

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☒		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>SARA LEE CORPORATION CONSOLIDATED HOURLY PENSION PLAN</u>	1b Three-digit plan number (PN) ►	<u>221</u>	
	1c Effective date of plan	<u>07/01/1990</u>	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>SARA LEE CORPORATION</u> <u>3500 LACEY ROAD</u> <u>DOWNERS GROVE, IL 60515-5424</u>	2b Employer Identification Number (EIN) <u>36-2089049</u>	2c Sponsor's telephone number <u>630-598-6000</u>	2d Business code (see instructions) <u>311900</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/16/2011</u>	<u>ERIK PIENKOS - AS PRACTITIONER</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") SARA LEE CORPORATION 3500 LACEY ROAD DOWNERS GROVE, IL 60515-5424	3b Administrator's EIN 36-2089049 3c Administrator's telephone number 630-598-6000
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	20418
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	9241
b Retired or separated participants receiving benefits.....	6b	3590
c Other retired or separated participants entitled to future benefits.....	6c	7285
d Subtotal. Add lines 6a , 6b , and 6c	6d	20116
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	335
f Total. Add lines 6d and 6e	6f	20451
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	421

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1B 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☐ **C** (Service Provider Information)
 (5) ☒ **D** (DFE/Participating Plan Information)
 (6) ☒ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>SARA LEE CORPORATION CONSOLIDATED HOURLY PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>221</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>SARA LEE CORPORATION</u>	D Employer Identification Number (EIN) <u>36-2089049</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>	
2 Assets:	
a Market value	2a <u>402817722</u>
b Actuarial value	2b <u>400934372</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>3647</u> <u>160729332</u>
b For terminated vested participants	3b <u>7406</u> <u>85675473</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>7638774</u>
(2) Vested benefits	3c(2) <u>110620790</u>
(3) Total active	3c(3) <u>9365</u> <u>118259564</u>
d Total	3d <u>20418</u> <u>364664369</u>
4 If the plan is at-risk, check the box and complete items (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>6.71</u> %
6 Target normal cost	6 <u>11725122</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>09/30/2011</u>
Signature of actuary <u>DEAN W. KEPRAIOS</u>	Date <u>11-05889</u>
Type or print name of actuary <u>TOWERS WATSON PENNSYLVANIA INC.</u>	Most recent enrollment number <u>312-525-2500</u>
Firm name <u>191 NORTH WACKER DRIVE, SUITE 2100</u> <u>CHICAGO, IL 60606-1615</u>	Telephone number (including area code)
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2010
v.092308.1

Part II	Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance	
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	10499644	0	
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	10499644	0	
9 Amount remaining (Item 7 minus item 8).....	0	0	
10 Interest on item 9 using prior year's actual return of <u>25.03</u> %			
11 Prior year's excess contributions to be added to prefunding balance:			
a Excess contributions (Item 38 from prior year)		76774671	
b Interest on (a) using prior year's effective rate of <u>8.02</u> %		7943318	
c Total available at beginning of current plan year to add to prefunding balance		84717989	
d Portion of (c) to be added to prefunding balance.....		84717989	
12 Reduction in balances due to elections or deemed elections.....	0	0	
13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	84717989	

Part III	Funding percentages		
14 Funding target attainment percentage.....	14	86.71	%
15 Adjusted funding target attainment percentage.....	15	109.94	%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	101.91	%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17		%

Part IV	Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:						
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	
04/15/2010	3352143	0				
Totals ▶			18(b)	3352143	18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	3290683
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c If 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of Quarter of this plan year		
(1) 1st	(2) 2nd	(4) 4th
0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	11725122
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	48447986	8928973
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	20654095
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	17363412
36 Additional cash requirement (item 34 minus item 35).....	36	3290683
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	3290683
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

<div>SCHEDULE G (Form 5500) Department of Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration</div>	<div>Financial Transaction Schedules</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2010</div> <div>This Form is Open to Public Inspection.</div>
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010	
A Name of plan: SARA LEE CORPORATION CONSOLIDATED HOURLY PENSION PLAN	B Three-digit plan number (PN) ► 221
C Plan sponsor's name as shown on line 2a of Form 5500 SARA LEE CORPORATION	D Employer Identification Number (EIN): 36-2089049

Part I	Schedule of Loans or Fixed Income Obligations in Default or Classified as Uncollectible				
	Complete as many entries as needed to report all loans or fixed income obligations in default or classified as uncollectible. Check box (a) if obligor is known to be a party in interest. Attach Overdue Loan Explanation for each loan listed. See Instructions.				
(a)	(b) Identity and address of obligor		(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items		
☐					
		Amount received during reporting year		Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest
(a)	(b) Identity and address of obligor		(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items		
☐					
		Amount received during reporting year		Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest
(a)	(b) Identity and address of obligor		(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items		
☐					
		Amount received during reporting year		Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

Part II Schedule of Leases in Default or Classified as Uncollectible

Complete as many entries as needed to report all leases in default or classified as uncollectible. Check box (a) if lessor or lessee is known to be a party in interest. Attach Overdue Lease Explanation for each lease listed. (See instructions)

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)			
☐						
(e) Original cost		(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)			
☐						
(e) Original cost		(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)			
☐						
(e) Original cost		(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)			
☐						
(e) Original cost		(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)			
☐						
(e) Original cost		(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)			
☐						
(e) Original cost		(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)			
☐						
(e) Original cost		(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

Part III Nonexempt Transactions

Complete as many entries as needed to report all nonexempt transactions. **Caution:** If a nonexempt prohibited transaction occurred with respect to a disqualified person, file Form 5330 with the IRS to pay the excise tax on the transaction.

(a) Identity of party involved		(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price	
SARA LEE CORPORATION		EMPLOYER	DEEMED LOAN BETWEEN PLAN AND PLAN SPONSOR BECAUSE THIS PLAN INAPPROPRIATELY PAID PLAN EXPENSES.		
(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction
					21

(a) Identity of party involved		(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price	
(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved		(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price	
(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved		(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price	
(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved		(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price	
(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved		(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price	
(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan SARA LEE CORPORATION CONSOLIDATED HOURLY PENSION PLAN	B Three-digit plan number (PN) ►	221
C Plan sponsor's name as shown on line 2a of Form 5500 SARA LEE CORPORATION	D Employer Identification Number (EIN) 36-2089049	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	323743498	453935510
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	323743498	453935510

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	323743498	453935510
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	92732678	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		92732678

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		59301845
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		152034523

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	17906241	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		17906241
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	349308	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	2882327	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		3231635
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		21137876

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		130896647
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		704635

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: GRANT THORNTON LLP

(2) EIN: 36-6055558

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	X		21
e Was this plan covered by a fidelity bond?.....	X		25000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>SARA LEE CORPORATION CONSOLIDATED HOURLY PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>221</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SARA LEE CORPORATION</u>	D Employer Identification Number (EIN) <u>36-2089049</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>36-3046063</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>96</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☒ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☒ Increase	☐ Decrease	☐ Both	☐ No
--	--	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 8.9% Investment-Grade Debt: 75.8% High-Yield Debt: 0.6% Real Estate: 4.1% Other: 10.6%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☒ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):



REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Audit – Tax – Advisory

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Sara Lee Corporation
Consolidated Hourly Pension Plan

We were engaged to audit the accompanying financial statements (modified cash basis) of the Sara Lee Corporation Consolidated Hourly Pension Plan (the “Plan”) as of and for the years ended December 31, 2010 and 2009, and the supplemental schedule for the year ended December 31, 2010, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan’s management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note G, which was certified by The Northern Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan’s investment assets and executes investment transactions. The Plan administrator has obtained certifications from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the trustee is complete and accurate.

As described in note B, these financial statements were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, on the basis of accounting described in note B.

A handwritten signature in black ink that reads "Grant Thornton LLP".

Chicago, Illinois
October 14, 2011

Sara Lee Corporation
Sara Lee Corporation Consolidated Hourly Pension Plan
EIN: 36-2089049; PN: 221
Schedule SB, Line 26 - Schedule of Active Participant Data

Attained Age		Years of Service										Total
		Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up	
Under 25	Number	166	212	3	0	0	0	0	0	0	0	381
25-29	Number	180	426	68	3	0	0	0	0	0	0	677
30-34	Number	140	439	177	64	0	0	0	0	0	0	820
35-39	Number	160	505	222	124	38	0	0	0	0	0	1,049
40-44	Number	171	599	278	121	83	32	1	0	0	0	1,285
45-49	Number	156	746	346	164	101	110	45	6	0	0	1,674
50-54	Number	132	552	318	160	98	92	101	101	5	1	1,560
55-59	Number	78	410	226	109	75	47	48	79	48	0	1,120
60-64	Number	31	218	122	63	30	17	26	42	28	11	588
65-69	Number	11	56	35	19	8	5	8	4	5	0	151
70 & Up	Number	3	22	23	3	1	2	3	2	0	1	60
Total	Number	1,228	4,185	1,818	830	434	305	232	234	86	13	9,365

- The IRS prescribed 24-month segment rates for September based on bond yields through the preceding August.
- Applies only for Coffee & Tea Local 265
- Rates are shown for employees with more than five years of service and differ for employees with less than five years of service. Union Employees include Local 7A, New London, St. Joseph, Traverse City and Coffee & Tea participants, Non-union Hourly Employees includes all other Consolidated Hourly plant participants.

Actuarial Assumptions and Methods

	Consolidated Hourly		
	For Local 7A Participants with 30 or more years of service	For Toledo Employees with 85 points	For All Other Participants
■ Retirement			
▶ Age 50	30%	15%	0%
▶ Age 51	30%	15%	0%
▶ Age 52	30%	15%	0%
▶ Age 53	30%	15%	0%
▶ Age 54	30%	15%	0%
▶ Age 55	30%	15%	8%
▶ Age 56	30%	15%	8%
▶ Age 57	30%	15%	8%
▶ Age 58	30%	15%	8%
▶ Age 59	30%	15%	8%
▶ Age 60	30%	50%	15%
▶ Age 61	30%	50%	15%
▶ Age 62	30%	50%	30%
▶ Age 63	30%	50%	10%
▶ Age 64	30%	50%	10%
▶ Age 65	50%	50%	50%
▶ Age 66	50%	50%	50%
▶ Age 67	50%	50%	50%
▶ Age 68	50%	50%	50%
▶ Age 69	50%	100%	50%
▶ Age 70	100%	100%	100%
■ Weighted Average Retirement Age (Less than 30 years of service)	52.33	54.75	61.12
■ Administrative Expenses		Prior year's actual expenses	
■ Percentage Married		80%	
▶ Males		60%	
▶ Females			
■ Spouse age		Wives three years younger than husbands	
■ Form of payment (Married / Unmarried)			
▶ Single life annuity		0% / 100%	
▶ 50% Contingent annuity		100% / 0%	
▶ 100% Contingent annuity		0%	
▶ Five-year certain only		0%	
▶ Five-year certain and life annuity		0% *	
▶ Lump Sum		0% **	

* For Traverse City, form of payment is assumed to be 100% of five-year certain and life annuity for unmarried employees and 100% of 50% contingent annuity for married employees.

** For Earthgrains and those with the option available in the Consolidated Hourly plan, form of payment is assumed to be 100% lump sum.

