

Sara Lee Corporation
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News

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SARA LEE HIGHLIGHTS STRATEGIC GROWTH INITIATIVES AT ANNUAL CAGNY CONFERENCE

Company reviews its Transformation, expected cost-savings from Project Accelerate

DOWNERS GROVE, Ill. (Feb. 17, 2009) – Brenda C. Barnes, chairman and chief executive officer of Sara Lee Corp. (NYSE:SLE), today presented at the annual Consumer Analyst Group of New York (CAGNY) conference. Barnes discussed the company’s progress on its multi-year transformation, and detailed Sara Lee’s expanding global customer portfolio and product innovation and marketing efforts. She also addressed Sara Lee’s near-term actions to address current business challenges, as well as cost-savings and other efficiencies it anticipates from its Project Accelerate initiative.

“Sara Lee’s value proposition and prospects for profitable growth are better than at any other time since I’ve been here,” said Barnes. “And, I’m excited about the tremendous additional opportunities for improvement that will allow us to build on our success and yield strong results going forward.”

Transformation milestones at Sara Lee discussed by Barnes include streamlining the organization, creating a centralized infrastructure, consolidating the North American and corporate headquarters, and the divestiture or spin-offs that resulted in nearly \$3.8 billion of proceeds. Barnes noted that costs associated with transformation were on budget, and that the program had delivered significant incremental EBIT since it was announced in February 2005.

Barnes also focused specifically on actions the company is taking to improve performance in its European businesses, which have been challenged recently by a weakening economy and the impact of a strengthening US dollar. These include expanding product distribution at hard discounters and convenience stores, continued launch of new product innovations and “affordable essentials” supported by heavy in-store promotions, SKU rationalization and other supply chain efficiency programs, aggressive cost reduction and pricing actions where appropriate.

“We believe our recent operating trends, especially in North America, demonstrate the power of the transformation,” said Barnes. “We’ve proven we can deliver cost savings and we will continue to do so through Project Accelerate, which is expected to yield \$200 - \$250 million in annualized cost savings by fiscal 2011. We’re confident about our long-range performance targets, and we believe that between operational improvements and marketplace success, we will deliver.”

Webcast

For people who were unable to listen to the webcast live, Sara Lee’s CAGNY presentation will be available in the Investor Relations section of the Sara Lee corporate Web site approximately two hours after the conclusion of the presentation, and will be available until Monday, Aug. 17, 2009.

Forward-Looking Statements

This release contains forward-looking statements regarding Sara Lee’s business prospects, costs and operating results, including statements contained under the heading “Guidance.” In addition, from time to time, in oral statements and written reports, the corporation discusses its expectations regarding the corporation’s future performance by making forward-looking statements preceded by terms such as “expects,” “likely” 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 corporation 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; and (ix) 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 (x) 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; (xi) 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; (xii) 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; (xiii) 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 (xiv) changes in the expense for and contingent liabilities relating to multi-employer pension plans in which Sara Lee participates.

In addition, the corporation'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 corporation 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.

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