

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), 6057(b), 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 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2014</div> This Form is Open to Public Inspection
---	--	---

Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); 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>THE HILLSHIRE BRANDS COMPANY SALARIED PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/1954</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>07/01/1954</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>07/01/1954</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>THE HILLSHIRE BRANDS COMPANY</u> <u>400 S. JEFFERSON STREET</u> <u>CHICAGO, IL 60607</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>36-2089049</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>312-614-6000</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>311900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>36-2089049</u>	2c Plan Sponsor's telephone number <u>312-614-6000</u>	2d Business code (see instructions) <u>311900</u>	
2b Employer Identification Number (EIN) <u>36-2089049</u>					
2c Plan Sponsor's telephone number <u>312-614-6000</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	Filed with authorized/valid electronic signature.	10/16/2015	JOSEPH MEAD
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2015	JOSEPH MEAD
	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
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional) <u>GRANT THORNTON LLP</u> <u>175 W. JACKSON BLVD., 20TH FLOOR</u> <u>CHICAGO, IL 60604</u>			Preparer's telephone number (optional) <u>312-856-0200</u>

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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
5 Total number of participants at the beginning of the plan year	5 19133
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year	6a(1) 1268
a(2) Total number of active participants at the end of the plan year	6a(2) 867
b Retired or separated participants receiving benefits	6b 7132
c Other retired or separated participants entitled to future benefits.....	6c 9842
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 17841
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 1002
f Total. Add lines 6d and 6e	6f 18843
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 0
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 Characteristics Codes in the instructions: 1A 1I 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics 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
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) ☐ <u>0</u> A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection</div>
--	---	--

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

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 THE HILLSHIRE BRANDS COMPANY SALARIED PENSION PLAN		B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF THE HILLSHIRE BRANDS COMPANY		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 01 Day 01 Year 2014			
2 Assets:			
a Market value	2a	1110060621	
b Actuarial value	2b	1115902020	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	7833	503383066	503383066
b For terminated vested participants	10032	374393964	374393964
c For active participants	1268	66868617	66868617
d Total	19133	944645647	944645647
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.49%	
6 Target normal cost	6	6075986	

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		10/14/2015
JUDY M KRUSE	Signature of actuary	Date
TOWERS WATSON	Type or print name of actuary	14-05907
191 NORTH WACKER DRIVE, SUITE 2100 CHICAGO, IL 60606-1615	Firm name	Most recent enrollment number
	Address of the firm	312-525-2500
		Telephone number (including area code)

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 (line 13 from prior year)	40225926	141587765
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	40225926	141587765
10 Interest on line 9 using prior year's actual return of <u>-4.39</u> %	-1765918	-6215703
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.33</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	38460008	135372062

Part III Funding Percentages		
14 Funding target attainment percentage	14	99.72 %
15 Adjusted funding target attainment percentage	15	118.12 %
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	114.62 %
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
Totals ►			18(b)	0	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 contributions 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	0
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No	
c If line 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

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 60
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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	6075986	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
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	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	6075986	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	6075986	0	6075986
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

<p style="text-align: center;">SCHEDULE D (Form 5500)</p> <p style="text-align: center; font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="text-align: center; font-size: small;">Department of Labor Employee Benefits Security Administration</p>	<p style="text-align: center;">DFE/Participating Plan Information</p> <p style="text-align: center; font-size: small;">This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p style="text-align: center; font-weight: bold;">▶ File as an attachment to Form 5500.</p>	<p style="text-align: center; font-size: small;">OMB No. 1210-0110</p> <hr/> <p style="text-align: center; font-size: large; font-weight: bold;">2014</p> <hr/> <p style="text-align: center; font-size: small;">This Form is Open to Public Inspection.</p>
---	---	--

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

<p>A Name of plan THE HILLSHIRE BRANDS COMPANY SALARIED PENSION PLAN</p>	<p>B Three-digit plan number (PN) ▶ 001</p>	
<p>C Plan or DFE sponsor's name as shown on line 2a of Form 5500 THE HILLSHIRE BRANDS COMPANY</p>	<p>D Employer Identification Number (EIN) 36-2089049</p>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
--------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: HBC MASTER INV. TRUST FOR DB PLANS		
b Name of sponsor of entity listed in (a): THE HILLSHIRE BRANDS COMPANY		
c EIN-PN 36-2089049-100	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1255506087

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 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 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 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
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
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
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
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
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
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
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
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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>		
A Name of plan <u>THE HILLSHIRE BRANDS COMPANY SALARIED PENSION PLAN</u>		B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE HILLSHIRE BRANDS COMPANY</u>		D Employer Identification Number (EIN) <u>36-2089049</u>

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)	1110060621	1255506087
(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	1110060621	1255506087

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	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1110060621	1255506087
---	-----------	------------	------------

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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(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)		0
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)		0
(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)		0
(3) Rents	2b(3)		
(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)		0
(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)		0

		(a) Amount	(b) Total
(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)		206160996
(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		206160996

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	56166655	
(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)		56166655
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)	139065	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	2626046	
(4) Other	2i(4)	1783764	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		4548875
j Total expenses. Add all expense amounts in column (b) and enter total	2j		60715530

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		145445466
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

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.)

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.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
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	
4c			
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	
4d			
e Was this plan covered by a fidelity bond?	X		25000000
4e			
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	
4f			
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	
4g			
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	
4h			
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	
4i			
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	
4j			
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	
4k			
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
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.			
4n			

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)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014		
A Name of plan THE HILLSHIRE BRANDS COMPANY SALARIED PENSION PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 THE HILLSHIRE BRANDS COMPANY		D Employer Identification Number (EIN) 36-2089049
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 0
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): 36-3046063		
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 26
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 (include any prior year accumulated funding deficiency not waived).....		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 or other authority 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		
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. 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.		
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		
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2014 v. 140124		

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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (a) through (c)

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

Stock: 13.0% Investment-Grade Debt: 81.0% High-Yield Debt: 3.0% Real Estate: 2.0% Other: 1.0%

- 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 line 19(b)?

