



2025 Full-Year Results

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2025: Another year of strong delivery

- **FY 2025 sales of €27,283m up +4.5% on a like-for-like (LFL) basis**, with volume/mix up +2.7%, and price up +1.8%
- **Q4 sales up +4.7% LFL**, driven again by strong volume/mix, up +2.5%, and price up +2.1%
 - Sustained momentum in **Europe**, driven by continued progress in EDP and solid performance in Adult Medical Nutrition and Waters
 - Soft Q4 performance in **North America**, despite sustained momentum in High Protein and a solid Specialized Nutrition performance
 - Closing a year of exceptional performance in **China, North Asia & Oceania** with strong Q4 in Specialized Nutrition and EDP
- **Recurring operating margin up +44 basis points (bps) at 13.4%** driven by further improvement in margin from operations while continuing to reinvest into future growth
- **Recurring EPS up +4.6% to €3.80**
- **€2.8bn Free cash flow**, reflecting strong operating performance
- **Proposed dividend up +4.7% to €2.25**
- **Recognized global sustainability leadership**: CDP 'Triple A' List and worldwide B Corp certification
- **2026 guidance in line with mid-term ambition**: like-for-like sales growth expected between +3% and +5%, with recurring operating income growing faster than sales

Full-Year 2025 Key Figures

<i>in millions of euros unless stated otherwise</i>	FY 2024	FY 2025	Reported change	Like-for-like change (LFL)
Sales	27,376	27,283	-0.3%	+4.5%
Recurring operating income	3,558	3,665	+3.0%	
Recurring operating margin	13.0%	13.4%	+44 bps	
Non-recurring operating income and expenses	(179)	(725)	(546)	
Operating income	3,379	2,940	-13.0%	
Operating margin	12.3%	10.8%	-157 bps	
Recurring net income – Group share	2,345	2,461	+5.0%	
Non-recurring net income – Group share	(324)	(636)	(313)	
Net income – Group share	2,021	1,825	-9.7%	
Recurring diluted EPS (€)	3.63	3.80	+4.6%	
EPS (€)	3.13	2.82	-10.1%	
Cash flow from operating activities	3,831	3,779	-1.3%	
Free cash flow	3,003	2,799	-6.8%	

All references in this document to Like-for-like (LFL) changes, Recurring operating income and margin, Margin from operations, Non-recurring operating income and expenses, Recurring net income, Recurring income tax rate, Recurring EPS, Free cash flow, Net financial debt, ROIC, Net debt/EBITDA ratio and Working capital/sales ratio correspond to alternative performance measures not defined by IFRS. Their definitions, as well as their reconciliation with financial statements, are listed on pages 6 to 11.

For more information, please contact:
 Media Relations: press@danone.com – Investor Relations: investor.relations@danone.com
 Danone: 59-61 Rue La Fayette, 75009 Paris, France

Antoine de Saint-Affrique: CEO statement

In 2025, we again delivered broad-based, quality growth, reaffirming the strength and resilience of our health-focused portfolio. Like-for-like sales grew +4.5%, driven by positive volume/mix and supported by our multi-engine growth model.

All categories and geographies contributed, with strong momentum in China, North Asia & Oceania, and sustained progress in Europe. We continued to perform, expand our recurring operating margin, improve ROIC and generate strong free cash flow, while transforming the company and reinvesting in capabilities, science, and innovation.

As we advance Chapter 2 of Renew Danone, we are reshaping our portfolio: scaling U.S. Medical Nutrition, strengthening our dairy strongholds, advancing microbiome science, and accelerating digitalization. Yet we remain clear-eyed: there is more to do and some areas still require further progress.

Looking ahead to 2026, in a world that remains volatile, we remain disciplined and fully committed to our science-based and consumer and patient centric approach. We enter the year with confidence, aligned with the mid-term ambition we have set out.

I. FOURTH QUARTER AND FULL-YEAR RESULTS

Fourth quarter and full-year sales

In Q4 2025, sales stood at €6,684m, up +4.7% LFL, with an increase of +2.5% from volume/mix and +2.1% from price. On a reported basis, sales decreased by -0.5%, negatively impacted by forex and others (-6.3%), mainly reflecting the depreciation of several currencies against the euro, notably the US dollar, the Argentine peso and the Chinese renminbi. In addition, scope (+0.8%) and hyperinflation (+0.4%) both contributed positively to reported sales.

In 2025, sales stood at €27,283m, up +4.5% LFL, led by an increase of +2.7% from volume/mix and +1.8% from price. On a reported basis, sales were broadly stable (-0.3%), mainly due to the negative impact from forex and others (-5.0%), while hyperinflation contributed positively (+0.6%) and scope negatively (-0.4%).