Actuarial Assumptions and Methods

Consolidated Hourly	
Actuarial Methods <ul style="list-style-type: none">PPA<ul style="list-style-type: none">Normal cost and funding targetActuarial value of assets	Present Value of Accrued Benefits
	The actuarial value of assets is the average of market values (adjusted for contributions, benefit/expense payments, and expected investment returns) as of the valuation date and one month prior. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value. For the January 1, 2010 valuation, the 2009 expected asset return used to calculate the actuarial value of assets is statutorily limited to the December 2008 IRS-defined third segment rate of 6.69%. The method of computing the actuarial value of assets as selected by Sara Lee complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets, but are expected to fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term, considering PPA's smoothing rules and Sara Lee's strategic asset investment allocation, a characteristic of this method is that it is more likely to produce an actuarial value of assets that is less than the market value of assets.
	All benefits summarized in the plan provisions section have been valued.
Benefits Not Valued	
Change in Methods and Assumptions Since Last Year	The valuation interest rate changed from the IRS prescribed yield curve based on bond yields for October 2008 to the IRS prescribed 24-month average segment rates for September based on bond yields through the preceding August, as provided under the Pension Protection Act of 2006 (PPA). The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements. The averaging period for the actuarial value of assets was changed from one calendar year to one month, as provided under IRS Regulations released in October, 2009.
Data Sources	Towers Watson used asset data supplied by the trustee. The Company and its third party administrator furnished participant data. The Company furnished the dates and amounts of the prior year contributions as well as the accrued pension cost at year-end. Data was reviewed for reasonableness and consistency, but no audit was performed. Towers Watson is not aware of any errors or omissions in the data that would significantly affect the valuation results.

Sara Lee Corporation
Sara Lee Corporation Consolidated Hourly Pension Plan
EIN: 36-2089049, PN: 221
Schedule SB, Line 19 - Discounted Employer Contributions

Contributions and Discounted Contributions at beginning of Plan Year

Plan Year period: 1/1/2010 through 12/31/2010
Tax Year period: 7/1/2010 through 6/30/2011
Effective interest rate 6.71000%

	Date Made	Plan Year Begin	Tax Year End	Contribution	Discounting	Discounted
				Amount	Period	Contribution Amount
Contributions	4/15/2010	1/1/2010	6/30/2010	3,352.143	0.28493	3,290.683
Totals for plan year				3,352.143		3,290.683
Totals for tax year				3,352.143		

Sara Lee Corporation
Sara Lee Corporation Consolidated Hourly Pension Plan
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Schedule SB, Line 25 – Change in Method

The funding interest rate method was changed from the IRS-prescribed one-month average yield curve (based on bond yields during the preceding October) to the IRS-prescribed 24-month average segment rates (based on bond yields through the preceding August), as provided under the Pension Protection Act of 2006 (PPA).

The actuarial value of assets changed from the average of the market value of assets on the valuation date and one calendar year prior to the average of the market value of assets on the valuation date and one calendar month prior, adjusted for contributions, benefits, administrative expenses and expected earnings. The average asset value must be within 10% of fair market value.

Sara Lee Corporation
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Schedule SB, Line 22 – Description of Weighted Average Retirement Age

For each active participant, an expected retirement age was calculated, weighted in proportion to the probability that the individual would remain an active participant to each age and then retire at that age. (The retirement rates table in the attachment to Schedule SB, Part V – Statement of Actuarial Assumptions/Methods summarizes these probabilities.) The plan's weighted average retirement age of 61 is the arithmetic average of the expected retirement ages of all participants on January 1, 2010.

The weighted average retirement age may change each year depending on the demographics of the active participants, even if the underlying assumption does not change.

Plan Provisions — Sara Lee Corporation Consolidated Hourly Pension Plan

Effective Date

June 30, 1990. The plan was amended and restated effective January 1, 2009.

Plan Merger

The Consolidated Hourly plan is a product of the merger of the following plans and employee groups:

- Sara Lee Bakery Division DuBois, Indiana Hourly Employees' Pension Plan;
- Sara Lee Bakery Division Forest Plant Hourly Employees' Retirement Plan;
- Sara Lee Bakery Division Greenville, South Carolina Hourly Employees' Pension Plan;
- Sara Lee Bakery Division New Hampton, Iowa Union Employees' Pension Plan;
- Sara Lee Bakery Division Traverse City Union Employees' Retirement Plan.
- Metz Baking Company Pension Plan for Bargaining Unit Employees.
- The Earthgrains Company Pension Plan for Non-Union Hourly Employees.
- Eligible employees at the Tarboro, North Carolina facility.
- Effective January 1, 2004, eligible hourly employees of "Fresh".
- Effective January 1, 2005, eligible nonunion hourly employees from the American Bakers Association Retirement Plan.
- Effective December 31, 2005, the Sara Lee Foods – Tupelo, Mississippi Retirement Plan for Hourly Employees and the State Fair Foods, Inc. Hourly Employees' Pension Plan merged into this plan.
- Effective December 31, 2005, non-union hourly employees who formerly participated in the SLC Salaried Plan, and those who are employed at Storm Lake, Iowa and Zeeland, Michigan facilities are covered and earn future benefits under this plan.
- Effective December 31, 2008, the following plans merged into this plan:
 - Bryan Foods, Inc. Retirement Plan for Bargaining Employees
 - New London Facility Pension Plan for Collectively Bargained Employees
 - Sara Lee Foods Local 7A Pension Plan
 - Sara Lee Foods – St. Joseph Facility Pension Plan for Collectively Bargained Employees
 - Sara Lee Coffee and Tea Division of Sara Lee Corporation Bargaining Unit Employees' Pension Plan
- The Plan is structured so that provisions that apply to all locations are included in the main document. Those provisions that vary by group are in supplements. The following description of plan provisions first outlines the common provisions and then describes the provisions that vary by group.

Eligibility

An hourly employee becomes a participant in the plan once he completes 1,000 hours in any 12-month period commencing on the employee's date of hire, or an anniversary thereof, and has attained age 21. For benefit eligibility purposes, the 12-month period is a plan year.

Definitions

Plan year

Calendar year

Years of service

A year of service is a 12-month period during which an employee completes at least 1,000 hours of service.

Credited service

A full year of credited service is granted for 1,000 hours of service in a plan year.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement

A participant is eligible for early retirement on or after the attainment of age 55 and five years of service.

Disability retirement

A participant who becomes disabled while employed and has completed 10 years of service. Participants of Fresh, Foods, and Grove City are not entitled to a disability benefit.

Vested pension

A participant is eligible for a vested pension after completion of five years of service or attainment of age 65.

Preretirement spouse's pension

A Participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced. Participant and spouse must be married at least one year prior to date of death.

Amounts of Benefits

Normal retirement See supplemental provisions for benefit descriptions, that vary by group.

For any eligible employees of Fresh, the monthly accrued benefit is \$24.00 per year of credited service earned on and after January 1, 2004 and before January 1, 2005; plus \$32.00 multiplied by years of credited service earned on or after January 1, 2005, up to a maximum of 25 years of credited service.

For Participants employed at the Additional Sara Lee Foods locations, the monthly accrued benefit is \$32.00 multiplied by years of credited service earned on or after January 1, 2006, up to a maximum of 25 years of credited service.

For certain employees named in the Plan Document who were actively employed on January 1, 2006 by the Florence, Alabama and Newbern, Tennessee locations, the monthly accrued benefit is \$44.00 multiplied by years of credited service earned on or after January 1, 2006, up to a maximum of 25 years of credited service.

For eligible employees of Grove City, the monthly accrued benefit is \$16.00 multiplied by years of credited service earned on or after November 6, 2005, up to a maximum of 25 years of credited service.

For eligible employees of DuBois and Forest, the monthly accrued benefit is \$16.00 multiplied by years of credited service.

For eligible employees of New Hampton, the monthly accrued benefit is \$21.00 multiplied by years of credited service.

Early retirement The monthly accrued benefit calculated with years of credited service at early retirement date, reduced by 0.50% for each month the benefit commencement date precedes the normal retirement date.

Disability retirement The monthly accrued benefit payable immediately, calculated with years of credited service at disability retirement date.

Vested pension The monthly accrued benefit calculated with years of credited service at termination date, payable beginning at normal retirement date. If a participant has met the service requirement, he may elect early commencement of his pension on the first of any month after attainment of age 55. His accrued benefit will then be reduced for early retirement.

Preretirement spouse's pension The amount which would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement The monthly accrued benefit based on credited service and benefit multiplier in effect at late retirement.

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 75% contingent annuity, a 66 2/3% contingent annuity, or a 50% contingent annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, a Social Security level income annuity, and a single life annuity (for married participants).

Supplemental plan provisions are on the following pages for participants in the following groups:

- Earthgrains Non-Union
- Metz Bargaining Unit
- American Bakers Association Non-Union
- State Fair Foods
- Greenville, South Carolina
- Traverse City, Michigan
- Tupelo, Mississippi
- Coffee & Tea
- Local 7A
- New London
- St. Joseph
- Bryan Foods

Plan Provisions — Consolidated Hourly – Earthgrains Non-Union

Effective Date of Prior Plan April 1, 1998.

Eligibility

Each non-union hourly employee employed by an adopting employer shall be eligible to become a participant in the plan on the first of the month coincident with or next following the completion of one year of service and the attainment of age 21. Certain groups of acquired employees were granted immediate eligibility.

Prior to April 1, 2003, an employee was eligible to participate in the plan on the April 1 or October 1 following one year of service and attainment of age 21.

The following individuals are excluded from participating: (a) leased employees, (b) employees who are covered by a collectively bargained plan or any other pension plan, (c) persons employed on retainer or fee basis as an independent contractor, and (d) non U.S. residents.

Definitions

Years of service A year of service is a 12-month period during which an employee completes at least 1,000 hours of service.

Credited service One year of service is credited for each year with at least 1,000 hours of service while employed in a covered classification. Therefore, credited service is only to be earned during periods of covered employment (after becoming a participant in the plan).

Only the participant's most recently completed 25 years of aggregate credited service are taken into account.

A participant who completes less than 1,000 hours of service in a plan year shall receive a partial year of credited service equal to the fraction whose numerator is the number of full months of active service and whose denominator is 12.

Eligibility for Benefits

Normal retirement A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement A participant is eligible for early retirement on or after the attainment of age 55 and 10 years of service.

Vested pension A participant is eligible for a vested pension after completion of five years of service or attainment of age 65.

Preretirement spouse's pension A participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced.

Amounts of Benefits

Normal retirement

A participant shall receive a benefit equal to the sum of:

- (i) Past Service Benefit: A lump sum benefit equal to the number of years of credited service earned through December 31, 2002 multiplied by \$2,000.00, and
- (ii) Future Service Benefit: A monthly retirement benefit equal to the sum of a) \$24.00 multiplied by the number of years of credited service earned after December 31, 2002 and before January 1, 2004 plus b) \$32.00 multiplied by the number of years of credited service earned on and after January 1, 2004.

Early retirement

Accrued benefit as of the date employment terminates.

The sum of:

- (i) Past Service Benefit equal to the lump sum benefit (payable at age 65) based on credited service earned at early retirement date, reduced by 4/12 of 1% per month for the first 60 months and then 5/12 of 1% per month for the next 60 months.
- (ii) Future Service Benefit equal to the monthly annuity (payable at age 65) based on credited service earned at early retirement date, reduced by 0.50% per month prior to the participant's normal retirement date.

Vested pension

The accrued benefit calculated with years of credited service at termination date, payable at the normal retirement date. If a participant has met the service requirement, he may elect early commencement of his pension on the first of any month after attainment of age 55. His accrued benefit will then be reduced for early retirement.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The accrued benefit based on credited service at late retirement.

Forms of Payment

Normal form

Past service benefit: Lump sum

Future service benefit: Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the Normal Form. This includes a life annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, a 50% contingent annuity, a 66 2/3% contingent annuity, and a 100% contingent annuity.

Plan Provisions — Consolidated Hourly – Metz Bargaining Unit

Effective Date of Prior Plan December 31, 1989

Eligibility

Participation in the plan begins on the first day of the month on or after the date an employee meets the following requirements:

1. Membership in the Union, and
2. Completion of one year of service.

Definitions

Years of service

A year of service is a 12-month period during which an employee completes at least 1,000 hours of service.

Credited service

A year of credited service is granted for 1,000 hours of service in a calendar year.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement

A participant is eligible for early retirement on or after the attainment of age 55 and five years of service.

Disability retirement

A participant who becomes permanently and totally disabled while employed is eligible to receive a pension under the plan if he has attained age 50 and completed 15 years of service.

