SUPPLEMENT DATED 18 OCTOBER 2016
TO THE BASE PROSPECTUS DATED 26 SEPTEMBER 2016

DANONE

(a *société anonyme* incorporated in France)

€21,000,000,000
Euro Medium Term Note Programme

This supplement (the "**Supplement**") constitutes a first supplement to, and must be read in conjunction with, the base prospectus dated 26 September 2016 (the "**Base Prospectus**"), prepared in relation to the €21,000,000,000 Euro Medium Term Note Programme (the "**Programme**") established by Danone (the "**Issuer**" or "**Danone**") which received visa no. 16-447 from the *Autorité des marchés financiers* (the "**AMF**") on 26 September 2016. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

Application has been made for approval of this Supplement to the AMF in its capacity as competent authority pursuant to Article 212-2 of the AMF General Regulation (*Règlement général de l'AMF*) which implements Directive 2003/71/EC, as amended (the "**Prospectus Directive**").

This Supplement has been prepared for the purpose of giving updated information with regard to the Issuer and the Notes to be issued under the Programme pursuant to Article 16.1 of the Prospectus Directive and Article 212-25 of the AMF General Regulation.

To the extent there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Base Prospectus.

This Supplement has been produced for the purpose of (i) supplementing the section of the Base Prospectus entitled 'Risk factors' to add certain risk factors relating to the Issuer in relation to the acquisition of The WhiteWave Foods Company, (ii) amending certain sections of the Base Prospectus to correct an error made to the legal name of the Paris Paying Agent and (iii) supplementing the section 'Recent Developments' appearing on pages 62 to 66 of the Base Prospectus in order to incorporate the press release entitled "2016 Third quarter sales".

For as long as the Programme remains in effect or any Notes are outstanding, copies of the Base Prospectus as supplemented, any document containing information incorporated by reference in the Base Prospectus, this Supplement and the Final Terms related to Notes that are listed and admitted to trading on any Regulated Market in the EEA will be available for viewing on the website of the AMF (www.amf-france.org), on the Issuer's website (http://www.danone.com/pour-vous/investisseurs/investisseurs/) and may be obtained, during normal business hours at the specified offices of the Fiscal Agent and each of the Paying Agents (as defined herein).

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RISK FACTORS

The section 'Risk Factors' appearing on pages 3 to 12 of the Base Prospectus is hereby supplemented in order to add the following risk factors relating to the Issuer:

Risks relating to the Acquisition

On 6 July 2016, The WhiteWave Foods Company, a Delaware corporation ("**WhiteWave**"), the Issuer and July Merger Sub Inc. (an indirect wholly owned subsidiary of the Issuer) entered into an "Agreement and Plan of Merger" for the acquisition of WhiteWave by the Issuer (the "**Acquisition**")

Danone may fail to realize all of the anticipated benefits of the Acquisition or those benefits may take longer to realize than expected, will incur costs in respect of the Acquisition and will allocate a significant portion of the acquisition price to goodwill on its balance sheet

The full benefits of the Acquisition, including the anticipated sales or growth opportunities or synergies, may not be realized as expected or may not be achieved within the anticipated time frame, or at all. Failure to achieve the anticipated benefits of the Acquisition could adversely affect Danone's results of operations or cash flows, cause dilution to the earnings per share of Danone, decrease or delay the expected accretive effect of the Acquisition.

In addition, Danone will be required to devote significant attention and resources, and incur costs, to prepare for the operation of the combined business after the closing of the Acquisition, and will be required to devote significant attention and resources post-closing to successfully align the businesses. This process may disrupt the businesses and, if ineffective, would limit the anticipated benefits of the Acquisition and may result in greater costs than anticipated, including for reasons that are outside of Danone's control.

Finally, Danone will fully consolidate WhiteWave from the acquisition date and the portion of the acquisition price to be allocated to goodwill in accordance with IFRS is expected to be significant. This further exposes Danone to risks associated with an unfavorable change in business activity forecasts and in the level of synergies and to the risk of impairment of assets. Under IFRS, goodwill is tested for impairment annually and whenever events or circumstances indicate that goodwill may be impaired. If the combination of the Danone and the WhiteWave businesses meets unexpected difficulties, or if the business does not develop as expected, impairment charges may be incurred in the future which could be significant and which could have an adverse effect on Danone's results and financial condition.