Sales by operating segment

€ million except %	Q4 2024	Q4 2025	Reported change	LFL sales growth	Volume/mix growth	FY 2024	FY 2025	Reported change	LFL sales growth	Volume/mix growth
BY GEOGRAPHICAL ZONE										
Europe	2,358	2,404	+1.9%	+2.5%	+1.0%	9,568	9,779	+2.2%	+2.3%	+1.9%
North America	1,636	1,560	-4.7%	+0.7%	-0.5%	6,579	6,316	-4.0%	+2.0%	+0.6%
China, North Asia & Oceania	886	904	+2.1%	+10.4%	+10.6%	3,694	3,953	+7.0%	+11.7%	+12.4%
Latin America	724	723	-0.1%	+8.3%	+0.1%	3,029	2,792	-7.8%	+6.0%	-1.8%
Asia, Middle East & Africa	1,112	1,093	-1.7%	+8.3%	+5.5%	4,506	4,444	-1.4%	+5.6%	+2.1%
BY CATEGORY										
EDP	3,355	3,288	-2.0%	+3.8%	+1.6%	13,463	13,158	-2.3%	+3.5%	+1.7%
Specialized Nutrition	2,308	2,372	+2.8%	+7.2%	+5.4%	8,936	9,277	+3.8%	+7.4%	+5.5%
Waters	1,053	1,023	-2.8%	+2.2%	-0.5%	4,977	4,848	-2.6%	+1.9%	+0.3%
TOTAL	6,716	6,684	-0.5%	+4.7%	+2.5%	27,376	27,283	-0.3%	+4.5%	+2.7%

Europe delivered sustained momentum in Q4 2025 with the 9th consecutive quarter of positive volume/mix; sales were up +2.5% LFL, with volume/mix at +1.0% and price at +1.5%. EDP continued its progress with double-digit growth in High-Protein and Activia returned to growth across the region. Specialized Nutrition was driven by strong performance in Adult Medical Nutrition while momentum was also strong in Waters.

In **North America**, Q4 sales were up +0.7% LFL, with volume/mix down -0.5% and price up +1.3%. In EDP, High-Protein continued to grow at a double-digit pace, while the rest of the yogurt portfolio remains work in progress. Coffee Creamers are progressively regaining competitiveness, with innovation launched in the “clean label” segment during the period, while STÖK cold brew coffee brand is thriving. Specialized Nutrition delivered a strong performance, from both Kate Farms and the legacy Nutricia businesses.

China, North Asia & Oceania delivered another quarter of strong growth in Q4, with sales up +10.4% LFL, led by volume/mix at +10.6%, with price at -0.2%. Specialized Nutrition continued to grow strongly, equally driven by Infant Milk Formula and Medical Nutrition. EDP delivered a remarkable performance in Japan, led by functional brands Activia (Bio) and Oikos. In Waters, the team began preparations for the 2026 season after a solid 2025.

Latin America delivered strong LFL sales growth of +8.3% in Q4, with volume/mix at +0.1% and price at +8.2%. EDP posted strong competitive growth across the region, supported by the Danone brand and High Protein platforms. Specialized Nutrition maintained strong momentum, driven by double-digit growth in Aptamil and a solid contribution from the Medical Nutrition portfolio. In Waters, performance returned to growth after a challenging 2025 season, which was impacted by adverse weather.

In **Asia, Middle East & Africa (AMEA)**, Q4 sales increased by +8.3% LFL, led by volume/mix at +5.5% and price up +2.8%. Dairy Africa benefited from a sustained momentum with positive volume/mix. Specialized Nutrition delivered double-digit growth, driven by good performance of Aptamil across geographies, including strong competitive growth in India.

Sales by geography by category

Q4 2025	Europe		North America		China, North Asia & Oceania		AMEA & Latin America		Total	
	Sales (€m)	LFL sales growth (%)	Sales (€m)	LFL sales growth (%)	Sales (€m)	LFL sales growth (%)	Sales (€m)	LFL sales growth (%)	Sales (€m)	LFL sales growth (%)
EDP	1,102	+3.0%	1,355	+0.3%	103	+19.5%	728	+10.3%	3,288	+3.8%
Specialized Nutrition	818	+0.6%	139	+10.3%	721	+10.4%	695	+11.3%	2,372	+7.2%
Waters	484	+4.8%	66	-1.6%	81	+0.1%	393	+0.4%	1,023	+2.2%
Total	2,404	+2.5%	1,560	+0.7%	904	+10.4%	1,816	+8.3%	6,684	+4.7%

FY 2025	Europe		North America		China, North Asia & Oceania		AMEA & Latin America		Total	
	Sales (€m)	LFL sales growth (%)	Sales (€m)	LFL sales growth (%)	Sales (€m)	LFL sales growth (%)	Sales (€m)	LFL sales growth (%)	Sales (€m)	LFL sales growth (%)
EDP	4,394	+2.0%	5,554	+1.7%	407	+12.8%	2,803	+8.5%	13,158	+3.5%
Specialized Nutrition	3,217	+2.1%	464	+6.6%	2,768	+13.2%	2,828	+8.1%	9,277	+7.4%
Waters	2,168	+3.3%	299	+2.6%	777	+6.1%	1,605	-1.9%	4,848	+1.9%
Total	9,779	+2.3%	6,316	+2.0%	3,953	+11.7%	7,236	+5.8%	27,283	+4.5%

