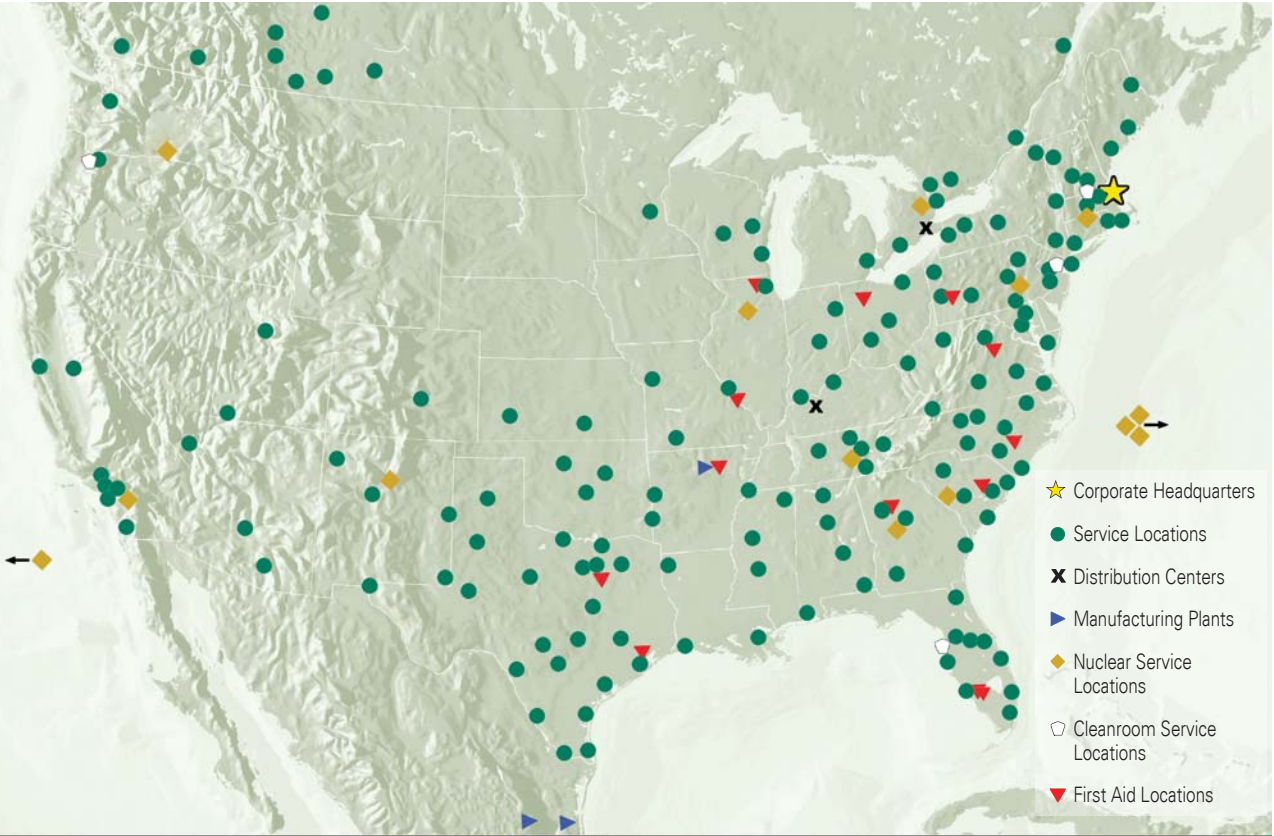




2007

Annual Report



- ★ Corporate Headquarters
- Service Locations
- ✕ Distribution Centers
- ▶ Manufacturing Plants
- ◆ Nuclear Service Locations
- Cleanroom Service Locations
- ▼ First Aid Locations

WHO WE ARE

UniFirst is one of the largest work-wear and textile services companies, serving over 200,000 customer locations from sites in the United States, Canada and Europe. We design, manufacture, rent, sell, launder and deliver a wide range of uniforms, work apparel and protective work garments, as well as a broad selection of related textile items, including floor mats, mops, industrial towels and wipers. We also provide customers with complementary facility services products, such as paper towels, sanitary tissues, soap and skin care products and air fresheners.

Our Specialty Garments business provides specialized uniforms, laundering services and safety products to the nuclear and cleanroom industries via its UniTech and UniClean units. And our First Aid business, comprised of Green Guard and Medique, supplies first aid cabinet services and various

safety supplies to diverse manufacturers, retailers and service organizations.

In fiscal year 2007, UniFirst employed 10,000 Team Partners; operated 156 customer service centers, 14 nuclear decontamination facilities, 4 cleanroom operations, 13 first aid locations, 2 distribution centers and 3 manufacturing plants—the latter producing approximately half of the garments and floor care products used in our rental service programs.

