

Unifi, Inc.
Fourth Qtr. Conf. Call
July 28, 2005



**Fourth Quarter Ended
June 26, 2005**

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, management's beliefs and assumptions made by management. 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, the continuation and magnitude of the Company's common stock repurchase program 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.

Income Statement Highlights

(in thousands \$)

	Fourth Quarter	
	2005	2004
	<hr/>	<hr/>
Total sales from continuing operations	\$203,151	\$174,774
Pre-tax loss from continuing operations	(21,882)	(8,410)
Selling, general and administrative expense	11,905	10,023
Interest expense	5,361	4,431
Depreciation expense	13,897	12,367

YTD Income Statement Highlights

(in thousands \$)

For the Year to Date Periods Ended

June 26,
2005

June 27,
2004

Total sales from continuing operations	\$799,446	\$667,837
Pre-tax loss from continuing operations	(34,853)	(70,062)
Selling, general and administrative expense	43,157	46,333
Interest expense	20,575	18,698
Depreciation expense	51,542	56,522

Balance Sheet Highlights

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

	June 26, 2005	Mar. 27 2005	Dec. 26 2004	June 27, 2004
Cash (3)	\$ 105,621	\$ 55,449	\$ 52,951	\$ 65,221
Short-Term Debt (4)	\$ 33,646	\$ 8,101	\$ 7,394	\$ 6,719
Long-Term Debt	255,428	280,085	282,077	258,234
Total Debt	\$ 289,074	\$ 288,186	\$ 289,471	\$ 264,953
Minority Interests	\$ 182	\$ 4,076	\$ 4,024	\$ 4,560
Equity	\$ 383,575	\$ 380,802	\$ 383,188	\$ 401,901
Net Working Capital (1)	\$ 154,301	\$ 207,574	\$ 201,879	\$ 143,859
Days in receivable (2)	45.9	54.2	51.5	60.7
Days in payables	26.5	26.2	29.8	37.2

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

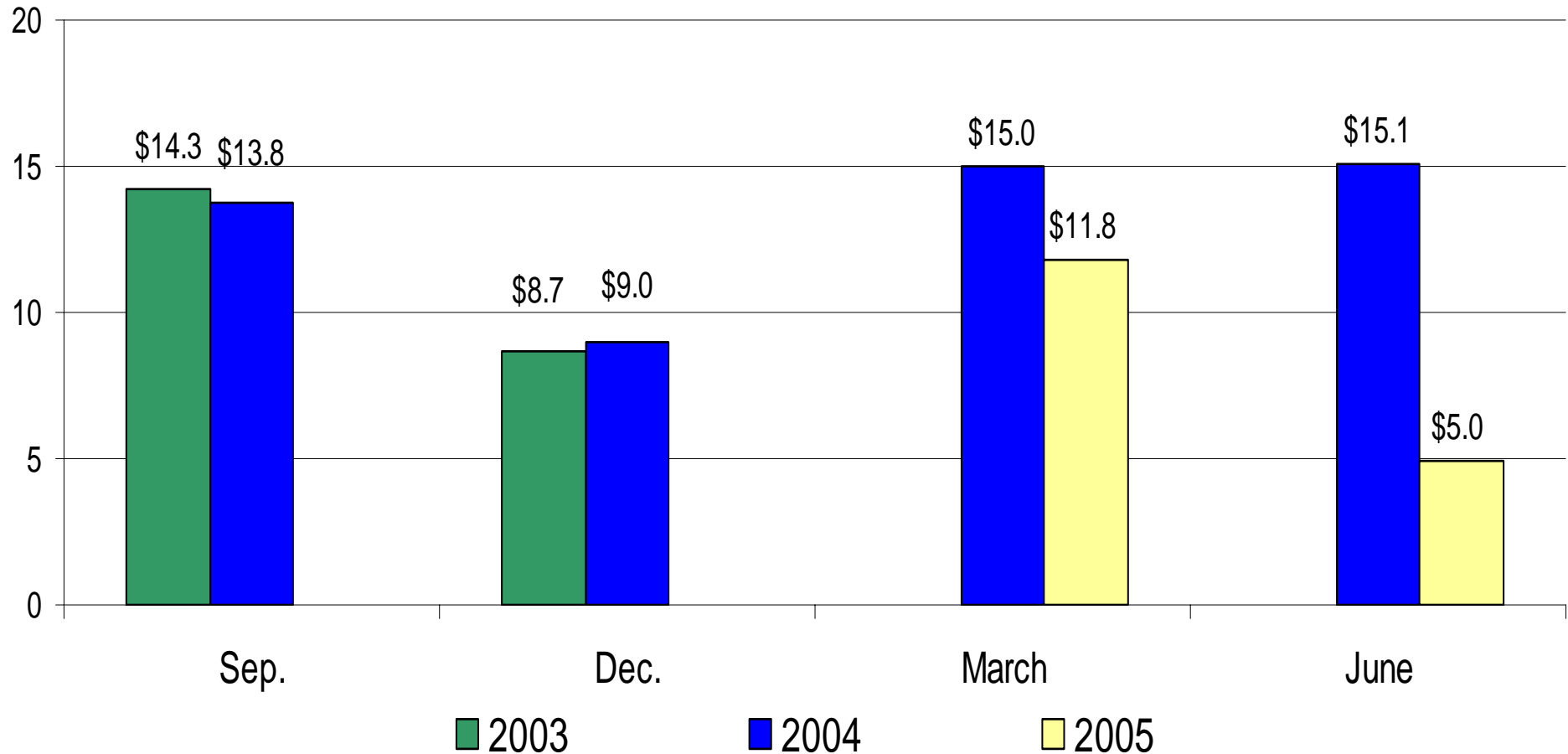
(2) Sales annualized based on run rate for Kinston and SL Branded Apparel acquisitions

