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):
August 1, 2007

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 August 2, 2007, Unifi, Inc. (the “Registrant”) issued a press release announcing its operating results for its fourth fiscal quarter and full fiscal year ended June 24, 2007, which press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

ITEM 2.05. COSTS ASSOCIATED WITH EXIT OR DISPOSAL ACTIVITIES.

On August 2, 2007, the Registrant also issued a press release announcing that it will close its Kinston, North Carolina facility (the “Kinston Facility”), which press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference. In connection with the closure of the Kinston Facility, management has committed to a plan of termination that involves the termination of approximately 260 employees. The timing of the terminations will coincide with the scheduled closure of the Kinston Facility, which is expected to occur not later than December 2007. Management estimates that the aggregate charge associated with the closure will be between $1.2 million and $1.5 million, which represents the Registrant’s future cash expenditure for severance payments.

ITEM 7.01. REGULATION FD DISCLOSURE.

On August 2, 2007, the Registrant will host a conference call to discuss financial results for its fourth fiscal quarter and full fiscal year ended June 24, 2007. The slide package prepared for use by executive management for this presentation is attached hereto as Exhibit 99.3. All of the information in the presentation is presented as of August 2, 2007, and Unifi 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 August 1, 2007, the Registrant issued a press release announcing the termination of Brian R. Parke, its Chairman, President and Chief Executive Offer, the appointment of Steven Wener as its new Chairman and “acting” Chief Executive Officer and the resignation of six members of its Board of Directors, including Mr. Parke, which press release is attached hereto as Exhibit 99.4 and is incorporated herein by reference. The Registrant will issue a subsequent Form 8-K with further disclosure related to this matter within the required time period.

On August 2, 2007, the Registrant issued a press release announcing its operating results for its fourth fiscal quarter and full fiscal year ended June 24, 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 August 2, 2007 with respect to the Registrant's financial results for its fourth fiscal quarter and full fiscal year ended June 24, 2007
99.2	Press Release dated August 2, 2007 with respect to the Registrant's closure of its Kinston, North Carolina facility
99.3	Slide Package prepared for use in connection with the Registrant's fourth fiscal quarter and full fiscal year earnings conference call to be held on August 2, 2007
99.4	Press Release dated August 1, 2007 with respect to termination of the Registrant's Chairman, President and Chief Executive Officer, appointment of new Chairman and director resignations.

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: August 2, 2007

INDEX TO EXHIBITS

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99.3	Slide Package prepared for use in connection with the Registrant’s fourth fiscal quarter and full fiscal year earnings conference call to be held on August 2, 2007
99.4	Press Release dated August 1, 2007 with respect to termination of the Registrant’s Chairman, President and Chief Executive Officer, appointment of new Chairman and director resignations.

Exhibit 99.1

For more information, contact:
William M. Lowe, Jr.
Vice President
Chief Operating Officer
Chief Financial Officer
(336) 316-5664

Unifi Announces Fourth Quarter Results

GREENSBORO, N.C. — August 2, 2007 — Unifi, Inc. (NYSE:UFI) today released operating results for its fourth quarter and fiscal year ended June 24, 2007.

Net income for the current quarter, including discontinued operations, was a net loss of $72.3 million or $1.19 per share compared a net loss of $5.4 million or $0.10 per share for the prior year June quarter. Net income for the current quarter was negatively impacted by a pre-tax impairment charge of $84.7 million to adjust the carrying value of the Company's ownership interest in Parkdale America, LLC, as well as $4.3 million in pre-tax bad debt charges. Net income from continuing operations for the current quarter was a net loss of $73.3 million or $1.21 per share compared to a net loss of $5.2 million or $0.10 per share for the prior year June quarter.

Net income for the 2007 fiscal year, including discontinued operations, was a net loss of $113.1 million or $2.01 per share compared to a net loss of $14.4 million or $0.28 per share for the 2006 fiscal year. Net income from continuing operations for the 2007 fiscal year was a net loss of $114.6 million or $2.04 per share compared to a net loss of $14.7 million or $0.28 per share for the 2006 fiscal year.

"Fiscal 2007 presented many challenges for us, primarily in the area of ever increasing and fluctuating raw material prices, said William Lowe, Chief Operating Officer and Chief Financial Officer for Unifi. "Nevertheless, we successfully integrated our most recent acquisition in Dillon, South Carolina, increased our cash position, consummated several asset sales, and have positioned the Company to make its next step toward creating shareholder value by closing our Kinston facility and resourcing a certain quantity of our commodity partially oriented yarn versus manufacturing it at that facility. This will reduce our operating costs and provide flexibility in our texturing operations in the future."