A participant at Our Own Bakeries is eligible if he has completed five years of service.

Vested pension

A participant is eligible for a vested pension after completion of five years of service.

Preretirement spouse's pension

A participant's spouse is eligible for pension benefits if the participant was early retirement eligible or had attained age 65 and died while still employed.

Amounts of Benefits

Normal retirement

Monthly Accrued Benefit

Benefit rate (see following table) times credited service (maximum 30) divided by 30.

Location	Contract Number	Bargaining Unit	Contract Code	2010	Ultimate	Effective Date of Ultimate (if not yet reached)
				Benefit Rate	Benefit Rate	
Kenosha Loaders	N/A	N/A	00244	\$300	\$300	
Racine, WI Shippers	0820-35	A112	04301	300	300	
Green Bay, WI Thrift Stores	1172-22	EW08	07501	400	400	
Sioux Falls-So. MN Loaders	1515-16	LQ02	12001	1,150	1,150	
Erickson, MN-Salesmen	1505-15	LQ09	12002	1,300	1,300	
Detroit Truck Drivers	1017-59	EG12	16400	500	500	
IBT Local 563 Osh Kosh/Neenah, WI Sales	1172-22, 1195-64	EW09, EW11	20000	1,400	1,400	
Dubuque Garage Mechanics	0229-16	DX11	23801	500	500	
Grand Rapid, MI Sales	5166-13	EG05	40600	650	650	
St. Joseph, MO Thrift Store (Kansas City)	0208-15	CS13	46000	540	540	
Detroit Sales (Lansing)	N/A	N/A	58000	350	350	
Dubuque/Peoria Route Sales Drivers	N/A	N/A	62700	300	300	
Eau Claire, WI Route Sales & Transport Drivers	1501-79	LQ16	66202	1,325	1,325	
Wausau/Schofield Sales	8517-83	EW05	66204	1,650	1,700	1/1/2011
Marquette, MI	1111-99	EX01	66500	1,450	1,450	
La Crosse, WI Central Parts East	N/A	N/A	69500	900	900	

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Location	Contract Number	Bargaining Unit	Contract Code	2010 Benefit Rate	Ultimate Benefit Rate	Effective Date of Ultimate (if not yet reached)
Madison, WI Production & Maintenance	8552-33	EW03	69501	2,000	2,000	
Madison, WI Transport Drivers	8566-55	EW04	69502	1,900	1,900	
Madison, WI Route Sales Drivers	8525-38	EW10, EW26	69503	2,000	2,000	
La Crosse & Tomah, WI Sales Drivers/Transport Drivers/Garage Personnel	2105-25	UC03, EW24	69504	1,400	1,400	
Waukesha, WI Sales	1248-31	EW19	69505	1,900	1,900	
Waukesha, WI Loaders and Shippers	1245-44	EW18	69506	1,300	1,300	
Watertown, SD Transports	N/A	N/A	74900	1,000	1,000	
Watertown, SD Sales	1675-18	MW18	74901	1,700	1,700	
Rapid City Sales	1905-55	MW06, BJ12	74902	1,650	1,650	
Sioux Falls, South Dakota Agencies Sales	1650-02	MW02, DZ06	74903	1,700	1,700	

Early retirement

The monthly accrued benefit calculated with years of credited service at early retirement date reduced 1/180 per month for the first five years and 1/360 per month for the next five years that early retirement date precedes the normal retirement date.

For participants with contract code 12001, 40600, 69505, 74900, 74901, 74902, or 74903, benefits are unreduced at age 62 with 30 years of service.

For participants with contract code 12002, 16400, 20000, 66204, 69501, 69502, 69503, or 69504, benefits are unreduced at age 62.

Disability retirement

The monthly accrued benefit calculated with years of credited service and formula in effect as of the date of disability, reduced for any accident, sickness, or long-term disability benefit paid by the Company for the disability. The form of payment is life only.

Vested pension

The monthly accrued benefit calculated with years of credited service at termination date, payable at the normal retirement date.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The monthly accrued benefit based on credited service at late retirement.

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 66 2/3% contingent annuity, or a 50% contingent annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, a Social Security level income annuity, and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – American Bakers Association Non-union

Effective Date of Prior Plan October 1, 1976.

Eligibility Any Non-union employee who was an active participant in the ABA Plan on December 31, 2004 shall automatically become an active participant in the plan on January 1, 2005. Any employee who was an inactive participant in the ABA Plan on December 31, 2004 shall automatically become an inactive participant in the plan.

Definitions

Years of service A year of service is a 12-month period during which an employee completes at least 1,000 hours of service.

Credited service A participant will be credited with the number of years of service credited under the ABA Plan as of January 1, 2005. In addition, a participant shall be credited with an additional year of service if the participant completes at least 20 weeks of service during the period beginning October 1, 2004 and ending on September 30, 2005.

For the period beginning on January 1, 2005 and ending on April 30, 2005 a participant shall be credited with a fractional year of credited service proportional to the ratio of a full year of credited service, as weeks of service, to 52. After May 1, 2005 a participant shall earn one year of credited service after completing 1,000 hours of service during each calendar year. A maximum of eight months of service can be earned for the period from May 1, 2005 to December 31, 2005.

Old formula participant A participant whose Future Service Benefit rate equals his Transition Benefit rate.

New formula participant A participant whose Future Service Benefit rate is different than his Transition Benefit rate.

Transferred accrued benefit The participant's accrued benefit determined under the terms and conditions of the ABA Plan as in effect on January 1, 2005.

Eligibility for Benefits

Normal retirement A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement A participant is eligible for early retirement on or after the attainment of age 55 and 10 years of service.

Vested pension A participant is eligible for a vested pension after completion of five years of service or attainment of age 65.

Preretirement spouse's pension A participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced. Participant and spouse must be married at least one year prior to date of death.

Amounts of Benefits

Normal retirement

A participant's monthly accrued benefit is equal to the sum of:

- a) the participant's Transferred Accrued Benefit
- b) a Transition Benefit equal to \$32.00 multiplied by the participant's credited service from January 1, 2005 to April 30, 2005, unless a different dollar multiplier is stated in a supplement (see ensuing table)
- c) a Future Service Benefit equal to \$32.00 multiplied by the participant's credited service under the plan after April 30, 2005, unless a different dollar multiplier is stated in a supplement (see ensuing table).

Notwithstanding the foregoing, credited service is limited to a maximum of 25 years.

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Schedule SB, Part V – Summary of Plan Provisions

Benefits for Transferred Participants

Covered Employees	Supplement*	Transition Benefit Multiplier	Future Service Benefit Multiplier
Albuquerque, NM	J	\$44.64	\$44.64
Atlanta, GA	K	\$52.08	\$52.08 or \$32.00
Dallas, TX	L	\$57.04	\$32.00
Denver, CO	M	\$76.88	\$32.00
Dothan, AL	N	\$44.64	\$44.64 or \$32.00
Fresno, CA	O	\$71.92	\$32.00
Hastings, NE	P	\$47.12	\$32.00
Huntsville, AL	Q	\$27.28	\$32.00
Kansas City, MO	R	\$64.48	\$64.48
Louisville, KY	S	\$57.04 or \$37.20	\$32.00
Lubbock, TX	T	\$34.72, \$37.20 or \$29.76	\$34.72, \$37.20 or \$29.76
Memphis, TN	U	\$59.52 or \$79.36	\$32.00
Meridian, MS	V	\$39.68	\$32.00
Mobile, AL	W	\$24.80 or \$39.68	\$32.00
Nashville, TN	X	\$52.08 or \$102.30	\$32.00
North Georgia Zone	Y	\$52.08, \$57.04 or \$59.52	\$52.08, \$57.04 or \$59.52
Orangeburg, SC	Z	\$47.12	\$47.12 or \$32.00
Owensboro, KY	AA	\$57.04 or \$114.08	\$32.00
Phoenix, AZ	AB	\$42.16	\$32.00
Springfield, MO	AC	\$64.48	\$32.00
Wichita, KS	AD	\$24.80, \$52.08, \$54.56 or \$119.04	\$32.00

Participants who terminated employment prior to age 47 or with less than 15 years of service may have different multipliers.

Notwithstanding the table above, for any Transferred Participant who is rehired after January 1, 2005, the Future Service Benefit multiplier will be \$32.00.

* Supplement refers to the section in the plan document dealing with that particular group of covered employees.

Early retirement

New Formula Participant:

Past Service Benefit is reduced by 0.25% for each month that his early retirement date precedes his normal retirement date.

Future Service Benefit is reduced by 0.50% for each month that early retirement date precedes the normal retirement date.

Old Formula Participant:

The entire benefit is reduced by 0.25% for each month that his early retirement date precedes his normal retirement date.

Past service benefit

The sum of the participant's Transferred Accrued Benefit and Transition Benefit.

Vested pension

The monthly accrued benefit calculated with years of credited service at termination date, payable beginning at normal retirement date. If a participant has met the service requirement, he may elect early commencement of his pension on the first of any month after attainment of age 55. His accrued benefit will then be reduced for early retirement.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The monthly accrued benefit based on years of credited service at late retirement.

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 66 2/3% contingent annuity, or a 50% contingent annuity, a five-year certain and life annuity, and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – State Fair Foods

Effective Date

Effective December 31, 2005, this plan merged into the Sara Lee Corporation Consolidated Hourly Pension Plan. All future benefit accruals are earned under the provisions of the Consolidated Hourly Plan.

Eligibility

An employee becomes a participant in the plan once he completes 1,000 hours in any 12-month period commencing on the employee's date of hire, or an anniversary thereof, and has attained age 21.

Definitions

Years of service

A year of service is a 12-month period during which an employee completes at least 1,000 hours of service.

Credited service

A year of credited service is a calendar year during which a participant completes at least 1,000 hours of service.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement

A participant is eligible for early retirement on or after the attainment of age 55 and 10 years of service.

Disability retirement

A participant who becomes disabled and qualifies for a Social Security disability benefit is eligible to receive a pension under the plan if he has completed 10 years of service and disability occurs before January 1, 2006.

Vested pension

A participant is eligible for a vested pension after completion of five years of service or attainment of age 65.

Preretirement spouse's benefit

A participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced. Participant and spouse must be married at least one year prior to date of death.

Amounts of Benefits

Normal retirement

The amount of the monthly accrued benefit is \$10.00 per year of credited service before January 1, 2006 and \$32.00 per year of credited service thereafter.

Early retirement

The monthly accrued benefit calculated with years of credited service at early retirement date reduced by 0.50% for each month that early retirement date precedes normal retirement date.

Disability retirement

The monthly accrued benefit calculated with years of credited service at disability retirement date.

Vested pension

The monthly accrued benefit calculated with years of credited service at termination date, payable at the normal retirement date. A participant may elect early commencement of his pension on the first of any month after attainment of age 55. His accrued benefit will then be reduced by 0.50% for each month that early retirement date precedes the normal retirement date.

Preretirement spouse's benefit

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The monthly accrued benefit calculated with years of credited service at late retirement.

Forms of Payment

Normal form

Unmarried: Single Life Annuity

Married: 50% Contingent Annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 66 2/3% contingent annuity, or a 50% contingent annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – Greenville, South Carolina and Tarboro, North Carolina

Effective Date of Prior Plan June 30, 1985 (Greenville)

Eligibility

Participation in the plan begins on the first day of the month on or after the date an employee of the Greenville, South Carolina facility or Tarboro, North Carolina facility meets the following requirements:

1. Attainment of age 21 and completion of one year of service; and
2. Compensated on an hourly basis.

Definitions

Plan year

Calendar year

Years of service

A year of service is a 12-month period during which an employee completes at least 1,000 hours of service.

Credited service

The sum of credited past service and credited future service.

Only the participant's most recently completed 25 years of aggregate credited service is taken into account.

Credited Past Service

Greenville: Each person who became a participant on the effective date of the prior plan shall have credited past service from February 25, 1985, or, if later the participant's date of eligibility.

