

## **Frequently Asked Questions - Hanesbrands Inc. Spin-Off**

### **Q1: Did Sara Lee Corporation complete the tax-free spin-off of Hanesbrands Inc.?**

A1: Sara Lee Corporation completed the tax-free spin-off to its shareholders of Hanesbrands Inc. After the close of business on Sept. 5, 2006, the company distributed 100 percent of the common stock of Hanesbrands Inc. to Sara Lee shareholders of record on Aug. 18, 2006.

### **Q2: How many Hanesbrands shares did shareholders receive?**

A2: Sara Lee shareholders of record, as of the close of business on Aug. 18, 2006, received one Hanesbrands share for every eight Sara Lee shares they own.

### **Q3: How did you handle fractional shares?**

A3: Fractional shares of Hanesbrands common stock were not issued to Sara Lee shareholders as part of the distribution. Rather, record shareholders of fewer than eight shares of Sara Lee common stock on the record date (Aug. 18, 2006) and shareholders who would receive a fractional share as a result of the distribution ratio, will receive cash in lieu of fractional shares. The distribution agent will aggregate all of the fractional shares and sell them in the open market at then prevailing prices on behalf of these shareholders. These shareholders will receive cash payments in the amount of their proportionate share of the net sale proceeds from the sale of the aggregated fractional shares, based upon the average gross selling price per share of Hanesbrands common stock after making appropriate deductions for any required withholdings for U.S. federal income tax purposes. Hanesbrands will bear the cost of brokerage fees incurred in connection with these sales, and it anticipates that these sales will occur as soon after the date of the spin-off (Sept. 5, 2006) as practicable as determined by the distribution agent.