(3) Restricted cash of \$2,766 in March 2005 and June 2005

(4) Long-term debt reclass of \$24,407 to short-term debt

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) [1]

(in million's \$)



1 - Defined as net income before interest, taxes, depreciation and amortization, excluding equity affiliate income or loss, restructuring expenses and other special items

Reflects continuing operations only

EBITDA Reconciliation to Pre-Tax Income

(in thousands \$)

	<u>Sep-03</u>	<u>Sep-04</u>	<u>Dec-03</u>	<u>Dec-04</u>	<u>Mar-04</u>	<u>Mar-05</u>	<u>Jun-04</u>	<u>Jun-05</u>
Pre-tax loss [1]	\$ (4,086)	\$ (2,265)	\$ (11,035)	\$ (7,772)	\$ (46,531)	\$ (2,935)	\$ (8,410)	\$ (21,882)
Interest expense	4,739	4,665	4,787	5,293	4,740	5,256	4,431	5,361
Depr. & amort. expense	14,773	12,675	15,040	12,443	14,342	12,527	12,367	13,897
Income/loss from								
equity affiliates	(257)	(1,154)	146	(711)	6,507	(4,456)	481	(615)
Gain on sale of fixed asset	-	-	-	-	(4,049)	-	-	-
Minority interest	(955)	(188)	(1,122)	(309)	(4,755)	53	401	(86)
Restructuring charges	-	-	800	-	6,017	-	5,624	(341)
Impairment write-downs	-	-	-	-	38,702	-	-	603
Arbitration costs	-	-	-	-	-	-	179	-
Extraordinary gain	-	-	-	-	-	1,342	-	(185)
Non cash compensation	43	36	67	13	61	16	21	16
C&A bad debt	-	-	-	-	-	-	-	8,184
Adjusted EBITDA	<u>\$ 14,257</u>	<u>\$ 13,769</u>	<u>\$ 8,683</u>	<u>\$ 8,957</u>	<u>\$ 15,034</u>	<u>\$ 11,803</u>	<u>\$ 15,094</u>	<u>\$ 4,952</u>

1 - Continuing operations only