Recurring operating margin

Recurring operating income (€m) and margin (%)	FY 2024		FY 2025		Reported change
	€m	Margin (%)	€m	Margin (%)	
BY GEOGRAPHICAL ZONE					
Europe	1,143	11.9%	1,178	12.0%	+10 bps
North America	749	11.4%	694	11.0%	-39 bps
China, North Asia & Oceania	1,086	29.4%	1,154	29.2%	-19 bps
Latin America	113	3.7%	179	6.4%	+267 bps
Asia, Middle East & Africa	468	10.4%	460	10.4%	-2 bps
BY CATEGORY					
EDP	1,142	8.5%	1,121	8.5%	+4 bps
Specialized Nutrition	1,842	20.6%	2,016	21.7%	+112 bps
Waters	574	11.5%	528	10.9%	-64 bps
Total	3,558	13.0%	3,665	13.4%	+44 bps

Danone posted **recurring operating income** of €3,665m in 2025. **Recurring operating margin** stood at 13.4%, up +44 bps compared to last year. This increase was mainly led by the improvement in margin from operations (+77 bps). Danone continued to reinvest in A&P, product superiority and capabilities for -59 bps. Finally, Overheads before reinvestments had a relatively neutral impact (-3 bps), while Other effects had a combined impact of +29 bps, mainly related to IAS 29.

Net income and Earnings per share

in millions of euros unless stated otherwise	FY 2024			FY 2025		
	Recurring	Non-recurring	Total	Recurring	Non-recurring	Total
Operating income	3,558	(179)	3,379	3,665	(725)	2,940
Cost of net financial debt	(197)		(197)	(197)		(197)
Other financial income and expense	(108)	(75)	(183)	(111)	(96)	(207)
Income before tax	3,253	(254)	2,999	3,357	(821)	2,536
Income tax	(888)	(41)	(929)	(906)	166	(741)
Effective tax rate	27.3%		31.0%	27.0%		29.2%
Net income from fully consolidated companies	2,365	(295)	2,070	2,450	(655)	1,795
Share of profit (loss) of equity-accounted companies	76	(46)	30	108	(16)	92
Net income	2,441	(340)	2,100	2,558	(671)	1,887
• Group share	2,345	(324)	2,021	2,461	(636)	1,825
• Non-controlling interests	96	(17)	79	97	(34)	63
Diluted EPS (€)	3.63		3.13	3.80		2.82

Recurring EPS increased by +4.6% to €3.80, mostly driven by strong operational performance.

Non-recurring operating income and expense reached -€725 million in 2025, including one-off costs related to transformation projects, mainly in Europe and Indonesia, and the impairment of intangible assets. This compares to -€179 million in 2024, which included the gains on disposal related to EDP business in Russia, Horizon Organic and Wallaby, and Michel & Augustin. As a result, **Reported EPS** stood at €2.82 in 2025, down -10.1%.

Cash flow and Debt

Free cash flow reached €2,799 million in 2025, compared to the record level of €3,003 million in 2024. Capex increased by €132 million compared to last year, at -€1,055 million. Working Capital stood at a record -10.2% of sales (163bps improvement) and change in working capital contributed positively to free cash flow generation (+€276 million) although to a lower extent than the exceptional 2024 contribution (+€534 million).

As of December 31, 2025, Danone's **net debt** stood at €8.4 billion, improving from €8.6 billion last year, reflecting mainly the strong free cash flow generation.

Dividend

At the Annual Shareholders' Meeting on April 23, 2026, Danone's Board of Directors will propose a dividend of €2.25 per share in respect of the 2025 fiscal year, up +4.7% compared to previous year. Assuming this proposal is approved, the ex-dividend date will be May 4, 2026, and the dividend will be payable on May 6, 2026.

II. RECENT DEVELOPMENTS IN INFANT FORMULA

Danone stands for quality and food safety, and its absolute priority is to ensure that parents and healthcare professionals continue to place their trust in its brands.

Danone always takes action to comply with new requirements.

In light of the sector situation, the requirements of national food safety authorities continue to evolve. As a responsible manufacturer and to abide by this ongoing evolution, Danone has been recalling, from relevant markets, batches of infant formula products.

Whilst recall processes are underway in coordination with authorities, the current financial impacts identified are not material. Impact assessment will be finalized once the recalls have been completed.

III. 2026 GUIDANCE

2026 guidance in line with mid-term ambition: like-for-like sales growth expected between +3% and +5%, with recurring operating income growing faster than sales.