Tarboro: Each person who became a participant in the Consolidated Hourly Plan on June 30, 1990 shall have credited past service from July 1, 1989, or, if later, the participant's date of eligibility.

Credited Future Service

For Future Service Earned Prior to April 1, 2003:

For 1,920 hours of service during a plan year, a full year of credited future service is granted. If less than 1,920 hours of service are completed during a plan year, 1/12 of a year is granted for each 160 hours completed.

For Future Service Earned on or After April 1, 2003:

For 1,000 hours of service during a plan year, a full year of credited future service is granted.

A participant who terminates, transfers or is not actively employed due to a layoff or leave of absence shall receive a partial year of credited service provided the participant completes at least 1,000 hours of service during the plan year.

A partial year of credited service is equal to the fraction whose numerator is the number of full months of active service and whose denominator is 12.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement

A participant is eligible for early retirement on or after the attainment of age 55 and 10 years of service.

Disability retirement

A participant who becomes disabled prior to April 1, 2003 and qualifies for a Social Security disability benefit is eligible to receive a pension under the plan if he has completed 10 years of service. No disability retirement benefits are available to participants who become disabled on or after April 1, 2003.

Vested pension

A participant is eligible for a vested pension after completion of five years of service or attainment of age 65.

Preretirement spouse's pension

A Participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced. Participant and spouse must be married at least one year prior to date of death.

Amounts of Benefits

Normal retirement

The monthly accrued benefit is the sum of \$16.00 per year of credited service earned prior to January 1, 2003, \$24.00 per year of credited service earned on or after January 1, 2003, and \$32.00 per year of credited service earned on or after January 1, 2004.

Early retirement

The monthly accrued benefit calculated with years of credited service at early retirement date reduced by 0.50% for each month that early retirement date precedes normal retirement date.

Disability retirement

The monthly accrued benefit calculated with years of credited service at disability retirement date.

Vested pension

The monthly accrued benefit calculated with years of credited service at termination date, payable beginning at normal retirement date. If a participant has met the service requirement and has an hour of service on or after April 1, 2003, he may elect early commencement of his pension on the first of any month after attainment of age 55. His accrued benefit will then be reduced by 0.50% for each month that early retirement date precedes normal retirement date.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The monthly accrued benefit at late retirement.

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 66 2/3% contingent annuity, or a 50% contingent annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, a Social Security level income annuity (only for benefits accrued prior to April 1, 2003), and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – Traverse City, Michigan

Effective Date of Prior Plan February 19, 1979.

Eligibility

Participation in the plan begins on the date when an employee of the company meets the following conditions:

1. Completion of one year of service; and
2. Membership in the bargaining unit represented by The Bakery, Confectionery and Tobacco Workers International Union.

Definitions

Years of service

A year of service is a 12-month period during which an employee completes at least 1,000 hours of service.

Credited service

The sum of credited past service and credited future service.

Credited service is limited to 35 years.

Credited Past Service

Each person who became a participant on the effective date of the prior plan shall be given credit for service with the company prior to the effective date of the prior plan in accordance with the terms of the prior plan.

Credited Future Service

For 1,800 hours or more of service during a calendar year, one year of credited future service is granted. If less than 1,800 hours of service are completed during a calendar year, 1/10 of a year is granted for each 180 hours.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement

A participant is eligible for early retirement on or after the attainment of age 55 and 15 years of credited service.

Disability retirement

A participant who becomes disabled and qualifies for a Social Security disability benefit is eligible to receive a pension under the plan if he has completed 15 years of credited service.

Vested pension

A participant is eligible for a vested pension after completion of five years of service or attainment of age 65.

Preretirement spouse's pension

A participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced. Participant and spouse must be married at least one year prior to date of death.

Amounts of Benefits

Normal retirement

Monthly Accrued Benefit

A flat dollar amount per year of credited service in accordance with the following schedule:

<i>Retirement Date</i>	<i>Amount</i>
January 1, 2011 or later	\$28.00
January 1, 2009 to December 31, 2010	\$27.00
January 1, 2008 to December 31, 2008	\$26.00

Early retirement

The monthly accrued benefit calculated with years of credited service at early retirement date reduced by 0.50% for each month that early retirement date precedes normal retirement date.

Disability retirement

The monthly accrued benefit calculated with years of credited service at disability retirement date.

Vested pension

The monthly accrued benefit calculated with years of credited service at termination date, payable beginning at normal retirement date. If a participant has completed 15 years of service, he may elect early commencement of his pension on the first of any month after attainment of age 55. His accrued benefit will then be reduced for early retirement.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The monthly accrued benefit based on credited service and benefit multiplier in effect at late retirement.

Forms of Payment

Normal form

Unmarried: Five-year certain and life annuity

Married: Five-year certain and life annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 66 2/3% contingent annuity, or a 50% contingent annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, a Social Security level income annuity, and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – Tupelo, Mississippi

Effective Date of Prior Plan July 1, 1999. Effective December 31, 2005, the Tupelo plan merged into the Sara Lee Corporation Consolidated Hourly Pension Plan. All future benefit accruals are earned under the provisions of the Consolidated Hourly Plan.

Eligibility An employee becomes a participant in the plan once he completes 1,000 hours in any 12-month period commencing on the employee's date of hire, or an anniversary thereof, and has attained age 21.

Definitions

Years of service A year of service is a calendar year during which an employee completes at least 1,000 hours of service.

Credited service A year of credited service is a calendar year during which a participant completes at least 1,000 hours of service.

Eligibility for Benefits

Normal retirement A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement A participant is eligible for early retirement on or after the attainment of age 55 and 10 years of service, or on or after the sum of age and service totaling at least 85 ("Rule of 85").

Disability retirement A participant who becomes permanently and totally disabled, as determined by the Pension Committee, is eligible to receive a pension under the plan if he has completed five years of service and becomes disabled before January 1, 2006.

Vested pension A participant is eligible for a vested pension after completion of five years of service or attainment of age 65.

Preretirement spouse's pension A participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced.

Amounts of Benefits

Normal retirement The monthly accrued benefit is \$24.00 per year of credited service before January 1, 2006 and \$32.00 per year of credited service thereafter.

Early retirement The monthly accrued benefit is unreduced if the "Rule of 85" is satisfied. For other early retirement eligibility:

The monthly accrued benefit calculated with years of credited service at January 1, 2006, reduced by 5/9 of 1% for each month that early retirement date precedes the normal retirement date and is after age 60. The benefit is further reduced 5/18 of 1% for each month that early retirement date precedes age 60.

Additionally, the monthly accrued benefit calculated with years of credited service from January 1, 2006 to early retirement date, reduced by 0.50% for each month that early retirement date precedes the normal retirement date.

Disability retirement

The monthly accrued benefit calculated with years of credited service as of the date of disability, reduced 1/15 for each of the first five years and 1/30 for each of the next five years by which the payment date precedes the normal retirement date and actuarially reduced for each additional year. If the participant is eligible for Social Security disability benefits, he may elect to receive his benefit as a lump sum.

Vested pension

The monthly accrued benefit calculated with years of credited service at termination date, payable at the normal retirement date. A participant may elect early commencement of his pension on the first of any month after attainment of age 55. His accrued benefit will then be reduced by 0.50% for each month that early retirement date precedes the normal retirement date.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment. The monthly accrued benefit based on years of credited service at late retirement.

Deferred retirement

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 66 2/3% contingent annuity, or a 50% contingent annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – Sara Lee Coffee and Tea

Effective Date

July 1, 1981. Effective December 31, 2008, this plan merged into the Sara Lee Corporation Consolidated Hourly Pension Plan.

Plan Year

Calendar Year

Participation Date

An employee enters the plan on the January 1 or July 1 after meeting the following requirements:

1. Age 21,
2. 1,000 hours of service during the 12-month period after date of hire, or any plan year after that date, and
3. Employed by the company in a collective bargaining unit to which the plan has been extended.

Definitions

Years of service

A participant earns one year of service for each plan year during which he works 1,000 or more hours after attaining age 18.

Credited service

For Local 408 Participants:

An employee receives 1/12 of a year of credited service for every 167 hours worked (up to 2,000 hours) in each plan year in which he works 1,000 or more hours. In the year of retirement or termination, an employee receives 1/12 of a year of credited service for each 167 hours completed even if less than 1,000 hours.

During the short plan year from July 1 to December 31, 2002, the plan granted participants with 1/12 of a year of credited service for each 167 hours worked.

For non-Local 408 participants:

For service prior to July 1, 1981, credited service is determined in accordance with the terms of the plan in effect prior to that date. For service after July 1, 1981, an employee receives 1/12 of a year of credited service for each complete calendar month in which he is a plan participant and which is a plan year in which he works 1,000 or more hours. In the year of retirement or termination, an employee receives 1/12 of a year of credited service for each 167 hours completed even if less than 1,000 hours.

During the short plan year from July 1 to December 31, 2002, the plan granted all participants who were active participants as of December 31, 2002 with six months of credited service (or their period of participation if shorter) regardless of the number of hours worked.

Pensionable earnings

Total cash compensation, including bonuses, commissions, overtime pay and 401(k) contributions.

Final average earnings

The highest monthly average earnings in five consecutive calendar years out of the last 10.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65 and five years of service.

Early retirement

Local 408 participants are eligible for early retirement after the attainment of age 55 and one year of service.

For Locals other than 408, a participant is eligible for early retirement after the attainment of age 55 and 10 years of service.

Disability retirement

A participant in Local 337, 546 or 676 who becomes permanently and totally disabled and qualifies for a Social Security disability benefit may retire and shall be eligible to receive a pension under the plan.

Vested pension

A participant is eligible for a vested pension after completion of five years of service.

Preretirement spouse's pension

Local 408 participants are eligible for a pre-retirement death benefit upon completion of five years of service if they are married.

For Locals other than 408, a participant is eligible for a pre-retirement death benefit upon completion of five years of service if he has been married to the same spouse for one year.

Postretirement spouse's pension

Local 408 participants are eligible for a post-retirement death benefit if they have been in payment status for at least 31 days and had 10 years of service.

Amounts of Benefits

Normal retirement

Monthly Accrued Benefit

For participants in Local 265 (formerly 115), the monthly accrued benefit is 38% of final average earnings.

However, for participants with less than 15 years of credited service, the benefit is reduced by 1/15 for each year less than 15 years.

For participants in Local 408, the monthly accrued benefit is equal to the sum of A plus B below:

A. The monthly accrued benefit earned after September 4, 1998 and prior to January 1, 2005 is equal to the greater of the following two amounts:

1. \$33.00 multiplied by years of credited service accrued under the plan after September 4, 1998 and prior to January 1, 2005; or
2. One-twelfth of: 1.75% multiplied by annual calendar year earnings after September 4, 1998 but prior to January 1, 2005, that is less than or equal to 80% of the Social Security wage base; plus an amount equal to 2.50% multiplied by the portion of annual earnings after September 4, 1998 but prior to January 1, 2005 that is greater than 80% of the Social Security wage base.

B. The monthly accrued benefit earned on and after January 1, 2005 is equal to \$33.00 multiplied by years of credited service accrued under the plan on and after January 1, 2005.

Sara Lee Corporation
Sara Lee Corporation Consolidated Hourly Pension Plan
EIN: 36-2089049, PN: 221
Schedule SB, Part V – Summary of Plan Provisions

Locals other than Local 265 (formerly 115) are governed by a supplement to the plan. The monthly pension for Locals other than 265 (formerly 115) and 408 is the greater of the amount as determined by the supplement, or the amount as determined by the preceding rules for Local 265 (formerly 115) accrued to the supplement's effective date. The benefits are outlined in the table below.

