

**Final Terms dated 17 November 2010**



**DANONE**

**Danone**

Euro 7,000,000,000

Euro Medium Term Note Programme

for the issue of Notes

Due from one month from the date of original issue

**SERIES NO: 96**

**TRANCHE NO: 1**

**Euro 500,000,000 3.60 per cent. Notes due November 2020**

**Issued by Danone (the "Issuer")**

**BNP PARIBAS**

**CITI**

**HSBC**

**J.P. MORGAN**

**SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING**

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 26 October 2010 which received visa n°10-382 from the *Autorité des marchés financiers* (the “AMF”) on 26 October 2010 which constitute a Base Prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing on the websites of the Issuer ([www.danone.com](http://www.danone.com)) and of the AMF ([www.amf-france.org](http://www.amf-france.org)) and copies may be obtained from Danone, 17, boulevard Haussmann, 75009 Paris, France and at the office of the Fiscal Agent or each of the Paying Agents.

1	Issuer:	Danone
1	(i) Series Number:	96
	(i) Tranche Number:	1
2	Specified Currency or Currencies:	Euro (“EUR”)
3	Aggregate Nominal Amount:	
	(i) Series:	EUR 500,000,000
	(ii) Tranche:	EUR 500,000,000
4	Issue Price:	100 per cent. of the Aggregate Nominal Amount
5	Specified Denomination(s):	EUR 50,000
6	(i) Issue Date:	23 November 2010
	(ii) Interest Commencement Date:	23 November 2010
7	Maturity Date:	23 November 2020
8	Interest Basis:	3.60 per cent. Fixed Rate (further particulars specified below)
9	Redemption/Payment Basis:	Redemption at par
10	Change of Interest or Redemption/Payment Basis:	Not Applicable
11	Put/Call Options:	Change of Control Put Option (further particulars specified below)
12	(i) Status of the Notes:	Unsubordinated Notes
	(ii) Dates of the corporate authorisations for issuance of the Notes obtained:	Decision of the Board of Directors of Danone dated 19 October 2010 and of Mr. Franck Riboud, <i>Directeur Général</i> dated 17 November 2010 deciding upon the issue of the Notes.
13	Method of distribution:	Syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate of Interest:	3.60 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	23 November in each year commencing on 23 November 2011
	(iii) Fixed Coupon Amount [(s)]:	EUR 1,800 per EUR 50,000 in nominal amount
	(iv) Broken Amounts:	Not Applicable
	(v) Day Count Fraction (Condition 5(a)):	Actual/Actual-ICMA
	(vi) Determination Date(s) (Condition 5(a)):	23 November in each year.
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
15	<b>Floating Rate Provisions</b>	Not Applicable
16	<b>Zero Coupon Note Provisions</b>	Not Applicable
17	<b>Index Linked Interest Note Provisions/other variable-linked interest Note Provisions:</b>	Not Applicable
18	<b>Dual Currency Note Provisions</b>	Not Applicable
<b>PROVISIONS RELATING TO REDEMPTION</b>		
19	<b>Call Option</b>	Not Applicable
20	<b>Put Option</b>	Not Applicable
21	<b>Change of Control Put Option (Condition 6(g))</b>	Applicable
22	<b>Final Redemption Amount of each Note</b>	EUR 50,000 per Note of EUR 50,000 Specified Denomination
23	<b>Early Redemption Amount</b>	
	(i) Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(f)), for illegality (Condition 6(k)) or an event of default (Condition 9 and/or the method of calculating the same (if required or if different from that set out in the Conditions):	As per the Conditions
	(ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 6(f)):	Yes

(iii) Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only) (Condition 7(f)): Not Applicable

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24	Form of Notes:	Dematerialised Notes
	(i) Form of Dematerialised Notes:	Bearer dematerialised form ( <i>au porteur</i> )
	(ii) Registration Agent:	Not Applicable
	(iii) Temporary Global Certificate:	Not Applicable
	(iv) Applicable TERFA exemption:	Not Applicable
25	Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates:	Not Applicable
26	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	Not Applicable
27	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay:	Not Applicable
28	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
29	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
30	Consolidation provisions:	Not Applicable
31	Masse (Condition 11):	Applicable The initial Representative will be: Anne Besson-Imbert BNP Paribas 10 Harewood Avenue London NW1 6AA United Kingdom The alternate Representative will be: Alice Bonardi BNP Paribas 10 Harewood Avenue London NW1 6AA United Kingdom The Representative will not be remunerated.
32	Other final terms:	Not Applicable

**DISTRIBUTION**

- 33 (i) If syndicated, names of Managers: BNP Paribas  
Citigroup Global Markets Limited  
HSBC Bank plc  
J.P. Morgan Securities Ltd.  
Société Générale
- (ii) Stabilising Manager (if any): BNP Paribas
- 34 If non-syndicated, name of Dealer: Not Applicable
- 35 U.S. selling restrictions: Reg S Compliance Category; TEFRA not applicable
- 36 Additional selling restrictions: Not Applicable

**GENERAL**

- 37 The aggregate principal amount of Notes issued has been translated into Euro at the rate of [●] producing a sum of: Not Applicable

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on Euronext Paris of the Notes described herein pursuant to the Euro 7,000,000,000 Euro Medium Term Note Programme of Danone.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:  
By: C. BONBLED  
Duly authorised



## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Paris with effect from 23 November 2010.

### 2. RATINGS

Ratings: The Notes to be issued are expected to be rated:  
S&P: A-  
Moody's: A3

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) Reasons for the offer The Notes are being issued (i) in connection with an exchange offer of the Issuer's EUR 1,000,000,000 5.50 per cent. Notes due May 2015 and EUR 1,000,000,000 6.375 per cent. Notes due February 2014, the terms of which are further described in an offer memorandum dated 8 November 2010 and (ii) for general corporate purposes.

(iii) Estimated total expenses: EUR 11,450

### 5. YIELD

Indication of yield: 3.60 per cent. per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 6. OPERATIONAL INFORMATION

ISIN Code: FR0010967216

Common Code: 056261869

Depositories:

(i) Euroclear France to act as Central Depository Yes

(ii) Common Depository for Euroclear and Clearstream Luxembourg No

Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of initial Paying Citibank, N.A., London Branch

Agent(s)

14th Floor, Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

Names and addresses of additional Paying  
Agent(s) (if any):

**Citibank International plc, Paris Branch**  
Citicentre,  
19 le Parvis  
La Défense 7 Cedex 36  
92073 Paris  
France