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



Financial Statements and Report of Independent
Certified Public Accountants

The Hillshire Brands Company
Salaried Pension Plan

December 31, 2014 and 2013

Contents

	Page
Report of Independent Certified Public Accountants	3
Financial Statements	
Statements of net assets available for benefits - modified cash basis	5
Statements of changes in net assets available for benefits - modified cash basis	6
Notes to financial statements	7



Grant Thornton

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Grant Thornton LLP
Grant Thornton Tower
171 N. Clark Street, Suite 200
Chicago, IL 60601-3370

T +1 312 856 0200
F +1 312 565 4719
grantthornton.com

The Hillshire Brands Company
Salaried Pension Plan

Report on the financial statements

We were engaged to audit the accompanying financial statements of The Hillshire Brands Company Salaried Pension Plan (the Plan), which comprise the statements of net assets available for benefits - modified cash basis as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits - modified cash basis for the years then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in note B; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for disclaimer of opinion

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 certified information described in note H, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the certifying entity meets the requirements of 29 CFR 2520.103-8. The

Plan administrator obtained certifications from this entity as of and for the years ended December 31, 2014 and 2013, stating that the certified information provided to the Plan administrator is complete and accurate.

Disclaimer of opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Basis of accounting

We draw attention to note B of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on form and content in compliance with DOL rules and regulations

The form and content of the information included in the financial statements, other than that derived from the certified information described in note H, 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.



Chicago, Illinois
October 15, 2015

The Hillshire Brands Company
Salaried Pension Plan
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS -
MODIFIED CASH BASIS
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets		
Investment (notes C and D)		
Plan interest in The Hillshire Brands Company Master		
Investment Trust for Defined Benefit Plans	<u>\$ 1,255,506,087</u>	<u>\$ 1,110,060,621</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 1,255,506,087</u></u>	<u><u>\$ 1,110,060,621</u></u>

The accompanying notes are an integral part of these statements.

The Hillshire Brands Company

Salaried Pension Plan

**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS -
MODIFIED CASH BASIS**

Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Plan interest in The Hillshire Brands Company Master Investment Trust for Defined Benefit Plans net investment income (loss)	\$ 206,160,996	\$ (54,929,682)
Internal fund transfers (note K)	-	2,428,545
Benefits paid to participants	(56,166,655)	(55,396,409)
Plan expenses	<u>(4,548,875)</u>	<u>(4,663,632)</u>
NET INCREASE (DECREASE)	145,445,466	(112,561,178)
Net assets available for benefits		
Beginning of year	<u>1,110,060,621</u>	<u>1,222,621,799</u>
End of year	<u><u>\$ 1,255,506,087</u></u>	<u><u>\$ 1,110,060,621</u></u>

The accompanying notes are an integral part of these statements.

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

NOTE A - DESCRIPTION OF PLAN

The following brief description of The Hillshire Brands Company Salaried Pension Plan (the Plan) is provided for general information purposes only. Participants should refer to the applicable summary plan description for the Plan for a more complete description of the Plan's provisions. Participants in former plans sponsored by certain divisions or subsidiaries of The Hillshire Brands Company (the Company) that merged into the Plan should refer to the Supplements section of the Plan document for additional information.

On August 28, 2014, The Hillshire Brands Company was acquired by Tyson Foods, Inc. (Tyson) and became a wholly owned subsidiary of Tyson

General

The Plan is a defined benefit pension plan covering eligible employees of the Company who are members of a group or class of employees to which the Plan has been and continues to be extended. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Effective April 30, 2010, the Plan was frozen with respect to all employees such that no additional benefits shall accrue under the Plan on or after May 1, 2010, and no employee shall be eligible to become a participant in the Plan on or after such date. Notwithstanding the foregoing sentence, a Supplement AC Participant was eligible to accrue benefits under the Plan through June 30, 2010. Effective July 1, 2010, Supplement AC Participants were reclassified as hourly paid employees and became eligible to accrue benefits under the Sara Lee Corporation Consolidated Hourly Pension Plan. No additional benefits shall accrue under the Plan on or after July 1, 2010.

The Plan has two separate benefit components - one for selected groups of employees in the branded apparel businesses of the Company (the SLBA Benefits Part) and one for selected groups of employees in various businesses of the Company (the SLC Benefits Part).

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, 2014 and 2013.

Eligibility

Eligible employees begin participation as follows:

SLC Benefits Part - Either attainment of age 30 or attainment of age 21 and completion of one year of service. Effective July 1, 2005, newly hired or rehired employees are not eligible to participate in the Plan.

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

Retirement Benefits

Benefits provided under the SLC Benefits Part are as follows:

Normal Retirement Benefits - Normal retirement is at age 65. Monthly benefits are determined based on the following formula: 1.75% of final average monthly compensation per year of credited service, up to 35 years, minus Social Security allowance, times credited service up to 35 years. A participant's benefits shall include the amount of any benefits accrued under a plan that merged into the Plan.

Early Retirement Benefits - An eligible participant who is at least age 55 and has completed 10 years of service 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. However, if benefits commence before age 62, this amount is reduced to take into account the participant's younger age and earlier commencement of the participant's pension.

