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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.
20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended February 28, 1998

Commission File Number 1-8504

UNIFIRST CORPORATION
(Exact name of registrant as specified in its charter)

Massachusetts
(State of Incorporation)

04-2103460
(IRS Employer ID Number)

68 Jonspin Road
Wilmington, Massachusetts 01887
(Address of principal executive offices)

Registrant's telephone number: (978) 658-8888

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceeding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X]   No [ ]

The number of outstanding shares of the registrant's Common Stock and Class B Common Stock as of April 1, 1998 were 10,203,864 and 10,306,744 respectively.

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PART 1 - FINANCIAL INFORMATION

FORM 10-Q
UNIFIRST CORPORATION AND SUBSIDIARIES
CONDENSED BALANCE SHEETS
(unaudited)

	February 28, 1998	August 30, 1997*	March 1, 1997
Assets			
Current assets:			
Cash	$ 7,177,000	$ 4,054,000	$ 7,186,000
Receivables	41,718,000	39,431,000	38,419,000
Inventories	20,671,000	19,497,000	19,454,000
Rental merchandise in service	40,518,000	40,013,000	38,833,000
Prepaid expenses	147,000	149,000	130,000
Total current assets	110,231,000	103,144,000	104,022,000

Property and equipment:			
Land, buildings and leasehold improvements	145,361,000	137,281,000	129,005,000
Machinery and equipment	155,583,000	142,242,000	130,402,000
Motor vehicles	38,523,000	37,276,000	33,814,000
	339,467,000	316,799,000	293,221,000
Less - accumulated depreciation	137,595,000	128,532,000	120,947,000
	201,872,000	188,267,000	172,274,000
Other assets	48,336,000	48,215,000	46,006,000
	$360,439,000	$339,626,000	$322,302,000
Liabilities and Shareholders' Equity			
Current liabilities:			
Current maturities of long-term obligations	$ 1,050,000	$ 1,040,000	$ 1,032,000
Notes payable	2,543,000	3,213,000	3,144,000
Accounts payable	14,054,000	13,085,000	14,423,000
Accrued liabilities	49,160,000	45,637,000	41,065,000
Accrued and deferred income taxes	2,189,000	2,555,000	3,916,000
Total current liabilities	68,996,000	65,530,000	63,580,000
Long-term obligations, net of current maturities	43,005,000	39,797,000	38,517,000
Deferred income taxes	17,687,000	17,107,000	16,925,000
Shareholders' equity:			
Preferred stock, $1.00 par value; 2,000,000 shares authorized; none issued	--	--	--
Common stock, $.10 par value; 30,000,000 shares authorized; issued and outstanding 7,903,864 shares	790,000	790,000	789,000
Class B Common stock, $.10 par value; 20,000,000 shares authorized; issued and outstanding 12,606,744 shares	1,261,000	1,261,000	1,262,000
Capital surplus	7,078,000	7,078,000	7,078,000
Retained earnings	222,954,000	208,949,000	194,689,000
Cumulative translation adjustment	(1,332,000)	(886,000)	(538,000)
Total shareholders' equity	230,751,000	217,192,000	203,280,000
	$360,439,000	$339,626,000	$322,302,000

* Condensed from audited financial statements

The accompanying notes are an integral part of these condensed financial statements.

FORM 10-Q
UNIFIRST CORPORATION AND SUBSIDIARIES
CONDENSED STATEMENTS OF INCOME
(unaudited)

	Twenty-six weeks ended February 28, 1998	Twenty-six weeks ended March 1, 1997	Thirteen weeks ended February 28, 1998	Thirteen weeks ended March 1, 1997
Revenues	$221,746,000	$206,040,000	$109,344,000	$102,064,000
Costs and expenses:				
Operating costs	135,262,000	126,338,000	68,937,000	64,218,000
Selling and administrative expenses	49,147,000	46,553,000	23,750,000	23,033,000
Depreciation and amortization	12,601,000	11,192,000	6,293,000	5,645,000
	197,010,000	184,083,000	98,980,000	92,896,000
Income from operations	24,736,000	21,957,000	10,364,000	9,168,000
Interest expense (income):				
Interest expense	1,299,000	1,151,000	648,000	566,000
Interest income	(133,000)	(106,000)	(63,000)	(36,000)
	1,166,000	1,045,000	585,000	530,000
Income before income taxes	23,570,000	20,912,000	9,779,000	8,638,000
Provision for income taxes	8,485,000	7,528,000	3,520,000	3,109,000
Net income	$ 15,085,000	$ 13,384,000	$ 6,259,000	$ 5,529,000
Weighted average number of shares outstanding	20,510,608	20,510,608	20,510,608	20,510,608
Net income per share - basic & diluted	$0.74	$0.65	$0.31	$0.27

The accompanying notes are an integral part of these condensed financial statements.