Danone will face risks related to its increased level of debt as a result of financing the Acquisition

Danone expects to finance the Acquisition and part of the existing debt of WhiteWave, representing total cash needs (including transaction charges, fees and expenses) of approximately US. $ 12.5 billion, with the proceeds of Notes and an international private placement and, if required, either: (i) by drawdown under a bridge loan facility entered into on 27 July 2016 (the "**Bridge Facility**"); or (ii) issuing Euro commercial paper and/or the use of cash and cash equivalents. Danone's level of indebtedness will therefore increase in connection with the funding of its cash needs in connection with the Acquisition. The issue of Notes and the international private placement are not conditioned upon one another and are being consummated separately. The decision to proceed with each issue and offering has been and will be made independently of the decision to proceed with any other issue and offering, subject to market conditions.

If the proceeds of Notes and the international private placement are not sufficient to fund Danone's entire cash needs in connection with the Acquisition, Danone expects to fund the balance of the Acquisition costs by either: (i) drawing on the Bridge Facility or (ii) issuing Euro commercial papers and/or using cash or cash equivalents. If Danone draws on the Bridge Facility, it will be required to find additional financing to repay the Bridge Facility, most of which must be repaid within 12 months of the date of the Bridge Facility, subject to two six month extensions.

The financing arrangements in connection with the Acquisition could have significant consequences. Danone's ability to consummate the note issues and offerings, issue Euro commercial paper and/or to refinance the Bridge Facility will depend on market conditions. Unfavorable market conditions may increase Danone's financing costs beyond what is currently anticipated. Failure to obtain financing or refinancing on satisfactory terms or at all, or increased costs of financing or refinancing, could have a material effect on Danone's results, cash flows, liquidity, financial condition and/or credit rating.

In addition, as a consequence of the Acquisition, Danone will assume approximately U.S.$500 million of outstanding WhiteWave debt securities and approximately U.S.$21 million of WhiteWave's finance leases that, in each case, are not currently expected to be refinanced in connection with the Acquisition.

The increased level of debt following the Acquisition may require Danone to dedicate a larger portion of its cash flow from operation to servicing its debt, which could have adverse consequences for Danone. Such consequences may include, without limitation, the following:

- limiting its ability to engage in future acquisitions or development activities;
- impairing its ability to obtain additional financing; and
- placing Danone at a competitive disadvantage compared to its competitors that have less debt.

The Acquisition and incurrence of the additional-debt to finance the Acquisition could cause a downgrading of Danone's credit ratings

Danone's borrowing costs and access to the debt capital markets depend to some extent on the credit ratings assigned by the rating agencies. Following the announcement of the Acquisition, Danone's long-term debt credit rating was maintained at Baa1 (stable outlook) by Moody's and at BBB+ (negative outlook) by Standard & Poor's. The rating agencies may in the future downgrade Danone's credit ratings below their current levels, should the integration of WhiteWave not generate the anticipated synergies, should Danone's debt levels increase more than anticipated, or for any other reasons. In addition, the Acquisition of WhiteWave by Danone will constitute a change of control under and as defined in the indenture, governing the WhiteWave's U.S.$500 million of 5.375% notes due 2022 (the "**WhiteWave Notes**"). In the event that the credit rating of the WhiteWave Notes is lowered by either Standard & Poor's or Moody's, and such WhiteWave Notes are rated below investment grade by either Standard & Poor's or Moody's, within certain time periods prior to or following the consummation of the Acquisition, WhiteWave could be required to make an offer to repurchase such WhiteWave Notes at 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase. There can be no assurance that Danone or WhiteWave could obtain refinancing of such debt on terms acceptable to Danone and WhiteWave or at all. Any credit rating downgrade could adversely affect the ability of Danone to finance its operations and to refinance its indebtedness, increase Danone's financing expenses and adversely affect its financing conditions, results and financial condition.

