DANONE

September 08, 2026
10:30 AM EDT

Warren Ackerman: So we're going to move to our third session. Delighted to welcome Danone to the stage. Thank you, Antoine and Juergen, for being here in Boston with us again this year. A lot to talk about. And I think we're going to do a bit of a duet today. We're going to try and sort of mix and match the questions between Antoine and Juergen.

So Antoine, maybe to kick it off and start a little bit high level. I think we're firmly into the second chapter of Renew Danone. Can you, for some of the audience maybe not quite as familiar with the story, can you explain the key elements of chapter two? What's working well, what still needs to be done? Maybe we can start there.

Antoine de Saint-Affrique: So if you look at what Danone is doing, Danone is only doing one thing. We do health through food to as many people as possible. We do it one way, which is anchored into science, and science is playing a very important role for us, and obviously obsessed with our consumer and our patient. What we've said with chapter two of Renew Danone is obviously keep doing or maintaining the discipline that we had with chapter one.

Also, we looked at the market, we looked at the market in which we are playing, and we are absolutely convinced that the market is at a tipping point and that both the demographics and the epidemiologics are coming our way. At a tipping point because basically people more and more realize that you are what you eat, and what you eat has a major impact on your health, be it from a prevention standpoint or be it to help and support you when you're in trouble.

What we said at the time is listen, we're going to do three things: we're going to pivot the way we look at our categories, we are going to broaden our reach, and we're going to keep expanding. We have started pretty actively in pivoting, meaning looking at your growth, not only at your growth, but fundamentally as it being protein. And protein has been one of our key growth drivers. You look at Oikos Pro, it's $1 billion plus growing very, very fast. Looking at your growth being gut health, you look at Activia in Europe, it's back to growth. Moving from plant-based to plant-powered, which we succeeded in Europe with Alpro going very fast, and, and, and.

So that's about redefining at the light of where our categories are going, the way we look at our category. I'll talk obviously of medical nutrition, I'm sure, during the course of our discussion. Keeping broadening our footprint from a distribution standpoint. If you look a number of years ago, Danone was essentially in large mass retail. So we had about 60% of our business in large mass retail. Today it's closer to 40% with a number of implications. The main implication is it is the key driver of our resilience. And that's very exciting. And keeping expanding, well, you've seen what we've done from an acquisition standpoint, very centered on our mission of health. Very focused and bringing us to the next stage in a number of places.

So we are making good progress. You've seen on the acquisition front a lot -- I mean, a large part of our growth is coming from innovation and products that didn't exist two or three years ago, underpinned by our science. Is there more to do? Yes. I'm sure we'll talk a bit, but there are plenty of opportunities. So we are still at the beginning of the journey. There are places that are working very well. There are places that are working less well, as is the case in the business. We're working on them to improve them. So we live in a world of constructive dissatisfaction.

Warren Ackerman: I guess, Juergen, if I take that point, you're back above 4% organic growth in Q2, which is nice. When you look at the second half, there's lots of factors. You've got Kate Farms coming into organic. You hopefully have progressive recovery and EDP in the U.S. You've got SN in rest of the world doing well, it seems. How should we think about the algo? Is it set up for an acceleration in organic in the second half, given those positive things coming in?

Juergen Esser: When you look at the movie of the first half of this year, it has been very eventful in many dimensions, what happened in the Middle East with the IMF recall. And yet, despite this very eventful first semester, we've been delivering very solid results. As you say, we left the Q2 with a strong growth momentum and with a lot of confidence into the future. And so sitting here a couple of weeks later, we are still sitting here with the same level of confidence.

So what are the variables moving forward? And I think you name it very rightly. Kate Farms is coming into the like-for-like. That's great. It means we play first time at scale in the U.S. It will mechanically add to our growth momentum. We will obviously see less and less negative impact from the early life nutrition recall elements we had in the first semester. That will help.

So in a way, we see that in the portfolio we have, which is a very broad portfolio, we have things which will accelerate, including North America, which will progressively go better and better. And on the other side, we need to take care of those elements where we still have more opportunities. We talked Mizone, which was a drag in Q2, which probably will remain a drag in Q3 because the season is not good for no beverage company in China. We know that Indonesia has been very strong in Q2, helped by weather conditions, exactly the opposite of what we are having in China.

So we have a couple of variables, but net-net, I think to take out of it is we are very confident to deliver within our guidance in the short, medium and long term because we have built a portfolio which is able to resist to external shocks. And I think this is very important.