UniFirst's mission is to consistently deliver enhanced image, identity and protection solutions that represent the best customer value, produce the greatest user benefits and earn us recognition as the quality leader in our industry.

DEAR SHAREHOLDERS

In fiscal year 2007, UniFirst achieved record revenues of \$902.1 million, a 9.9% increase over the previous year's \$821.0 million. Net income was \$45.2 million, or \$2.34 per diluted common share, a 15.3% increase from the \$39.2 million or \$2.03 per diluted common share reported in fiscal 2006.

Core laundry operations saw a 9.2% revenue increase over the previous year, which we believe is a solid performance under slow growth economic conditions. Most of our overall revenue advance resulted from a combination of internal growth and price increase, while acquisitions accounted for 2.4%. Our Specialty Garments business bounced back from last year's revenue dip — as we predicted it would — showing a strong 21.9% increase over fiscal 2006. Our First Aid business delivered revenue growth of 5.0%, with results helped by an improvement in basic cabinet service sales and growth in the Medique area, serving professional users and the wholesale market.

The uniform rental business continued to show steady growth. Professional rep sales held up well throughout the year, with results benefiting from an increased headcount, better productivity and lower turnover. Slightly improved rep averages continued to reflect a higher percentage of larger account sales in the overall mix. And route sales continued to trend up as well, with a system-wide improvement in the addition of ancillary products and services at current accounts.

Our National Account sales organization added new business and continued to do an excellent job of securing contract renewals with current customers. Additionally, the

account management team continued to improve their results in expanding current user services via the sell-in of additional products. The integration of the Uniform Supply Alliance business, acquired in April of 2006, was completed during the year and that helped to free up resources during the second half to work on growth opportunities — particularly those related to preferred vendor situations.

For our core laundry business, income from operations showed about the same growth as revenues. However, excluding some unanticipated items discussed in our year-end financial press release, income from operations grew approximately 15%. During the year, this business experienced a slight moderation in energy costs and somewhat lower payroll costs as a percent of revenue. These were partially offset by higher healthcare benefits costs. For our Specialty Garments unit, we saw operating income bounce back to \$4.8 million, with profit growth centered around strong results from European, Canadian and Cleanroom operations. Profits for our First Aid unit were down year-to-year, due to continuing consolidation costs resulting from the reorganization of operations.

We continue to see favorable growth indicators for all of our business units. In our core laundry operations, we expect further productivity advances from the completed rollout of our Sales Force Automation system. We're also making major investments in the expansion and improvement of our prospect database which will allow for the delivery of more industry-specific marketing programs and give us better opportunities for targeted



RONALD D. CROATTI
*Chairman of the Board,
President, and Chief
Executive Officer*

selling. The combination of our sales productivity system and our enhanced database should also allow sharper and more consistent focus of selling activities at the local market level and is expected to generate continued improvements in rep performance.

We're rolling out new training programs and introducing alternative training formats that are allowing us to reach more of our front-line sellers more often. Through these efforts, we are delivering more in-depth product and market knowledge — including content relating to Protective Garment applications, specialty Food Processing applications and a full range of Facility Services applications — to give sellers the information they need to better fill a consultative role in their prospect interactions. We know that prospective buyers are looking for accurate, reliable and balanced information to aid their decision-making and we are determined that our sales team will be able to give it to them.

The Specialty Garments business bounced back smartly this year and is expected to sustain its recovery. UniTech, once focused exclusively on garment cleaning and decontamination, has added balance through the addition of equipment and tool decontamination services, as well as the direct sale of a wide range of safety products. It continues to push ahead with its

Canadian and European expansion plans and is seeing fresh opportunities in the United States, as a result of renewed interest in nuclear power options and the emergence of plans for several new reactors. As the leader in nuclear garment services, it is superbly positioned to tap into any expansions of this kind that take place. And with its technically-focused and complementary UniClean cleanroom business expanding its geographic reach, we believe the future of this business unit is bright.

In the First Aid area, the expansion of our professional sales team and the implementation of new training programs should help accelerate sales, as will an increased focus on team selling between UniFirst and Green Guard professional sales personnel in markets where we have joint coverage. Green Guard customers represent opportunities for uniform and facility services sales, just as UniFirst customers represent opportunities for first aid sales, and we will be giving added focus to exploiting these. Also, we'll be pressing the advantages we have with our Medique product line, which benefits from strong brand identity in certain user markets. We believe the combination of these activities will result in increased growth in both revenues and margins.

