

Unifi Inc Logo

Unifi Enters into Agreement to Acquire the Dyed Yarn Business and Assets of National Spinning Co., Inc.

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Expanded dyed yarn portfolio and innovative capabilities offer solid growth opportunity and more sourcing flexibility for customers

GREENSBORO, N.C., April 12, 2018 /PRNewswire/ -- Unifi, Inc. (NYSE: UFI), one of the world's leading innovators in synthetic and recycled yarns, today announced that its domestic operating subsidiary, Unifi Manufacturing, Inc., has entered into an agreement to acquire the dyed yarn business and assets of National Spinning Co., Inc. The acquisition is expected to enhance Unifi's position as a leading producer of dyed staple and filament yarn in the region, and will add acrylic and wool products to the Company's dyed yarn portfolio. The companies expect the transaction to close in May 2018, subject to typical closing conditions.



"This acquisition will better position Unifi for growth in key market segments such as sweaters, hosiery and apparel, as our expanded dyed yarn portfolio will help strengthen our relationship with existing customers and brings opportunities to attract new customers as we become an even greater solutions provider," said Tom Caudle, President and COO of Unifi. "Additionally, our customers continue to focus on shortening product development and production lead times, and thus we expect that these new capabilities will allow us to provide flexible and responsive dyed yarn solutions to meet this demand. Expanding our product portfolio will also bring additional innovation to the dyed yarn supply chain, and will provide more sourcing flexibility for customers while assuring continued capability and expertise."

Unifi intends to transition the dyed yarn business from National Spinning's facility in Burlington, N.C., to Unifi's state-of-the-art dye house in Reidsville, N.C. Once completed, Unifi expects its Reidsville dye house to operate on a seven-day schedule, allowing the Company to deliver on quick lead times and enhance responsiveness to customer needs. To help make the acquisition as seamless as possible, key National Spinning sales, technical and operations personnel will join Unifi as employees, and the Company will also extend employment offers to other members of National Spinning's skilled workforce.

"We believe this transaction best serves the long-term interests of both our employees and our customers," said Jim Booterbaugh, President and COO of National Spinning. "Customers will receive world-class innovation and technical support from Unifi, and employees that join Unifi will benefit from the career opportunities provided by a larger portfolio of products, services and solutions."

About Unifi:

Unifi, Inc. (NYSE:UFI) is a global textile solutions provider and one of the world's leading innovators in manufacturing synthetic and recycled performance fibers. Unifi's proprietary technologies offer increased performance, comfort and style advantages, enabling customers to develop products that perform, look and feel better. Through REPVEVE®, one of Unifi's proprietary technologies and the global leader in branded recycled performance fibers, Unifi has transformed more than 10 billion plastic bottles into recycled fiber for new clothing, shoes, home goods and other consumer products. Unifi continually innovates to meet consumer needs in moisture management, thermal regulation, antimicrobial, UV protection, stretch, water repellency, enhanced softness and dyed yarns with leading products such as Sorbtek®, XS™ Cross Section technology and Cotton-like™ technology. Unifi collaborates with many of the world's most influential brands in the sports apparel, fashion, home, automotive and other industries. For more information about Unifi, visit www.Unifi.com.

REPVEVE® and Sorbtek® are registered trademarks of Unifi, Inc.

Cautionary Statement on Forward-Looking Statements

Certain statements included herein contain forward-looking statements within the meaning of federal securities laws that are based on UNIFI management's beliefs, assumptions and expectations about our future economic performance, considering the information currently available to management. The words "believe," "may," "could," "will," "should," "would," "anticipate," "plan," "estimate," "project," "expect," "intend," "seek," "strive" and words of similar import, or the negative of such words, identify or signal the presence of forward-looking statements. These statements are not statements of historical fact, and they involve risks and uncertainties that may cause our actual results, performance or financial condition to differ materially from the expectations of future results, performance or financial condition that we express or imply in any forward-looking statement.

Factors that could contribute to such differences include, but are not limited to: the competitive nature of the textile industry and the impact of global competition; changes in the trade regulatory environment and governmental policies and legislation; the availability, sourcing and pricing of raw materials; general domestic and international economic and industry conditions in markets where UNIFI competes, including economic and political factors over which UNIFI has no control; changes in consumer spending, customer preferences, fashion trends and end-uses for products; the financial condition of UNIFI's customers; the loss of a significant customer; the success of UNIFI's strategic business initiatives; volatility of financial and credit markets; the ability to service indebtedness and fund capital expenditures and strategic business initiatives; availability of and access to credit on reasonable terms; changes in foreign currency exchange, interest and inflation rates; fluctuations in production costs; the ability to protect intellectual property; employee relations; the impact of environmental, health and safety regulations; the operating performance of joint ventures and

other equity investments; and the accurate financial reporting of information from equity method investees.

All such factors are difficult to predict, contain uncertainties that may materially affect actual results and may be beyond our control. New factors emerge from time to time, and it is not possible for management to predict all such factors or to assess the impact of each such factor on UNIFI. Any forward-looking statement speaks only as of the date on which such statement is made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, except as may be required by federal securities laws. The above and other risks and uncertainties are described in UNIFI's most recent annual report on Form 10-K, and additional risks or uncertainties may be described from time to time in other reports filed by UNIFI with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

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