Antoine de Saint-Affrique: I think, if I may add two things, if anything, the first half of the year is displaying the resilience that we have built over time. And this is linked to the diversity of our geography and the diversity of our portfolio. Obviously, we talk a lot of what doesn't go well, but the name of the game for us is resilience. It is due also to a business model that is to deliver consistently in a 3% to 5% band. That 3% to 5% gives us the flexibility to do the difficult right rather than the easy wrong, which is why I keep telling you the guidance is 3% to 5%, 3% to 5%, 3% to 5%.

Warren Ackerman: Okay. But in terms of where I want to focus today, I want to really dive into EDP a little bit and SN and some in China. But on U.S. EDP, there's obviously been quite a lot of investor frustration. The amount of inbounds I get on Nielsen Day is a lot. Can you maybe just sort of walk through where we are? You're talking about progressive improvements. We saw progressive in Q2. I think that the frustration maybe a little bit is the capacity just takes a long time to come on. Can you maybe reassure us that is happening and that the gap between you and the market is going to close? Because I think that some people are beginning to think that there's a structural element as well as a kind of a capacity element. I know this is a big topic, but it's still there as a topic for investors.

Antoine de Saint-Affrique: Well, I'm sure we'll do a duet on that. I think, correct me, but EDP in North America is about 7% of our turnover. So we need also to frame the magnitude of the issue.

I've seen or I've said that the improvement will be progressive. I know a number of people don't like the word progressive, but it will be progressive because we try to do things the right way so that our change is stickier. So progressively, our capacity is coming on stream. As per plan, that's a topic I'm sure we won't discuss in five to six months from now. We have 13 factories. We do it one line after the other in an orderly fashion.

I think the second thing, which to me is as important or more important than capacity, although it's enabled by capacity, is we are progressively back to playing a Danone game in the U.S. And what is a Danone game? Obviously, keeping driving protein. As I said, the Oikos Pro is doing very well. We will expand into new formats. We'll keep actually playing the game of protein. But the unique strengths of Danone is the ability to play portfolio and to address some key fundamental trends in the market. So obviously, protein.

The next big trend, by the way, not only in the U.S. is fibers, everything on pre- and probiotic. You are starting to see in the market what we are doing with Activia. With Activia, we are back to growth in all Europe. We are doing very well in places like Japan and Australia. We are deploying the playbook, and a lot of it is about fiber. You will see us entering kefir in the U.S. in the coming months. Kefir is a trend that is actually present in the U.S., very small but growing very fast, is a very important driver of growth of the market, but also Activia in Europe. We will be a player in kefir, or in the kefir space in the U.S. in the coming months.

And we are going to revive the Dannon brand. Dannon is the historical brand in the market, the one that has shaped the market, entering with a new approach to Greek into the market with Dannon at the start of 2027.

Juergen Esser: Maybe just one element to add. When you step back and you look at the H1 EDP global, 3.6% growth, driven by Europe, which is now consistently delivering with, as Antoine said, kefir, skyr, high protein going through the roof. We see Asia and especially Japan growing at a very fast pace. We see Latin America growing very fast. And NorAm progressively improving just will help this number to go further.

We have the MADE group coming. The MADE group in Australia, an acquisition we did, or we are doing but it's not yet closed, will help us to further build, get an amplified trend in Asia. So the category of EDP is poised to grow at a very fast pace. Is the U.S. frustrating? Yes. Does it take 12 to 18 months to build capacity? Yes. But this will be over at some point, and then we will get the full potential also in North America. So we are very bullish actually on the category.

Warren Ackerman: That's the interesting thing, right? People focus on the U.S., but it's the globalization of EDP that's changing the dynamic. And you've got Japan growing, Australia coming in, Latin America. And so I suppose the way you're thinking about it is if those engines keep growing, Australia comes into organic, and then you progressively improve the U.S., in theory, you should see mathematically an acceleration in EDP overall.

Antoine de Saint-Affrique: You see, we are very -- and Juergen just said it, we are very, very positive on the EDP category in the long run. Protein is here to stay. Penetration of GLP-1 is still nowhere. Consumption in some markets is also nowhere. In the U.S., it's a third of what it is in Europe. Fibers, pre- and probiotic are the next trend. Naturalness is absolutely critical, and we see it with skyr in Europe, which is a mix of all natural and protein. So there it is very clear: we are only at the start of the journey. And we are restarting to do what Danone is doing, which is shaping the category, playing on different engines.

