UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):
January 31, 2008

UNIFI, INC.

(Exact name of registrant as specified in its charter)

New York	1-10542	11-2165495
(State of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

7201 West Friendly Avenue
Greensboro, North Carolina 27410
(Address of principal executive offices, including zip code)

(336) 294-4410
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On January 31, 2008, Unifi, Inc. (the "Registrant") issued a press release announcing its operating results for its second fiscal quarter ended December 23, 2007, which press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

ITEM 7.01. REGULATION FD DISCLOSURE.

On January 31, 2008, the Registrant will host a conference call to discuss financial results for its second fiscal quarter. The slide package prepared for use by executive management for this presentation is attached hereto as Exhibit 99.2. All of the information in the presentation is presented as of January 31, 2008, and the Registrant does not assume any obligation to update such information in the future.

The information included in the preceding paragraph, as well as the exhibit referenced therein, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended.

ITEM 8.01. OTHER EVENTS

On January 31, 2008, the Registrant issued a press release announcing its operating results for its second fiscal quarter ended December 23, 2007, which press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
99.1	Press Release dated January 31, 2008 with respect to the Registrant's financial results for its second fiscal quarter ended December 23, 2007
99.2	Slide Package prepared for use on January 31, 2008 in connection with the Registrant's second fiscal quarter earnings conference call to be held on January 31, 2008

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNIFI, INC.

By: /s/ Charles F. McCoy
Charles F. McCoy
Vice President, Secretary and General Counsel

Dated: January 31, 2008

INDEX TO EXHIBITS

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Exhibit 99.1

For more information, contact:
Ronald L. Smith
Vice President
Chief Financial Officer
(336) 316-5545

Unifi Announces Second Quarter Results

GREENSBORO, N.C. – January 31, 2008 – Unifi, Inc. (NYSE:UFI) today released operating results for its second quarter ended December 23, 2007.

Net income for the current quarter, including discontinued operations, was a net loss of $7.7 million or $0.13 per share compared to a net loss of $18.2 million or $0.35 per share for the prior December quarter. Net income for the current quarter was negatively impacted on a pre-tax basis by $5.9 million in restructuring and severance charges and a $2.2 million impairment charge to adjust the carrying value of the Company's assets resulting from the consolidation of production into larger, more efficient facilities.

Net sales from continuing operations for the current December quarter were $183.4 million, inclusive of net sales as a result of the Dillon acquisition in January 2007, compared to net sales of $156.9 million for the prior year December quarter.

"Unifi continues to see improvement in the operating results of its underlying business since the prior year December quarter," said Ron Smith, Chief Financial Officer for Unifi. "The continuing improvement in our operating results reflects the positive impact of our strategies to consolidate the U.S. market and to reposition the Company in the commodity partially oriented yarn market. Volume in the current quarter stayed stronger than anticipated, despite retail performance and pressure from significant unexpected increases in raw material prices. These raw material increases were related to temporary issues within the global supply chain, and we expect prices to remain stable throughout the March quarter."

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Net income for the first half of fiscal 2008, including discontinued operations, was a net loss of $16.9 million or $0.28 per share compared to a net loss of $28.3 million or $0.54 per share for the prior year period. Net sales from continuing operations for the first half of fiscal 2008 were $353.9 million compared to net sales of $326.8 million for the prior year period.

Cash-on-hand at the end of the December quarter was $25.8 million, down from the $33.9 million cash-on-hand at the end of the September quarter due to our semi-annual interest payment and a $5.0 million reduction in borrowings under the revolver. Total cash and cash equivalents at the end of December, including restricted cash, was $44.6 million compared to $44.1 million as of June 2007. Total long-term debt at the end of the December quarter was $223.8 million compared to the $228.5 million in debt as of September 2007 and $234.6 million as of June 2007.

Unifi, Inc. (NYSE: UFI) is a diversified producer and processor of multi-filament polyester and nylon textured yarns and related raw materials. The Company adds value to the supply chain and enhances consumer demand for its products through the development and introduction of branded yarns that provide unique performance, comfort and aesthetic advantages. Key Unifi brands include, but are not limited to: aio® — all-in-one performance yarns, Sorbtek®, A.M.Y.®, Mynx® UV, Repreve®, Reflexx®, MicroVista® and Satura®. Unifi's yarns and brands are readily found in home furnishings, apparel, legwear, and sewing thread, as well as industrial, automotive, military, and medical applications. For more information about Unifi, visit http://www.unifi.com.

