

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of
The Securities Exchange Act of 1934

For the month of December, 2008

TEFRON LTD.

(Translation of registrant's name into English)

Ind. Center Teradyon, P.O. Box 1365, Misgav 20179, Israel

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- N/A

Attached is a press release issued today by the Company relating to the board approval of a rights offering and a reverse stock split.

This Form 6-K is hereby incorporated by reference into Tefron Ltd.'s Registration Statement on Form F-3 (Registration No. 333-128847) and its Registration Statements on Form S-8 (Registration Nos. 333-139021 and 333-111932).



Tefron Announces Board Approval of a Rights Offering and a Reverse Stock Split

Misgav, Israel, December 9, 2008 - Tefron Ltd. (NYSE:TFR; TASE:TFRN), a leading producer of seamless intimate apparel and engineered-for-performance (EFP™) active wear, today announced that its Board of Directors has approved an offering of subscription rights to its shareholders to acquire Tefron's ordinary shares and a reverse stock split of Tefron's ordinary shares.

Rights Offering

Pursuant to the proposed rights offering, each shareholder would be provided the right to acquire one ordinary share of Tefron at a price of \$0.60 per share for each 1.06 ordinary shares held on the record date. Fractional shares would not be issued upon exercise of rights. If all of the rights are exercised, Tefron would raise \$12 million in gross proceeds from the offering. Tefron intends to use the proceeds of the transaction for general corporate purposes.

In the event the reverse stock split described below is approved by shareholders, the subscription price per share would be adjusted accordingly.

Tefron intends to file a registration statement with the SEC and a prospectus with the Israeli Securities Authority for the rights offering. The setting of a record date and the commencement of the rights offering are subject to the declaration of effectiveness of the registration statement by the SEC and approval of the prospectus by the Israeli Securities Authority. The rights offering is subject to termination or amendment at the discretion of the Company's board of directors.

This announcement does not constitute an offer to sell nor a solicitation of an offer to buy any securities. Any such offer may be made solely by prospectus.

Reverse Stock Split

The Board's decision to approve the reverse stock split is part of Tefron's efforts to regain compliance with New York Stock Exchange (NYSE) listing rules. Despite this action, Tefron cannot assure that its shares will continue to be listed on the NYSE.

Pursuant to the reverse stock split, which is subject to shareholder approval, each 10 ordinary shares of issued and outstanding ordinary shares will be converted into one ordinary share. A reverse stock split would not have any impact on the voting and other rights of shareholders. The Company plans to hold a special meeting of shareholders in January to vote on the reverse stock split. The time, date and other details regarding the special meeting will be communicated to shareholders at a later date via proxy materials filed with the SEC.

The Board also decided to propose to shareholders at the same special meeting of shareholders, to increase Tefron's authorized share capital by 20,000,000 shares, which

would be converted into 2,000,000 shares after completion after the execution of the reverse stock split.

About Tefron

Tefron manufactures boutique-quality everyday seamless intimate apparel, active-wear and swimwear sold throughout the world by such name-brand marketers as Victoria's Secret, Nike, Target, The Gap, J. C. Penney, lululemon athletica, Warnaco/Calvin Klein, Patagonia, Reebok, Swimwear Anywhere, Abercrombie&Fitch, and El Corte Ingles, as well as other well known retailers and designer labels. The company's product line includes knitted briefs, bras, tank tops, boxers, leggings, crop, T-shirts, nightwear, bodysuits, swimwear, beach wear and active-wear.

This press release contains certain forward-looking statements, within the meaning of Section 27A of the US Securities Act of 1933, as amended, Section 21E of the US Securities Exchange Act of 1934, as amended, and the safe harbor provisions of the US Private Securities Litigation Reform Act of 1995, with respect to the Company's business, financial condition and results of operations. We have based these forward-looking statements on our current expectations and projections about future events.

Words such as "believe," "anticipate," "expect," "intend," "will," "plan," "could," "may," "project," "goal," "target," and similar expressions often identify forward-looking statements but are not the only way we identify these statements. Except for statements of historical fact contained herein, the matters set forth in this press release regarding our future performance, plans to increase revenues or margins and any statements regarding other future events or future prospects are forward-looking statements.

These forward looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements, including, but not limited to:

- *our customers' continued purchase of our products in the same volumes or on the same terms;*
- *the cyclical nature of the clothing retail industry and the ongoing changes in fashion preferences;*
- *the competitive nature of the markets in which we operate, including the ability of our competitors to enter into and compete in the seamless market in which we operate;*
- *fluctuations in inflation and currency rates;*
- *the potential adverse effect on our business resulting from our international operations, including increased custom duties and import quotas (e.g., in China, where we manufacture for our swimwear division);*
- *the potential adverse effect on our future operating efficiency resulting from our expansion into new product lines with more complicated products, different raw materials and changes in market trends;*
- *the purchase of new equipment that may be necessary as a result of our expansion into new product lines;*

- *our dependence on our suppliers for our machinery and the maintenance of our machinery;*
- *the fluctuations costs of raw materials;*
- *our dependence on subcontractors in connection with our manufacturing process;*
- *our failure to generate sufficient cash from our operations to pay our debt; and*
- *political, economic, social, climatic risks, associated with international business and relating to operations in Israel;*

As well as certain other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission. The Company undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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