

**SECOND PROSPECTUS SUPPLEMENT DATED 1st AUGUST 2018
TO THE BASE PROSPECTUS DATED 20 OCTOBER 2017 AND
THE PROSPECTUS SUPPLEMENT DATED 15 MARCH 2018**



DANONE
€16,000,000,000
Euro Medium Term Note Programme

This prospectus supplement (the "**Supplement**") constitutes a second supplement to and must be read in conjunction with the Base Prospectus dated 20 October 2017 established by Danone (the "**Issuer**" or "**Danone**") in relation to its € 16,000,000,000 Euro Medium Term Note Programme (the "**Programme**") which received visa no. 17-563 from the *Autorité des marchés financiers* (the "**AMF**") on 20 October 2017 as supplemented by a prospectus supplement dated 15 March 2018 which received visa no. 18-086 from the AMF on 15 March 2018 (the "**Base Prospectus**"). 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 its *Règlement Général* which implements the Prospectus Directive in France.

This Supplement has been prepared for the purpose of giving information with regard to the Issuer and the Notes to be issued under the Programme additional to the information already contained or incorporated by reference in the Base Prospectus pursuant to Article 16.1 of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended (which includes the amendments made by Directive 2010/73/EU) and Article 212-25 of the AMF General Regulation (*Règlement général de l'AMF*).

To the extent there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by 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 amending and supplementing the following sections of the Base Prospectus:

- Risk Factors;
- Documents Incorporated by Reference; and
- General Information.

The Base Prospectus and this Supplement are available without charge during normal business hours on any weekday at the registered office of the Issuer and the specified office of the paying agent(s) where copies may be obtained. Such documents will be published on the website of (i) *the Autorité des marchés financiers* (www.amf-france.org) and (ii) the Issuer (www.danone.com).

The date of this Supplement is 1st August 2018.

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RISK FACTORS

The paragraph below the heading "Risk Factors relating to the Issuer" on page 3 of the Base Prospectus is deleted and replaced as follow:

"Please refer to (i) pages 24 to 38 of the 2017 *Document de Référence* and (ii) page 11 of the 2018 Interim Financial Report both as defined under section "Documents incorporated by reference" herein which are incorporated by reference in this Base Prospectus and include the following:

- risks associated with Danone's business sector;
- risks associated with Danone's strategy;
- risks associated with Danone's organization and operation; and
- financial market risks."

DOCUMENTS INCORPORATED BY REFERENCE

The section "Documents Incorporated by Reference" appearing on pages 24 to 28 of the Base Prospectus is hereby supplemented as follows.

This Supplement incorporates by reference the 2018 Interim Financial Report in the French language¹ which contains the condensed interim unaudited consolidated financial statements of Danone for the six-month period ended 30 June 2018 (the "**2018 Interim Financial Report**"). The 2018 Interim Financial Report is published on the website of the Issuer (www.finance.danone.com).

For the purposes of the Prospectus Directive, information can be found in the 2018 Interim Financial Report in accordance with the following cross-reference table:

Prospectus Regulation – Annex IX	2018 Interim Financial Report
A9.3 RISK FACTORS	
A9.3.1 Prominent disclosure of risk factors that may affect the issuer's ability to fulfil its obligations under the securities to investors in a section headed "Risk Factors"	Page 11
A9.5 BUSINESS OVERVIEW	
A9.5.1 <u>Principal activities:</u>	
A9.5.1.1 A brief description of the Issuer's principal activities stating the main categories of products sold and/or services performed	Page 4
A9.9 ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES	
A9.9.1 Names, business addresses and functions in the issuer of the following persons, and an indication of the principal activities performed by them outside the issuer where these are significant with respect to that issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership	(a) Page 5 (b) Not applicable

¹ For information purposes only, the English language translation of the 2018 Interim Financial Report is available on the website of the Issuer (www.danone.com). For ease of reference, the page numbering of this English language translation is identical to the French version. This English language translation is not incorporated by reference herein.

	with a share capital.	
A9.11	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
A9.11.1	Historical Financial Information Audited historical financial information covering the latest 2 financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year.	Pages 14 to 36
	(a) balance sheet;	Pages 16 to 17
	(b) income statement;	Pages 14 to 15
	(c) cash flow statement; and	Page 18
	(d) accounting policies and explanatory notes	Pages 22 to 38
A9.11.3	<u>Auditing of historical annual financial information</u>	Page 39 (review report)

Any information not listed in the cross-reference table but included in the document incorporated by reference is given for information purposes only.

GENERAL INFORMATION

The section "General Information" on pages 100 to 102 of the Base Prospectus is amended as follows.

Paragraph (4) on page 100 is deleted in its entirety and replaced by the following:

"Except as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of Danone or the Group since 30 June 2018."

PERSON RESPONSIBLE FOR THIS SUPPLEMENT

In the name of the Issuer

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.

1st August 2018.

Danone
17, Boulevard Haussmann
75009 Paris
France

Duly represented by:
Florence Saliba
VP Treasury and Financing
Authorised Signatory
pursuant to a board resolution dated as of 18 October 2017



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 AMF's General Regulations (*Règlement général*) of the *Autorité des marchés financiers* ("AMF"), in particular Articles 212-31 to 212-33, the AMF has granted the visa No. 18-351 on 1st August 2018 to this Supplement. 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 *Code monétaire et financier*, the visa was granted following an examination of "whether the documents 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 and the appropriateness of the issue of the Notes.

In accordance with Article 212-32 of the AMF's General Regulation (*Règlement général*), any issue or admission to trading of securities under this Supplement will require the publication of Final Terms.