The results of Danone will, as a result of the Acquisition and the resulting increased portion of assets, liabilities and earnings denominated in U.S. dollars, be more exposed to fluctuations in the exchange rate between the U.S. dollar and the euro

Danone presents its financial statements in euros, but has a significant portion of assets and revenues in non-euro currencies, particularly the U.S. dollar. As a result of the Acquisition, which will significantly expand Danone's business in North America, when translating WhiteWave's financial statements into euros, the currency fluctuations between the U.S. dollar and the euro may have an impact on the consolidated income statement and on the carrying amount of assets and liabilities on the consolidated balance sheet of Group entities whose functional currency is the U.S. dollar. Danone's operational and net results, when they are reported other than on a like-for-like basis, as well as the equity of Danone, will therefore be more sensitive after the Acquisition to fluctuations in the exchange rate of the U.S. dollar against the euro than they are currently and a depreciation of the U.S. dollar relative to the euro could have an adverse impact on the consolidated financial condition and results of Danone.

Danone may not be able to retain WhiteWave's key managers or employees following the Acquisition

In addition to ordinary-course departures independently of the Acquisition, Danone may face difficulties in retaining some of its own or WhiteWave's key employees due to, among other reasons, uncertainties about or dissatisfaction with their new roles in the integrated organization following the Acquisition. As part of the integration process, Danone will need to address issues inherent to the management and integration of a greater number of employees with different backgrounds, experience, compensation structures and cultures. This could lead to disruption in its ability to run its operations as intended and have a negative effect on its results and financial condition. In addition, under certain circumstances Danone may be required to pay severance packages to WhiteWave executives in connection with the change of control of WhiteWave, and these payments could be significant if they are required to be paid.

The due diligence by Danone in connection with the Acquisition may not have revealed all relevant considerations or liabilities of WhiteWave

Danone conducted limited due diligence on WhiteWave in order to identify facts that it considered relevant to evaluate the Acquisition, including the determination of the price Danone agreed to pay, and to formulate a business strategy. However, the information provided to Danone and its advisers during the due diligence may nonetheless have been incomplete, inadequate or inaccurate. If the due diligence investigations failed to correctly identify material issues and liabilities that may be present in WhiteWave, or if Danone did not correctly evaluate the materiality of some of the risks, Danone may be subject to significant, previously undisclosed liabilities of WhiteWave and/or subsequently incur impairment charges or other losses. If this were to occur, it could contribute to lower results than were originally expected or result in additional difficulties with respect to the performance of Danone post acquisition of WhiteWave.

GENERAL

An error was made in the Base Prospectus with respect to the legal name of the Paris Paying Agent appearing on pages 16 and 90 of the Base Prospectus.

As a consequence, the name of the Paris Paying Agent is hereby amended in order to read "Citibank Europe plc, French Branch".

RECENT DEVELOPMENTS

The section 'Recent Developments' is supplemented by incorporating the following:

Press release dated 18 October 2016

2016 Third-Quarter Sales

Continued solid progress on key priorities

Transition in China

2016 first nine months:

- Like-for-like sales growth: +3.2%
- Reported sales growth: -2.6% reflecting a negative currency impact of -6.3%

2016 Third-Quarter:

- Like-for-like sales growth: +2.1%
- Reported sales growth: -1.8% reflecting a negative currency impact of -4.1%

Full-year guidance confirmed

All references in this document (including Q3 2016 and FY 2016 targets sections above) to like-for-like changes, trading operating income, trading operating margin, recurring net income, recurring income tax rate, recurring EPS, free cash-flow, free cash-flow excluding exceptional items, and net financial debt, correspond to financial indicators not defined by IFRS that are used by Danone. Their definitions, as well as their reconciliation with financial statements, are listed in the section below "Financial indicators not defined in IFRS".

CEO EMMANUEL FABER'S COMMENTS

"Within a volatile context, in Q3 we continued to prioritize the transformation of our business model towards sustainable profitable growth, and to increase its resilience, through disciplined resource allocation. We remained focused on strategic growth opportunities, avoiding tactical allocations of resources, and working on increased efficiencies and cost optimization.

