



UniFirst Announces Financial Results for Fiscal 2004 First Quarter

January 12, 2004

WILMINGTON, Mass., Jan 12, 2004 (BUSINESS WIRE) -- UniFirst Corporation (NYSE: UNF) today announced revenues and earnings for its fiscal 2004 first quarter, the thirteen weeks ended November 29, 2003.

Revenues for the first quarter of fiscal 2004 were a record \$180.9 million, a 21.3 percent increase from the \$149.2 million in the same period a year ago. Acquisitions accounted for 16.3 percent of the revenue growth. First quarter income before the cumulative effect of accounting change was \$9.5 million, or \$0.50 per share, a 9.9 percent increase from last year's first quarter of \$8.7 million, or \$0.45 per share. Net income increased 48.3 percent, from \$6.4 million, or \$0.33 per share in fiscal 2003 to \$9.5 million or \$0.50 per share in fiscal 2004. In the first quarter of fiscal 2003 the company recorded an expense of \$2.2 million as a result of implementing SFAS 143 regarding long lived assets.

"Overall we are pleased with our first quarter results," said Ronald D. Croatti, UniFirst's President and Chief Executive Officer. "Acquisitions accounted for 16.3 percent of our revenue growth, which means that the internal growth in our existing operations was 5.0 percent for the quarter. This growth was all from our core laundry business as there was a small decline in the record fiscal 2003 revenues from our UniTech segment. Improved earnings were due primarily to better performance from our laundry operations and additional profits from manufacturing, offset somewhat by higher interest expense related to the Textile acquisition."

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 replays of the webcast will be available until January 31, 2004. The webcast can be accessed at www.unifirst.com.

UniFirst is one of the largest providers of workplace uniforms and protective clothing in North America. The Company employs over 9,000 team partners who serve more than 175,000 customer locations in 46 states, Canada and Europe from 170 manufacturing, distribution and customer service facilities.

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for certain 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. These forward-looking statements are subject to certain risks and uncertainties. The words "anticipate" and "should," and other expressions that indicate future events and trends identify forward-looking statements. Actual future results may differ materially from those anticipated depending on a variety of factors, including, but not limited to, performance of acquisitions; economic and business changes; fluctuations in the cost of materials, fuel and labor; economic and other developments associated with the on-going war on terrorism; strikes and unemployment levels; demand and price for the Company's products and services; improvement in under performing rental operations; and the outcome of pending and future litigation and environmental matters.

UNIFIRST CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited)

	Thirteen weeks ended November 29, 2003	Thirteen weeks ended November 30, 2002
(In thousands, except per share data)		
Revenues	\$180,898	\$149,179
Costs and expenses:		
Operating costs	115,088	92,690
Selling and administrative expenses	36,827	31,899
Depreciation and amortization	11,028	9,884
	162,943	134,473
Income from operations	17,955	14,706
Other expense (income):		
Interest expense	3,242	1,094
Interest income	(292)	(268)
Interest rate swap income	(480)	(209)
	2,470	617
Income before income taxes	15,485	14,089
Provision for income taxes	5,962	5,424

Income before cumulative effect of accounting change	9,523	8,665
Cumulative effect of accounting change (net of income tax benefit of \$1,404 in fiscal 2003)	-	2,242
Net income	\$9,523	\$6,423
Weighted average number of shares outstanding:		
basic	19,184	19,218
diluted	19,249	19,271
Income per share -- basic:		
Before cumulative effect of accounting change	\$0.50	\$0.45
Cumulative effect of accounting change	-	(0.12)
Net income	\$0.50	\$0.33
Income per share -- diluted:		
Before cumulative effect of accounting change	\$0.49	\$0.45
Cumulative effect of accounting change	-	(0.12)
Net income	\$0.49	\$0.33

UNIFIRST CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)	November 29, 2003	August 30, 2003(a)	November 30, 2002
Assets			
Current assets:			
Cash	\$7,988	\$6,053	\$484
Receivables	77,627	57,941	63,384
Inventories	31,601	25,355	21,860
Rental merchandise in service	68,744	60,490	59,401
Prepaid and deferred tax assets	5,591	5,591	-
Prepaid expenses	515	407	586
Total current assets	192,066	155,837	145,715
Property and equipment:			
Land, buildings and leasehold improvements	234,483	221,487	214,182
Machinery and equipment	255,286	238,820	230,952
Motor vehicles	66,991	66,081	64,019
	556,760	526,388	509,153
Less - accumulated depreciation	261,097	251,806	238,759
	295,663	274,582	270,394
Other assets	242,304	84,168	85,601
	\$730,033	\$514,587	\$501,710
Liabilities and Shareholders' Equity			
Current liabilities:			
Current maturities of long-term obligations	\$1,673	\$2,493	\$2,710
Notes payable	-	104	1,299
Accounts payable	31,982	30,678	28,703
Accrued liabilities	71,528	53,670	55,389
Accrued and deferred income taxes	7,622	-	2,015
Total current liabilities	112,805	86,945	90,116

Long-term obligations, net of			
current maturities	237,951	67,319	70,259
Deferred income taxes	33,727	24,943	27,004
Shareholders' equity:			
Common stock	1,061	1,060	1,055
Class B common stock	1,018	1,018	1,021
Treasury stock	(26,005)	(26,005)	(26,005)
Capital surplus	12,789	12,693	12,519
Retained earnings	356,923	348,043	329,373
Accumulated other			
comprehensive loss	(236)	(1,429)	(3,632)
Total shareholders' equity	345,550	335,380	314,331
	\$730,033	\$514,587	\$501,710

(a) Condensed from audited financial statements

SOURCE: UniFirst Corporation

UniFirst Corporation
John B. Bartlett, 978-658-8888, ext. 520
jbartlett@unifirst.com