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Financial Statements to Follow

UNIFI, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited) (In Thousands Except Per Share Data)

	For the Quarters Ended		For the Six-Months Ended	
	December 23, 2007	December 24, 2006	December 23, 2007	December 24, 2006
Net sales	$ 183,369	$ 156,895	$ 353,905	$ 326,839
Cost of sales	175,049	157,010	334,592	316,393
Selling, general & administrative expenses	12,008	10,388	26,462	21,677
Provision (recovery) for bad debts	(189)	(1,012)	65	598
Interest expense	6,578	6,111	13,290	12,176
Interest income	(754)	(1,066)	(1,580)	(1,510)
Other (income) expense, net	(2,184)	236	(3,190)	(243)
Equity in (earnings) losses of unconsolidated affiliates	21	2,876	(157)	4,825
Restructuring charges	4,205	—	6,837	—
Write down of long-lived assets	2,247	2,002	2,780	3,202
Write down of investment in unconsolidated affiliate	—	—	4,505	—
Loss from continuing operations before income taxes	(13,612)	(19,650)	(29,699)	(30,279)
Benefit from income taxes	(5,757)	(1,590)	(12,688)	(2,139)
Loss from continuing operations	(7,855)	(18,060)	(17,011)	(28,140)
Income (loss) from discontinued operations, net of tax	109	(167)	77	(203)
Net loss	$ (7,746)	$ (18,227)	$ (16,934)	$ (28,343)
Losses per common share (basic and diluted):				
Net loss — continuing operations	$ (0.13)	$ (0.35)	$ (0.28)	$ (0.54)
Net loss — discontinued operations	—	—	—	—
Net loss — basic and diluted	$ (0.13)	$ (0.35)	$ (0.28)	$ (0.54)
Weighted average basic and diluted shares outstanding	60,553	52,198	60,545	52,198

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UNIFI, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited) (Amounts in Thousands)

	December 23, 2007	June 24, 2007
Assets		
Cash and cash equivalents	$ 25,775	$ 40,031
Receivables, net	99,258	93,989
Inventories	121,080	132,282
Deferred income taxes	1,946	9,923
Assets held for sale	3,652	7,880
Restricted cash	18,846	4,036
Other current assets	12,691	11,973
Total current assets	283,248	300,114
Property, plant and equipment	189,444	209,955
Investments in unconsolidated affiliates	79,043	93,170
Intangible assets, net	40,708	42,290
Other noncurrent assets	20,183	20,424
	$ 612,626	$ 665,953
Liabilities and Shareholders' Equity		
Accounts payable	$ 47,099	$ 61,620
Accrued expenses	29,684	28,278
Income taxes payable	704	247
Current maturities of long-term debt and other current liabilities	12,085	11,198
Total current liabilities	89,572	101,343
Long-term debt and other liabilities	227,122	236,149
Deferred income taxes	985	23,507
Shareholders' equity	294,947	304,954
	$ 612,626	$ 665,953

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UNIFI, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited) (Amounts in Thousands)

	For the Six-Months Ended	
	December 23, 2007	December 24, 2006
Cash and cash equivalents at beginning of year	$ 40,031	$ 35,317
Operating activities:		
Net loss	(16,934)	(28,343)
Adjustments to reconcile net loss to net cash provided by (used in) continuing operating activities:		
(Income) loss from discontinued operations	(77)	203
Net (earnings) loss of unconsolidated equity affiliates, net of distributions	303	4,825
Depreciation	18,850	21,449
Amortization	2,324	557
Stock-based compensation	565	1,238
Net (gain) loss on asset sales	(1,413)	241
Non-cash write down of long-lived assets	2,780	3,202
Non-cash write down of investment in unconsolidated affiliate	4,505	—
Non-cash portion of restructuring charges	6,837	—
Deferred income tax	(14,699)	(2,411)
Provision for bad debt	65	598
Other	(568)	20
Change in assets and liabilities, excluding effects of acquisitions and foreign currency adjustments	(8,124)	2,571
Net cash provided by (used in) continuing operating activities	(5,586)	4,150
Investing activities:		
Capital expenditures	(3,827)	(3,341)
Acquisition	—	(393)
Proceeds from sale of equity affiliate	8,750	—
Change in restricted cash	(14,810)	—
Collection of notes receivable	267	734
Proceeds from sale of capital assets	10,560	30
Return of capital from equity affiliates	234	229
Other	—	(528)
Net cash provided by (used in) investing activities	1,174	(3,269)
Financing activities:		
Payments of long-term debt	(11,000)	(290)
Other	(708)	(309)
Net cash used in financing activities	(11,708)	(599)
Cash flows of discontinued operations:		
Operating cash flow	(201)	(50)
Net cash used in discontinued operations	(201)	(50)
Effect of exchange rate changes on cash and cash equivalents	2,065	63
Net increase (decrease) in cash and cash equivalents	(14,256)	295
Cash and cash equivalents at end of period	$ 25,775	$ 35,612

