

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)
January 3, 2008

UNIFIRST CORPORATION
(Exact Name of Registrant as Specified in Charter)

| | | |
|---|---|---|
| <u>Massachusetts</u> (State or Other Jurisdiction of Incorporation) | <u>1-8504</u> (Commission File Number) | <u>04-2103460</u> (IRS Employer Identification No.) |
|---|---|---|

68 Jonspin Road, Wilmington, Massachusetts 01887
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (978) 658-8888

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 2.02.**Results of Operations and Financial Condition.**

On January 3, 2008, UniFirst Corporation (the "Company") issued a press release ("Press Release") announcing financial results for the fiscal first quarter ended November 24, 2007. A copy of the Press Release is attached as Exhibit 99 to this Current Report on Form 8-K and is incorporated herein by reference.

The information in this Item 2.02, including the exhibit attached hereto, shall not be deemed "filed" for any purpose, including for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01.**Financial Statements and Exhibits.**

(d) Exhibits

| EXHIBIT NO. | DESCRIPTION |
|-------------|--|
| 99 | Press release of the Company dated January 3, 2008 |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

UNIFIRST CORPORATION

Date: January 3, 2008

By: /s/ Ronald D. Croatti
Name: Ronald D. Croatti
Title: Chairman of the Board, Chief
Executive Officer and President

By: /s/ Steven S. Sintros
Name: Steven S. Sintros
Title: Corporate Controller

EXHIBIT INDEX

EXHIBIT NO.

DESCRIPTION

99

Press release of the Company dated January 3, 2008

UniFirst Corporation

News Release

68 Jonspin Road
Wilmington, MA 01887-1086
Telephone 978-658-8888 Ext 520
Facsimile 978-988-0659

contact: John B. Bartlett
Senior Vice President
jbartlett@unifirst.com



**UNIFIRST ANNOUNCES RECORD FINANCIAL RESULTS
FOR THE FIRST QUARTER OF FISCAL 2008**

Wilmington, MA (January 3, 2008) -- UniFirst Corporation (NYSE: UNF) today announced record revenues and earnings for its first quarter of fiscal 2008 which ended November 24, 2007.

Revenues for the first quarter of fiscal 2008 were \$247.3 million, an 11.2% increase from the previous year's first quarter of \$222.4 million. First quarter net income for fiscal 2008 was \$16.5 million or \$0.85 per diluted common share, a 19.9% increase from the first quarter of fiscal 2007, when net income was \$13.7 million or \$0.71 per diluted common share.

Revenues from the Company's core laundry operations, which exclude the Company's Specialty Garments and First Aid segments, grew 12.5% in the first quarter of fiscal 2008 compared to the first quarter of fiscal 2007. Revenues from the core laundry operations increased 8.0% due to internal growth and price increases. The growth from acquisitions was primarily the result of the acquisition of Western Uniform & Towel Service which was completed in September 2007.

Primarily as a result of this revenue growth, the income from operations of the Company's core laundry business was up 26.1% compared to the first quarter of fiscal 2007. The operating margin for the core laundry business increased from 11.1% in the first quarter of fiscal 2007 to 12.5% in the first quarter of fiscal 2008. In addition to the revenue growth, reductions in merchandise amortization as a percentage of revenues contributed to our improved profitability. These improvements were partially offset by higher selling and health care related costs as a percentage of revenues.

The Company's Specialty Garments segment, which includes our nuclear and cleanroom operations, had income from operations of \$2.1 million for the first quarter of fiscal 2008, down from \$2.9 million in the first quarter of fiscal 2007. This decrease was primarily the result of higher merchandise amortization and other costs associated with a number of new customer installations.

The Company's First Aid segment broke even in the first quarter of fiscal 2008 compared to the first quarter of fiscal 2007 when it generated income from operations of \$0.6 million. The decline in profitability is due to higher merchandise costs as well as organizational and operational changes that have resulted in additional costs and minor sales disruptions in the short term.