We continue to balance the short, mid and long-term agenda of our transformation. While China is transitioning, creating short-term volatility and negatively impacting our sales growth in Q3, we have continued to build a solid growth agenda, leveraging the fundamentals of our unique business portfolio, and the growth potential of our brands in each of our categories.

I would like to take this opportunity to warmly thank all our teams for their full engagement and commitment in executing this agenda and supporting our company's mission."

2016 THIRD-QUARTER SALES

€ million except for %	Q3 2015	Q3 2016	*Reported change*	*Like-for-like*	*Volume Growth*
BY DIVISION					
Fresh Dairy Products	2,711	2,682	*-1.1%*	***+2.2%***	*-2.3%*
Waters	1,312	1,237	*-5.7%*	***-0.1%***	*0.0%*
Early Life Nutrition	1,217	1,204	*-1.1%*	***+1.7%***	*-0.4%*
Medical Nutrition	400	414	*+3.6%*	***+9.7%***	*+6.0%*
BY GEOGRAPHICAL AREA					
Europe	2,286	2,165	*-5.3%*	***-2.7%***	*-2.6%*
CIS & North America[1]	1,102	1,115	*+1.2%*	***+2.8%***	*-2.8%*
ALMA[2]	2,252	2,258	*+0.2%*	***+6.8%***	*+2.1%*
Total	5,641	5,537	*-1.8%*	***+2.1%***	*-0.7%*

Consolidated sales stood at € 5,537 million, up +2.1% like-for-like. Growth reflects a slight -0.7% decline in volume and a +2.8% rise in value.

Reported sales were down -1.8%, including changes in exchange rates (-4.1%) and in the scope of consolidation (+0.2%).

The exchange-rate effect reflects negative trends in currencies including the Argentine peso, the British pound, the Mexican peso and the Chinese renminbi.

Changes in the scope of consolidation result primarily from full consolidation of Fan Milk Group companies since December 2015.

Fresh Dairy Products

The Fresh Dairy Products division reported sales up +2.2% like-for-like, including a -2.3% decline in volume still driven by the CIS and the Latam region, and a +4.5% rise in value.

In Europe, Danone continued to progress in its transformation. After the relaunch of its *Danonino* and *Actimel* brands in the second quarter, the Company has continued its major renovation plan with a new identity, positioning and packaging for the *Activia* brand in mid-September. This is a key step to reach the objective of a stabilization of sales.

In the CIS & North America[1] region, Danone generated solid growth. In the United States, despite a more competitive environment, total market share continued to rise, reaching a record high of 35.8%. In Russia, where the business environment remains difficult, Danone offset a decline in volume by enhancing its brand portfolio with an improved product mix.

[1] *North America = USA and Canada*
[2] *ALMA = Asia Pacific / Latin America / Middle East / Africa*

Waters

The Waters division reported sales down -0.1% like-for-like, including flat volume and a -0.1% decline in value. This is mostly due to an unfavorable sales trend in China. China excluded, the division's overall performance is at mid-single digits supported by strong category dynamics and a constant focus on brand innovation and activation.

In Europe, sales were positive despite a high basis of comparison and poor weather in July.

The ALMA[1] region (excluding China) reported a strong increase, supported by robust growth from *Hayat* in Turkey, *Aqua* in Indonesia and *Bonafont* in Mexico.

In China, in a transitioning NABs[2] category, *Mizone* third quarter sales were impacted by the continued high basis of comparison and by floods that created some disruptions in the sector. In this weakening consumer environment, the transition will last and it is important that Danone remain focused on protecting *Mizone*'s market share and stay disciplined in fueling growth initiatives at the right pace for *Mizone.*

Early Life Nutrition

The Early Life Nutrition division reported a +1.7% like-for-like rise in sales, resulting from a -0.4% decline in volume and a +2.1% improvement in price-mix. It mostly reflected a decline in so-called 'indirect' sales to China. When these are excluded, division growth comes in at a mid-single digit.