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CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

Certain statements included herein contain forward-looking statements within the meaning of federal security laws about Unifi, Inc.'s (the "Company") financial condition and results of operations that are based on management's current expectations, estimates and projections about the markets in which the Company operates, as well as management's beliefs and assumptions. Words such as "expects," "anticipates," "believes," "estimates," variations of such words and other similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in, or implied by, such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's judgment only as of the date hereof. The Company undertakes no obligation to update publicly any of these forward-looking statements to reflect new information, future events or otherwise.

Factors that may cause actual outcome and results to differ materially from those expressed in, or implied by, these forward-looking statements include, but are not necessarily limited to, availability, sourcing and pricing of raw materials, pressures on sales prices and volumes due to competition and economic conditions, reliance on and financial viability of significant customers, operating performance of joint ventures, alliances and other equity investments, technological advancements, employee relations, changes in construction spending, capital expenditures and long-term investments (including those related to unforeseen acquisition opportunities), continued availability of financial resources through financing arrangements and operations, outcomes of pending or threatened legal proceedings, negotiation of new or modifications of existing contracts for asset management and for property and equipment construction and acquisition, regulations governing tax laws, other governmental and authoritative bodies' policies and legislation, and proceeds received from the sale of assets held for disposal. In addition to these representative factors, forward-looking statements could be impacted by general domestic and international economic and industry conditions in the markets where the Company competes, such as changes in currency exchange rates, interest and inflation rates, recession and other economic and political factors over which the Company has no control. Other risks and uncertainties may be described from time to time in the Company's other reports and filings with the Securities and Exchange Commission.

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Exhibit 99.2

Unifi, Inc.
Second Qtr. Conf. Call
January 31, 2008

Unifi, Inc.

Second Quarter Ended
December 23, 2007

Conference Call

Cautionary Statement

Certain statements included herein contain forward-looking statements, within the meaning of federal security laws, about Unifi, Inc.'s (the "Company") financial condition and results of operations that are based on management's current expectations, estimates and projections about the markets in which the Company operates, as well as management's beliefs and assumptions. Words such as "expects," "anticipates," "believes," "estimates," variations of such words and other similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in, or implied by, such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's judgment only as of the date hereof. The Company undertakes no obligation to update publicly any of these forward-looking statements to reflect new information, future events or otherwise.

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Unifi, Inc.
Second Qtr. Conf. Call
January 31, 2008

Income Statement Highlights

(Amounts in thousands)

	For the Quarters Ended	
	December 2007	December 2006
Total sales from continuing operations	$183,369	$156,895
Loss from continuing operations before income taxes	(13,612)	(19,650)
Loss from continuing operations	(7,855)	(18,060)
Selling, general and administrative expense	12,008	10,388
Interest expense	6,578	6,111
Depreciation and amortization expense	10,470	10,325
Net loss	(7,746)	(18,227)

Income Statement Highlights

(Amounts in thousands)

	For the Six-Months Ended	
	December 2007	December 2006
Total sales from continuing operations	$353,905	$326,839
Loss from continuing operations before income taxes	(29,699)	(30,279)
Loss from continuing operations	(17,011)	(28,140)
Selling, general and administrative expense	26,462	21,677
Interest expense	13,290	12,176
Depreciation and amortization expense	20,593	21,449
Net loss	(16,934)	(28,343)

Balance Sheet Highlights

(Amounts in thousands, except percentages and days in receivables/payables)