"We're off to a strong start in fiscal 2008", said UniFirst President and Chief Executive Officer, Ronald D. Croatti. "Our core laundry operations continued to lead the way in generating both revenue and profit growth. In light of the challenging economic conditions, we are very pleased with the results we have been able to achieve thus far."

The Company will hold a conference call today at 4:00 PM (EST) to discuss its quarterly financial results, business highlights and outlook. A simultaneous live webcast of the call will be available over the Internet and can be accessed at www.unifirst.com.

About UniFirst Corporation

UniFirst Corporation is one of the largest providers of workplace uniforms, protective clothing and facility services products in North America. The Company employs over 10,000 team partners who serve over 200,000 customer locations in 46 U.S. states, Canada and Europe from approximately 200 customer service, distribution, and manufacturing facilities. UniFirst Corporation is a publicly held company traded on the New York Stock Exchange under the symbol UNF and is a component of the Standard & Poor's 600 Small Cap Index.

Forward Looking Statements

This public announcement may contain forward looking statements that reflect the Company's current views with respect to future events and financial performance. Forward looking statements contained in this public announcement are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995 and are highly dependent upon a variety of important factors that could cause actual results to differ materially from those reflected in such forward looking statements. Such factors include, but are not limited to, uncertainties regarding the Company's ability to consummate and successfully integrate acquired businesses, uncertainties regarding any existing or newly-discovered expenses and liabilities related to environmental compliance and remediation, the Company's ability to compete successfully without any significant degradation in its margin rates, seasonal fluctuations in business levels, uncertainties regarding the price levels of natural gas, electricity, fuel and labor, the impact of negative economic conditions on the Company's customers and such customers' workforce, the continuing increase in domestic healthcare costs, demand and prices for the Company's products and services, additional professional and internal costs necessary for compliance with recent and proposed future changes in Securities and Exchange Commission (including the Sarbanes-Oxley Act of 2002), New York Stock Exchange and accounting rules, strikes and unemployment levels, the Company's efforts to evaluate and potentially reduce internal costs, economic and other developments associated with the war on terrorism and its impact on the economy and general economic conditions. When used in this public announcement, the words "anticipate," "optimistic," "believe," "estimate," "expect," "intend," and similar expressions as they relate to the Company are included to identify such forward looking statements. The Company undertakes no obligation to update any forward looking statements to reflect events or circumstances arising after the date on which such statements are made.

UniFirst Corporation and Subsidiaries
Consolidated Statements of Income
(Unaudited)

| (In thousands, except share and per share data) | Thirteen weeks ended | |
|---|----------------------|----------------------|
| | November 24, 2007 | November 25, 2006 |
| Revenues | \$ 247,260 | \$ 222,377 |
| Costs and expenses: | | |
| Operating costs (1) | 151,147 | 136,919 |
| Selling and administrative expenses (1) | 53,548 | 48,390 |
| Depreciation and amortization | 12,787 | 11,585 |
| | <u>217,482</u> | <u>196,894</u> |
| Income from operations | <u>29,778</u> | <u>25,483</u> |
| Other expense (income): | | |
| Interest expense | 3,504 | 3,322 |
| Interest income | (513) | (466) |
| | <u>2,991</u> | <u>2,856</u> |
| Income before income taxes | 26,787 | 22,627 |
| Provision for income taxes | <u>10,313</u> | <u>8,881</u> |
| Net income | <u>\$ 16,474</u> | <u>\$ 13,746</u> |
| Income per share – Basic: | | |
| Common Stock | \$ 0.90 | \$ 0.75 |
| Class B Common Stock | \$ 0.72 | \$ 0.60 |
| Income per share – Diluted: | | |
| Common Stock | \$ 0.85 | \$ 0.71 |
| Weighted average number of shares outstanding – Basic: | | |
| Common Stock | 14,352 | 14,307 |
| Class B Common Stock | 4,937 | 4,941 |
| | <u>19,289</u> | <u>19,248</u> |
| Weighted average number of shares outstanding – Diluted: | | |
| Common Stock | <u>19,366</u> | <u>19,322</u> |
| Dividends per share: | | |
| Common Stock | \$ 0.0375 | \$ 0.0375 |
| Class B Common Stock | \$ 0.0300 | \$ 0.0300 |