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Net sales from continuing operations for the current June quarter of $185.3 million were up $2.1 million or 1.1 percent compared to net sales of $183.2 million for the prior year June quarter. Net sales of $690.3 million for the 2007 fiscal year represent a decrease of $48.4 million, or 6.6 percent, compared to net sales of $738.7 million for the 2006 fiscal year. Net sales of $363.5 million in the second half of the 2007 fiscal year were essentially unchanged from the $364.5 million in the second half of fiscal 2006, reversing the volume shortfalls experienced in the first half of the current fiscal year that resulted from soft retail demand and inventory adjustments throughout the supply chain.

Cash-on-hand at the end of the current June quarter was $40.0 million, which is up from the $26.8 million at the end of the March quarter. Included in the current cash balance is a $6.1 million dividend received from the Company's equity affiliate partner Parkdale America. Total debt at the end of the current June quarter was $244.0 million, which is a decrease of $3.2 million over the $247.2 million at the end of the March quarter.

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) (Amounts in Thousands Except Per Share Data)

	For the Quarters Ended		For the Fiscal Years Ended	
	June 24, 2007	June 25, 2006	June 24, 2007	June 25, 2006
Net sales	$ 185,267	$ 183,189	$ 690,308	$ 738,665
Cost of sales	172,812	171,348	652,743	696,055
Selling, general & administrative expenses	12,032	10,402	44,886	41,534
Provision (recovery) for bad debts	4,302	(93)	7,174	1,256
Interest expense	6,732	5,203	25,518	19,266
Interest income	(970)	(1,308)	(3,187)	(6,320)
Other (income) expense, net	129	(187)	(2,576)	(1,466)
Equity in (earnings) losses of unconsolidated affiliates	(181)	453	4,292	(825)
Write down of long-lived assets	659	51	16,731	2,366
Write down of investment in equity affiliate	84,742	—	84,742	—
Restructuring recoveries	(157)	(283)	(157)	(254)
Loss on early extinguishment of debt	—	2,949	—	2,949
Loss from continuing operations before income taxes	(94,833)	(5,346)	(139,858)	(15,896)
Benefit from income taxes	(21,546)	(147)	(25,294)	(1,170)
Loss from continuing operations	(73,287)	(5,199)	(114,564)	(14,726)
Income (loss) from discontinued operations, net of tax	1,002	(196)	1,465	360
Net loss	$ (72,285)	$ (5,395)	$ (113,099)	$ (14,366)
Earnings (losses) per common share (basic and diluted):				
Net loss — continuing operations	$ (1.21)	$ (0.10)	$ (2.04)	$ (0.28)
Net income — discontinued operations	0.02	—	0.03	—
Net loss — basic and diluted	$ (1.19)	$ (0.10)	$ (2.01)	$ (0.28)
Weighted average basic and diluted shares outstanding	60,537	52,190	56,184	52,155

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

	June 24, 2007	June 25, 2006
Assets		
Cash and cash equivalents	$ 40,031	$ 35,317
Receivables, net	93,989	93,236
Inventories	124,127	116,018
Deferred income taxes	16,261	11,739
Assets held for sale	7,880	17,418
Restricted cash	4,036	—
Other current assets	11,973	9,229
Total current assets	298,297	282,957
Property, plant and equipment	209,955	237,697
Investments in unconsolidated affiliates	93,170	190,217
Intangible assets, net	42,290	—
Other noncurrent assets	20,424	21,766
	$ 664,136	$ 732,637
Liabilities and Shareholders' Equity		
Accounts payable	$ 64,405	$ 68,916
Accrued expenses	25,493	23,869
Income taxes payable	247	2,303
Current maturities of long-term debt and other current liabilities	11,198	6,330
Total current liabilities	101,343	101,418
Long-term debt and other liabilities	236,149	202,405
Deferred income taxes	23,507	45,861
Shareholders' equity	303,137	382,953
	$ 664,136	$ 732,637

