com](http://www.danone.com))**

Dedicated to bringing health through food to as many people as possible, Danone is a leading global food company built on four business lines: Fresh Dairy Products, Early Life Nutrition, Waters and Medical Nutrition. Through its mission and dual commitment to business success and social progress, the company aims to build a healthier future, thanks to better health, better lives and a better world, for all its stakeholders—its 100,000 employees, consumers, customers, suppliers, shareholders and all the communities with which it engages.

Present in over 130 markets, Danone generated sales of €22.4 billion in 2015, with more than half in emerging countries. Danone's brand portfolio includes both international brands (Activia, Actimel, Danette, Danonino, Danio, evian, Volvic, Nutrilon/Aptamil, Nutricia) and local brands (Oikos, Prostokvashino, Aqua, Bonafont, Mizone, Blédina, Cow & Gate).

Listed on Euronext Paris and on the OTCQX market via an ADR (American Depositary Receipt) program, Danone is a component stock of leading social responsibility indexes including the Dow Jones Sustainability Indexes, Vigeo and the Ethibel Sustainability Index.