Union Local	Current Rate of	Limit on	Effective Date	Ultimate Rate of	Effective Date
	Monthly Pension per Year of Credited Service			Monthly Pension per Year of Credited Service	
270	\$23.50	None	4/21/1982	\$23.50	5/01/2010
337	38.00	None	3/01/1982	38.00	7/01/2009
546	15.50	None	4/01/1981	15.50	12/01/2007
676	15.00	20	4/01/1981	15.00	4/01/1981
738 Bensenville	37.00	None	11/01/1981	37.00	3/01/2010
738 Elston Ave	35.00	None	11/01/1981	35.00	3/01/2008

Early retirement
For Local 408 participants, the monthly accrued benefit calculated above, reduced by 1/3 of 1% for each month the participant elects to receive benefits prior to reaching age 62.

For Locals other than 408, the monthly accrued benefit actuarially reduced for commencement before normal retirement date.

Disability retirement
The monthly accrued benefit calculated at the time of disability, commencing at normal retirement date.

Vested pension
A monthly pension equal to the accrued benefit payable beginning at the normal retirement date.

A Local 408 participant may elect early commencement of his pension on the first day of any month after attainment of age 55. His pension will then be reduced on an actuarially equivalent basis.

If a participant of a Local other than 408 had 10 or more years of service, he may elect early commencement of his pension on the first day of any month after attainment of age 55. His pension will then be reduced on an actuarially equivalent basis.

Preretirement spouse's pension
The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Postretirement spouse's pension
Lump sum equal to the participant's annual pension, calculated as a life annuity, or \$5,000.00, whichever is greater, paid to the participant's designated beneficiary.

Deferred retirement
The monthly accrued benefit at late retirement.

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the Normal Form. This includes a 100% contingent annuity, a 75% contingent annuity, a 50% contingent annuity, a 25% contingent annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, a 20-year certain and life annuity, a lump sum, and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – Local 7A

Effective Date

January 1, 1995. The plan is a continuation of the Kahn and Lohrey Employee's Pension Plan and, effective December 31, 2008, was merged into the Sara Lee Corporation Consolidated Hourly Pension Plan.

Eligibility

An employee of the Company who is a member of the United Food and Commercial Workers (UFCW) Local No. 7A participates after completing one year of employment with Sara Lee Foods at the Cincinnati, Ohio, (Spring Grove Ave.) or Claryville, Kentucky facility or with a controlled group member.

Definitions

Plan year

Calendar year

Vesting service

A year of vesting service is a plan year during which an employee completes at least 1,000 hours of service.

During the short plan year from July 1 to December 31, 2002, the plan granted all employees who were active as of December 31, 2002 with one full year of vesting service regardless of the number of hours worked.

Credited service

A year of credited service is a plan year during which a participant completes at least 1,000 hours of service. Credited service is computed at the rate of 1/12 of a year for each 83 hours of service.

During the short plan year from July 1 to December 31, 2002, the plan granted participants with 1/12 of a year of credited service for each 83 hours worked during their period of participation. Credited service during the six-month period may exceed one-half of a year.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement

A participant is eligible for early retirement on or after the attainment of age 60 and five years of vesting service, or after the completion of 30 years of vesting service.

Disability retirement

A participant who becomes permanently and totally disabled is eligible to receive a pension under the plan.

Vested pension

A participant is eligible for a vested pension after completion of five years of vesting service or attainment of age 65.

Preretirement spouse's pension

A participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced. Participant and spouse must be married at least one year prior to date of death.

Amounts of Benefits

Normal retirement

Monthly Accrued Benefit

Participants employed at the Claryville facility:

A flat dollar amount per year of credited service (maximum of 30 years) in accordance with the following schedule:

<i>Termination Date</i>	<i>Amount</i>
January 1, 2010 or later	\$23.00
January 1, 2009 to December 31, 2009	\$22.50
January 1, 2008 to December 31, 2008	\$22.00

Participants employed at the Cincinnati facility:

Effective January 1, 2007:

For participants employed before June 23, 1983, \$25.50 per month multiplied by credited service (maximum of 30 years).

For participants employed after June 23, 1983, \$20.00 per month multiplied by credited service (maximum of 30 years).
The accrued benefit is increased 2.00% for each year of credited service between 30 and 35 years.

Early retirement

The monthly accrued benefit calculated with years of credited service at early retirement date reduced by 0.50% for each month that early retirement date precedes normal retirement date. For commencement prior to age 62, the monthly accrued benefit calculated with years of credited service at early retirement date, unreduced until age 62, when the benefit is reduced 18.00%. The monthly accrued benefit is unreduced for a participant with 30 years of vesting service.

Disability retirement

82.00% of the monthly accrued benefit calculated with years of credited service at disability retirement date.

Vested pension

The monthly accrued benefit calculated with years of credited service at termination date, payable at the normal retirement date. The 2.00% increase for credited service between 30 and 35 years does not apply to a vested pension.
A participant may elect early commencement of his pension on the first of any month after attainment of age 60. His accrued benefit will then be reduced by 0.50% for each month that early retirement date precedes normal retirement date. For commencement prior to age 62, the monthly accrued benefit calculated with years of credited service at early retirement date, unreduced until age 62, when the benefit is reduced 18.00%.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The monthly accrued benefit based on credited service and benefit multiplier in effect at late retirement.

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 75% contingent annuity, a 66 2/3% contingent annuity, or a 50% contingent annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, a Social Security level income annuity, and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – New London

Effective Date

November 23, 1975. Effective December 31, 2008, this plan merged into the Sara Lee Corporation Consolidated Hourly Pension Plan.

Eligibility

Employees of the Company who are members of the Independent Employees Union of Hillshire Farm Company participate upon attaining age 21 and completing one year of service.

Definitions

Plan year

Calendar year

Years of service

A year of service is a 12-month period during which an employee completes at least 1,000 hours of service. For determining plan eligibility, years of service are counted from date of hire. For purposes of determining service for benefit eligibility, years of service are based on plan years.

During the short plan year from July 1 to December 31, 2002, the plan granted all employees who were active as of December 31, 2002, with one full year of vesting service regardless of the number of hours worked.

Credited service

Past Service

Years (to nearest 1/12 of a year) of uninterrupted employment prior to November 23, 1975 and after the later of (1) last date of hire and (2) the date the participant has both attained age 25 and completed 12 months of continuous employment.

Future Service

One year for each plan year after November 23, 1975 during which 1,920 hours of service (1,000 hours of service for plan years beginning on or after July 1, 2001) are completed. For less than 1,920 hours of service (1,000 hours of service for plan years beginning on or after July 1, 2001), 1/12 of a year is credited for each 160 hours of service (83 hours of service for plan years beginning on or after July 1, 2001).

Credited service is the sum of past service and future service and is limited to a maximum of 35 years. During the short plan year from July 1 to December 31, 2002, the Plan granted participants with 1/12 of a year of credited service for each 83 hours worked during their period of participation. Credited service during the six-month period may exceed one-half of a year.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement

A participant is eligible for early retirement on or after the attainment of age 55 and 10 years of service.

Disability retirement

A participant who becomes permanently and totally disabled, qualifies for a Social Security disability benefit, and has completed 10 years of service is eligible to receive a pension under the plan.

Vested pension

A participant is eligible for a vested pension after completion of five years of service or attainment of age 65.

Preretirement spouse's pension

A participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced. Participant and spouse must be married at least one year prior to date of death.

Amounts of Benefits

Normal retirement

Monthly Accrued Benefit

A flat dollar amount per year of credited service, limited to 35 years, in accordance with the following schedule:

<i>Retirement Date</i>	<i>Amount</i>
July 1, 2009 or later	\$24.00
July 1, 2008 to June 30, 2009	\$23.00

Early retirement

The monthly accrued benefit calculated with years of credited service as of the date employment terminates, reduced as follows for commencement before normal retirement date:

64	0.8849
63	0.7851
62	0.6983
61	0.6225
60	0.5561
59	0.4977
58	0.4464
57	0.4010
56	0.3608
55	0.3252

Disability retirement

The monthly accrued benefit calculated with years of credited service at disability retirement date.

Vested pension

The monthly accrued benefit calculated with years of credited service at termination date, payable at the normal retirement date.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The monthly accrued benefit based on credited service and benefit multiplier in effect at late retirement but not less than the actuarial equivalent of the monthly accrued benefit at normal retirement.

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 66 2/3% contingent annuity, a 50% contingent annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, a Social Security level income annuity, and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – St. Joseph's Employees Pension Plan

Effective Date

October 1, 1955. Effective December 31, 2008, this plan merged into the Sara Lee Corporation Consolidated Hourly Pension Plan.

Plan Year

Calendar Year

Eligibility

An employee of the Company enters the plan on the January 1 or July 1 he:

1. attains age 21; and
2. is employed at least one year; and
3. is credited with at least one year of vesting service.

Definitions

Vesting service

Past Service (Prior to January 1, 1976)
Years and completed months of continuous employment from the most recent date of hire to December 31, 1975, rounded up to the next full year.

Future Service (After December 31, 1975)
A participant earns one year of vesting service for each year of employment in which he completes at least 1,000 hours of service with the employer.

Credited service

Past Service (Prior to January 1, 1976)
Years and completed months of continuous employment from the latest of (1) October 1, 1950, (2) two years after the last date of hire and (3) date of attaining age 25 to December 31, 1975.

Future Service (After December 31, 1975)
One year for each calendar year after December 31, 1975 during which the employee (1) is a member of this plan and (2) completes 1,000 hours of service.

Credited service is the sum of past service and future service.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement

A participant is eligible for early retirement on or after the attainment of age 55 and 20 years of vesting service.

Disability retirement

A participant who becomes permanently and totally disabled and has attained age 50 and 15 years of vesting service is eligible to receive a disability pension under the plan

Vested pension

A participant is eligible for a vested pension after completion of five years of vesting service or attainment of age 65.

Preretirement spouse's pension

A participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced.

Amounts of Benefits

Normal retirement

Monthly Accrued Benefit

For Local 101 members, a flat dollar amount per year of credited service in accordance with the following schedule:

<i>Retirement Date</i>	<i>Amount</i>
November 1, 2011 or later	\$25.50
November 1, 2010 to October 31, 2011	25.00
November 1, 2009 to October 31, 2010	24.50
November 1, 2008 to October 31, 2009	24.00
November 1, 2005 to October 31, 2008	23.50

For Local 2 members, a flat dollar amount per year of credited service in accordance with the following schedule:

<i>Retirement Date</i>	<i>Amount</i>
November 1, 2011 or later	\$26.00
November 1, 2010 to October 31, 2011	25.75
November 1, 2009 to October 31, 2010	25.50
November 1, 2008 to October 31, 2009	25.00
November 1, 2007 to October 31, 2008	24.50

Early retirement

The monthly accrued benefit calculated with years of credited service as of the date employment terminates, actuarially reduced for commencement before normal retirement date.

Disability pension

The monthly accrued benefit calculated with years of credited service at disability retirement date, actuarially reduced for commencement before normal retirement date.

Vested pension

The monthly accrued benefit calculated with years of credited service at termination date, payable at the normal retirement date.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The monthly accrued benefit based on credited service and benefit multiplier in effect at late retirement.

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 75% contingent annuity, a 66 2/3% contingent annuity, a 50% contingent annuity, a five-year certain and life annuity, a 10-year certain and life annuity, a 15-year certain and life annuity, a 20-year certain and life annuity, a lump sum, and a single life annuity (for married participants).

Plan Provisions — Consolidated Hourly – Bryan Foods

Effective Date

December 31, 1955. Effective December 31, 2008, this plan merged into the Sara Lee Corporation Consolidated Hourly Pension Plan.

Eligibility

An employee enters the plan on the January 1 or July 1 following the effective date when the employee of the company who is represented by a collective bargaining agreement with respect to terms of employment meets the following conditions:

1. Attainment of age 20 1/2; and
2. Completion of six months of employment.

The West Point facility closed on March 31, 2007 and there are no remaining active participants in the plan.

