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Stock Ownership

Employees Share In Company

Two different programs now allow Adams-Millis employees to obtain shares of Sara Lee Corporation stock, providing a retirement benefit as well as giving participating employees an opportunity to share in the growth of Sara Lee.

The Employee Stock Ownership Plan has been extended to more than 40,000 Sara Lee employees and involves some

\$350 million of convertible preferred stock.

The Sara Lee Stock Purchase Plan allows employees to purchase shares of Sara Lee stock at a discount.

According to John H. Bryan, Jr., chairman and chief executive officer of Sara Lee, the ESOP plan will place up to an additional six percent of Sara Lee ownership in the hands of

employees. "We believe this will enhance productivity and, in the long run, allow employees to benefit from Sara Lee's future performance," Bryan said.

Eligible full-time and part-time employees participate in the ESOP automatically on either January 1 or July 1 after completing a year of service with the company or reached age 21.

The amount of convertible preferred stock deposited in an employee's account is based on eligible pay on December 31 of that year.

Share deposited for the year will be worth at least 1.75 percent of an employee's eligible pay for that year. For example, if the eligible pay is \$10,000, the employee would receive 2.9 shares with a value of \$175. If eligible pay is \$20,000, 5.8 shares valued at \$350 would go into the account. At \$30,000 eligible pay 8.8 shares valued at \$525 would be deposited.

These examples are based on a share being valued at \$60.

Eligible pay includes salary and wages, eligible commissions, lump-sum payments of wages, overtime, bonuses and shift differentials.

The stock in the ESOP program is convertible preferred stock that isn't publicly traded like the company's common stock. This stock has a guaranteed minimum value.

Unlike the company's common stock, dividends on this stock will be fixed and will be higher than the current dividend paid on the company's common stock.

An employee becomes vested after completing five years service with the company and is entitled to receive the full value of his ESOP account if he should leave the company. The full value of the account also will be paid if an employee retires, becomes totally disabled or dies, regardless of time of service.

Following the end of each year, each participating employee will receive a statement of his ESOP account which will show its opening balance, number of shares deposited in the account in the previous year, shares deposited based on dividends paid on stock in your account, forfeitures reallocated to your account and the ending balance in the account.

In the Stock Purchase Plan, Adams-Millis employees can participate through a payroll deduction program with a minimum deduction of \$5 per week and a maximum deduction of 20 percent of the employee's basic compensation.

To be eligible an employee must work more than 20 hours each week and at least five months each calendar year.

"Once every three months — on the first Monday of each February, May, August and November — the amounts deducted from your paychecks are used to purchase the Sara Lee stock at

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Robert M. Bundy Jr.

Bundy Named A-M CEO

Robert M. Bundy, Jr., has been named chief executive officer of Adams-Millis Corporation. He had served as president of the company since 1975.

Bundy, a High Point native, will report to Keith L. Alm, Sara Lee Corporation vice president.

"We are pleased that Bob has agreed to broaden his leadership role at Adams-Millis," Alm said. "His experience is vital to the continued development of our sock business. Sara Lee is excited about the potential for the socks business and see it as a major growth category for our corporation."



Lots Of Products

Tammy Sizemore, Manager of the Employee Store at Plant 3, displays a wide variety of products available to employees. Not only hosiery products, but also knit products from Hanes as well as Fuller Brush products are available at all employee stores. The Mount Airy Employee Store recently was opened with the extended product line. The High Point Outlet Store, which is open to the public, is undergoing renovation and will be reopened in the near future.

85 Earn Safety Awards

Eighty-five Adams-Millis supervisors earned safety awards for completing 1988 operations without a lost-time injury in their departments.

They included: Plant 1 — Randy Stone, Jimmy Carrick, Phillis Hutto and Jimmy Michael; Plant 2 — Craig Dickens and Clifford Inman; Plant 3 — Coy Bolick, Ann Hoover, Danny Jones, Faye Lawson, Doug Shelley, Joe Rivers, Buddy Taylor, Louise Hester, Becky Lewis, Jeff Martin, Mae Nelson, Gail Warren, Billie Stack and Jim Woollen.

Also, Plant 4 — Jeanette Surface, Jane Reynolds, Mike Smith, Henry Smith and Glenn

Hawkins; Plant 6 — Bill Finch, Steward Dulla, Geneva Fowler, Betty Bobbitt, V.J. Huffman, Bruce Jordan, Marie Bolick and Joel Edwards; Plant 7 — Austin Hutto, Evelyn Cox, Claude Eddinger and Ester Lowe; Plant 66 — Greg Trollinger.

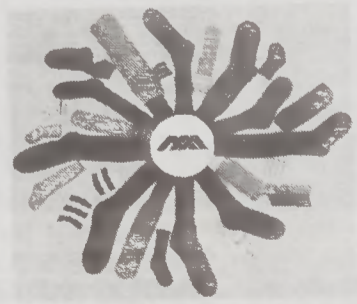
Also, Plant 8 — Mary Fowler, Edward Dickerson, Pat Young, Jeanette Patterson, Clyde Miller and Renee Musselwhite; Plant 10 — Tommy Bennett, Bobby Dills and Gail Hogan; Plant 11 — James Goad, Sally Utt, Harold Moorefield, Tim Beasley, Betty Jo Hooker, Steve Marsh, Hassie Berrier and Everett Hawks; Plant 70 — Ernie Kearns.

Also, Drexel Knitting — Billie

Robinson, Frank Bennett, Clell Mull, Margie Newton and Ron Cabaniss; Silver Knit Industries — Peter Frandsen, Duane Carrick, Rex Mason and Niven Davis; Influential-Mebane — Steven Weatherford.

Also, Influential-High Point — John Roland, Harvey Cecil, Richard Owens, Charles Porter, Bobby Duncan, Martha Milliken, Edith Vickers and J.C. Varner; Thomasville Warehouse — Pam Rabon, Robert Stone, Greta Embry, Cedric Jones, Elizabeth-Bingham, Terry Boles, Sammy Rabon and Jerry Broadie; Wrangler — Charles Morgan, Charles Byrd and Bob Johnson.

ADAMS-MILLIS CORPORATION



EMPLOYEE HANDBOOK

A new Adams-Millis Employee Handbook has been completed and will be distributed to all employees soon. The book includes information about company policies and procedures.