In China, the transition of the 'indirect' channel, induced by a fast-changing regulatory environment, is creating short-term volatility via active destocking by traders. In a category marked by rapid distribution channel shifts and stock adjustments, the impact of the 'indirect' channel's transition will continue until the new regulations are fully enforced.

In such a context, Danone is making significant progress in building a sustainable growth model in China, increasing its direct distribution through specialized stores and direct e-commerce offerings. Consequently, growth in local sales picked up sharply in Q3.

Medical Nutrition

The Medical Nutrition division reported sales growth of +9.7% like-for-like—achieved through volume growth of +6.0% and a price-mix impact of +3.7%.

Growth was generated across all geographical areas, with a strong rise in Europe and rapid growth in emerging markets such as China and Brazil. All product categories helped fuel this overall performance, with a stronger contribution from pediatric nutrition and adult enteral nutrition brands like *Neocate* and *Nutrison*.

[1] ALMA = Asia Pacific / Latin America / Middle East / Africa
[2] Non Alcoholic Beverage

2016 OUTLOOK

(From press release issued June 14, 2016)

After delivering profitable growth in 2015, Danone set clear priorities for 2016 and is pursuing its journey to meet its ambition for 2020, which calls for strong, profitable and sustainable growth.

Danone still assumes that economic conditions will remain volatile and uncertain overall, with fragile or even deflationary consumer trends in Europe, emerging markets undermined by volatile currencies, and difficulties specific to a few major markets, in particular the CIS, China and Brazil.

In this context, Danone continues to strengthen its balanced growth model and anchor profitable growth in a sustainable manner. To do so, it is relying more than ever on disciplined resource allocation, favoring solid execution of its growth plan and appropriate and efficient funding of short-, mid- and long-term initiatives.

Last June, with fast evolving dynamics in some emerging markets, notably China, Danone adjusted the pace of topline refueling for 2016 in these specific geographies.

As a result, the company has raised its 2016 recurring operating margin[1] target from "solid improvement[2]" to a range of +50bps to +60bps[2], while confirming its sales growth[2] guidance within a range of +3% to +5%.

Danone will also focus on increasing free cash-flow, without setting a short-term target.

MAJOR FINANCIAL TRANSACTIONS AND DEVELOPMENTS SINCE JULY 7, 2016

The acquisition process of The WhiteWave Foods Company (NYSE: WWAV) ("WhiteWave"), announced on July 7, 2016, is on track as foreseen.

- On October 4, 2016, WhiteWave announced that, during a special stockholder meeting, the stockholders of the company approved the merger agreement under which Danone will acquire all of the outstanding shares of WhiteWave.

- The closing of the transaction remains subject to the satisfaction of customary conditions, including the receipt of required regulatory approvals from antitrust authorities in the United States and in the European Union. Both WhiteWave and Danone have been working with the United States Department of Justice ("DOJ") and the European Commission in order to obtain such regulatory approvals, including by providing information requested in the DOJ's "second request".

- WhiteWave and Danone continue to target closing the transaction by the end of 2016; however, there can be no assurance regarding timing of receipt of regulatory approvals, which would delay timing of the closing.

[1] *Formerly known as "Trading operating margin" (respectively as "Trading operating income") – definitions remain unchanged*
[2] *Like-for-like*

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. See Methodology note below.

Information published by Danone uses the following financial indicators that are not defined by IFRS:

- like-for-like changes in sales, recurring operating income, recurring operating margin, recurring net income and recurring EPS;
- recurring operating income (formerly known as trading operating income);
- recurring operating margin (formerly known as trading operating margin);
- recurring net income;
- recurring income tax rate;
- recurring EPS;
- free cash-flow;
- free cash-flow excluding exceptional items;
- net financial debt.

Given severe deterioration in consumer spending in Europe, Danone has set a target for savings and adaptation of its organization to regain its competitive edge. Starting in the first half of 2013, the Company has published a free cash-flow indicator excluding cash-flows related to initiatives deployed within the framework of this plan.