Definitions

Years of service

One year of service for each calendar year from July 1, 1976, during which an employee has completed 1,000 hours of service plus the number of completed years and months from date of employment to July 1, 1976.

During the short plan year from July 1 to December 31, 2002, the plan granted all employees who were active participants as of December 31, 2002, with one full year of service regardless of the number of hours worked.

Compensation

A participant's regular hourly rate times a 40-hour week, projected on an annual basis.

Average compensation

The average of a participant's compensation over all years of service.

Eligibility for Benefits

Normal retirement

A participant is eligible for normal retirement on or after the attainment of age 65.

Early retirement

A participant is eligible for early retirement on or after the attainment of age 55 and 10 years of service, or the sum of age and service totaling at least 85 ("Rule of 85").

Disability retirement

A participant is eligible for disability retirement if he has five years of service and becomes permanently and totally disabled as determined by the Pension Committee.

Vested pension

A participant is eligible for a vested pension after completion of five years of service.

Preretirement spouse's pension

A participant's spouse is eligible for pension benefits if the participant had attained the right to a vested pension and died before any payments commenced.

Amounts of Benefits

Normal retirement

Monthly Accrued Benefit:

The greater of:

1. 1.00% of average monthly compensation for each year of service; or
2. \$26.50 multiplied by years of service.

Early retirement

The monthly accrued benefit calculated with years of service at retirement date reduced 1/15 for each of the first five years and 1/30 for each of the next five years by which the payment date precedes the normal retirement date. If the participant meets the "Rule of 85", no reduction is made for early commencement.

Disability retirement

The monthly accrued benefit on the date of disability, reduced 1/15 for each of the first five years and 1/30 for each of the next five years by which the payment date precedes the normal retirement date and actuarially reduced for each additional year. If the participant is eligible for Social Security disability benefits, he may elect to receive his benefit as a lump sum.

Vested pension

The monthly accrued benefit payable beginning at normal retirement date. If a participant had 10 or more years of service, he may elect early commencement of his pension on the first day of any month after attainment of age 55. His accrued benefit will then be reduced by 1/15 for each of the first five years and 1/30 for each of the next five years by which the payment date precedes the normal retirement date.

Preretirement spouse's pension

The amount that would be payable if the participant terminated on his date of death, elected payment at the earliest eligibility for early retirement in the form of a 50% contingent annuity, and died prior to the first payment.

Deferred retirement

The monthly accrued benefit at late retirement.

Forms of Payment

Normal form

Unmarried: Single life annuity

Married: 50% contingent annuity

Optional forms of payment may be taken on an actuarially equivalent basis if the participant elects out of the normal form. This includes a 100% contingent annuity, a 50% contingent annuity, a 10-year certain and life annuity, and a single life annuity (for married participants).

Optional forms

Benefits are generally converted from the normal form of payment to the optional form of payment on an actuarially equivalent basis, which varies depending on the plan formula. Benefits accrued under multiple prior plan formulas may be converted using multiple bases.

The following actuarial equivalence bases apply to the Sara Lee Corporation Consolidated Hourly Pension Plan:

<u>Mortality</u>	<u>Interest</u>
UP84-Unisex	8.5%
UP84-Unisex	8.0%
UP84-Unisex	7.0%
417(e)(3) Applicable Mortality Table	Annual rate of interest on 30-year Treasury securities published for the month of October immediately preceding the plan year in which the benefit commencement or lump sum distribution occurs
1971 GAM for males with one-year setback	7.0%

Note that this summary is intended to be a reasonably representative sample of the optional form conversion factors for the plan. It is not intended to be an exhaustive list of all the factors used in the conversion of benefits from the normal form of payment to any optional form of payment offered by the plan.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2010**This Form is Open to Public
Inspection**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan SARA LEE CORPORATION CONSOLIDATED HOURLY PENSION P	B Three-digit plan number (PN) ▶ 221
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SARA LEE CORPORATION	D Employer Identification Number (EIN) 36-2089049
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>		
2 Assets:		
a Market value.....	2a	402,817,722
b Actuarial value.....	2b	400,934,372
3 Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 3,647	160,729,332
b For terminated vested participants.....	3b 7,406	85,675,473
c For active participants:		
(1) Non-vested benefits.....	3c(1)	7,638,774
(2) Vested benefits.....	3c(2)	110,620,790
(3) Total active.....	3c(3) 9,365	118,259,564
d Total.....	3d 20,418	364,664,369
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐		
a Funding target disregarding prescribed at-risk assumptions.....	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b	
5 Effective interest rate.....	5	6.71 %
6 Target normal cost.....	6	11,725,122

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

Dean W. Kepraios

Signature of actuary

Type or print name of actuary

Towers Watson Pennsylvania Inc.

191 North Wacker Drive, Suite 2100

Firm name

Chicago

IL 60606-1615

Address of the firm

09/30/2011

Date

11-05889

Most recent enrollment number

(312) 525-2500

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐**For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.****Schedule SB (Form 5500) 2010
v.092308.1**

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	10,499,644	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	10,499,644	0
9 Amount remaining (Item 7 minus item 8)	0	0
10 Interest on item 9 using prior year's actual return of <u>25.03</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		76,774,671
b Interest on (a) using prior year's effective rate of <u>8.02</u> %		7,943,318
c Total available at beginning of current plan year to add to prefunding balance		84,717,989
d Portion of (c) to be added to prefunding balance		84,717,989
12 Reduction in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	84,717,989

Part III Funding percentages

14 Funding target attainment percentage	14	86.71 %
15 Adjusted funding target attainment percentage	15	109.94 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	101.91 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2010	3,352,143				
Totals ▶			18(b)	3,352,143	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	3,290,683

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	11,725,122
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	48,447,986	8,928,973
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	20,654,095
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	17,363,412
36 Additional cash requirement (item 34 minus item 35)	36	3,290,683
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c)	37	3,290,683
38 Interest-adjusted excess contributions for current year (see instructions)	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

Sara Lee Corporation
Sara Lee Corporation Consolidated Hourly Pension Plan
EIN: 36-2089049; PN: 221
Schedule SB, Line 11b - Calculation of Interest on Prior Year Excess Contributions

The amount on Line 11b is equal to the sum of the interest on the excess contributions not attributable to the use of credit balance to offset minimum contributions, calculated using the prior year's effective interest rate, and the interest on excess contributions attributable to the use of credit balance to offset minimum contributions, calculated using the prior year's actual rate of return on plan assets, as shown below:

1. Prior plan year minimum contribution (before offset of use of credit balance)	\$13,408,572
2. Present value of contributions	79,683,599
3. Excess contributions not attributable to use of credit balance to offset minimum contributions	66,275,027
4. Interest to end of prior plan year at prior year's effective interest rate of 8.02%	5,315,257
5. Excess contributions attributable to use of credit balance to offset minimum contributions	10,499,644
6. Interest to end of prior plan year at prior year's actual rate of return on plan assets of 25.03% during prior year	2,628,061
7. Total interest on excess contributions (4)+(6)	<u>7,943,318</u>

The enrolled actuary believes that this is in accordance with §1.430(f)-1(b)(3)(iii) of the Income Tax Regulations.

Sara Lee Corporation
Sara Lee Corporation Consolidated Hourly Pension Plan
EIN: 36-2089049; PN: 221
Schedule SB, Line 32 - Schedule of Amortization Bases

Plan Year period:
 Tax Year period:
 Column Type

1/1/2010 through 12/31/2010
 7/1/2010 through 6/30/2011
 Tax Exhibit

		Date of Base Creation	Initial Amount	Amortization Installment	Remaining Period	PV of Future Installments
Shortfall Amortization Base:						
2008 Shortfall		1/1/2008	16,542,183	3,295,104	5	14,971,242
2010 Shortfall		1/1/2010	33,476,744	5,633,869	7	33,476,744
Total Shortfall Amortization Installments				8,928,973		48,447,986
Waiver Amortization Bases:						
Total Waiver Amortization Installments				0		0
Total Amortization Installments				8,928,973		48,447,986
Total Amortization Installments reflecting minimum of 0 on Total Shortfall Installments				8,928,973		

**FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
SARA LEE CORPORATION
CONSOLIDATED HOURLY PENSION PLAN
DECEMBER 31, 2010 AND 2009**

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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Sara Lee Corporation
Consolidated Hourly Pension Plan

We were engaged to audit the accompanying financial statements (modified cash basis) of the Sara Lee Corporation Consolidated Hourly Pension Plan (the “Plan”) as of and for the years ended December 31, 2010 and 2009, and the supplemental schedule for the year ended December 31, 2010, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan’s management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note G, which was certified by The Northern Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan administrator that the trustee holds the Plan’s investment assets and executes investment transactions. The Plan administrator has obtained certifications from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan administrator by the trustee is complete and accurate.

As described in note B, these financial statements were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, on the basis of accounting described in note B.

A handwritten signature in black ink that reads "Grant Thornton LLP".

Chicago, Illinois
October 14, 2011

Sara Lee Corporation
Consolidated Hourly Pension Plan
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
(MODIFIED CASH BASIS)
December 31,

	<u>2010</u>	<u>2009</u>
Assets		
Investment (notes B and C)		
Plan interest in Sara Lee Corporation Master		
Investment Trust for Defined Benefit Plans	<u>\$ 453,935,510</u>	<u>\$ 323,743,498</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 453,935,510</u></u>	<u><u>\$ 323,743,498</u></u>

The accompanying notes are an integral part of these statements.

Sara Lee Corporation
Consolidated Hourly Pension Plan
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(MODIFIED CASH BASIS)
Years ended December 31,

	2010	2009
Additions		
Company contributions	\$ 92,732,678	\$ -
Plan interest in Sara Lee Corporation Master Investment Trust for Defined Benefit Plans net investment income	59,301,845	65,982,162
Net additions	152,034,523	65,982,162
Deductions		
Benefits paid to participants	17,906,241	17,327,141
Plan expenses	3,936,270	3,014,558
Total deductions	21,842,511	20,341,699
NET INCREASE	130,192,012	45,640,463
Net assets available for benefits		
Beginning of year	323,743,498	278,103,035
End of year	\$ 453,935,510	\$ 323,743,498

The accompanying notes are an integral part of these statements.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS
December 31, 2010 and 2009

NOTE A - DESCRIPTION OF PLAN

The following brief description of the Sara Lee Corporation Consolidated Hourly Pension Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan’s provisions. Sara Lee Bakery Group (the “Company”) is a division of Sara Lee Corporation (the “Corporation”). The Plan is sponsored by the Corporation.

General

The Plan is a defined benefit pension plan covering eligible hourly non-union and union employees of the Company. Employees who are members of collective bargaining units participate in the Plan only if their collective bargaining agreements provide for participation in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

An employee becomes a participant in the Plan after meeting eligibility requirements, as defined in the Plan document. Eligibility requirements vary by the employee’s work location and union contract, as applicable.

Contributions

The funding policy for the Plan is to make the necessary contributions to meet minimum funding requirements, as determined by the Plan’s independent actuary. No voluntary employee contributions are permitted. The Plan was in compliance with applicable ERISA minimum funding requirements for the years ended December 31, 2010 and 2009.

Pension Benefits

Benefits are provided as follows:

Normal Retirement Benefits - Normal retirement age is 65. Monthly pension benefits vary by work location and union as defined in the Plan document.

Early Retirement Benefits - An employee who has attained age 55 and completed 10 years of credited service may elect to defer receipt of his or her full accrued amount until age 65 or receive a reduced pension benefit by a reduction factor based on the age that benefits begin. For participants of the former Metz Baking Company Pension Plan for Bargaining Unit Employees, early retirement benefits are available after attaining age 55 and completing five years of credited service.

Disability Retirement Benefits - An employee who is eligible for Social Security disability benefits may receive a pension calculated in the same way as the pension at the normal retirement date, but based on service and compensation as of the early retirement date. The benefit is payable if the employee has completed a specified amount of years of service, as defined in the Plan document.

