Instruction 1(b).

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See

## **UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL

OMB Number: 3235-0287

Estimated average burden

0.5

hours per response:

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

Name and Address of Reporting Person*     LOWE WILLIAM M JR						2. Issuer Name and Ticker or Trading Symbol UNIFI INC [ UFI ]								heck all appli Directo	cable) or	10% Owner		
(Last) 7201 W.	ast) (First) (Middle) 201 W. FRIENDLY AVE					3. Date of Earliest Transaction (Month/Day/Year) 07/26/2006								X Officer (give title below) Other (specify below)  Vice President, COO & CFO				
(Street) GREENSBORO NC 27410				4. If	4. If Amendment, Date of Original Filed (Month/Day/Year)								Individual or Joint/Group Filing (Check Applicable Line)     X Form filed by One Reporting Person     Form filed by More than One Reporting Person					
(City) (State) (Zip)																		
		Tak	le I - Non	-Deriva	ative	e Se	curities	s Ac	quired, [	Disp	osed o	f, or Bei	neficia	lly Owned	l			
1. Title of Security (Instr. 3)  2. Transa Date (Month/D					ear)	P.A. Deemed Execution Date, f any Month/Day/Year)		Transaction Code (Instr.		4. Securities Acquired (A) Disposed Of (D) (Instr. 3, 4 5)		ed (A) or tr. 3, 4 an	Benefici	es ally Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		7. Nature of Indirect Beneficial Ownership (Instr. 4)	
								Code	v	Amount	(A) or (D)	Price	Transac	tion(s)			(111501.4)	
			Table II - [						uired, Di , options					y Owned			,	
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security		3A. Deemed Execution D if any (Month/Day/	ate, Ti	Transaction Code (Instr.		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisab Expiration Date (Month/Day/Year)			7. Title and of Securiti Underlying Derivative (Instr. 3 and	es g Security	Derivative Security	9. Number derivative Securities Beneficiall Owned Following Reported Transactio (Instr. 4)	i i illy	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				С	Code	v	(A)	(D)	Date Exercisable		xpiration ate	Title	Amount or Number of Shares	1				
Stock Options																		
(Right to Buy)	\$2.89	07/26/2006			A		33,333		07/26/2006	07	7/26/2016	Common Stock	33,333	\$0	33,333	3	D	
	\$2.89 \$2.89	07/26/2006		$\dashv$	A		33,333		07/26/2006	+	7/26/2016		33,333		33,333 66,666		D D	

Explanation of Responses:

/s/William M. Lowe, Jr.

07/28/2006

\*\* Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

- $^{\star}$  If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.