	December 2007	September 2007	June 2007	March 2007
Cash	$ 25,775	$ 33,859	$ 40,031	$ 26,780
Restricted Cash	18,846	4,951	4,036	1,000
Short-Term Debt	10,247	10,548	9,345	7,223
Long-Term Debt	223,814	228,500	234,609	240,022
Total Debt	234,061	239,048	243,954	247,245
Equity	294,947	299,244	304,954	373,687
Net Working Capital (1)	$ 174,585	$ 180,516	$ 166,008	$ 176,926
Days in receivable	50.5	47.9	46.2	47.2
Days in payables	23.3	26.9	29.6	27.4

(1) Includes only Accounts Receivable, Inventories and Accounts Payable; excludes discontinued operations

Unifi, Inc.
Second Qtr. Conf. Call
January 31, 2008

Adjusted EBITDA Reconciliation
to Pre-Tax Income

(Amounts in thousands)

	Quarters Ended		Year-to-Date
	September 23, 2007	December 23, 2007	December 23, 2007
Pre-tax loss (loss) from continuing operations	$ (16,087)	$ (13,612)	$ (29,699)
Interest expense, net	5,886	5,824	11,710
Depreciation and amortization expense	10,470	10,123	20,593
Equity in (earnings) losses of unconsolidated affiliates	(178)	21	(157)
Non cash compensation, net of distribution	109	456	565
(Gains) losses on sales of PP&E	(142)	(1,271)	(1,413)
Hedging (gains) losses	(115)	(86)	(201)
Write down of long-lived assets & equity affiliate	5,038	2,247	7,285
Restructuring charges	2,632	4,205	6,837
SG&A severance charges	2,368	1,696	4,064
Kinston shutdown expenses	822	2,498	3,320
Deposit write offs	1,248	—	1,248
Adjusted EBITDA — excluding dividends from equity affiliates	12,051	12,101	24,152
Dividends from equity affiliates	694	—	694
Adjusted EBITDA	$ 12,745	$ 12,101	$ 24,846

Non-GAAP
Financial Measures

Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures designed to complement the financial information presented in accordance with generally accepted accounting principles in the United States of America because management believes such measures are useful to investors.

Adjusted EBITDA

Adjusted EBITDA represents pre-tax income before interest expense, depreciation and amortization expense and loss or income from discontinued operations, adjusted to exclude restructuring charges, equity in earnings and losses of unconsolidated affiliates, impairment write-downs, non-cash compensation expense, gains and losses on sales of property, plant and equipment, hedging gains and losses, deposit write offs and Kinston shutdown costs, and to include cash distributions from equity affiliates. We present Adjusted EBITDA as a supplemental measure of our performance and ability to service debt. We also present Adjusted EBITDA because we believe such measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry and in measuring the ability of “high-yield” issuers to meet debt service obligations.

We believe Adjusted EBITDA is an appropriate supplemental measure of debt service capacity, because cash expenditures on interest are, by definition, available to pay interest, and tax expense is inversely correlated to interest expense because tax expense goes down as deductible interest expense goes up; depreciation and amortization are non-cash charges. Equity in earnings and losses of unconsolidated affiliates is excluded because such earnings or losses do not have an impact on our ability to service our debt. Similarly, we include actual cash distributions from equity affiliates because such cash is available to service our debt. The other items excluded from Adjusted EBITDA are excluded in order to better reflect our continuing operations.

In evaluating Adjusted EBITDA, you should be aware that in the future we may incur expenses similar to the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Adjusted EBITDA is not a measurement of our financial performance under GAAP and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with GAAP or as an alternative to cash flow from operating activities as a measure of our liquidity.

Non-GAAP
Financial Measures — Continued

Our Adjusted EBITDA measure has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- it does not reflect our cash expenditures, future requirements for capital expenditures or contractual commitments;
- it does not reflect changes in, or cash requirements for, our working capital needs;
- it does not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on our debt;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and our Adjusted EBITDA measure does not reflect any cash requirements for such replacements;
- it is not adjusted for all non-cash income or expense items that are reflected in our statements of cash flows;
- it does not reflect the impact of earnings or charges resulting from matters we consider not be indicative of our ongoing operations;
- it does not reflect limitations on or costs related to transferring earnings from our subsidiaries to us; and
- other companies in our industry may calculate this measure differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in the growth of our business or as a measure of cash that will be available to us to meet our obligations, including those under the notes. You should compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA only supplementally.