Deferred Retirement Benefits - An eligible participant who retires after the normal retirement date may receive a pension calculated in the same manner as for normal retirement, with an actuarial increase for benefits not paid upon normal retirement age. If a participant continues to work, benefit payments will commence on April 1 of the calendar year immediately following the calendar year in which the participant attains age 70-1/2.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE A - DESCRIPTION OF PLAN - Continued

Pension Benefits - Continued

Termination Benefits - A participant is eligible for termination benefits if he or she terminates employment for any reason other than death before retirement and has completed five years of service or attainment of age 65. The participant will be eligible for benefits payable beginning at the normal retirement date. If a participant has met the service requirement for early retirement, he or she may elect early commencement of his or her pension on the first of any month after attainment of age 55. This accrued benefit will then be reduced for early retirement.

Preretirement Death Benefits - Participants are eligible after completing five years of service. The spouse of the deceased participant of at least one year receives 50% of the amount the employee would have received if retirement had occurred on the date of death.

Vesting

Participants become vested upon completion of five years of service or, if earlier, at age 65, if employed by the Corporation.

NOTE B - SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared using the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under the modified cash basis of accounting, investments are recorded at fair value, income is recorded as earned, and payments and contributions are recorded as the cash is paid or received.

If the Plan's financial statements had been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, a receivable of \$12,000,000 (see note J) and \$119,380,535 and an administrative expense payable of \$380,891 and \$707,305 would have been recorded in the accompanying statements of net assets available for benefits as of December 31, 2010 and 2009, respectively. The December 31, 2009 receivable amount consists of a Company contribution receivable of \$89,380,535 and a receivable of \$30,000,000 for the year ended December 31, 2010 (see note J).

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated Plan benefits at the date of the financial statements. Actual results could differ from these estimates.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE B - SUMMARY OF ACCOUNTING POLICIES - Continued

Valuation of Investments

The Plan's interest in the Sara Lee Corporation Master Investment Trust for Defined Benefit Plans (the "SLC Investment Trust") is based on the Plan's relative aggregate contributions, benefit payments and other relevant factors. See note D for discussion of fair value measurements.

Investors may use various financial instruments, particularly options, futures, interest rate swaps, and credit default swaps, commonly referred to as derivatives, to manage risk. No investments are engaged in market making or other speculative activities. Established practices require that derivative instruments relate to specific asset, liability or equity transactions or to current exposure.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Adoption of New Accounting Guidance

In April 2009, the Financial Accounting Standards Board ("FASB") issued additional guidance regarding fair value measurements and disclosures, which emphasizes that the objective of a fair value measurement does not change even when market activity for the asset or liability has decreased significantly, and for determining when a transaction is not orderly. The new guidance requires disclosure of the inputs and valuation techniques used, as well as any changes in valuation techniques and inputs used during the period, to measure fair value in interim and annual periods. In addition, the presentation of the Plan's investments in the fair value hierarchy is required to be presented by major category as determined on the basis of the nature and risks of the investments. The provisions of the new guidance were effective for interim periods ending after June 15, 2009.

In September 2009, the FASB amended the fair value measurements and disclosures for investments in certain entities that calculate net asset per share (or its equivalent). The amended guidance is effective for the first reporting period ending after December 15, 2009, and expands the required disclosures for certain investments with a reported net asset value ("NAV"). The Plan has adopted both changes to the fair value measurements and disclosures guidance on a prospective basis for the year ended December 31, 2009. Adoption of this guidance did not have a material impact on the fair value determination and disclosure of applicable investments. The effect of the adoption of this guidance had no impact on the statements of net assets available for benefits and statements of changes in net assets available for benefits.

In January 2010, the FASB amended the fair value measurements and disclosures by adding new disclosure requirements for Level 1 and Level 2, separate disclosures of purchases, sales, issuances and settlements relating to Level 3 measurements, and clarification of existing fair value disclosures. This amended guidance is effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. The amended guidance does not have a significant impact on the Plan's financial statements.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE B - SUMMARY OF ACCOUNTING POLICIES - Continued

Risks and Uncertainties

The Plan invests in various investment securities through its interest in the SLC Investment Trust. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated Plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Plan Expenses

Plan expenses are paid by the Plan unless paid by the Corporation at its discretion. Plan expenses include fees related to actuary, audit, investing and administration costs and are included in Plan expenses on the accompanying statements of changes in net assets available for benefits.

Payment of Benefits

Benefit payments to participants are recorded when paid.

NOTE C - PLAN INTEREST IN SLC INVESTMENT TRUST

The Plan's investments are in the SLC Investment Trust, which was established for the investment of assets of the Plan and several other defined benefit plans sponsored by the Corporation. Each participating plan has an undivided interest in the SLC Investment Trust. The assets of the SLC Investment Trust are held by The Northern Trust Company (the "Trustee"). At December 31, 2010 and 2009, the Plan's interest in the net assets of the SLC Investment Trust was approximately 29.44% and 26.73%, respectively. Investment income (loss) relating to the SLC Investment Trust is allocated to the individual plans based on average balances invested by each plan.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE C - PLAN INTEREST IN SLC INVESTMENT TRUST - Continued

The Plan's interest in the net assets of the SLC Investment Trust is included in the accompanying statements of net assets available for benefits. A summary of the net assets of the SLC Investment Trust as of December 31, 2010 and 2009, is as follows:

	2010	2009
Investments, at fair value		
Cash and cash equivalents	\$ 229,504,606	\$ 120,939,755
U.S. Government securities	59,030,039	4,425,543
Corporate debt instruments - preferred	230,137,796	126,852,350
Corporate debt instruments - other	229,206,158	113,013,959
Corporate stocks - preferred	-	29,458
Partnerships/joint ventures	-	118,730
Interest in collective trusts	598,334,955	776,713,599
Interest in registered investment companies	<u>172,511,823</u>	<u>72,655,045</u>
Total investments	1,518,725,377	1,214,748,439
Receivables	86,351,521	20,763,250
Liabilities	<u>(63,299,305)</u>	<u>(24,161,689)</u>
Net assets of SLC Investment Trust	<u>\$1,541,777,593</u>	<u>\$1,211,350,000</u>

SLC Investment Trust income allocated to the participating plans for the years ended December 31, 2010 and 2009, is as follows:

	2010	2009
Net (depreciation) appreciation		
Cash and cash equivalents	\$ (80,540)	\$ (378,414)
U.S. Government securities	4,422,815	148,502
Corporate debt instruments - preferred	8,215,260	1,893,003
Corporate debt instruments - other	6,978,575	10,627,668
Corporate stocks - preferred	(1,743)	(1,144,932)
Corporate stocks - common	13,761	6,442,574
Partnerships/joint ventures	(24,508)	(506)
Interest in collective trusts	61,008,950	97,066,669
103-12 investment entities	-	8,260,547
Interest in registered investment companies	15,517,535	19,819,329
Other income from derivative activity	<u>78,729,243</u>	<u>64,434,123</u>
Net appreciation in fair value of investments	174,779,348	207,168,563
Interest and dividends	<u>33,018,204</u>	<u>18,245,848</u>
Net investment income	<u>\$207,797,552</u>	<u>\$225,414,411</u>

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE D - VALUATION OF INVESTMENTS IN THE SLC INVESTMENT TRUST

Accounting guidance defines fair value as the price that would be received by the SLC Investment Trust for an asset or paid by the SLC Investment Trust to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the SLC Investment Trust's principal or most advantageous market for the asset or liability. The guidance establishes a fair value hierarchy that requires the SLC Investment Trust to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The fair value hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1 measurements) and gives the lowest priority to unobservable inputs (Level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1 - Quoted prices (unadjusted) for identical assets or liabilities in active markets that the SLC Investment Trust has the ability to access as of the measurement date.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including the following:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the assets or liabilities (including volatilities).
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Significant unobservable inputs for the asset or liability (including the SLC Investment Trust's own assumptions about the assumptions that market participants would use in pricing an asset or liability) and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following descriptions of the valuation methods and assumptions used by the Plan to estimate the fair value of investments apply to investments held as underlying investments of the SLC Investment Trust:

Cash and cash equivalents - Valued at cost, which approximates fair value.

U.S. Government securities - Valued at the closing price reported in the active market in which the security is traded.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE D - VALUATION OF INVESTMENTS IN THE SLC INVESTMENT TRUST - Continued

Corporate debt instruments - Valued at the closing price reported in the active market in which the bond is traded.

Corporate stocks - Determined by obtaining quoted prices on nationally recognized securities exchanges.

Partnerships - Valued based on units/shares held at year-end, which are obtained from a third-party pricing source obtained by fund manager.

Collective trusts - Based on the NAV provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. Investments in units of collective trust funds and short-term investment funds are valued at their respective NAVs as reported by the funds daily.

Registered investment companies - Valued at the published market price per unit multiplied by the number of units held.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE D - VALUATION OF INVESTMENTS IN THE SLC INVESTMENT TRUST - Continued

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010 and 2009:

	2010			Total
	Level 1	Level 2	Level 3	
Investments, at fair value				
Cash and cash equivalents	\$ 229,504,606	\$ -	\$ -	\$ 229,504,606
U.S. Government securities	59,030,039	-	-	59,030,039
Corporate debt instruments				
A rating	189,431,746	-	-	189,431,746
AA rating	40,557,077	-	-	40,557,077
AAA rating	3,516,750	-	-	3,516,750
B rating	876,419	-	-	876,419
BB rating	26,009,599	-	-	26,009,599
BBB rating	198,952,363	-	-	198,952,363
Interest in common/collective trusts				
Bond trusts (a)	494,622,415	-	-	494,622,415
Energy trust (b)	23,817,232	-	-	23,817,232
Collective short-term investment funds (d)	14,884,764	-	-	14,884,764
Equity trust (c)	65,010,544	-	-	65,010,544
Interest in registered investment companies				
Equity fund	15,435,327	-	-	15,435,327
Global real estate fund	37,678,472	-	-	37,678,472
Other	<u>119,398,024</u>	<u>-</u>	<u>-</u>	<u>119,398,024</u>
	1,518,725,377	-	-	1,518,725,377
Receivables	86,351,521	-	-	86,351,521
Liabilities	<u>(63,299,305)</u>	<u>-</u>	<u>-</u>	<u>(63,299,305)</u>
Total investments	<u>\$1,541,777,593</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,541,777,593</u>

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE D - VALUATION OF INVESTMENTS IN THE SLC INVESTMENT TRUST - Continued

	2009			
	Level 1	Level 2	Level 3	Total
Investments, at fair value				
Cash and cash equivalents	\$ 120,939,755	\$ -	\$ -	\$ 120,939,755
U.S. Government securities	4,425,543	-	-	4,425,543
Corporate debt instruments				
A rating	92,137,913	-	-	92,137,913
AA rating	31,257,881	-	-	31,257,881
AAA rating	5,602,539	-	-	5,602,539
B rating	735,389	-	-	735,389
BB rating	4,475,832	-	-	4,475,832
BBB rating	105,656,755	-	-	105,656,755
Corporate stocks - preferred	29,458	-	-	29,458
Partnerships/joint ventures	-	-	118,730	118,730
Interest in common/collective trusts				
Bond trusts (a)	455,679,223	-	-	455,679,223
Energy trust (b)	31,595,043	-	-	31,595,043
Collective short-term investment funds (d)	201,701,745	-	-	201,701,745
Equity trust (c)	87,737,588	-	-	87,737,588
Interest in registered investment companies				
Equity fund	20,138,849	-	-	20,138,849
Global real estate fund	50,056,023	-	-	50,056,023
Other	<u>2,460,173</u>	<u>-</u>	<u>-</u>	<u>2,460,173</u>
	1,214,629,709	-	118,730	1,214,748,439
Receivables	20,763,250	-	-	20,763,250
Liabilities	<u>(24,161,689)</u>	<u>-</u>	<u>-</u>	<u>(24,161,689)</u>
Total investments	<u>\$1,211,231,270</u>	<u>\$ -</u>	<u>\$118,730</u>	<u>\$1,211,350,000</u>

- (a) The primary objective of the Daily Long-Term Credit Bond Index Fund is to hold a portfolio representative of the long-term corporate securities sector of the U.S. bond and debt market, as characterized by the Barclays Capital Long-Term Credit Bond Index. The fund provides the desired exposure using quantitative techniques that maintain the portfolio's neutrality to the index by monitoring a broad range of factors while limiting exposure to illiquid securities and excessive transaction costs. The fund invests primarily in investment-grade securities representative of the long-term credit sector. The fund may make limited use of interest rate futures and/or options for the purpose of maintaining market exposure, and may participate in securities lending. There are no redemption limitations or unfunded obligations. Redemptions are permitted daily.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE D - VALUATION OF INVESTMENTS IN THE SLC INVESTMENT TRUST - Continued

The objective of the Daily Long-Term Credit Bond Index Fund is to track the performance of its benchmark, the Barclays Capital Long Credit Bond Index. The Daily Long-Term Credit Bond Index Fund covers all U.S. investment-grade, fixed-coupon, corporate obligations with more than 10 years remaining to maturity as well as bonds issued by certain non-corporate entities. These include sovereign, supranational, foreign agency and foreign local government issuers. There are no redemption limitations or unfunded obligations. Redemptions are permitted daily.

