<u>Tax Information for Québec Shareholders Concerning the Hanesbrands Inc. Share Distribution</u>

The *Taxation Act* (Québec) (the "Québec Tax Act") provides that the distribution by a U.S. corporation of common shares of a subsidiary to shareholders resident in Québec can, in certain circumstances, qualify for tax-deferred treatment for Québec provincial tax purposes. One of the conditions for a shareholder resident in Québec to qualify for this treatment is that the U.S. corporation must file an application providing certain information to Revenu Québec, in addition to filing an application at the federal level with the Canada Revenue Agency (the "CRA"). Provided such applications are accepted, the Québec shareholder must file a valid federal election under section 86.1 of the *Income Tax Act* (Canada) (the "Canadian Tax Act") in order to qualify for tax deferred treatment. For a brief information statement on how to file the federal election under section 86.1, please see the "Investors" page at www.saralee.com. Please note that the Québec shareholder does not need to make an additional provincial filing to Revenue Québec if a valid federal election has been made.

It is important to note that the election is generally required to be made in the taxpayer's federal income tax return for the taxation year in which the distribution of the common shares occurred. The distribution of the common shares of Hanesbrands Inc. occurred on September 5, 2006.

On September 5, 2006, Sara Lee Corporation spun-off its U.S. subsidiary Hanesbrands Inc., by distributing shares of Hanesbrands Inc. common stock to shareholders of Sara Lee Corporation. On March 2, 2007, Sara Lee Corporation filed applications with both the CRA and Revenu Québec. On March 7, 2007, the CRA ruled that the information provided by Sara Lee Corporation meets the requirements set out in paragraph 86.1(2)(e) of the Canadian Tax Act, and that the distribution of the Hanesbrands Inc. shares is an eligible distribution under subsection 86.1(2) of the Canadian Tax Act. On March 28, 2007, Revenu Québec informed Sara Lee Corporation that the information provided meets the requirements set out in section 578.3 of the Québec Tax Act and that the distribution of the Hanesbrands Inc. shares is an eligible distribution under section 578.1 of the Québec Tax Act.

Note: The information regarding Canadian income tax consequences, and Québec provincial tax consequences of the spin-off presented in this letter is for general reference only and does not constitute tax advice. The letter does not purport to cover all income tax consequences that may apply to all categories of shareholders. **Shareholders should consult their own tax advisors regarding the federal, foreign and provincial tax consequences of the spin-off as these consequences relate to their particular circumstances**.

Nothing in this communication is U.S. tax or other legal advice that is intended or written to be used, and it cannot be used, by any person to (i) avoid penalties under U.S. federal, state or local tax law, or (ii) promote, market or recommend to any person any transaction or matter addressed herein.