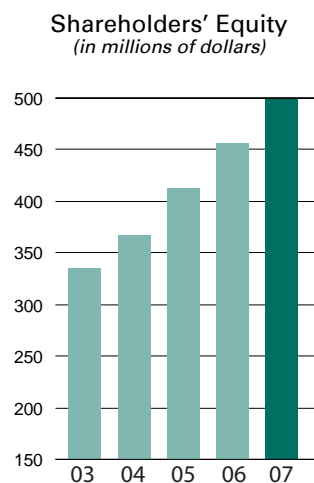
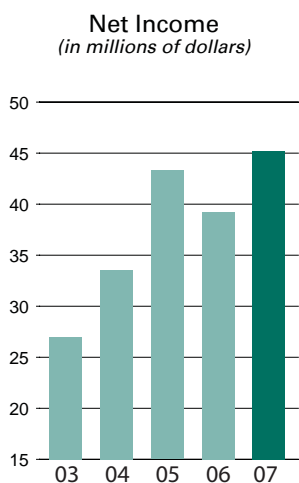
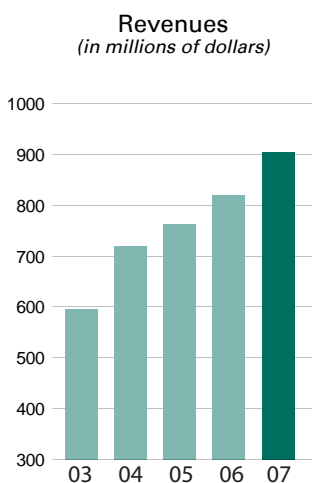
Overall, we think the outlook for UniFirst remains very positive and that

abundant potential remains in all the markets we serve. Taking advantage of the opportunities that are there for us calls for both business skill and market savvy, but we're confident in our ability to handle the challenge. As always, we will rely on the quality of our strategies, the thoroughness of our plans, the effectiveness of our execution and the commitment of our thousands of team partners in North America and Europe to produce the results we're targeting. The chance to prove ourselves again excites us all.

Thank you for your continued support. I look forward to reporting to you on the progress of your Company in the quarters ahead.



RONALD D. CROATTI
*Chairman of the Board,
 President, and Chief
 Executive Officer*



Fiscal Year Ended August <i>(in millions of dollars)</i>			
	2007	2006	Percent change
Revenues	\$902.1	\$821.0	9.9%
Net Income	\$45.2	\$39.2	15%
Shareholders' Equity	\$497.3	\$452.5	9.9%

SHAREHOLDER INFORMATION

EXECUTIVE OFFICERS

Ronald D. Croatti
*Chairman of the Board, President,
and Chief Executive Officer*

Cynthia Croatti
Executive Vice President and Treasurer

John B. Bartlett
*Senior Vice President and
Chief Financial Officer*

Bruce P. Boynton
Senior Vice President, Operations

David A. DiFillippo
Senior Vice President, Operations

Raymond C. Zemlin
Secretary

OPERATING AND CORPORATE OFFICERS

John R. Badey
*Vice President, Distribution
and Engineering*

George J. Bakevich
Vice President, UniTech Services Group

Joseph A. Boucher
Vice President, Western Rental Group

Michael A. Croatti
Vice President, Central Rental Group

Stephen A. Gaykan
Vice President, Manufacturing

Robert A. Kuhn
Vice President, Southern Rental Group

Reis V. LaMontagne
*Vice President, Mid-Atlantic
Rental Group*

Todd T. Lewis
Vice President, First Aid Group

Robert E. Middleton
Vice President, Southwest Rental Group

Gary L. Rogers
Vice President, Texas Rental Group

William M. Ross
Vice President, Northeast Rental Group

Michael E. Ruttner
Vice President, National Accounts

Michael J. Szymanski
Vice President, Canadian Rental Group

DIRECTORS

Ronald D. Croatti
*Chairman of the Board, President,
and Chief Executive Officer*

Cynthia Croatti
Executive Vice President and Treasurer

Phillip L. Cohen
*Retired Partner of an international
accounting firm and Certified Public
Accountant*

Robert F. Collings
*President's Council of Massachusetts
General Hospital and Board of Advisors
of New Boston Real Estate Fund*

Anthony F. DiFillippo
Former UniFirst Corporation President

Donald J. Evans
*Retired Senior Partner of Goodwin
Procter LLP; former General Counsel,
First Deputy Commissioner of
Massachusetts Department of Revenue;
and Trustee of Massachusetts Eye and
Ear Infirmary*

Michael Landoli
*Vice President of Executive Committee,
The Larz Anderson Auto Museum, and
former Senior Executive and President
of TAC Worldwide Companies*

CORPORATE INFORMATION

*Shareholders may obtain without
charge a copy of the Company's
2007 Form 10-K. Written requests
should be addressed to John B.
Bartlett, Senior Vice President.*

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Providence, RI 02940-3078*

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Accounting Firm
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Legal Counsel
Goodwin Procter LLP

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