Warren Ackerman: And maybe could you dive a little bit more onto the European EDP? What are you actually seeing in different countries? You've got kefir, you've got the skyr. How is it animating? How are you sort of rolling it out into Europe? Are you seeing Europe accelerating in aggregate in EDP?

Antoine de Saint-Affrique: So we see, and you've seen that in the last few quarters, we see good momentum in Europe. We are very, very happy with the revival of Activia. It is a long haul journey, and we've said it now for a while. You are transforming a brand that had become a fruit yogurt back into a brand that takes care of yogurts. It's back to growth. It's back to growth thanks to what we do around very hard things, inspired from what we do in Japan and Australia. Fibers and re-centering the portfolio on our fibers, but also kefir, which is going -- kefir we just launched. It's going to be $100 million plus, growing very fast.

You look at Danone, which is all about family, naturalness, et cetera. Same story. On the core Danone, reminding people that a Danone is not a yogurt, it's a Danone, because of the ferments, because of naturalness, because of what it does to your gut. And things like skyr, which are the combination of the naturalness of Danone and all the goodness of protein.

Warren Ackerman: I want to ask about plant-based because you've got a very different situation with Alpro in Europe accelerating, but Silk not really performing for a while. I know you're doing protein Silk and it's working, but it's still quite small. Is it really the case that you can take learnings from Alpro in Europe, which is a different kind of market, I suppose, on plant-based to the U.S., and bring it across? I'm just trying to understand how much patience do you have with that brand? And is that the right answer to the issue to look at the Alpro game plan and play it in the U.S.?

Antoine de Saint-Affrique: So first thing, you said it, Alpro is going from strength to strength in Europe. What we've done with Alpro is moving from plant-based to plant-powered. Just claiming benefits, being ubiquitous in terms of our presence, entering protein, driving yogurt, going into meal replacement. So being strongly active with Alpro.

I am on record for having said that under the previous regime, the U.S. was suffering from not invented here. And I was very clear a couple of months ago saying, well, we need to see movement in the coming 12 months. The local teams, Patricia and the team are doing a stellar job to progressively move Silk into a place that is similar to Alpro. It's not exactly the same because the market is different. But you started seeing what we do with protein. You started seeing a renewed focus and a renewed activity on Silk yogurt.

So step by step, we are moving in the right direction. Is it going to be exactly the same? No. Is it moving in the right direction? Yes. Is the journey over? No, by all means, because we are starting from a different standpoint. But I was very clear also, which is we need to see progress in a relatively short period of time.

Warren Ackerman: Cool. I'm interested to move into SN now, if that's okay. There's a lot of topics. One of the ones, just to hit quickly, is the cereulide issue from the beginning of the year and in terms of the recovery that you're seeing, particularly in Europe. I know Middle East is coming back quite quickly. But in Europe, how do you feel about the recovery? Some of the data we still see is still a bit soft. How are you viewing it? What are you doing to reinforce the Aptamil brand perception in Europe?

Juergen Esser: There is indeed very different context in the different regions, you said it. In the Middle East, we lost a lot of sales in Q1. It bounced back very quickly in Q2, and we are back to where we used to be, in a way, in terms of distribution, sell-out and market shares. That has been very visible, actually, in the second quarter performance. Europe is a mixed bag. What we are seeing is that one, the category is going a little bit slower. So there's still credibility to be rebuilt, especially by the leading brands in that sector, and we are confident that we can do that.

Market share situation in each of the countries is different. We have been winning in some countries. We have been losing in some countries, depending on the competitive set. I think it will level out as we go through the next quarters. And so in the end, I think that as we go through the next quarters and talking about Danone performance, this recall will not be anymore a major driver of the pluses or minuses. It will not be any more a key variable.

What is very important is that we have been protecting our Chinese ELN business during that period. Obviously, the Chinese population, through social media, has been made aware of what happened in Europe, which led to a shift from international label to Chinese label. And here, the good news is that we are playing on both sides. We are playing on international label, so products imported from Germany, products imported from the Netherlands, from the U.K., and we are playing on China label. But this has been a very clear shift because there has been more confidence and credibility built into the China label part.