IV. RECENT MAJOR DEVELOPMENTS

- **February 12, 2026:** Danone acquired an additional 1% stake in its Australian Dairy joint-venture with Saputo after exercising its call option, bringing its ownership up to 51%. This will result in the financial consolidation of this business.
- **January 23, 2026:** In context of evolving authorities' guidance, Danone announced targeted recall of specific infant formula batches.
- **January 8, 2026:** Danone has been recognized on the CDP 'Triple A' List for 2025, underscoring its leadership in corporate transparency and performance on climate change, water stewardship, and forest preservation. This achievement reflects Danone's commitment to rigorous disclosure and verified action on environmental topics.
- **December 17, 2025:** As part of the simplification of its corporate structure, Danone SA purchased all 5,780,005 of its own shares previously held by its Spanish subsidiary, Danone Spain. This transaction has no impact on the total Danone shares held by the Group.
- **December 4, 2025:** To offset the dilutive impact of its annual employee shareholder plans, Danone launched a buyback of 3.8 million shares, which was completed on December 18, 2025.
- **November 25, 2025:** Danone officially achieved B Corp™ certification worldwide, becoming a global leader in B Corp™ certification at scale. With more than 200 legal Danone entities now certified in over 60 countries, Danone employees represent around 9% of the global B Corp™ movement workforce.

V. SHAREHOLDERS' MEETING AND FINANCIAL STATEMENTS

At its meeting on February 19, 2026, the Board of Directors approved the draft resolutions that will be submitted to the approval of the Shareholders' Meeting on April 23, 2026. In particular, the Board proposes that shareholders renew the term of office of Gilles Schnepf, Valérie Chapoulaud-Floquet and Sanjiv Mehta as Directors, whose current term of office will expire at the next Shareholders' Meeting. It will also submit to the Shareholder's Meeting resolutions, notably on the compensation of corporate officers, on share buy-backs and on employees share capital increases.

At its meeting on February 19, 2026, the Board of Directors approved the statutory and consolidated financial statements for the 2025 fiscal year. Regarding the audit process, as of today, the statutory auditors have substantially completed their examination of financial statements and verification of the sustainability information.

VI. ALTERNATIVE PERFORMANCE MEASURES NOT DEFINED BY IFRS

IAS 29: impact on reported data

Danone has applied IAS 29 in hyperinflationary countries, as defined in IFRS. Adoption of IAS 29 in hyperinflationary countries requires their non-monetary assets and liabilities and their income statement to be restated to reflect the changes in the general purchasing power of their functional currency, leading to a gain or loss on the net monetary position, included in the net income. Moreover, their financial statements are converted into euros using the closing exchange rate of the relevant period.

IAS 29: impact on reported data € million except %	Q4 2025	FY 2025
Sales	5.8	-31.6
Sales growth (%)	0.09%	-0.12%
Recurring Operating Income		-27
Recurring Net Income – Group share		-46

Breakdown by quarter of FY 2025 sales after application of IAS 29

FY 2025 sales correspond to the addition of:

- Q4 2025 reported sales;
- Q1, Q2 and Q3 2025 sales resulting from the application of IAS 29 until December 31, 2025, to sales of entities in hyperinflationary countries (application of the inflation rate until December 31, 2025, and translation into euros using the December 31, 2025, closing rate) and provided in the table below for information (unaudited data)

€ million	Q1 2025 ¹	Q2 2025 ²	Q3 2025 ³	Q4 2025	FY 2025
Europe	2,389	2,505	2,481	2,404	9,779
North America	1,633	1,546	1,577	1,560	6,316
China, North Asia & Oceania	936	1,080	1,032	904	3,953
Latin America	686	705	677	723	2,792
Asia, Middle East & Africa	1,172	1,071	1,108	1,093	4,444
Total	6,817	6,908	6,874	6,684	27,283

¹Results from the application of IAS 29 until December 31, 2025, to Q1 sales of entities of hyperinflationary countries.

²Results from the application of IAS 29 until December 31, 2025, to Q2 sales of entities of hyperinflationary countries.

³Results from the application of IAS 29 until December 31, 2025, to Q3 sales of entities of hyperinflationary countries.

Definitions of geographical zones

Europe refers to European countries.

North America refers to the United States and Canada.

China, North Asia & Oceania refers to China, Japan, Australia and New Zealand.

Latin America refers to Mexico, Brazil, Argentina and Uruguay.

Asia, Middle East & Africa (AMEA) refers to Asia, Middle East including Turkey, Africa and CIS (zone previously called "Rest of the World")

Financial indicators not defined in IFRS

Due to rounding, the sum of values presented may differ from totals as reported. Such differences are not material.

Like-for-like changes in sales reflect Danone's organic performance and essentially exclude the impact of:

- changes in consolidation scope, with indicators related to a given fiscal year calculated on the basis of the previous year's scope;
- changes in applicable accounting principles;
- changes in exchange rates, with both previous-year and current-year indicators calculated using the same exchange rate (the exchange rate used is a projected annual rate determined by Danone for the current year and applied to both previous and current years).

Since January 1, 2023, all countries with hyperinflationary economies are taken into account in like-for-like changes as follows: sales growth in excess of around 26% per year (a three-year average at 26% would generally trigger the application of hyperinflationary accounting as defined in IFRS) is now excluded from the like-for-like sales growth calculation.