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

	For the Fiscal Years Ended	
	June 24, 2007	June 25, 2006
Cash and cash equivalents at beginning of year	$ 35,317	$ 105,621
Operating activities:		
Net loss	(113,099)	(14,366)
Adjustments to reconcile net loss to net cash provided by continuing operating activities:		
Income from discontinued operations	(1,465)	(360)
Net (earnings) loss of unconsolidated equity affiliates, net of distributions	7,029	1,945
Depreciation	41,594	48,669
Amortization	3,264	1,276
Stock-based compensation expense	1,692	676
Net gain on asset sales	(1,225)	(1,755)
Non-cash portion of loss on extinguishment of debt	—	1,793
Non-cash write down of long-lived assets	16,731	2,366
Non-cash write-down of investment in equity affiliate	84,742	—
Non-cash portion of restructuring recoveries	(157)	(254)
Deferred income tax	(27,301)	(7,776)
Provision for bad debts	7,174	1,256
Other	(867)	(474)
Change in assets and liabilities, excluding effects of acquisitions and foreign currency adjustments	(7,492)	(4,492)
Net cash provided by continuing operating activities	10,620	28,504
Investing activities:		
Capital expenditures	(7,840)	(11,988)
Acquisitions	(43,165)	(30,634)
Investment in foreign restricted assets	—	171
Collection of notes receivable	1,266	404
Change in restricted cash	(4,036)	2,766
Proceeds from sale of capital assets	5,099	10,093
Return of capital from equity affiliates	3,630	—
Net proceeds from split dollar life insurance surrenders	1,757	1,806
Split dollar life insurance premiums	(217)	(217)
Other	—	(42)
Net cash used in investing activities	(43,506)	(27,641)
Financing activities:		
Payments of long-term debt	(97,000)	(273,134)
Borrowings of long-term debt	133,000	190,000
Debt issuance costs	—	(8,041)
Other	(134)	1,001
Net cash provided by (used in) financing activities	35,866	(90,174)
Cash flows of discontinued operations:		
Operating cash flow	277	(3,342)
Investing cash flow	—	22,028
Net cash provided by discontinued operations	277	18,686
Effect of exchange rate changes on cash and cash equivalents	1,457	321
Net increase (decrease) in cash and cash equivalents	4,714	(70,304)
Cash and cash equivalents at end of year	$ 40,031	$ 35,317

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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

For more information, contact:
William M. Lowe, Jr.
Vice President
Chief Operating Officer
Chief Financial Officer
(336) 316-5664

Unifi Announces Closure of Kinston, N.C. Facility

GREENSBORO, N.C. — August 2, 2007 — Unifi, Inc. (NYSE:UFI), today announced that it will close its Kinston, North Carolina facility.

The Kinston facility produces partially orientated yarn (“POY”) for internal consumption and third party sales. In the future, the Company will purchase its commodity POY needs from external suppliers for conversion in its texturing operations. The Company will continue to produce POY at its Yadkinville, North Carolina facility for its specialty and premium value yarns and certain commodity yarns. Approximately 260 employees will be affected by the closure of the Kinston facility.

“We acquired Kinston in September 2004, which allowed us to remove excess manufacturing capacity of POY and to substantially lower our production costs. The acquisition has returned excellent value for Unifi over the past three years, however continued foreign competition requires that we continue to evolve our business to not only compete, but add value to the business, said William Lowe, Chief Operating Officer and Chief Financial Officer. “While complicated to execute, it comes down to a simple make-versus-buy decision. In addition to the savings expected from this decision, we gain needed flexibility in our texturing operations. Over the last 9 months, Kinston’s inability to operate below a certain minimum has put undue pressure on our texturing operations,” continued Lowe.

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The Company expects that it will take four to five months to transition from producing POY at Kinston and completing the supply chain logistics enabling a complete shut-down by the end of the calendar year. Annual savings from the closure are expected to be approximately $12 million. First year savings will be offset by closure costs and will be approximately $2-3 million. The Company further expects that once completed it will be able to reduce its working capital through inventory reductions by approximately $11-13 million.

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.

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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Unifi, Inc.

Fourth Quarter Ended June 24, 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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Income Statement Highlights

(Amounts in thousands)

	For the Quarters Ended	
	June 2007	June 2006
Total sales from continuing operations	$ 185,267	$ 183,189
Loss from continuing operations before income taxes	(94,833)	(5,346)
Loss from continuing operations	(73,287)	(5,199)
Selling, general and administrative expense	12,032	10,402
Interest expense	6,732	5,203
Depreciation expense	9,893	11,758
Net loss	(72,285)	(5,395)

Income Statement Highlights

(Amounts in thousands)

	For the Fiscal Years Ended	
	June 2007	June 2006
Total sales from continuing operations	$ 690,308	$ 738,665
Loss from continuing operations before income taxes	(139,858)	(15,896)
Loss from continuing operations	(114,564)	(14,726)
Selling, general and administrative expense	44,886	41,534
Interest expense	25,518	19,266
Depreciation expense	41,594	48,669
Net loss	(113,099)	(14,366)