Warren Ackerman: And Juergen, while you're on that topic of China, you've talked about normalization, right, I think the word you've used of the category. Makes sense, given the Year of the Dragon and the birth rate. But comps do get a lot tougher in the second half, we can see the numbers. What can you do to combat those comps and still eke out growth in the China IMF category, or your business specifically, in the second half? That's the first part. And then the second piece is, do you still think medium-term in China SN, beyond the normalization period, that this business can grow mid-single digit?

Antoine de Saint-Affrique: So let me take the medium term, and Juergen will address the shorter term. If you look at where the category was a couple of years ago, 14 million babies, EUR 20 billion category. You look today, between 7 million and 8 million babies, still a EUR 20 billion category.

So what has been happening in China is a combination of two things. One is premiumization of the category on the basis of science. The second thing is penetration, as people move from countryside to cities, which compensates the decline of the births. So that is a first factor that will still keep going on, because I think that journey both of premiumization but also of penetration is not over.

The third thing, which is probably even more important when it comes to IMF is it's a non-consolidated market. You take the top three players, they are around 50-ish percent of the market. In most of the countries of the world, top three players are closer to 80% of the market. So there is still a consolidation game to be played.

So those three things are probably indicative that we can still grow in China, even on a market where the birth rates are what they are, they've normalized, and when the markets are flattish, whether they are slightly increasing or slightly decreasing, but flattish. So that's the name of the game on IMF. It will be a normalization versus what we've seen at the Year of the Dragon.

What is important as well is we play in medical nutrition in China. So if you think mid- to long-term, there will be also a different balance both in terms of growth, but in the end, in terms of total business between infant and medical. People over 60 years old, were about 250 million in 2023. There will be 300 million in 2030. There will be 350 million in 2040. So the need for medical nutrition, the need for support to frailty will keep growing in a very, very structural way, which will rebalance over time our portfolio and at margin profiles that are more or less the same.

Juergen Esser: When you look at it net-net, specialized nutrition in China has been a mid-single digit growth contributor to Danone for years. We had 12 months where it went up because of the Year of the Dragon. When we talk about normalization of everything we see there, it means that yes, the expectation is to go back to mid-single digit contribution over the years to come, thanks to medical nutrition growth and thanks to market share wins in early life nutrition, I think we have everything it takes to continue winning that market.

Just one reminder, four or five years ago, we started as number four or five in that market. Today we are co-leading the early life nutrition market. So consolidating as a co-leader of that market, I think we are in the right position.

Warren Ackerman: One of the interesting things is when you look at your -- we talked about it earlier, Antoine, before we started, kind of the premium gap between your portfolio in China versus the market, it's still significant. You're under-trading in premium in China infant formula. Can you maybe outline how much there is still left with Essensis, which has been the big driver of market share?

And then when does Nutricia actually come into the market in a bigger way? I think you always sort of said that you didn't want to cannibalize Essensis, but it sounds to me like Essensis has got more growth in it, so more distribution reach. Can you maybe just frame a little bit around the timing of what you're doing with Essensis to maximize it and what conditions need to be in place for you to actually go bigger in Essensis in China, beyond selective?

Antoine de Saint-Affrique: The first thing is Essensis is an incredible success. It's growing extremely fast on the base of science, on the base of differentiation. So it's a very good illustration, by the way, of chapter two of what we are doing. It's only at the start of the journey. We are probably halfway where we should be from a distribution standpoint. So there is still plenty and plenty of runway with Essensis.

Our logic or the way we go at it there which, by the way, it's the same outside China, is let's make sure we go to the end of something before starting something fundamentally new. Priority number one is to maximize the full potential of Essensis. In parallel of that, we have been testing Nuturis in Hong Kong, which actually has beaten our expectations in Hong Kong. We are launching progressively the first wave of Nuturis step by step in its international label version, and we will be at some point with the China label version.

But we are very, very clear that we need first to maximize Essensis before going full scale on something that is super exciting, that is in the top 5% of the market where we are not playing. But you don't want to defocus on something that is a major growth engine for China and for the company.

Warren Ackerman: The other interesting thing is your emerging market infant formula business is actually, in aggregate, as big as China. I get very few questions on that. I get lots of questions on China. Can you talk about that? How fast is that EM ex-China formula business growing at? And how are you thinking about allocating more resources to places like Vietnam, like Latin America, like Middle East, for your power brands like Aptamil? Because it seems like even if China is normalizing, you still have that very powerful engine.

