



**ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.**

On December 1, 2008, Unifi Manufacturing, Inc. ("UMI"), a wholly owned subsidiary of Unifi, Inc. (the "Registrant"), and Dillon Yarn Corporation ("DYC"), entered into a First Amendment (the "Amendment") to the Sales and Services Agreement dated as of January 1, 2007 (the "Agreement"). The Amendment provides that effective January 1, 2009, the term of the Agreement will be extended for a one (1) year term, which will expire on December 31, 2009, and the consideration for the Sales Services (as defined in the Agreement) and Transitional Services (as defined in the Agreement) to be provided by DYC to UMI shall be \$1,700,000, paid in advance, in quarterly installments of \$425,000 each, during the term.

Mr. Stephen Wener, the Chairman of the Board of Directors of the Registrant, is the President and Chief Executive Officer of DYC, and together with his wife, beneficially owns 25% of DYC.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Amendment, a copy of which is filed as Exhibit 10.1 hereto and is incorporated herein by reference.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

(d) Exhibits.

| EXHIBIT NO. | DESCRIPTION OF EXHIBIT   |
|-------------|--|
| 99.1        | First Amendment to Sales and Services Agreement, executed on December 1, 2008, by and between UMI and DYC. |

**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: December 2, 2008

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**INDEX TO EXHIBITS**

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