Disability Retirement Benefits - An employee who is eligible for Social Security disability benefits may receive a pension equal to a monthly pension determined by assuming continued compensation at the disability pension and assuming continued compensation at the same rate as in effect immediately preceding the date active employment ceased on account of disability. A disabled participant may select the commencement date, but not earlier than age 55 and not later than age 70.

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.

Termination Benefits - A vested participant who terminates employment prior to normal retirement age may receive a deferred monthly benefit payment calculated in the same way as the pension at normal retirement, but based on final average monthly compensation, covered compensation and credited service as of the date employment terminates.

Preretirement Death Benefits - A participant who has completed five years of credited service or attained age 65 is eligible to have his or her spouse receive 50% of the amount of the monthly benefit calculated at the time of his or her death. Employees who die in active employment are immediately vested for this purpose, and the surviving spouse receives an unreduced survivor benefit immediately of 50% of the participant's accrued benefit.

Benefits provided under the SLBA Benefits Part are as follows:

Normal Retirement Benefits - Normal retirement age is 65. The benefit earned for credited service before July 1, 1995, is calculated using the formula in effect at the time the credited service was earned. Beginning July 1, 1995, the formula for the credit earned for each year of credited service is determined as follows: (1) 1.25% of career average pay times (2) the number of months of credited service for the current year, divided by 12.

Early Retirement Benefits - An eligible participant who is at least age 55 and has completed 10 years of service 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. However, if benefits commence before age 65, this

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

amount is reduced to take into account the participant's younger age and earlier commencement of the participant's pension.

Deferred Retirement Benefits - Benefits provided are the same as the deferred retirement benefits under the SLC Benefits Part.

Termination Benefits - A vested participant who terminates employment with the Company prior to normal retirement age may receive a deferred benefit equal to the sum of the participant's retirement credits as of the date employment terminates.

Preretirement Death Benefits - A participant who has completed five to ten years of service or who has attained age 65 is eligible to have his or her spouse receive 50% of the amount of the monthly benefit calculated at the time of his or her death.

Benefits under the Plan are subject to certain minimum and maximum amounts. In addition, benefit reductions may apply depending on the form of payment chosen.

Vesting

Participants are fully vested upon completion of five years of service or, if earlier, at age 65, provided he or she is still working for the Company.

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 (U.S. GAAP). 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 U.S. GAAP, an administrative expense payable of \$795,838 and \$670,575 would have been recorded in the accompanying statements of net assets available for benefits as of December 31, 2014 and 2013, respectively.

Use of Estimates

The preparation of financial statements on the modified cash basis of accounting 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.

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

Valuation of Investments

The Plan's interest in The Hillshire Brands Company Master Investment Trust for Defined Benefit Plans (the Master 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.

The Plan 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 financial instruments relate to specific asset, liability or equity transactions, or to currency exposure.

Derivative investments are valued according to an established pricing hierarchy using current prices obtained from independent external pricing sources or determined according to approved pricing policies and procedures for fair values in circumstances where independent sources are not available. For exchange-traded futures, a one-sided profit and loss entry is entered each day based on futures prices from Bloomberg that are reconciled against the statements of the clearing broker. All over-the-counter (OTC) derivative transactions are priced on one of the following four bases:

- Prices supplied by a recognized third-party price vendor.
- Prices determined through a mark-to-model methodology.
- Prices supplied by the OTC trade counterparty (or broker).
- Prices reviewed and confirmed by the client.

In order to ensure integrity and robustness in the pricing process, OTC derivative prices are compared with prices determined through at least one of the remaining three bases. Any inconsistencies between the pricing bases are investigated and, where these are in excess of agreed tolerance triggers, will be escalated to appropriate resolution.

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.

Risks and Uncertainties

The Plan invests in various investment securities through its interest in the Master 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.

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

Plan Expenses

Plan expenses are paid by the Plan unless paid by the Company 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 MASTER INVESTMENT TRUST

The Plan's investments are in the Master Investment Trust, which was established for the investment of assets of the Plan and several other defined benefit plans sponsored by the Company. Each participating plan has an undivided interest in the Master Investment Trust. The assets of the Master Investment Trust are held by The Northern Trust Company (the Trustee). At December 31, 2014 and 2013, the Plan's interest in the net assets of the Master Investment Trust was approximately 78.3% and 78.4%, respectively. Investment income relating to the Master Investment Trust is allocated to the individual plans based on average balances invested by each plan.

The Plan's interest in the net assets of the Master Investment Trust is included in the accompanying statements of net assets available for benefits. A summary of the net assets of the Master Investment Trust as of December 31, 2014 and 2013, is as follows:

	2014	2013
Investments, at fair value		
Cash and cash equivalents	\$ 70,132,305	\$ 35,791,599
U.S. government securities	164,669,706	288,219,319
Corporate debt instruments - preferred	407,062,434	300,398,535
Corporate debt instruments - other	309,750,071	232,539,047
Derivatives and other debt instruments	103,257,057	99,004,901
Corporate stock - preferred	647,580	-
Interest in collective trusts	383,479,011	336,765,337
Interest in registered investment companies	<u>173,886,619</u>	<u>124,616,186</u>
Total investments	1,612,884,783	1,417,334,924
Receivables	110,370,523	69,142,167
Liabilities	<u>(120,012,658)</u>	<u>(71,055,598)</u>
Net assets of Master Investment Trust	<u>\$1,603,242,648</u>	<u>\$1,415,421,493</u>

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

Master Investment Trust income allocated to the participating plans for the years ended December 31, 2014 and 2013, is as follows:

	2014	2013
Net appreciation (depreciation)		
Cash and cash equivalents	\$ 2,440,359	\$ (266,113)
U.S. government securities	59,843,101	(56,800,266)
Corporate debt instruments - preferred	37,646,005	(33,866,352)
Corporate debt instruments - other	21,683,033	(18,505,847)
Corporate stocks - common	70,491	24,604
Corporate stocks - preferred	12,620	-
Interest in collective trusts	28,442,214	19,524,048
Interest in registered investment companies	15,592,180	(11,205,376)
Other income from derivative activity	<u>47,668,739</u>	<u>(19,619,348)</u>
Net appreciation (depreciation) in fair value of investments	213,398,742	(120,714,650)
Interest and dividends	<u>49,521,977</u>	<u>47,043,110</u>
Net investment income (loss)	<u>\$262,920,719</u>	<u>\$ (73,671,540)</u>

NOTE D - VALUATION OF INVESTMENTS IN THE MASTER INVESTMENT TRUST

Accounting guidance defines fair value as the price that would be received by the Master Investment Trust for an asset or paid by the Master Investment Trust to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Master Investment Trust's principal or most advantageous market for the asset or liability. The guidance establishes a fair value hierarchy that requires the Master 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 Master 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).

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

- 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 Master 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 Master Investment Trust:

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

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

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

Corporate debt instruments - Valued at the closing price reported for identical or similar assets in inactive markets.

Derivatives - Valued according to an established pricing hierarchy using current prices obtained from independent pricing sources. See note B for more information.

Collective trusts - Based on the net asset value (NAV) provided by the administrator of the fund. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. 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.

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

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

	2014			
	Level 1	Level 2	Level 3	Total
Investments, at fair value				
Cash and cash equivalents	\$ 70,132,305	\$ -	\$ -	\$ 70,132,305
Corporate stock	647,580	-	-	647,580
U.S. government securities	164,669,706	-	-	164,669,706
Corporate debt instruments				
AAA rating	-	12,090,694	-	12,090,694
AA rating	-	94,241,939	-	94,241,939
A rating	-	304,661,592	-	304,661,592
BBB rating	-	249,499,353	-	249,499,353
BB rating	-	33,393,422	-	33,393,422
B rating	-	4,328,360	-	4,328,360
CCC rating	-	1,326,045	-	1,326,045
Non-rated	-	17,271,100	-	17,271,100
Derivatives and other debt instruments	-	103,257,057	-	103,257,057
Interest in common/collective trusts				
Fixed income funds ^(a)	-	140,612,053	-	140,612,053
Commodity trust ^(b)	-	12,829,921	-	12,829,921
Equity trust ^(c)	180,324,537	-	-	180,324,537
Collective short-term investment funds ^(d)	-	16,561,058	-	16,561,058
Real estate fund ^(e)	-	33,151,442	-	33,151,442
Interest in registered investment companies				
Bond funds	-	173,886,619	-	173,886,619
Total investments	<u>\$415,774,128</u>	<u>\$1,197,110,655</u>	<u>\$ -</u>	<u>\$1,612,884,783</u>

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

	2013			
	Level 1	Level 2	Level 3	Total
Investments, at fair value				
Cash and cash equivalents	\$ 35,791,599	\$ -	\$ -	\$ 35,791,599
U.S. government securities	288,219,319	-	-	288,219,319
Corporate debt instruments				
AAA rating	-	9,837,796	-	9,837,796
AA rating	-	61,210,910	-	61,210,910
A rating	-	232,443,607	-	232,443,607
BBB rating	-	193,377,775	-	193,377,775
BB rating	-	23,216,416	-	23,216,416
B rating	-	1,539,000	-	1,539,000
CCC rating	-	115,908	-	115,908
Non-rated	-	11,196,170	-	11,196,170
Derivatives and other debt instruments	-	99,004,901	-	99,004,901
Interest in common/collective trusts				
Fixed income funds ^(a)	-	115,790,469	-	115,790,469
Commodity trust ^(b)	-	13,649,736	-	13,649,736
Equity trust ^(c)	172,841,144	-	-	172,841,144
Collective short-term investment funds ^(d)	-	5,489,598	-	5,489,598
Real estate fund ^(e)	-	28,994,390	-	28,994,390
Interest in registered investment companies				
Bond funds	-	124,616,186	-	124,616,186
Total investments	<u>\$496,852,062</u>	<u>\$920,482,862</u>	<u>\$ -</u>	<u>\$1,417,334,924</u>

- (a) The BlackRock Long Duration Corp. Credit Screened Fund is an enhanced index fixed income fund that seeks to outperform the Barclays US Long Corporate Index by 25 to 50 basis points. Its objective is to avoid exposure to corporate issuers that have potential for experiencing credit deterioration. There is a two-day notice period for redemption. There are no unfunded obligations.
- (b) The BlackRock Bloomberg Commodity Fund seeks to capture the risk/return profile of the Dow Jones UBS Commodity Index. Its objective is to invest in physical commodity futures and is weighted by both liquidity and dollar-adjusted historical production. There are no redemption limitations or unfunded obligations. Redemptions are permitted daily.
- (c) The primary objective of the Northern Trust MSCI ACWI IMI Fund is to approximate the risk and return characteristics of the MSCI ACWI ex U.S. and the U.S. Investable Market Indices. 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 limitations or unfunded obligations. Redemptions are permitted daily. The Company determined that this fund is analogous to a mutual fund or other Level 1-type asset based on the following criteria: the fund is valued on at least a daily basis, there are no trading restrictions and the underlying equity securities can be priced in active markets.
- (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.

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

- (e) The Northern Trust Collective Global Real Estate Index fund has an objective to approximate the overall performance of the FTSE/EPRA NAREIT Index. The fund may use futures and/or options to manage market risk. Securities lending is permitted. There are no redemption limitations or unfunded obligations. Redemptions are permitted daily.