FORM 10-Q
UNIFIRST CORPORATION AND SUBSIDIARIES
CONDENSED STATEMENTS OF CASH FLOWS
(unaudited)

	Twenty-six weeks ended February 28, 1998	Twenty-six weeks ended March 1, 1997
Cash flows from operating activities:		
Net Income	$ 15,085,000	$ 13,384,000
Adjustments:		
Depreciation	10,470,000	9,351,000
Amortization of other assets	2,131,000	1,841,000
Receivables	(2,356,000)	(1,680,000)
Inventories	(1,209,000)	(2,437,000)
Rental merchandise in service	(566,000)	(623,000)
Prepaid expenses	1,000	(3,000)
Accounts payable	942,000	2,700,000
Accrued liabilities	3,553,000	3,698,000
Accrued and deferred income taxes	(343,000)	241,000
Deferred income taxes	594,000	527,000
Net cash provided by operating activities	28,302,000	26,999,000
Cash flows from investing activities:		
Acquisition of businesses, net of cash acquired	--	(1,677,000)
Capital expenditures	(24,335,000)	(21,540,000)
Other assets, net	(2,332,000)	487,000
Net cash used in investing activities	(26,667,000)	(22,730,000)
Cash flows from financing activities:		
Increase in debt	4,121,000	1,789,000
Reduction of debt	(1,553,000)	(1,218,000)
Cash dividends paid or payable	(1,080,000)	(1,079,000)
Net cash provided by (used in) financing activities	1,488,000	(508,000)
Net increase in cash	3,123,000	3,761,000
Cash at beginning of period	4,054,000	3,425,000
Cash at end of period	$ 7,177,000	$ 7,186,000
Supplemental disclosure of cash flow information:		
Interest paid	$ 1,321,000	$ 1,138,000
Income taxes paid	$ 8,271,000	$ 6,766,000

The accompanying notes are an integral part of these condensed financial statements.

FORM 10-Q
UNIFIRST CORPORATION AND SUBSIDIARIES

NOTES TO CONDENSED FINANCIAL STATEMENTS

FOR THE TWENTY-SIX WEEKS ENDED FEBRUARY 28, 1998

1. These condensed financial statements have been prepared by the Company

without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations; however, the Company believes that the information furnished reflects all adjustments which are, in the opinion of management, necessary to a fair statement of results for the interim period. It is suggested that these condensed financial statements should be read in conjunction with the financial statements and the notes, thereto, included in the Company's latest annual report.

2. From time to time, the Company is subject to legal proceedings and claims arising from the conduct of their business operations, including personal injury, customer contract, employment claims and environmental matters. In the opinion of management, such proceedings and claims are not likely to result in losses which would have a material adverse effect upon the financial position or results of operations of the Company.

3. As previously announced Mr. Aldo Croatti, Chairman of the Company's Board of Directors, sold 2,300,000 shares of Common Stock pursuant to an underwritten offering with William Blair & Company, L.L.C. Since all of the shares were sold by Mr. Croatti, the Company did not receive any of the proceeds from such sale.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

FOR THE TWENTY-SIX WEEKS ENDED FEBRUARY 28, 1998

RESULTS OF OPERATIONS

TWENTY-SIX WEEKS OF FISCAL 1998 COMPARED TO TWENTY-SIX WEEKS OF FISCAL 1997

Revenues. Revenues for the first twenty-six weeks of fiscal 1998 increased $15.7 million or 7.6% over the first twenty-six weeks of fiscal 1997. This increase can be attributed to growth from existing operations (5.6%), acquisitions (1.0%) and price increases (1.0%). Growth from existing operations was primarily from the conventional uniform rental business. The increase in revenues from acquisitions resulted from three acquisitions made in fiscal 1997 (two in Massachusetts in February and August 1997 and one in Vancouver, British Columbia in April 1997).

Operating Costs. Operating costs increased to $135.3 million for the first half of fiscal 1998 as compared with $126.3 million for the same period of fiscal 1997 as a result of costs associated with increased revenues, but declined to 61.0% from 61.3% as a percentage of revenues for these periods. The improvement in operating costs as a percentage of revenues was due primarily to the Company's continued focus on cost control.

Selling and Administrative Expenses. The Company's selling and administrative expenses increased to $49.1 million for the first twenty-six weeks of fiscal 1998 as compared with $46.6 million for the same period in fiscal 1997, but declined to 22.2% from 22.6% of revenues, respectively. The increase in the amount of selling and administrative expenses was primarily attributable to increased sales personnel and other costs to support the Company's increased revenues. The decrease in selling and administrative expense as a percentage of revenues was primarily due to the Company's ongoing focus on controlling costs.

Depreciation and Amortization. The Company's depreciation and amortization expense increased to $12.6 million, or 5.7% of revenues, for the first half of fiscal 1998 as compared with $11.2 million, or 5.4% of revenues, for the same period in fiscal 1997. This increase was due primarily to increased capital expenditures for information systems hardware and software to upgrade certain of its Company-wide systems.