Bridge from like-for-like data to reported data

(€ million except %)	2024 sales	Like-for-like change	Impact of changes in scope of consolidation	Impact of changes in exchange rates & others incl. IAS 29	Contribution of hyperinflation	Reported change	2025 sales
Q4	6,716	+4.7%	+0.8%	-6.3%	+0.4%	-0.5%	6,684
FY	27,376	+4.5%	-0.4%	-5.0%	+0.6%	-0.3%	27,283

Margin from operations is defined as the Gross margin over Sales ratio, where Gross margin corresponds to the difference between Sales and Industrial costs excluding reengineering initiatives and Logistics / Transportation costs.

Recurring operating income is defined as Danone's operating income excluding Other operating income and expenses. Other operating income and expenses comprise items that, because of their significant or unusual nature, cannot be viewed as inherent to Danone's recurring activity and have limited predictive value, thus distorting the assessment of its recurring operating performance and its evolution. These mainly include:

- capital gains and losses on disposals of businesses and fully consolidated companies;
- under IAS 36, impairment charges on intangible assets with indefinite useful lives;
- costs related to strategic restructuring operations or transformation plans;
- costs related to major external growth transactions;
- costs related to crises and major disputes;
- in connection with IFRS 3 and IFRS 10, (i) acquisition costs related to acquisitions of companies resulting in control, (ii) revaluation gains or losses accounted for following a loss of control, and (iii) changes in earnings subsequent to acquisitions resulting in control.

Recurring operating margin is defined as the Recurring operating income over Sales ratio.

Other non-recurring financial income and expense corresponds to financial income and expense items that, in view of their significant or unusual nature, cannot be considered as inherent to Danone's recurring financial management. These notably include changes in the value of non-consolidated interests and profits or losses on the net monetary position.

Non-recurring income tax corresponds to income tax on non-recurring items as well as tax income and expense items that, in view of their significant or unusual nature, cannot be considered as inherent to Danone's recurring performance.

Recurring effective tax rate measures the effective tax rate of Danone's recurring performance and is computed as the ratio of income tax related to recurring items over recurring net income before tax.

Non-recurring share of profit (loss) of equity-accounted companies includes items that, because of their significant or unusual nature, cannot be viewed as inherent to the companies' recurring activity and thereby distort the assessment of their recurring performance and trends in that performance. These items mainly relate to:

- capital gains and losses on disposals of Investments in equity-accounted companies;
- impairment of investments in equity-accounted companies;
- non-recurring items, as defined by Danone, included in the share of profit (loss) of equity-accounted companies.

Recurring net income (or Recurring net income – Group Share) corresponds to the Group share of the consolidated Recurring net income. The Recurring net income excludes items that, because of their significant or unusual nature, cannot be viewed as inherent to Danone's recurring activity and have limited predictive value, thus distorting the assessment of its recurring performance and its evolution. Such non-recurring income and expenses correspond to Other operating income and expenses, Other non-recurring financial income and expenses, Non-recurring income tax, and Non-recurring share of profit (loss) of equity-accounted companies. These items, excluded from Net income, represent Non-recurring net income.

Recurring EPS (or Recurring net income – Group Share, per share after dilution) is defined as the ratio of Recurring net income adjusted for hybrid financing over Diluted number of shares. In compliance with IFRS, income used to calculate EPS is adjusted for the coupon related to the hybrid financing accrued for the period and presented net of tax.

	FY 2024		FY 2025	
	Recurring	Total	Recurring	Total
Net income-Group share (€ million)	2,345	2,021	2,461	1,825
Coupon related to hybrid financing net of tax (€ million)	(4)	(4)	(8)	(8)
Number of shares				
• Before dilution	643,283,916	643,283,916	643,127,462	643,127,462
• After dilution	644,436,743	644,436,743	645,130,545	645,130,545
EPS (€)				
• Before dilution	3.64	3.14	3.81	2.82
• After dilution	3.63	3.13	3.80	2.82

Free cash flow represents cash flows provided or used by operating activities less capital expenditure net of disposals and, in connection with IFRS 3, excluding (i) acquisition costs related to acquisitions of companies resulting in control, and (ii) earn-outs related to acquisitions of companies resulting in control and paid subsequently to acquisition date.

(€ million)	FY 2024	FY 2025
Cash flows provided by operating activities	3,831	3,779
Capital expenditure	(923)	(1,055)
Disposal of property, plant and equipment and acquisition costs related to acquisitions of companies resulting in control ¹	95	74
Free cash flow	3,003	2,799

¹ Represents acquisition costs related to acquisitions of companies resulting in control that were paid during the period

For more information, please contact:

Media Relations: press@danone.com – Investor Relations: investor.relations@danone.com

Danone: 59-61 Rue La Fayette, 75009 Paris, France

Working capital is defined as the net position between Current assets and Current liabilities. It reflects the resources required to finance the operating cycle, which corresponds to the average time between the acquisition of materials or services entering the production process and the final cash realization in accordance with IAS 1. Current assets mainly include items such as trade receivable and inventories, while Current liabilities mainly comprise trade payable, accrued expenses, and payroll-related payables.