NOTE E - FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK

In accordance with the investment strategy of the managed accounts, the Plan's investment managers execute transactions in various financial instruments that may give rise to varying degrees of off-balance sheet market and credit risk. These instruments can be executed on an exchange or negotiated in the OTC market. These financial instruments include futures, forward settlement contracts, swaps and option contracts.

Market risk arises from the potential for changes in value of financial instrument resulting from fluctuations in interest and foreign exchange rates, and in prices of debt and equity securities. The gross notional (or contractual) amounts used to express the volume of these transactions do not necessarily represent the amounts potentially subject to market risk. In many cases, these financial instruments serve to reduce, rather than increase, the Plan's exposure to losses from market or other risks. In addition, the measurement of market risk is meaningful only when all related and offsetting transactions are identified. The investment managers generally limit the Plan's market risk by holding or purchasing offsetting positions. These assets and liabilities are included in the derivatives and other debt instruments line item within note D.

Statement of net assets	2014			
	Asset derivative		Liability derivative	
	Fair value	Appreciation (depreciation)	Fair value	Appreciation (depreciation)
Type of exposure				
Exchange cleared swap liabilities	\$ 378,453	\$ 45,459	\$ (1,006,251)	\$ (589,904)
Fixed income options	-	-	(258,324)	(65,474)
Fixed income futures	303,248,537	6,634,227	(302,796,244)	(6,634,227)
Cash collateral holding	6,254,614	-	(564,744)	-
Other options	332,588	(1,840,787)	(777,992)	1,713,085
Swap liabilities	<u>1,562,120</u>	<u>232,612</u>	<u>(1,365,129)</u>	<u>(328,149)</u>
Total	<u>\$311,776,312</u>	<u>\$ 5,071,511</u>	<u>\$(306,768,684)</u>	<u>\$(5,904,669)</u>

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

Statement of net assets	2013			
	Asset derivative		Liability derivative	
	Fair value	Appreciation (depreciation)	Fair value	Appreciation (depreciation)
Type of exposure				
Futures	\$109,981,042	\$ (179,179)	\$(109,658,805)	\$ 179,179
Exchange cleared swap liabilities	255,953	211,770	(639,889)	(425,773)
Fixed income options	-	-	(4,419)	5,421
Fixed income futures	282,579,750	(5,403,992)	(282,579,750)	5,403,992
Cash collateral holding	620,000	-	(370,000)	-
Other options	692,780	367,780	(972,851)	(429,743)
Swap liabilities	<u>1,397,722</u>	<u>630,378</u>	<u>(801,933)</u>	<u>(208,876)</u>
Total	<u>\$395,527,247</u>	<u>\$(4,373,243)</u>	<u>\$(395,027,647)</u>	<u>\$ 4,524,200</u>

NOTE F - 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.

The actuarial present value of accumulated Plan benefits is determined by the Plan's actuary, Towers Watson, 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, 2013 and 2012, are as follows:

	2013	2012
Interest rate	6.47%	6.45%
Mortality	RP- 2014 Table	Applicable 2013 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 Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

The actuarial present value of accumulated Plan benefits as of December 31, 2013 and 2012, is as follows:

	<u>2013</u>	<u>2012</u>
Actuarial present value of accumulated Plan benefits		
Vested benefits		
Participants currently receiving payments	\$ 545,758,864	\$483,958,542
Other participants	<u>497,197,155</u>	<u>451,933,138</u>
Total actuarial present value of accumulated Plan benefits	<u>\$1,042,956,019</u>	<u>\$935,891,680</u>

The change in the actuarial present value of accumulated Plan benefits for the year ended December 31, 2013, consists of the following:

Actuarial present value of accumulated Plan benefits as of December 31, 2012	\$ 935,891,680
Change during the year attributed to	
Increase for interest due to decrease in discount period	58,598,362
Benefits paid	(55,649,413)
Actuarial loss	8,057,300
Actuarial assumptions - change in interest rate and mortality table	<u>96,058,090</u>
Net change	<u>107,064,339</u>
Actuarial present value of accumulated Plan benefits as of December 31, 2013	<u>\$1,042,956,019</u>

NOTE G - PLAN TERMINATION AND PENSION BENEFIT GUARANTY CORPORATION MATTERS

Although the Company has not expressed any intention of terminating the Plan, the Company 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. In addition, the Company reserves the right to amend or modify the Plan from time to time to the extent permitted by applicable law.

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.

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

NOTE H - 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 is complete and accurate:

- Investment, as shown in the statements of net assets available for benefits as of December 31, 2014 and 2013.
- Plan interest in The Hillshire Brands Company Master Investment Trust for Defined Benefit Plans net investment income (loss), as shown in the statements of changes in net assets available for benefits for the years ended December 31, 2014 and 2013.
- Master 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.

NOTE I - TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated August 12, 2011, 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.

U.S. GAAP requires 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, 2014 and 2013, 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. In late 2013, the IRS informed the Company that it would be conducting an examination of the Plan, as well as two other qualified retirement plans sponsored by the Company, The Hillshire Brands Company 401(k) Plan and The Hillshire Brands Company Consolidated Hourly Pension Plan, to determine whether the plans were operated in accordance with the qualification provisions of the IRC during the 2011 and 2012 plan years. The IRS audit closed in 2015. There are currently no other audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examination for years prior to 2011.

The Hillshire Brands Company
Salaried Pension Plan
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2014 and 2013

NOTE J - RELATED-PARTY TRANSACTIONS

Certain assets of the Master 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 2014 and 2013 were for legal, accounting and other professional services rendered by parties-in-interest.