Net Interest Expense. Net interest expense was $1.2 million for the first twenty-six weeks of fiscal 1998 as compared to $1.0 million in the same period of fiscal 1997. The increase is attributable primarily to higher debt levels in fiscal 1998. Net interest expense was 0.5% of revenues for each period.

Income Taxes. The Company's effective income tax rate was 36.0% in both periods.

RESULTS OF OPERATIONS (continued)

THIRTEEN WEEKS ENDED FEBRUARY 28, 1998 COMPARED TO THIRTEEN WEEKS ENDED MARCH 1, 1997

Revenues. Fiscal 1998 second quarter revenues increased $7.3 million or 7.1% over the fiscal 1997 second quarter. This increase can be attributed to growth from existing operations (5.1%), acquisitions (1.0%) and price increases (1.0%). Growth from existing operations was primarily from the conventional uniform rental business. The increase in revenues from acquisitions resulted from the three acquisitions made in fiscal 1997 discussed above.

Operating Costs. Operating costs increased to $68.9 million for the second quarter of fiscal 1998 as compared with $64.2 million for the same period of fiscal 1997 as a result of costs associated with increased revenues. The Company's operating costs as a percentage of revenues increased slightly to 63.0% from 62.9% for the second quarter of fiscal 1998 and 1997, respectively.

Selling and Administrative Expenses. The Company's selling and administrative expenses increased slightly, to $23.8 million from $23.0 million, for the second quarter of fiscal 1998 and fiscal 1997, respectively. As a percent of revenues, the fiscal 1998 second quarter was 21.7% as compared to 22.6% in the second quarter of fiscal 1997. The decrease in selling and administrative expense as a percentage of revenues was primarily attributable to the Company's ongoing focus on controlling costs.

Depreciation and Amortization. The Company's depreciation and amortization expense increased to $6.3 million, or 5.8% of revenues, for the second quarter of fiscal 1998 as compared with $5.6 million, or 5.5% of revenues, for the same period in fiscal 1997. This increase was due primarily to increased capital expenditures for information systems hardware and software to upgrade certain of its Company-wide systems.

Net Interest Expense. Net interest expense was $585,000 in the second quarter of fiscal 1998 as compared to $530,000 in the same period of fiscal 1997. The increase is attributable primarily to higher debt levels in the fiscal 1998 quarter. Net interest expense was 0.5% of revenues for each period.

Income Taxes. The Company's effective income tax rate was 36.0% in both periods.

OF OPERATIONS AND FINANCIAL CONDITION
(continued)

FOR THE TWENTY-SIX WEEKS ENDED FEBRUARY 28, 1998

LIQUIDITY AND CAPITAL RESOURCES

Shareholders' equity at February 28, 1998 was $230.8 million, 84.0% of total capitalization, indicating the overall strength of the Company's balance sheet.

During the twenty-six weeks ended February 28, 1998 net cash provided by operating activities, $28.3 million, was primarily used to fund current capital expenditures, $24.3 million, and pay cash stock dividends.

The Company had $7.2 million in cash and $22.6 million available on its $60 million unsecured line of credit with two banks as of February 28, 1998. The Company believes its generated cash from operations and the Company's borrowing capacity will adequately cover its foreseeable capital requirements.

EFFECTS OF INFLATION

Inflation has had the effect of increasing the reported amounts of the Company's revenues and costs. The Company uses the last-in, first-out (LIFO) method to value a significant portion of inventories. This method tends to reduce the amount of income due to inflation included in the Company's results of operations. The Company believes that, through increases in its prices and productivity improvements, it has been able to recover increases in costs and expenses attributable to inflation.

PART II - OTHER INFORMATION

FORM 10-Q
UNIFIRST CORPORATION AND SUBSIDIARIES

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Registrant's Annual Meeting of Shareholders was held on January 13, 1998. Cynthia Croatti and Reynold L. Hoover were reelected to the Board of Directors. With respect to Ms. Croatti, 7,335,227 shares of Common Stock and 12,605,544 shares of Class B Common Stock were voted for her election and 166,581 shares of Common Stock were voted against her election. With respect to Mr. Hoover, 7,331,307 shares of Common Stock were voted for his election and 170,501 shares of Common Stock were voted against his election.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

(27) Financial Data Schedule

(b) Reports on Form 8-K: None

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 of the undersigned thereunto duly authorized.

UNIFIRST CORPORATION

/s/ RONALD D. CROATTI

Ronald D. Croatti
Vice Chairman, President and
Chief Executive Officer

Date: April 14, 1998

/s/ JOHN B. BARTLETT

John B. Bartlett
Senior Vice President
and Chief Financial Officer

<ARTICLE> 5
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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS OF UNIFIRST CORPORATION FOR THE TWENTY-SIX WEEKS ENDED FEBRUARY 28, 1998, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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