Calculation of financial indicators not defined in IFRS and used by Danone is as follows:

Like-for-like changes in Sales, Recurring operating income, Recurring operating margin, Recurring net income and recurring EPS 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 previous-year scope;
- changes in applicable accounting principles;
- changes in exchange rates, (i) with both previous-year and current-year indicators calculated using the same exchange rates (the exchange rate used is a projected annual rate determined by the Company for the current year and applied to both previous and current year), and (ii) correcting differences caused by the exceptional volatility of inflation in countries that are structurally subject to hyperinflation, which would otherwise distort any interpretation of Danone's organic performance.

Since inflation in Argentina—already structurally high—accelerated further in 2014, in particular following the sharp, steep devaluation of the peso in January, using an identical exchange rate to compare 2014 figures with those for the prior year did not accurately reflect Danone's organic performance in that country. As a result, the Company fine-tuned the definition of like-for-like changes to include in its exchange-rate impact the differences caused by the exceptional volatility in structurally hyperinflationary countries. Danone is applying this methodology, which is only applicable to Argentina, starting with the release of 2014 full-year results. More specifically, this methodology leads to (a) limit the inflation of price and cost of goods sold per kilo to their average level for the past three years and (b) cap recurring operating margin at its prior-year level; this methodology has been applied to each division operating in Argentina. With respect to 2014, adjustment for the full year had been recorded in the fourth quarter of 2014.

	Previous period	**Impact of changes in scope of consolidation**	**Impact of fluctuations in exchange rates**	***of which treatment of over-inflation***	***of which other impact of fluctuations in exchange rates***	**Like-for-like growth**	**Period under review**
Sales *(€ million except %)*							
Q3 2015	5,416	-0.2%	-0.2%	+0.3%	-0.5%	**+4.6%**	5,641
Q3 2016	5,641	+0.2%	-4.1%	+0.1%	-4.2%	**+2.1%**	5,537

Recurring operating income is defined as Danone's operating income excluding Other operating income and expenses. Other operating income and expenses is defined under Recommendation 2013-03 of the French CNC (format of consolidated financial statements for companies reporting under international reporting standards), and comprises significant items that, because of their exceptional nature, cannot be viewed as inherent to its recurring activities. These mainly include capital gains and losses on disposals of fully consolidated companies, impairment charges on goodwill, significant costs related to strategic restructuring and major external growth transactions, and costs related to major crisis and major litigations. Furthermore, in connection with of IFRS 3 (Revised) and IAS 27 (Revised) relating to business combinations, the Company also classifies in Other operating income and expenses (i) acquisition costs related to business combinations, (ii) revaluation profit or loss accounted for following a loss of control, and (iii) changes in earn-outs relating to business combinations and subsequent to acquisition date.

Recurring operating margin is defined as Recurring operating income over Net sales ratio.

Recurring net income (or Recurring net income – Group Share) corresponds to the Group share in the Total Recurring net income. Total Recurring net income measures Danone's recurring performance and excludes significant items that, because of their exceptional nature, cannot be viewed as inherent to its recurring performance. Such non-recurring income and expenses mainly include capital gains and losses on disposals and impairments of Investments in associates and in other non-fully-consolidated entities and tax income and expenses related to non-recurring income and expenses. Such income and expenses excluded from Net income are defined as Total Non-recurring net income and expenses.

Recurring income tax rate measures the income tax rate related to Danone's recurring performance and corresponds to the ratio Tax income and expenses related to recurring income and expenses over Total Recurring net income.

Recurring EPS (or Recurring net income – Group Share, per share after dilution) is defined as Recurring net income over Diluted number of shares ratio.

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

Free cash-flow excluding exceptional items represents free cash-flow before cash-flows related to initiatives deployed within the framework of the plan to generate savings and adapt Danone's organization in Europe.

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 (ii) net of Cash and cash equivalents, Short term investments and Derivatives – assets.

Methodology note

Unless otherwise indicated, amounts are expressed in millions of euros and rounded to the nearest million. In general, figures presented in this press release are rounded to the nearest full unit. As a result, the sum of rounded amounts may show non-material differences with the total as reported. Note that ratios and differences are calculated based on underlying amounts and not on the basis of rounded amounts.