NOTE K - INTERNAL FUND TRANSFERS

The Master Investment Trust had a unitized account structure whereby each plan owns units of a fund. Transfers between plans were necessary in the cash account to adjust negative units that resulted from varying monthly expenses and rebalancing needs.

NOTE L- SUBSEQUENT EVENTS

The Plan evaluated its December 31, 2014, financial statements for subsequent events through October 15, 2015, the date the financial statements were available to be issued. The Plan is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Line 26 - Schedule of Active Participant Data¹

		Years of Service									
Attained Age		Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up
Under 25	Number	0	0	0	0	0	0	0	0	0	0
	Average Benefit										
25-29	Number	2	1	0	0	0	0	0	0	0	0
	Average Benefit										
30-34	Number	10	25	12	0	0	0	0	0	0	0
	Average Benefit		983								
35-39	Number	7	42	57	11	0	0	0	0	0	0
	Average Benefit		1,997	4,257							
40-44	Number	5	51	62	50	12	0	0	0	0	0
	Average Benefit		1,576	5,144	7,979						
45-49	Number	9	38	89	49	26	21	0	0	0	0
	Average Benefit		2,002	4,971	9,715	13,462	18,441				
50-54	Number	6	46	66	80	43	50	4	0	0	0
	Average Benefit		1,330	5,984	8,726	16,273	20,848				
55-59	Number	6	31	63	43	37	39	33	6	0	0
	Average Benefit		2,155	6,084	8,326	13,222	18,546	25,364			
60-64	Number	3	15	31	22	11	13	7	11	1	0
	Average Benefit			5,725	9,900						
65-69	Number	0	2	5	4	5	2	1	0	0	0
	Average Benefit										
70 & Up	Number	0	0	1	2	0	0	0	0	0	0
	Average Benefit										

¹ The plan is "hard frozen" and average annual accrued benefits are in lieu of compensation

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

		Salaried
Economic Assumptions		
■	Funding Target (PPA)	
	▶ Interest Rate	
	Applicable Month	September 2013*
	Yield curve basis	Segment Rates
	MAP-21 applied	Yes
	▶ Funding interest rates - Reflecting Corridors	
	First Segment Rate	4.99%
	Second Segment Rate	6.32%
	Third Segment Rate	6.99%
	Effective interest rate	6.49%
	▶ Funding interest rates - Not Reflecting Corridors	
	First Segment Rate	1.37%
	Second Segment Rate	4.05%
	Third Segment Rate	5.06%
	Effective interest rate	4.37%
	▶ Salary Increases (Varies by age)	N/A
	▶ Wage Base	N/A
	▶ Index Limit on Pay & Benefits	N/A
	▶ Lump Sum Conversion Basis	
	▶ Interest Rate	2014 HATFA Segment Rates for September 2013*
	▶ Mortality Table	Applicable 2014 mortality table as specified by Internal Revenue Code Section 417(e)(3)
Demographic Assumptions		
■	Healthy Mortality	IRS required mortality table for 2014 funding valuation, separate static annuitant and nonannuitant tables
■	Disability Mortality	See Healthy Mortality

* The IRS prescribed 24-month segment rates for September based on bond yields through the preceding August.

** Rates are shown for employees with more than five years of service and differ for employees with less than five years of service.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Salaried

	<i>For Salaried Participants</i>	<i>For SERP Participants</i>	<i>For Hourly Participants</i>
■ Retirement			
▶ Age 50	0%	0%	0%
▶ Age 51	0%	0%	0%
▶ Age 52	0%	0%	0%
▶ Age 53	0%	0%	0%
▶ Age 54	0%	0%	0%
▶ Age 55	15%	20%	8%
▶ Age 56	15%	20%	8%
▶ Age 57	15%	20%	8%
▶ Age 58	15%	20%	8%
▶ Age 59	20%	25%	8%
▶ Age 60	20%	25%	15%
▶ Age 61	20%	25%	15%
▶ Age 62	33%	33%	30%
▶ Age 63	33%	33%	10%
▶ Age 64	33%	33%	10%
▶ Age 65	33%	33%	50%
▶ Age 66	20%	100%	50%
▶ Age 67	20%	100%	50%
▶ Age 68	20%	100%	50%
▶ Age 69	20%	100%	50%
▶ Age 70	100%	100%	100%
■ Weighted Average Retirement Age (Less than 30 years of service)	59.29	58.35	61.12
■ Administrative Expense Load		Prior year's actual expenses	
■ Percentage Married			
▶ Males		80%	
▶ Females		60%	
■ 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 Earthgrains, form of payment is assumed to be 100% lump sum.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Salaried

Actuarial Methods

■ PPA

- ▶ Normal cost and funding target
- ▶ Actuarial 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. The method of computing the actuarial value of assets as selected by The Hillshire Brands Company 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 The Hillshire Brands Company'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.

Benefits Not Valued

All benefits summarized in the plan provisions section have been valued.

Changes in Methods and
Assumptions Since Last Year

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.