Juergen Esser: You're absolutely right. When you look at our early life nutrition business, it's one-third China, one-third Europe, one-third rest of the world. Talking rest of the world is always a bit more difficult because it's less tangible because we talk about Argentina, Brazil, Vietnam, Philippines, the Middle East, Africa and so on. But this is growing very fast, high-single digit to double digit in most quarters. Very profitable, very profitable, and it's 95% about Aptamil. So we're using the same platform, the same science, the same Essensis type of way of marketing to parents, and we are investing in a very intentional manner behind it.

We are investing because we have been opening actually Vietnam not so long time ago after great success in Thailand. There are still a few tiger states around where we believe that there is for us the ability to enter, but we are also building now a sizable business in India. We don't talk a lot about India because we are coming from a very small base. The category is just at very early stage in India. Today we are co-leading that category, and we are investing in a very intentional manner into India. So it's about Latin America, it's about Middle East, it's about India and Southeast Asia, where you will see us allocating resources. And when we say allocating resources, it means first and foremost building the brand and building the credibility of Aptamil. But we have a lot of headroom here.

Antoine de Saint-Affrique: I think what Juergen is saying on it's a third in Europe, a third in China, a third in the rest of the world is a good depiction. It applies obviously to this, but it applies to other things. The fact that for the last number of years now, we have been very, very intentional in trying to build resilience in our model and trying to make sure that progressively, we are not hostage to one category in one geography. But we built a model, and the first half of this year has proven that, that can absorb exogenous shocks and keep doing the right thing. And that's, I think, probably a change from the past and something that is important.

Warren Ackerman: One of the things you've talked about, you've been quite outspoken about, is the importance of India. I think the quote was that unless you become materially bigger in India within the next decade, you become relatively globally irrelevant. So picking up on Juergen's comment about investing in India, what is the vision longer term in India?

Antoine de Saint-Affrique: Well, indeed, listen, if you want, if you look at where the population is, if you look at where the babies are, there are 23 million babies in India every year compared to 7 million to 8 million in China. If you want to be relevant in the long term, you need to have the right critical mass and presence there.

We have been very, very systematic in building a business which is focused essentially on infant nutrition, which is growing actually very, very fast in a way that is profitable. I think what we want to do in India is obviously get to a business that is relevant in terms of size compared to the size of India, but we want to do it in a way that is structurally profitable for the long term. Having been very familiar with India from my past life, I've seen a number of people burning their wings because they wanted to go very fast, ignoring the rules of the market and ignoring that it is a very challenging market with very good competitors.

So what we are doing, actually what we are doing currently with infant in India is a good example of -- and we do the same in places like Vietnam -- a good example of you build systematically a business in a way that is very profitable and it's snowballing. So you create a positive loop, if you will.

Warren Ackerman: Juergen, moving to you, I want to talk a little bit about margins. Can you talk a little bit about your expectations on COGS in the second half. And then maybe if you can overlay that a little bit around EDP margins, because I guess EDP margins in the first half were kind of flattish, and I guess the feeling is there is more COGS inflation in H2, an issue in EDP margins.

And then wrapping that together, I guess taking a step back, the market has wanted to see the operational gearing from EDP margins getting back to double digit, and we're still not there. We're still high-single digit. So how do you sort of frame that need to protect the margin short term from input costs and pricing with the actual need to get the profitability into a better place?

Juergen Esser: I think it's important to step back and look at what our strategy is. We have now for four years developing margin expansion at gross margin level and profit margin level, thanks to more volumes in our factories. You know that we have a volume driven business model. And this is not changing, even in a world where the inflation is maybe not a short term experience, but may be lasting for longer. So volume, volume, volume and mix will remain our priority number one because it's the best way to get leverage.

Now COGS inflation is a reality today. How high is high? I don't know, because we know that the Middle East conflict has certain consequences on the cost of packaging, on the cost of energy. How is that going in the next couple of months is very difficult to predict. And we are seeing obviously that the cost of protein is rising just because people want more protein. So I think we have all it takes in order to compensate for cost inflations, which is high level of productivity, pricing, and we have been talking about it. We are doing price increases as we speak in many, many markets. But, and most important, volume and mix increase.

This is true for all of our categories. This is true for EDP. You're right, EDP margin in the first half is not where we want it to be because we had inflation, we didn't have pricing. And so we will have pricing kicking in in the second half. We will have North America coming back with better numbers. So we will have all the ingredients to get the EDP margins up over the next years.