(1) Exclusive of depreciation and amortization

UniFirst Corporation and Subsidiaries
Condensed Consolidated Balance Sheets
(Unaudited)

| (In thousands, except share data) | November 24, 2007 | August 25, 2007 (a) |
|---|------------------------------|--------------------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 17,333 | \$ 12,698 |
| Receivables, net | 108,854 | 91,906 |
| Inventories | 44,116 | 44,282 |
| Rental merchandise in service | 93,003 | 86,129 |
| Prepaid and deferred income taxes | 12,793 | 13,399 |
| Prepaid expenses | 3,840 | 1,807 |
| Total current assets | 279,939 | 250,221 |
| Property and equipment: | | |
| Land, buildings and leasehold improvements | 291,485 | 286,255 |
| Machinery and equipment | 308,244 | 299,831 |
| Motor vehicles | 98,021 | 95,214 |
| | 697,750 | 681,300 |
| Less - accumulated depreciation | 356,661 | 347,233 |
| | 341,089 | 334,067 |
| Goodwill | | |
| Customer contracts and other intangible assets, net | 245,500 | 224,366 |
| Other assets | 69,109 | 62,064 |
| | 3,517 | 3,746 |
| | \$ 939,154 | \$ 874,464 |
| Liabilities and shareholders' equity | | |
| Current liabilities: | | |
| Current maturities of long-term obligations | \$ 384 | \$ 539 |
| Accounts payable | 52,531 | 45,297 |
| Accrued liabilities | 87,507 | 86,283 |
| Accrued income taxes | 8,136 | — |
| Total current liabilities | 148,558 | 132,119 |
| Long-term obligations, net of current maturities | 234,080 | 205,510 |
| Deferred income taxes | 39,782 | 39,508 |
| Shareholders' equity: | | |
| Common Stock | 1,435 | 1,435 |
| Class B Common Stock | 494 | 494 |
| Capital surplus | 16,534 | 16,332 |
| Retained earnings | 489,722 | 473,934 |
| Accumulated other comprehensive income | 8,549 | 5,132 |
| Total shareholders' equity | 516,734 | 497,327 |
| | \$ 939,154 | \$ 874,464 |

(a) Derived from audited financial statements

UniFirst Corporation and Subsidiaries
Detail of Operating Results
(Unaudited)

Revenues

| (In thousands, except percentages) | November 24, 2007 | November 25, 2006 | Dollar Change | Percent Change |
|------------------------------------|----------------------|----------------------|------------------|-------------------|
| Thirteen weeks ending: | | | | |
| Core Laundry Operations | \$ 222,112 | \$ 197,464 | \$ 24,648 | 12.5% |
| Specialty Garments | 17,255 | 17,180 | 75 | 0.4 |
| First Aid | 7,893 | 7,733 | 160 | 2.1 |
| Consolidated total | <u>\$ 247,260</u> | <u>\$ 222,377</u> | <u>\$ 24,883</u> | 11.2% |

Income from Operations

| (In thousands, except percentages) | November 24, 2007 | November 25, 2006 | Dollar Change | Percent Change |
|------------------------------------|----------------------|----------------------|------------------|-------------------|
| Thirteen weeks ending: | | | | |
| Core Laundry Operations | \$ 27,726 | \$ 21,989 | \$ 5,737 | 26.1% |
| Specialty Garments | 2,055 | 2,925 | (870) | -29.7 |
| First Aid | (3) | 569 | (572) | -100.5 |
| Consolidated total | <u>\$ 29,778</u> | <u>\$ 25,483</u> | <u>\$ 4,295</u> | 16.8% |