- (b) The BlackRock S&P GSCI Light Energy Fund seeks to capture the risk/return profile of the S&P GSCI Light Energy Index while looking to provide incremental outperformance of 40 basis points. The S&P GSCI Light Energy Index tracks the performance of a rolling basket of 24 front-month commodity futures. The S&P GSCI Reduced Energy Index calculation uses 1/4 of the S&P GSCI contract production weights for the energy components of the full GSCI Index. There are no redemption limitations or unfunded obligations. Redemptions are permitted daily.
- (c) The primary objective is to approximate the risk and return characteristics of the Morgan Stanley All Country World ex-US Index. The index is commonly used to present the large and medium cap segment of the non-U.S. equity developed and emerging markets. It may make limited use of futures and/or options for the purpose of maintaining equity exposure and may participate in securities lending. There are no redemption limitations or unfunded obligations. Redemptions are permitted daily.
- (d) The fair value of the short-term collective funds is measured using the NAV per unit based on the quoted market price of the respective fund's underlying investments. There are no redemption limitations or unfunded obligations. Redemptions are permitted daily.

Changes in fair value of partnerships/joint ventures measured on a recurring basis using significant unobservable (Level 3) for the year ended December 31, 2010, are as follows:

Balance, December 31, 2009	\$118,730
Net depreciation	(24,508)
Purchases, sales, issuances and settlements, net	<u>(94,222)</u>
Ending balance, December 31, 2010	\$_____

NOTE E - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated Plan benefits represent the estimated future periodic payments, including lump-sum distributions under the Plan's provisions that are attributable to services rendered by employees through the valuation date. Accumulated Plan benefits include benefits expected to be paid to the following: (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of employees who have died and (3) present employees or their beneficiaries. Benefits payable under all circumstances are included to the extent that they are deemed attributable to employee service rendered through the valuation date.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE E - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS - Continued

The actuarial present value of accumulated Plan benefits is determined by the Plan's actuary, Towers Perrin, and is that amount that results from applying actuarial assumptions to adjust the accumulated Plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment between the valuation date and the expected date of payment. Significant actuarial assumptions used in the valuations as of December 31, 2009 and 2008, are as follows:

	2009	2008
Interest rate	7.31%, compounded annually	7.54%, compounded annually
Mortality	Applicable 2010 Mortality Table	Applicable 2009 Mortality Table
Normal retirement age	65	65

The foregoing assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits.

The actuarial present value of accumulated Plan benefits as of December 31, 2009 and 2008, is as follows:

	2009	2008
Actuarial present value of accumulated Plan benefits		
Vested benefits		
Participants currently receiving payments	\$151,773,998	\$142,904,137
Other participants	<u>177,727,967</u>	<u>160,554,872</u>
Total vested benefits	329,501,965	303,459,009
Non-vested benefits	<u>7,285,539</u>	<u>5,687,891</u>
Total actuarial present value of accumulated Plan benefits	<u>\$336,787,504</u>	<u>\$309,146,900</u>

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE E - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS - Continued

The change in the actuarial present value of accumulated Plan benefits for the year ended December 31, 2009, consists of the following:

Actuarial present value of accumulated Plan benefits as of December 31, 2008	<u>\$309,146,900</u>
Change during the year attributed to	
Increase for interest due to decrease in discount period	22,668,313
Benefits accumulated	10,324,064
Benefits paid	(17,327,141)
Actuarial assumptions - change in interest rate	10,027,133
Plan amendments	<u>1,948,235</u>
Net change	<u>27,640,604</u>
Actuarial present value of accumulated Plan benefits as of December 31, 2009	<u>\$336,787,504</u>

NOTE F - PLAN TERMINATION AND PENSION BENEFIT GUARANTY CORPORATION MATTERS

Although the Corporation has not expressed any intention of terminating the Plan, the Corporation has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of termination of the Plan, distribution of the Plan assets shall be made to the participants according to the provisions for such distribution in the Plan document.

If the Plan terminates, a portion of the benefits under the Plan is insured by the Pension Benefit Guaranty Corporation ("PBGC"), a U.S. Government agency. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor benefits. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

NOTE G - INFORMATION CERTIFIED BY TRUSTEE

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee has certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate:

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE G - INFORMATION CERTIFIED BY TRUSTEE - Continued

- Investment, as shown in the statements of net assets available for benefits as of December 31, 2010 and 2009.
- Plan interest in Sara Lee Corporation Master Investment Trust for Defined Benefit Plans net investment income, as shown in the statements of changes in net assets available for benefits for the years ended December 31, 2010 and 2009.
- SLC Investment Trust investment information, as shown in note C.

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE H - TAX STATUS

The Internal Revenue Service has determined and informed the Corporation by a letter dated January 23, 2003, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. The Company applied for an updated determination letter in February 2010.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by applicable taxing authorities. The Plan administrator has analyzed tax positions taken by the Plan and has concluded that, as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examination for years prior to 2007.

NOTE I - RELATED-PARTY TRANSACTIONS

Certain assets of the SLC Investment Trust are invested in investments managed by the Trustee of the Plan; therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan during 2010 and 2009 for legal, accounting and other professional services rendered by parties-in-interest were based on customary and reasonable rates for such services.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE J - CONTINGENCY

The dispute being litigated related to the spin-off of certain participants from the American Bakers Association Retirement Plan ("ABA Plan") to the Plan has been resolved. Interstate Brands Corporation ("IBC"), another participating employer in the ABA Plan, originally disputed the spin-off in 2004. Under the spin-off, in addition to the approximately \$71,000,000 transferred and recorded by the Plan, approximately an additional \$27,000,000 was, according to the spin-off agreement, required to be transferred to the Plan at a future date.

IBC challenged the spin-off by requesting that the PBGC review and reverse the PBGC's 1979 opinion that the ABA Plan was a collection of single-employer plans. IBC contended that the ABA Plan was a multiple-employer pension plan. On August 8, 2006, the PBGC reversed its 1979 opinion and agreed with IBC that the ABA Plan is and always was a multiple-employer plan. Sara Lee challenged the PBGC's August 2006 determination in United States District Court. In February 2010, the court held that the PBGC's determination was not arbitrary or capricious, but also held that the determination would only have effect prospectively from August 8, 2006. As a result, through the court's decision, the ABA Plan remained a collection of single-employer plans until the PBGC's August 8, 2006 determination. After that date, the ABA Plan became a multiple-employer plan prospectively from that date.

In March 2010, the ABA Plan requested that the PBGC assume the unfunded liabilities of IBC in the ABA Plan as of August 8, 2006, through a partition and termination of the IBC portion of the ABA Plan. In May 2010, Sara Lee sent the PBGC its position statement, asserting that IBC's unfunded liabilities in the ABA Plan should be partitioned from the ABA Plan and assumed by the PBGC. In October 2010, the PBGC issued a determination, in which it agreed to partition the IBC portion of the ABA Plan and assume all of IBC's unfunded liabilities under the ABA Plan. The plan partition was completed in October 2010.

In November 2010, Sara Lee made a formal demand to the ABA Plan for completion of the payments required under the spin-off agreement in 2004. After negotiations, the ABA Plan agreed to transfer a total of \$12,000,000 to the Plan in completion of the 2004 spin-off in two payments: (1) one payment of \$6,000,000 has been transferred and received by the Plan on April 11, 2011; and (2) an additional payment of \$6,000,000 is to be transferred from the ABA Plan to the Plan as soon as practicable after the ABA Plan's year ending September 30, 2011, and before December 31, 2011. With regard to the expected transfer to be received between October 1 and December 31, 2011, if the ABA Plan's assets do not exceed its liabilities by at least \$6,000,000 for any reason, then the amount of the ABA Plan's expected transfer will be reduced to the amount by which the ABA Plan's assets exceed its liabilities effective as of October 1, 2011, up to a maximum of \$6,000,000.

Through Sara Lee's agreement with the ABA Plan in March 2011, all amounts that the ABA Plan accounted as receivables due to the ABA Plan from Sara Lee from benefit payments made by the ABA Plan to Sara Lee's participants or beneficiaries due to administrative delays or for any other reason were eliminated and reduced to \$-0-. Also, neither Sara Lee nor the Plan shall have any obligation or expectation to repay the ABA Plan for any alleged benefit overpayments paid by the ABA Plan to any Sara Lee employee-participants or beneficiaries in the Plan prior to the agreement. Sara Lee and the ABA Plan further agreed that all outstanding claims, issues or disagreements related to the participation of any Sara Lee employees that were or should have been transferred from the ABA Plan to the Plan through the spin-off have been resolved.

Sara Lee Corporation
Consolidated Hourly Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2010 and 2009

NOTE K - SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 14, 2011, the date these financial statements were available for issuance. Plan management is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

SUPPLEMENTAL SCHEDULE

Sara Lee Corporation**Consolidated Hourly Pension Plan****SCHEDULE G, PART III, LINE 4d - SCHEDULE OF NONEXEMPT TRANSACTIONS****Year ended December 31, 2010**

(a) Identity of party involved	(b) Relationship to Plan, employer or other party-in-interest	(c) Description of transaction, including rate of interest	Amount of deemed loan between Plan and party-in-interest	(j) Net gain on transaction (lost interest)
Sara Lee Corporation	Employer	Settlor expenses inappropriately paid from Plan assets during 2009	\$512	\$21

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I Annual Report Identification Information			
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here:	☒		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II Basic Plan Information—enter all requested information			
1a Name of plan SARA LEE CORPORATION CONSOLIDATED HOURLY PENSION PLAN		1b Three-digit plan number (PN) ▶	221
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) SARA LEE CORPORATION 3500 LACEY ROAD DOWNERS GROVE IL 60515-5424		1c Effective date of plan 07/01/1990	
		2b Employer Identification Number (EIN) 36-2089049	
		2c Sponsor's telephone number 630-598-6000	
		2d Business code (see instructions) 311900	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE		10/15/2011	MICHELLE PRINCIPATO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		10/15/2011	MARY BETH DENOYER
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") SARA LEE CORPORATION 3500 LACEY ROAD DOWNERS GROVE IL 60515-5424	3b Administrator's EIN 36-2089049 3c Administrator's telephone number 630-598-6000
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	20418
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a, 6b, 6c, and 6d).		
a Active participants.....	6a	9241
b Retired or separated participants receiving benefits.....	6b	3590
c Other retired or separated participants entitled to future benefits.....	6c	7285
d Subtotal. Add lines 6a, 6b, and 6c.....	6d	20116
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	335
f Total. Add lines 6d and 6e.....	6f	20451
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	421
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1B 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information - Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☒ G (Financial Transaction Schedules)
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