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.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	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 2014 This Form is Open to Public Inspection
---	--	---

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

► **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 THE HILLSHIRE BRANDS COMPANY SALARIED PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF THE HILLSHIRE BRANDS COMPANY	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>01</u> Day <u>01</u> Year <u>2014</u>			
2 Assets:			
a Market value	2a	1110060621	
b Actuarial value	2b	1115902020	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	7833	503383066	503383066
b For terminated vested participants	10032	374393964	374393964
c For active participants	1268	66868617	66868617
d Total	19133	944645647	944645647
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.49%	
6 Target normal cost	6	6075986	

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	JUDY M KRUSE Signature of actuary	<div style="text-align: center;"> Date 1405907 </div> <div style="text-align: center;"> Most recent enrollment number 312-525-2500 </div> <div style="text-align: center;"> Telephone number (including area code) </div>
JUDY M KRUSE Type or print name of actuary		
TOWERS WATSON Firm name		
191 NORTH WACKER DRIVE, SUITE 2100 CHICAGO IL 60606-1615 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 ☐

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 (line 13 from prior year)	40225926	141587765
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	40225926	141587765
10 Interest on line 9 using prior year's actual return of <u>-4.39%</u>	-1765918	-6215703
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.33%</u>		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	38460008	135372062

Part III Funding Percentages

14 Funding target attainment percentage	14	99.72%
15 Adjusted funding target attainment percentage	15	118.12%
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	114.62%
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
Totals ▶			18(b)	0	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 contributions 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	0

20 Quarterly contributions and liquidity shortfalls:**a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No**b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No**c** If line 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

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.99%	2nd segment: 6.32%	3rd segment: 6.99%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 60
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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	6075986	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		
a Net shortfall amortization installment	0		0
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	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	6075986	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	6075986	0	6075986
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
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 60 is the arithmetic average of the expected retirement ages of all participants on January 1, 2014.

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.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Statement of Enrolled Actuary

Plan Sponsor	The Hillshire Brands Company
EIN/PN	36-2089049/001
Plan Name	The Hillshire Brands Company Salaried Pension Plan
Valuation Date	January 1, 2014
Enrolled Actuary	Judy M. Kruse
Enrollment Number	14-05907

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Summary of Plan Provisions

Plan Provisions – The Hillshire Brands Company Salaried Pension Plan

Effective Date	July 1, 1954. The plan was last amended effective as of January 1, 2013
Eligibility	<p>Each employee hired on or before June 30, 2005 becomes eligible to participate in the Plan on the date on which all of the following requirements are met:</p> <ul style="list-style-type: none">■ Attainment of age 21;■ Completion of one year of service, except that this requirement does not apply once an employee attains age 30; and■ Membership in a Covered Group. <p>Effective January 1, 2006, no participant shall accrue additional benefits under this Part except for Choice-eligible Employees who choose to continue under the Plan. “Choice-eligible employees” are salaried employees who are actively employed on June 30, 2005, were hired on or before June 30, 2005, and are members of a Covered Group of Employees. In addition, SERP threshold participants shall stop accruing benefits under the Plan at the end of the Plan Year in which their base pay exceeds the SERP threshold. Except for certain employees on military or employer-approved leave as of June 30, 2005, former employees rehired after June 30, 2005, shall not receive additional pension benefits after rehire. Effective June 30, 2010, there will be no future benefit accruals. For all participants other than certain Salaried Nonexempt employees listed in Supplement AC of Amendment #4, benefit accruals were frozen effective April 30, 2010.</p> <p>The sale of the Fresh Bakery Business closed on November 5, 2011. As a result, all bakery employees ceased to be eligible under the plan on that date.</p>

Definitions

Covered group	A group or class of employees to whom the plan has been extended by their employer. Employees who are members of a class of employees of an employer represented by a collective bargaining representative with respect to their terms of employment are not considered as belonging to a Covered Group unless they are covered by an agreement that provides for the extension of the Plan to them.
Years of service	A employee receives one year of service for each full 12-month period worked. In a partial year, a participant receives one-twelfth of a year of service for each full calendar month of employment, and the full month of termination.
Credited service	A participant receives one year of credited service for each full 12-month period worked. In a partial year, a participant receives one-twelfth of a year of credited service for each full calendar month of employment.
Compensation	Total compensation, including salary, wages, hourly pay, overtime, bonuses and commissions. Amounts paid as reimbursement of expenses are excluded. All forms of deferred compensation for highly compensated employees are also excluded.
Final monthly compensation	The average annual compensation received in the five highest paid consecutive years in the last 10 years prior to retirement or termination. A partial year of compensation in the year of retirement is included if it results in a greater five-year average.
Final three-year monthly compensation	The monthly average of compensation during the three consecutive calendar years immediately preceding retirement or termination of employment, with compensation for each year not to exceed the maximum taxable wage base for that year.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Summary of Plan Provisions

Social Security Retirement Age	Age 65 if the participant's year of birth is 1937 or earlier; age 66 if the year of birth is between 1938 and 1954, inclusive; age 67 if the year of birth is 1955 or later.
Applicable percentage	0.60% if Social Security Retirement Age is 65; 0.55% if Social Security Retirement Age is 66; 0.50% if Social Security Retirement Age is 67. For former Kiwi employees, 0.40%.
Covered compensation	The 35-year average of the Social Security Taxable Wage Bases ending in the year of an individual's Social Security Retirement Age. For individuals younger than their Social Security Retirement Age, no increases in future Social Security Wage Bases are assumed.
SERP threshold participant	A participant whose base pay exceeds \$150,000 for any calendar year on or after January 1, 2005. Base pay is the annual rate of salary or wages determined as of September 1 of each year, excluding bonuses. After reaching the SERP Threshold all pay is covered by the SERP rather than the Qualified Plan.

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	<p>A participant who becomes totally disabled while employed is eligible to receive a pension under the plan. A participant is considered totally disabled if he is:</p> <ul style="list-style-type: none"> ■ receiving benefits under The Hillshire Brands Company's disability income plan; or ■ receiving Social Security disability benefits.
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.
Postretirement death benefit	A participant is eligible for a postretirement death benefit if he has attained eligibility for early or normal retirement.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Summary of Plan Provisions

Amounts of Benefits

Normal
retirement

Amount of Monthly Single Life Annuity Pension

(A) minus (B) below:

(A) 1.75% of Final Monthly Compensation per year of credited service up to 35 years

(B) The Applicable Percentage of Final Three-year Monthly Compensation, not greater than Covered Compensation, per year of credited service up to 35 years. For former Kiwi employees, the Applicable Percentage of Final Three-year Monthly Compensation, not greater than \$10,000, per year of credited service up to 35 years.