(€ million, except percentage)	December 31, 2024	December 31, 2025
Raw materials, work-in-progress and sundry supplies	1,291	1,204
Finished goods	1,215	1,325
Provisions for inventory write-downs	(229)	(205)
Inventories, net	2,277	2,325
Trade and other receivables from operations	3,035	3,152
Expected credit losses	(113)	(109)
Trade receivables, net	2,922	3,042
State and local authorities	976	802
Derivatives – assets ¹	60	46
Other	351	352
Total other current assets	1,387	1,200
TOTAL CURRENT ASSETS	6,586	6,567

Trade payables	(5,147)	(5,421)
Year-end discounts payable to customers	(1,482)	(1,618)
State and local authorities	(438)	(436)
Personnel costs, including social security charges	(1,283)	(1,322)
Derivatives – liabilities ¹	(79)	(60)
Other	(489)	(480)
Total other current liabilities²	(3,771)	(3,916)
TOTAL CURRENT LIABILITIES	(8,918)	(9,337)
WORKING CAPITAL	(2,332)	(2,770)

¹ Fair value of derivatives used to hedge operating currency and commodity risks, most of which are set up for a period of less than one year.

² Except Other current provisions.

Working capital/Sales ratio corresponds to the ratio of Working capital to Sales. It measures the level of resources invested in the operating cycle relative to the volume of activity achieved.

(€ million, except percentage)	December 31, 2024	December 31, 2025
Working capital	(2,332)	(2,770)
Sales	27,376	27,283
Working Capital as a percentage of consolidated sales	-8.5%	-10.2%

Net financial debt represents the net debt portion bearing interest. It corresponds to current and non-current financial debt (i) excluding Liabilities related to put options granted to non-controlling interests and earn-outs on acquisitions resulting in control and (ii) net of Cash and cash equivalents, Short term investments and Derivatives – assets managing net debt.

(€ million)	December 31, 2024	December 31, 2025
Non-current financial debt	10,175	10,074
Current financial debt	3,799	3,799
Short-term investments	(4,685)	(4,588)
Cash	(1,475)	(1,983)
Bank Overdraft	828	1,246
Derivatives — non-current assets ¹	(3)	(84)
Derivatives — current-assets ¹	(37)	(33)
Net debt	8,601	8,431
<ul style="list-style-type: none"> Liabilities related to put options granted to non-controlling interests — non-current 	-	(49)
<ul style="list-style-type: none"> Liabilities related to put options granted to non-controlling interests and earn-outs on acquisitions resulting in control — current 	(317)	(323)
Net financial debt	8,285	8,059

¹ Managing net debt only

The net debt/EBITDA ratio corresponds to the ratio of net debt to operating income restated for depreciation, amortization and impairment of tangible and intangible assets. The ratio for 2025 fiscal year is 2.0x:

(€ million, except ratio)	2024	2025
Net debt as of December 31	8,601	8,431
Operating income	3,379	2,940
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	1,168	1,355
EBITDA of the year	4,546	4,295
Net Debt / EBITDA of the year	1.9x	2.0x

ROIC is the ratio of net operating income in the current year to average capital invested in the current and prior years.

Invested capital = goodwill and other tangible and intangible assets + investments in non-consolidated companies and other financial investments + assets held for sale net of liabilities + working capital requirements - provisions and other net liabilities.

(€ million, except percentage)	2023	2024	2025
Recurring operating income	3,481	3,558	3,665
Recurring income tax rate	27.2%	27.3%	27.0%
Tax on recurring operating income	(947)	(971)	(990)
Recurring income from equity-accounted companies	55	76	108
OPERATING INCOME	2,588	2,662	2,783
Intangible assets	23,093	24,009	23,136
Property, plant and equipment	6,441	6,519	6,445
GOODWILL AND OTHER TANGIBLE AND INTANGIBLE ASSETS	29,534	30,527	29,581
Investments in equity-accounted companies	416	584	730
Other financial investments	839	864	913
Short-term loans	3	2	2
INVESTMENTS IN NON-CONSOLIDATED COMPANIES AND OTHER FINANCIAL INVESTMENTS	1,259	1,449	1,645
Assets held for sale net of liabilities	286	–	28
Deferred taxes net of deferred tax assets	(743)	(952)	(927)
Provisions for retirement and other long-term benefits	(904)	(900)	(771)
Other non-current provisions and liabilities	(1,303)	(1,152)	(1,171)
PROVISIONS AND OTHER NET LIABILITIES	(2,950)	(3,003)	(2,869)
Working capital	(1,686)	(2,333)	(2,770)
Invested capital of the year	26,443	26,641	25,611
AVERAGE INVESTED CAPITAL	27,271	26,542	26,124
ROIC	9.5%	10.0%	10.7%



FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements concerning Danone that are subject to risks and uncertainties. In some cases, you can identify these forward-looking statements by forward-looking words, such as "estimate", "expect", "anticipate", "project", "plan", "intend", "objective", "believe", "forecast", "guidance", "foresee", "likely", "may", "should", "goal", "target", "might", "will", "could", "predict", "continue", "convinced" and "confident," the negative or plural of these words and other comparable terminology, or by using future dates. Forward looking statements in this document include, but are not limited to, predictions of future activities, operations, direction, performance and results of Danone.

