

# HANES *Brands Inc*

## Spin-Off FAQs

### 1. Why did I receive shares of Hanesbrands Inc. common stock?

On September 5, 2006, Sara Lee Corporation (NYSE: SLE) distributed to its stockholders all of the outstanding common stock of Hanesbrands Inc. (NYSE: HBI), the company to which Sara Lee contributed its Branded Apparel Americas and Asia business. Hanesbrands is now a separately traded public company. As a result of the spin-off, Sara Lee stockholders received one share of HBI common stock for every 8 shares of Sara Lee common stock owned on the record date of August 18, 2006. Each share of Hanesbrands common stock has attached to it one preferred stock purchase right.

The number of shares of Sara Lee common stock you own did not change as a result of the spin-off, although the value of shares of Sara Lee common stock may initially decline as a result of the spin-off because the value of the business of Hanesbrands will no longer be part of the value of Sara Lee.

### 2. How many shares of Hanesbrands stock did I receive?

As a result of the spin-off, Sara Lee stockholders received one share of Hanesbrands common stock for every 8 shares of Sara Lee common stock owned on the record date of August 18, 2006.

### 3. What happened to my Sara Lee shares?

As a result of the spin-off of Hanesbrands by Sara Lee, you received one new Hanesbrands share for every 8 Sara Lee shares you held on August 18, 2006. These shares are in addition to the Sara Lee shares you have. This spin-off did not have any affect on the number of your Sara Lee shares. You do not need to do anything to retain your ownership of either Hanesbrands or Sara Lee shares. If you have questions about your share holdings, please contact your broker, or if you hold shares directly, contact our transfer agent, Computershare Investor Services for Hanesbrands common stock or Mellon Financial Services for Sara Lee common stock.

### 4. How were fractional shares treated in the spin-off?

Sara Lee did not distribute fractional shares of Hanesbrands common stock in the spin-off. Fractional shares are to be aggregated and sold as soon as practicable after the spin-off. You will receive a cash payment in lieu of any fractional shares of Hanesbrands common stock you would have received in the spin-off.

**5. What are the federal income tax consequences to me of the spin-off?**

Other than with respect to fractional shares of our common stock, no gain or loss will be recognized by, and no amount will be included in the income of, a holder of Sara Lee common stock upon the receipt of shares of Hanesbrands common stock pursuant to the spin-off.

If you receive cash in lieu of a fractional share of our common stock as part of the spin-off, you will be treated as though you first received a distribution of the fractional share in the spin-off and then sold it for the amount of such cash. You will generally recognize capital gain or loss, provided that the fractional share is considered to be held as a capital asset, measured by the difference between the cash you receive for such fractional share and your tax basis in that fractional share. Such capital gain or loss will be a long-term capital gain or loss if your holding period for such fractional share of Sara Lee common stock is more than one year on the distribution date.

**6. When was the distribution date for the spin-off?**

Shares of Hanesbrands common stock were distributed by the distribution agent, on behalf of Sara Lee, on September 5, 2006.

**7. Who is the distribution agent for the spin-off?**

Computershare Investor Services.