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News

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SARA LEE CORPORATION PRESENTS AT SANFORD C. BERNSTEIN & CO. STRATEGIC DECISIONS CONFERENCE

North American businesses continue to create momentum

DOWNERS GROVE, Ill. (May 27, 2009) – Sara Lee Corporation (NYSE: SLE) presented at the Sanford C. Bernstein & Co. Strategic Decisions Conference in New York, NY. Brenda C. Barnes, chief executive officer and chairman, Sara Lee Corporation, provided an overview of the company’s strategic framework to create shareholder value. CJ Fraleigh, chief executive officer, Sara Lee North American Retail and Foodservice, detailed the company’s plans to build on the success of its North American businesses.

“Sara Lee’s focus on the consumer, customer, operations and people have allowed us to build strong brands, introduce innovative new products, take costs out of the organization and build an organization that is focused on success,” said Barnes. “We have the strategies in place to drive shareholder value, and I’m confident we will build on the momentum we have created.”

Barnes outlined the organization’s strategies to deliver shareholder value, which included focusing resources on core categories such as International Beverage and North American Retail. She also discussed exiting unattractive businesses and expanding in high-growth developing markets including Russia, India and Brazil. When sharing the company’s efforts to reduce costs, improve efficiencies and simplify the business, Barnes noted that the company is rapidly making progress on Project Accelerate, a cost-savings initiative designed to deliver more than \$250 million annually by fiscal 2011. Project Accelerate includes business process outsourcing, SG&A reduction, supply chain optimization and ongoing continuous improvement and LEAN initiatives.

Following Barnes, Fraleigh outlined the momentum Sara Lee's North American businesses are experiencing, as evidenced by the recent performance of the Retail and Foodservice businesses. Sara Lee North America's big brands, such as *Sara Lee*, *Hillshire Farm*, *Jimmy Dean* and *Ball Park*, compete in large, fragmented categories, offering opportunities for growth.

"*Hillshire Farm* is Sara Lee's next big brand, with tremendous momentum from recent product launches such as Premium Deli lunchmeat and Miller Beer brats," added Fraleigh. "In addition, *Jimmy Dean* sales have progressed steadily, reaching an estimated \$676 million in fiscal 2009. *Ball Park* hot dogs, the No. 1 hot dog in America, continue to increase their lead in the marketplace. This is evidence of our success in North America, and we're excited to keep the momentum going in the future."

Fraleigh noted that the North American Foodservice business is succeeding in a challenging market. The business has the No. 1 position in the foodservice frozen bakery and liquid coffee categories. This business plans to continue to improve by shifting its mix to focus on more profitable products, cultivate customers and segments that deliver superior returns, simplify the business and sharpen performance.

Barnes concluded the presentation by noting how the company is building on a successful fiscal 2008 by delivering strong results through the first three quarters of fiscal 2009. She noted that Sara Lee's gains in net sales, operating income and margins position it to continue to grow as the economy recovers.

The presentation (audio and slides) is available in the Investor Relations section of the Sara Lee corporate Web site until Nov. 27, 2009.

Forward-Looking Statements

This release contains forward-looking statements regarding Sara Lee's business prospects, costs and operating results." In addition, from time to time, in oral statements and written reports, the company discusses its expectations regarding its future performance by making forward-looking statements preceded by terms such as "expects," "plans" or "believes." These forward-looking statements are based on currently available competitive, financial and economic data and management's views and assumptions regarding future events. Forward-looking statements are inherently uncertain, and investors must recognize that actual results may differ from those expressed or implied in the forward-looking statements. Consequently, the company wishes to caution readers not to place undue reliance on any forward-looking statements. Among the factors that could cause Sara Lee's actual results to differ from such forward-looking statements are factors relating to:

- Sara Lee's relationship with its customers, such as (i) a significant change in Sara Lee's business with any of its major customers, such as Wal-Mart, its largest customer, including changes in the level of inventory these customers maintain; and (ii) credit and other business risks associated with customers operating in a highly competitive retail environment;
- The consumer marketplace, such as (iii) significant competition, including advertising, promotional and price competition, and changes in consumer demand for Sara Lee's products; (iv) fluctuations in the availability and cost of raw materials, Sara Lee's ability to increase or maintain product prices in response and the impact on Sara Lee's profitability; (v) the impact of various food safety issues and regulations on sales and profitability of Sara Lee products; and (vi) inherent risks in the marketplace associated with new product introductions, including uncertainties about trade and consumer acceptance;
- Sara Lee's international operations, such as (vii) impacts on reported earnings from fluctuations in foreign currency exchange rates, particularly the European euro, given Sara Lee's significant concentration of business in Western Europe; (viii) Sara Lee's generation of a high percentage of its revenues from businesses outside the United States and costs to remit these foreign earnings into the United States to fund Sara Lee's domestic operations; (ix) the impact on Sara Lee's business of its announcement that it is reviewing strategic options for its international household and body care business and any decision made as a result of such review; and (x) Sara Lee's ability to continue to source production and conduct manufacturing and selling operations in various countries due to changing business conditions, political environments, import quotas and the financial condition of suppliers;
- Previous business decisions, such as (xi) Sara Lee's ability to generate margin improvement through continuous improvement initiatives and transitioning the entire organization to a common information technology system and the risk that the transition to a common information technology system will be disruptive to the business; (xii) Sara Lee's ability to achieve planned cash flows from capital expenditures and acquisitions, particularly its worldwide bakery business, and the impact of changing interest rates and the cost of capital on the discounted value of those planned cash flows, which could impact future impairment analyses; (xiii) credit ratings issued by the three major credit rating agencies and the impact these ratings have on Sara Lee's cost to borrow funds and access to capital/debt markets; (xiv) the settlement of a number of ongoing reviews of Sara Lee's income tax filing positions in various jurisdictions and inherent uncertainties related to the interpretation of tax regulations in the jurisdictions in which Sara Lee transacts business; and (xv) changes in the expense for and contingent liabilities relating to multi-employer pension plans in which Sara Lee participates.

In addition, the company's results may also be affected by general factors, such as economic conditions, political developments, interest and inflation rates, accounting standards, taxes and laws and regulations in markets where the company competes. Sara Lee undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

About Sara Lee Corporation

Each and every day, Sara Lee (NYSE: SLE) delights millions of consumers and customers around the world. The company has one of the world's best-loved and leading portfolios with its innovative and trusted food, beverage, household and body care brands, including *Ambi Pur*, *Ball Park*, *Douwe Egberts*, *Hillshire Farm*, *Jimmy Dean*, *Kiwi*, *Sanex*, *Sara Lee* and *Senseo*. Collectively, these brands generate more than \$13 billion in annual net sales covering approximately 200 countries. The Sara Lee community consists of 44,000 employees worldwide. Please visit www.saralee.com for the latest news and in-depth information about Sara Lee and its brands.