One element I want to make sure is well understood. Volume mix is important, and volume mix in EDP is not only about refrigerated products. You know that over the last three to four years, we have been pivoting from spoonable products into drinkable products. Now we are going from the fridge, out of the fridge, and this is very, very important. You look at what we are doing with Huel, for example, the acquisition. You see what we are doing with Alpro Meal to Go. You are seeing what we are doing with high protein yogurts going into ambient protein shakes. We are opening a new, very profitable universe for us.

So I'm absolutely not concerned about EDP margins on the long run, because I think we have a portfolio which is more and more skewed towards premium, and therefore profitability.

Warren Ackerman: We're running short of time, but I want to try and get in a few questions about the acquisitions that you've done, so maybe a bit of a quick fire. First one on Kate Farms coming into organic growth. I saw an article saying that Kate Farms can grow double digit for a very long period of time and is a beneficiary of the Make America Healthy Again. Can you maybe just unpack why you're so excited about Kate Farms?

Juergen Esser: I think we've been very consistent about the excitement over the last 12 to 24 months. It's now part of the family since one year. It's growing very fast. And it's the first time that we can play at scale in North America with a product which is truly superior. And this is important. It's important that healthcare professionals are very clear that we are having here something which is better than the industry standard, easier to digest for patients. This is why we are getting very good reception to all the healthcare professionals we talk to, and we are unleashing the power of Kate Farms with the power of Danone.

So we are bringing science from our centers, R&D centers in Europe and China, into the Kate Farms portfolio, and we are using the route to market of Kate Farms to more than 1,500 hospitals. So it's a super exciting journey in front of us.

Warren Ackerman:: And maybe on Huel, again, I'm trying to get through these quickly. I could spend more time with you. Huel, I think, Antoine, some were surprised by that deal. Can you talk a little bit about your plans for the brand and maybe discuss some of the synergies with brands like Alpro where we're now sort of seeing the rollout of the complete meals? It seems like it's a bit of a glove.

Antoine de Saint-Affrique: Well, first, we're very excited. It's very complimentary. It's about health and convenience. It's about lifestyle. So it is actually, I was talking about Alpro Meal to Go, and I may have one here. It's coming from a very different angle. This is coming from plant-based. This is coming from health and performance with a take on the market that is very different with our capabilities when it comes to connecting to a community, to gathering a community, which are one of a kind. The way Huel has been building its community of Hueligans, as they call it, is just incredible.

So the synergies are both ways. Obviously, we can bring as for Kate Farms science, knowledge, but also distribution muscle in the countries where Huel is not. Huel is bringing incredible knowledge in direct-to-consumer, in animation of community, in the way they are communicating. They develop between 300 and 400 advertising per month. They are talking or using and leveraging influencers in a way we don't know how to do today. So it's full complementarity.

Warren Ackerman: And then a final one I guess on the deals. Australia, you're making quite a big bet. You're buying out your partner. You've got the MADE group. It seems like it's always been a functional market. It's not new. Why is now the right time to increase the investments in Australia?

Antoine de Saint-Affrique: So we, as you've seen, we increase our presence in Australia, New Zealand and parts of Southeast Asia by about 400 million, even when obviously we get the approval of the authorities. MADE group is, in some ways, a mini-Danone. It's health focused. You have plant-based with coconut-based, you have protein-based, you have products for the gut. Very good, very strong brands. Very good quality products. Very strong marketing. And a very impressive growth trajectory in places like Australia and New Zealand, but also in places like Thailand. So strengthen our position in what is a core category for us, in geographies where we are underrepresented, with brands that are relevant so strategically it's absolutely obvious.

Warren Ackerman: And final question, Antoine. You mentioned at a previous conference that when you were thinking about acquisitions, you didn't want to saddle Danone with liabilities. So I guess if those liabilities were to be settled, would that change anything?

Antoine de Saint-Affrique: What I said on one particular target in this country is for the parts that is in this country, I'm not interested. And it was a mix of legal liabilities, liabilities on the factories, and the fact that the business had been probably not fully, fully under focus for a large number of years, plus a business model that is very different from our business model. So it does a lot, and I wouldn't spend more. If I was to spend money on this, it wouldn't make sense from a shareholder standpoint. So I've been very clear in another conference, and I hope I'm equally clear in this conference.

Warren Ackerman: Thank you for clarifying, and thank you, Danone, for your time today.

Juergen Esser: Thank you very much.