Balance Sheet Highlights

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

	June 2007	March 2007	December 2006	June 2006
Cash	$ 40,031	$ 26,780	$ 35,612	$ 35,317
Short-Term Debt	$ 9,345	$ 7,223	$ 6,236	$ 4,626
Long-Term Debt	234,609	240,022	199,912	199,421
Total Debt	$243,954	$247,245	$ 206,148	$204,047
Equity	$303,137	$369,962	$ 358,243	$382,953
Net Working Capital (1)	$155,068	$169,915	$ 133,688	$141,586
Days in receivable	46.2	47.2	40.9	46.0
Days in payables	31.0	27.8	31.2	33.4

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

Unifi, Inc.
Fourth Qtr. Conf. Call
August 2, 2007

EBITDA Reconciliation to Pre-Tax Income

(Amounts in thousands)

	Quarters Ended				Year-to-Date
	September 2006	December 2006	March 25, 2007	June 24, 2007	June 24, 2007
Pre-tax loss from continuing operations	$ (12,150)	$ (16,915)	$ (15,960)	$ (94,833)	$ (139,858)
Interest expense, net	5,621	5,045	5,903	5,762	22,331
Depreciation and amortization expense	11,124	10,325	11,374	10,901	43,724
Equity in (earnings) losses of unconsolidated affiliates	1,949	2,876	(352)	(181)	4,292
Cash distributions from equity affiliates	229	—	—	6,138	6,367
Non cash compensation, net of distributions	2,128	609	236	259	3,232
Write down of long-lived assets	1,200	2,002	12,870	659	16,731
Write down of investment in equity affiliates	—	—	—	84,742	84,742
Gains/losses on sales of PP&E	240	1	(1,834)	368	(1,225)
Hedging (gains) losses	44	(96)	(18)	(41)	(111)
Restructuring recovery	—	—	—	(157)	(157)
Customer bankruptcy charges	—	—	3,533	3,483	7,016
Medical reserve charge	—	—	—	864	864
EBITDA	$ 10,385	$ 3,847	$ 15,752	$ 17,964	$ 47,948

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.

EBITDA

EBITDA represents pre-tax income before interest expense, depreciation and amortization expense and loss or income from discontinued operations, adjusted to exclude restructuring recoveries, 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, customer bankruptcy related charges and medical reserve charges, and to include cash distributions from equity affiliates. We present EBITDA as a supplemental measure of our performance and ability to service debt. We also present 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 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 EBITDA are excluded in order to better reflect our continuing operations.

In evaluating EBITDA, you should be aware that in the future we may incur expenses similar to the adjustments in this presentation. Our presentation of EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. 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 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 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, 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 EBITDA only supplementally.

Exhibit 99.4

For more information, contact:
William M. Lowe, Jr.
Vice President
Chief Operating Officer
Chief Financial Officer
(336) 316-5664

Appointment of New Chairman and "Acting" C.E.O.

GREENSBORO, N.C. — August 1, 2007 — Unifi, Inc. (NYSE:UFI) today announced that at a meeting of its Board of Directors earlier in the day, the Board terminated Brian R. Parke as the Chairman, President and Chief Executive Officer of the Company effective immediately. Mr. Parke had been President of the Company since 1999, Chief Executive Officer since 2000 and Chairman since 2004. Mr. Parke has agreed to continue to serve as the Vice Chairman of the Company's Chinese joint venture, Yihua Unifi Fibre Industry Company Limited.

The Company also announced that the Board appointed Stephen Wener as the Company's new Chairman and "acting" Chief Executive Officer. Mr. Wener has served as the President and Chief Executive Officer of Dillon Yarn Corporation since 1980. The Dillon polyester and nylon texturing operations were purchased by the Company in January 2007. Mr. Wener was appointed a Director of the Company by the Board of Directors in May 2007. The Company will immediately begin a search to find a permanent Chief Executive Officer.

The Company also announced that after today's Board meeting Mr. Parke, Mr. R. Wiley Bourne, Mr. Charles R. Carter, Ms. Sue W. Cole, Mr. J.B. Davis, and Mr. Donald F. Orr resigned as members of the Company's Board of Directors effective immediately. After these resignations, the Board of Directors consists of Mr. Wener, Mr. William J. Armfield, IV., Mr. Anthony Loo, Mr. Kenneth G. Langone and Mr. William M. Sams.

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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.

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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