



Press Release – Paris, March 30, 2022

2020 and 2021 key indicators restated by new operating segments

As announced on March 8, 2022, starting from 2022, Danone will report its key indicators (net sales, like-for-like sales growth, recurring operating income and recurring operating margin) according to its new operating segments, corresponding to 4 zones¹:

- Europe;
- North America which is comprised of the United States and Canada;
- China, North Asia and Oceania which is comprised of China, Japan, Australia and New Zealand;
- Rest of the World including South-East Asia, Latam, CIS, Africa, Turkey and Middle-East.

The company will retain global category reporting, on both net sales, recurring operating income and margin, for EDP, Specialized Nutrition and Waters.

Danone will also adapt the way it reports organic sales growth: from now on, the Mix component will be grouped with Volumes, instead of Price.

Please refer to the restated 2020 and 2021 indicators (non-audited) by new operating segments below.

2020 and 2021 sales restated by new operating segments

	2020					2021				
	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
BY GEOGRAPHICAL ZONE										
Europe	2,127	1,995	2,048	1,987	8,156	1,987	2,155	2,122	2,077	8,341
North America	1,375	1,392	1,325	1,300	5,392	1,316	1,391	1,413	1,443	5,564
China, North Asia & Oceania	684	841	707	617	2,848	598	832	801	777	3,008
Rest of the World	2,056	1,727	1,741	1,725	7,225	1,756	1,793	1,822	1,944	7,369
BY CATEGORY										
EDP	3,364	3,238	3,108	3,131	12,823	3,149	3,254	3,269	3,386	13,090
Specialized Nutrition	1,949	1,792	1,698	1,753	7,192	1,719	1,793	1,777	1,931	7,230
Waters	928	925	1,015	743	3,605	790	1,125	1,112	925	3,961
Total	6,242	5,954	5,821	5,628	23,620	5,657	6,171	6,158	6,242	24,281

¹ As part of the new organization, the management of some entities has been changed, leading to the reallocation of €143m of Net Sales to Europe and North America zones in FY 2021 (from the previously known Rest of the World region).

All references in this document to like-for-like sales growth, recurring operating income and recurring operating margin correspond to financial indicators not defined in IFRS. Their definitions, as well as their reconciliation with financial statements, are listed on page 4.

2021 like-for-like sales growth restated by new operating segments and new volume/mix disclosure

First quarter 2021		Second quarter 2021		Third quarter 2021		Fourth quarter 2021		Full Year 2021	
Like-for-like change	Volume/mix change	Like-for-like change	Volume/mix change	Like-for-like change	Volume/mix change	Like-for-like change	Volume/mix change	Like-for-like change	Volume/mix change

BY GEOGRAPHICAL ZONE

Europe	-6.1%	-5.1%	+7.1%	+6.2%	+2.8%	+2.1%	+3.5%	+2.5%	+1.7%	+1.3%
North America	+2.5%	+0.9%	+5.2%	+5.0%	+5.3%	+4.0%	+5.8%	+3.9%	+4.7%	+3.4%
China, North Asia & Oceania	-10.9%	-10.4%	+1.3%	+0.0%	+10.0%	+12.6%	+19.3%	+19.3%	+4.6%	+5.0%
Rest of the World	-1.3%	-4.8%	+10.0%	+5.9%	+1.3%	-2.3%	+6.3%	+0.2%	+4.0%	-0.3%

BY CATEGORY

EDP	+1.6%	+0.2%	+4.8%	+3.9%	+4.1%	+1.7%	+4.3%	+0.9%	+3.7%	+1.6%
Specialized Nutrition	-7.7%	-8.8%	+2.8%	+1.4%	+2.9%	+3.2%	+6.4%	+6.0%	+1.0%	+0.3%
Waters	-11.6%	-10.5%	+19.5%	+15.3%	+4.6%	+4.2%	+17.3%	+12.8%	+7.2%	+5.3%

Total	-3.3%	-4.3%	+6.6%	+4.9%	+3.8%	+2.6%	+6.7%	+4.0%	+3.4%	+1.8%
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2020 and 2021 recurring operating income and margin restated by new operating segments

Net sales (€m), recurring operating profit (€m) and recurring operating margin (%)	H1 2020			FY 2020			H1 2021			FY 2021		
	Net sales (€m)	Operating profit (€m)	Margin (%)	Net sales (€m)	Operating profit (€m)	Margin (%)	Net sales (€m)	Operating profit (€m)	Margin (%)	Net sales (€m)	Operating profit (€m)	Margin (%)

BY GEOGRAPHICAL ZONE

Europe	4,121	631	15.3%	8,156	1,221	15.0%	4,142	625	15.1%	8,341	1,291	15.5%
North America	2,767	277	10.0%	5,392	631	11.7%	2,707	283	10.4%	5,564	603	10.8%
China, North Asia & Oceania	1,525	504	33.0%	2,848	904	31.8%	1,430	423	29.6%	3,008	939	31.2%
Rest of the World	3,777	290	7.7%	7,225	561	7.8%	3,556	221	6.2%	7,369	504	6.8%

BY CATEGORY

EDP	6,599	598	9.1%	12,823	1,303	10.2%	6,406	584	9.1%	13,090	1,287	9.8%
Specialized Nutrition	3,739	987	26.4%	7,192	1,763	24.5%	3,513	804	22.9%	7,230	1,697	23.5%
Waters	1,851	117	6.3%	3,605	251	7.0%	1,916	163	8.5%	3,961	353	8.9%

Total	12,189	1,702	14.0%	23,620	3,317	14.0%	11,835	1,551	13.1%	24,281	3,337	13.7%
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APPENDIX

Financial indicators not defined in IFRS

Like-for-like changes in sales, recurring operating income and recurring operating margin 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, both previous-year and current-year scopes excluding entities in countries under hyperinflation according to IAS 29 during the previous year (as for Argentinian entities since January 1st, 2019);
- changes in applicable accounting principles;
- changes in exchange rates 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 Danone for the current year and applied to both previous and current years).

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 fully consolidated companies;
- impairment charges on intangible assets with indefinite useful lives;
- costs related to strategic restructurings or transformation plans;
- costs related to major external growth transactions;
- costs related to major crisis and major litigations;
- in connection with of IFRS 3 (Revised) and IAS 27 (Revised) relating to business combinations, (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 Sales ratio.