

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):  
October 15, 2007

**UNIFI, INC.**  
(Exact name of registrant as specified in its charter)

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

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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:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**ITEM 2.06 Material Impairments.**

As previously announced, Unifi, Inc. (the "Company") notified SANS Fibres of South Africa ("SANS") that it was exercising its put right to sell its 50% ownership interest in Unifi-SANS Technical Fibers, LLC ("USTF") to SANS. USTF is a producer of low-shrinkage high tenacity nylon 6.6 light denier industrial, or "LDI", yarns in North Carolina. In connection with a review of the value of USTF during negotiations related to the sale, the Company initiated a review of the carrying value of its investment in USTF, in accordance with APB Opinion No. 18, "The Equity Method of Accounting for Investments in Common Stock." As a result of this review, the Company determined on October 15, 2007 that the current \$13.4 million carrying value of the Company's investment in USTF exceeds its fair value. The pre-tax impairment charge will be recorded in the first quarter of the 2008 fiscal year and the Company estimates that the charge will be within a range of \$4.25 million to \$4.75 million. The Company does not anticipate that the impairment charge will result in any future cash expenditures.

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**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: October 18, 2007