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 Factors" section of Danone's Universal Registration Document (the current version of which is available at www.danone.com).

Subject to regulatory requirements, Danone does not undertake to publicly update or revise any of these forward-looking statements. This document does not constitute an offer to sell, or a solicitation of an offer to buy Danone securities.

**The presentation to analysts and investors will be broadcast live today from 8:00 a.m. (Paris time) on Danone's website (www.danone.com).
Related slides will also be available on the website in the Investors section.**

APPENDIX – Sales by geographical zone and by category

Reported, in € million

	Q1		Q2		Q3		Q4		FY	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
BY GEOGRAPHICAL ZONE										
Europe	2,336	2,389	2,447	2,505	2,427	2,481	2,358	2,404	9,568	9,779
North America	1,737	1,633	1,595	1,546	1,611	1,577	1,636	1,560	6,579	6,316
China, North Asia & Oceania	840	936	1,001	1,080	967	1,032	886	904	3,694	3,953
Latin America	727	715	810	714	706	676	724	723	3,029	2,792
Asia, Middle East & Africa	1,150	1,170	1,084	1,067	1,115	1,111	1,112	1,093	4,506	4,444
BY CATEGORY										
EDP	3,474	3,381	3,298	3,261	3,283	3,255	3,355	3,288	13,463	13,158
Specialized Nutrition	2,183	2,306	2,213	2,307	2,189	2,299	2,308	2,372	8,936	9,277
Waters	1,132	1,156	1,426	1,345	1,354	1,322	1,053	1,023	4,977	4,848
TOTAL	6,789	6,844	6,938	6,913	6,826	6,876	6,716	6,684	27,376	27,283

	Q1 2025		Q2 2025		Q3 2025		Q4 2025		FY 2025	
	Reported change	LFL change	Reported change	LFL change	Reported change	LFL change	Reported change	LFL change	Reported change	LFL change
BY GEOGRAPHICAL ZONE										
Europe	+2.3%	+2.0%	+2.4%	+2.2%	+2.2%	+2.6%	+1.9%	+2.5%	+2.2%	+2.3%
North America	-5.9%	+3.7%	-3.0%	+2.3%	-2.1%	+1.5%	-4.7%	+0.7%	-4.0%	+2.0%
China, North Asia & Oceania	+11.5%	+9.9%	+7.9%	+12.4%	+6.7%	+13.8%	+2.1%	+10.4%	+7.0%	+11.7%
Latin America	-1.6%	+9.0%	-11.9%	+2.9%	-4.2%	+4.3%	-0.1%	+8.3%	-7.8%	+6.0%
Asia, Middle East & Africa	+1.7%	+3.3%	-1.6%	+4.1%	-0.4%	+6.8%	-1.7%	+8.3%	-1.4%	+5.6%
BY CATEGORY										
EDP	-2.7%	+3.7%	-1.1%	+3.0%	-0.9%	+3.5%	-2.0%	+3.8%	-2.3%	+3.5%
Specialized Nutrition	+5.7%	+5.3%	+4.2%	+8.7%	+5.0%	+8.3%	+2.8%	+7.2%	+3.8%	+7.4%
Waters	+2.2%	+4.1%	-5.7%	-0.5%	-2.3%	+2.3%	-2.8%	+2.2%	-2.6%	+1.9%
TOTAL	+0.8%	+4.3%	-0.4%	+4.1%	+0.7%	+4.8%	-0.5%	+4.7%	-0.3%	+4.5%

Disclaimer: This press release presents the results for the full year 2025 from the consolidated financial statements of Danone as of December 31, 2025 (unaudited). Regarding the audit process, as of today, the Statutory Auditors have substantially completed their examination of financial statements and verification of the sustainability information.

CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

Consolidated income statement and earnings per share (unaudited)

	Year ended December 31	
	2024	2025
<i>(in € millions except earnings per share in €)</i>		
Sales	27,376	27,283
Cost of goods sold	(13,769)	(13,473)
Selling expense	(6,572)	(6,568)
General and administrative expense	(2,928)	(2,996)
Research and Development expense	(447)	(479)
Other income (expense)	(102)	(102)
Recurring operating income	3,558	3,665
Other operating income (expense)	(179)	(725)
Operating income	3,379	2,940
Interest income on cash equivalents and short-term investments	403	301
Financial interest on debt	(600)	(498)
Cost of net financial debt	(197)	(197)
Other financial income	41	42
Other financial expense	(224)	(249)
Income before tax	2,999	2,536
Income tax	(929)	(741)
Net income from fully consolidated companies	2,070	1,795
Share of profit (loss) of equity-accounted companies	30	92
NET INCOME	2,100	1,887
Net income – Group share	2,021	1,825
Net income – Non-controlling interests	79	63
Earnings per share – Group share	3.14	2.82
Diluted earnings per share – Group share	3.13	2.82