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).

APPENDIX – Sales by division and by geographical area

	First quarter 2015	First quarter 2016	Second quarter 2015	Second quarter 2016	Third quarter 2015	Third quarter 2016	First 9 months 2015	First 9 months 2016
BY DIVISION								
Fresh Dairy Products	2,807	2,676	2,857	2,701	2,711	2,682	8,376	8,058
Waters	1,065	1,020	1,438	1,373	1,312	1,237	3,815	3,630
Early Life Nutrition	1,220	1,226	1,225	1,269	1,217	1,204	3,662	3,700
Medical Nutrition	380	384	401	403	400	414	1,180	1,201
BY GEOGRAPHICAL AREA								
Europe	2,156	2,127	2,290	2,241	2,286	2,165	6,733	6,533
CIS & North America [1]	1,108	1,096	1,197	1,120	1,102	1,115	3,407	3,331
ALMA[2]	2,207	2,082	2,434	2,385	2,252	2,258	6,894	6,724
Total	**5,471**	**5,306**	**5,921**	**5,746**	**5,641**	**5,537**	**17,033**	**16,589**

	First quarter 2016		Second quarter 2016		Third quarter 2016		First 9 months 2016	
	Reported change	*Like-for-like change*	*Reported change*	*Like-for-like change*	*Reported change*	*Like-for-like change*	*Reported change*	*Like-for-like change*
BY DIVISION								
Fresh Dairy Products	-4.7%	+2.3%	-5.5%	+3.0%	-1.1%	+2.2%	-3.8%	+2.5%
Waters	-4.2%	+3.9%	-4.5%	+2.7%	-5.7%	-0.1%	-4.8%	+2.0%
Early Life Nutrition	+0.5%	+4.8%	+3.6%	+7.2%	-1.1%	+1.7%	+1.0%	+4.5%
Medical Nutrition	+1.2%	+6.6%	+0.4%	+7.1%	+3.6%	+9.7%	+1.7%	+7.8%
BY GEOGRAPHICAL AREA								
Europe	-1.3%	+0.0%	-2.1%	-0.2%	-5.3%	-2.7%	-3.0%	-1.0%
CIS & North America [1]	-1.1%	+5.1%	-6.4%	+4.8%	+1.2%	+2.8%	-2.2%	+4.2%
ALMA[2]	-5.6%	+6.3%	-2.0%	+8.0%	+0.2%	+6.8%	-2.5%	+7.0%
Total	**-3.0%**	**+3.5%**	**-3.0%**	**+4.1%**	**-1.8%**	**+2.1%**	**-2.6%**	**+3.2%**

[1] *North America = USA and Canada*
[2] *ALMA = Asia-Pacific / Latin America / Middle East / Africa*

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SUPPLEMENT

We declare, to the best of our knowledge (having taken all reasonable care to ensure that such is the case), that the information contained in this Supplement is in accordance with the facts and contains no omission likely to affect its import. The Issuer accepts responsibility accordingly.

18 October 2016

DANONE
17, Boulevard Haussmann
75009 Paris,
France

Duly represented by:

Cécile Cabanis
Chief Financial Officer
Authorised Signatory
pursuant to a power of attorney
dated 9 September 2016

Autorité des marchés financiers

In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Réglement Général*) of the *Autorité des marchés financiers* ("**AMF**"), in particular Articles 212-31 to 212-33, the AMF has granted to this Supplement the visa No. 16-490 on 18 October 2016. The Base Prospectus, as supplemented by this Supplement, may only be used for the purposes of a financial transaction if completed by Final Terms. This Supplement has been prepared by the Issuer and its signatories assume responsibility for it. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination of of "whether the document is complete and comprehensible, and whether the information it contains is coherent". It does not imply that the AMF has verified the accounting and financial data set out in it. This visa has been granted subject to the publication of Final Terms, in accordance with Article 212-32 of the AMF General Regulation (*Règlement Général de l'AMF*), setting out the terms of the securities being issued.