For those participants who were not Choice-eligible or who chose not to continue participating in the plan effective January 1, 2006, their accrued benefit as of December 31, 2005 was determined based on Credited Service, Compensation, Final Monthly Compensation, Final Three-year Monthly Compensation, and Covered Compensation as of December 31, 2005.

Effective June 30, 2010, there will be no future benefit accruals. For all participants other than certain Salaried Nonexempt employees listed in Supplement AC of Amendment #4, benefit accruals were frozen effective April 30, 2010.

Additionally, past service benefits earned by certain classes of participants from other plans maintained by an employer prior to the date of their designation as a Covered Group are preserved under this Plan. The terms of their preservation are defined in supplements to the Plan. Supplemental benefits are valued using accrued benefits provided by the plan administrator.

Early retirement

The benefit as calculated for normal retirement, using final monthly compensation, Covered Compensation and credited service as of the early retirement date, where amount (A) is reduced by 5/12 of 1% for each month that date of commencement precedes age 62, and amount (B) (for non-Kiwi employees) is adjusted according to the following table of “applicable percentages”:

Number of Months Prior to NRD at Date of Commencement	Social Security Retirement Date		
	65	66	67
1 through 36	0.600%	0.550%	0.500%
48	0.550	0.500	0.475
60	0.500	0.475	0.450
72	0.475	0.450	0.425
84	0.450	0.425	0.400
96	0.425	0.400	0.375
108	0.400	0.375	0.344
120	0.375	0.344	0.316

For former Kiwi employees, amount (B) is also reduced by 5/12 of 1% for each month that date of commencement precedes age 62.

For former Earthgrains employees, the preserved benefit is reduced for each year that date of commencement precedes age 65 (4/12 of 1% for each month from age 65 to 60 and 5/12 of 1% for each month prior to 60).

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Summary of Plan Provisions

For former Metz employees, the preserved benefit is unreduced for early commencement at age 62 or later. For commencement prior to age 62 the preserved benefit is reduced as follows:

- For participants with 20 years of service at commencement: 0.25% for each month that commencement precedes normal retirement
- For participants that do not have 20 years of service at commencement: 1/180 for each of the first 60 months and 1/360 for each of the next 60 months prior to normal retirement

For former Chock full O’Nuts employees, the preserved benefit is reduced by 2.5% per year that date of commencement precedes age 65.

For former Greenwich Mills Company (GMC) employees, the preserved benefit is reduced for early commencement according to the following schedule:

Age at Retirement	Factor
55	0.500
56	0.533
57	0.576
58	0.599
59	0.632
60	0.665
61	0.732
62	0.799
63	0.866
64	0.933

Disability retirement	A monthly pension commencing on the normal retirement date determined by assuming continued credited service up to applicable accrual freeze date, until commencement and assuming continued compensation at the same rate as in effect immediately preceding the date active employment ceased due to disability.
Vested pension	A monthly pension commencing on the normal retirement date, determined using final monthly compensation, Covered Compensation and credited service as of the termination date. Commencements prior to age 65 are actuarially reduced using the UP-84 Mortality Table and 8.50% interest.
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 death benefit	A participant may elect at his early, normal or postponed retirement that a lump sum benefit of \$1,000, \$2,000 or \$3,000 be paid upon death after retirement to a beneficiary designated by the participant. The participant’s monthly benefit is reduced by \$4.00 for each \$1,000 of death benefit elected. Such an election may not reduce the monthly pension below \$20.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Summary of Plan Provisions

Forms of Payment

Normal form	<u>Unmarried</u> : Single life annuity <u>Married</u> : 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 Social Security level income annuity, and a single life annuity (for married participants). Alternate payment forms are available for the portion of an employee's benefit attributable to certain prior plans.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Summary of Plan Provisions

Preservation of Benefits Derived From Prior Plans

Past service benefits earned by certain classes of participants from other plans maintained by an employer prior to the date of their designation as a Covered Group are preserved under this Plan. The terms of their preservation are defined in supplements to the Plan. Supplemental benefits are valued using accrued benefits provided by the plan administrator.

As of the valuation date, supplements had been adopted covering the preservation of prior plan benefits of the following Covered Groups:

Booth
Bryan Packing Company
Chock Full o'Nuts
Design Foods
Earthgrains
Gallo Salame
Gibbon Peck
Greenwich Mills Company
Hygrade Foods
Kahn's and Company
King Cotton
Kiwi Brands
McGarvey Coffee
Pearce Young Angel
Rudy's Farm
Seitz Foods
Smoky Hollow Foods
Superior Coffee

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Part V – Summary of Plan Provisions

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 basis applies to The Hillshire Brands Company Salaried Pension Plan:

<u>Mortality</u>	<u>Interest</u>
UP84-Unisex	8.5%

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.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Line 25 – Change in Methods

The valuation software used to produce the actuarial information submitted on this schedule has been changed and such modification may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

The Hillshire Brands Company
The Hillshire Brands Company Salaried Pension Plan
EIN: 36-2089049; PN: 001
Schedule SB, Line 24 – Change in Actuarial Assumptions

The non-prescribed actuarial assumptions were reviewed against current methodologies; the plan's assumption for expenses included in target normal cost has been modified to better reflect anticipated experience.