Consolidated balance sheet (unaudited)

(in € millions)	As of December 31	
	2024	2025
ASSETS		
Goodwill	18,062	17,275
Brands	5,390	5,242
Other intangible assets	556	619
Intangible assets	24,009	23,136
Property, plant and equipment	6,519	6,445
Investments in equity-accounted companies	583	730
Investments in other non-consolidated companies	325	278
Long-term loans and financial assets	538	634
Other financial assets	864	913
Derivatives – assets	3	84
Deferred taxes	528	534
Non-current assets	32,505	31,842
Inventories	2,277	2,325
Trade receivables	2,922	3,042
Other current assets	1,387	1,200
Short-term loans	2	2
Derivatives – assets	37	33
Short-term investments	4,685	4,588
Cash	1,475	1,983
Assets held for sale	–	56
Current assets	12,786	13,229
TOTAL ASSETS	45,292	45,071

As of December 31

(in € millions)

2024

2025

EQUITY AND LIABILITIES

Share capital	170	170
Additional paid-in capital	5,331	5,420
Retained earnings and other	17,546	18,581
Translation adjustments	(3,134)	(4,676)
Accumulated other comprehensive income	(592)	(600)
Treasury shares	(1,527)	(1,978)
Equity – Group share	17,795	16,917
Non-controlling interests	59	52
Consolidated equity	17,853	16,970
Financing	9,929	9,761
Derivatives – liabilities	246	202
Liabilities related to put options granted to non-controlling interests	–	110
Non-current financial debt	10,175	10,074
Provisions for retirement obligations and other long-term benefits	900	771
Deferred taxes	1,480	1,461
Other provisions and non-current liabilities	1,152	1,171
Non-current liabilities	13,707	13,476
Financing	4,291	4,658
Derivatives – liabilities	19	61
Liabilities related to put options granted to non-controlling interests and earn-outs on acquisitions resulting in control	317	326
Current financial debt	4,627	5,045
Trade payables	5,147	5,421
Other provisions and current liabilities	3,957	4,131
Liabilities directly associated with assets held for sale	–	28
Current liabilities	13,732	14,625
TOTAL EQUITY AND LIABILITIES	45,292	45,071

Consolidated statement of cash flows (unaudited)

(in € millions)	Year ended December 31	
	2024	2025
Net income	2,100	1,887
Share of profit (loss) of equity-accounted companies, net of dividends received	(7)	(68)
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	1,168	1,355
Net change in provisions and liabilities	(21)	54
Change in deferred taxes	61	(60)
(Gains) losses on disposal of property, plant and equipment and financial investments	(225)	(1)
Expense related to share-based payments and Company Savings Plans	71	109
Cost of net financial debt	196	195
Net interest paid	(167)	(169)
Net change in interest income (expense)	29	25
Other items with no cash impact	122	202
Cash flows provided by operating activities, before changes in net working capital	3,297	3,503
(Increase) decrease in inventories	50	(192)
(Increase) decrease in trade receivables	(7)	(328)
Increase (decrease) in trade payables	353	527
Change in other receivables and payables	137	268
Change in working capital requirements	534	276
Cash flows provided by operating activities	3,831	3,779
Capital expenditure	(923)	(1,055)
Proceeds from the disposal of property, plant and equipment	18	44
Net cash outflows on purchases of subsidiaries and financial investments	(153)	(858)
Net cash inflows on disposal of subsidiaries and financial investments	507	106
(Increase) decrease in long-term loans and other long-term financial assets	87	(9)
Cash flows provided by (used in) investment activities	(463)	(1,773)
Increase in share capital and additional paid-in capital	76	89
Purchase of treasury shares (net of disposals)	-	(486)
Net issuance of undated subordinated notes	-	498
Interest expense and redemption premium on undated subordinated notes	(5)	(5)
Dividends paid to Danone shareholders	(1,348)	(1,379)
Buyout of non-controlling interests	-	(1)
Dividends paid to non-controlling interests	(108)	(82)
Contribution from non-controlling interests to capital increases	1	(1)
Transactions with non-controlling interests	(108)	(84)
Bonds issued during the period	1,397	1,666

(in € millions)	Year ended December 31	
	2024	2025
Bonds redeemed during the period	(2,006)	(2,050)
Net cash flows from other current and non-current financial debt	(808)	82
Net cash flows from short-term investments	(1,015)	61
Cash flows provided by (used in) financing activities	(3,817)	(1,610)
Effect of exchange rate and other changes	(2)	(307)
INCREASE IN CASH	(452)	90
Net cash as of January 1	1,099	647
Net cash as of December 31	647	737
ADDITIONAL INFORMATION		
Income tax payments during the year	(766)	(697)