

G-III Apparel Group, Ltd. Announces Second Quarter Fiscal 2006 Results; Net sales increase by 24.1% to \$54.5 million; Net loss reduced to \$301,000

NEW YORK, Sept. 8, 2005 -- G-III Apparel Group, Ltd. (GIII) today announced operating results for the second quarter of fiscal 2006.

For the three-month period ended July 31, 2005, G-III reported net sales of \$54.6 million and a net loss of \$301,000, or \$0.04 per share, compared to net sales of \$44.0 million and a net loss of \$1.7 million, or \$0.23 per share, during the comparable period last year. For the six-month period ended July 31, 2005, G-III reported net sales of \$68.3 million and a net loss of \$5.0 million, or \$0.68 per share, compared to net sales of \$60.5 million and a net loss of \$6.5 million, or \$0.91 per share, during the comparable period last year.

The Company's results of operations for three and six months ended July 31, 2005 include the results of the Company's new Marvin Richards and Winlit divisions from July 11, 2005, the date the Company acquired the stock of Marvin Richards and certain assets from Winlit.

The prior year's second quarter and six-month results include a non-cash charge of \$882,000, equal to \$0.12 per share, associated with the Company's sale of its joint venture interest in a factory in China.

Morris Goldfarb, G-III's Chief Executive Officer, said, "With our recent acquisitions of Marvin Richards and Winlit, we feel that our company is better positioned in the marketplace and better able to deliver profit growth. We are thrilled to represent Calvin Klein in both women's and men's outerwear. We are pleased with the overall state of our business and with our stronger position in the market. In addition, our sports apparel business continues to gain momentum in both bookings and shipments compared to last year. We believe that we can deliver a strong Fall season."

Mr. Goldfarb continued, "The acquisitions of Marvin Richards and Winlit truly was a transforming event for our Company. Marvin Richards and Winlit provide us with further strength in design, sourcing and sales. In addition, we believe, we have solidified our penetration of distribution channels in both women's and men's outerwear."

Mr. Goldfarb concluded, "Our near-term focus will be on integrating the operations of our acquired businesses and capitalizing on the broad portfolio of brands that we now have."

Also today, G-III Apparel Group issued guidance for the fiscal year ending January 31, 2006. For the fiscal year ending January 31, 2006, the Company is forecasting net sales in the range of \$330 to \$340 million and diluted net income per share between \$.95 and \$1.00.

The Company will conduct a conference call today at 4:30 p.m. ET. While the question-and-answer session of the call will be limited to institutional investors and analysts, retail brokers and individual investors are invited to listen to a live webcast at www.viavid.net. The G-III webcast can be accessed via the "events" section of the site.

About G-III Apparel Group, Ltd.

G-III Apparel Group, Ltd. is a leading manufacturer and distributor of outerwear and sportswear under licensed labels, our own labels and private labels. The Company has fashion licenses, among others, for Calvin Klein, Kenneth Cole, Nine West, Cole Haan, Guess?, Jones Apparel, Sean John, Cece Cord, Izod, St. John Knits, House of Dereon, Ellen Tracy, Tommy Hilfiger, Donald Trump, James Dean and sports licenses with the National Football League, National Basketball Association, Major League Baseball, National Hockey League, Louisville Slugger, NASCAR, World Poker Tour and more than 60 universities nationwide. Company-owned labels include, among others, Marvin Richards, Black Rivet, Winlit, LNR, La Nouvelle Renaissance, Colebrook and Siena Studio.

Statements concerning the Company's business outlook or future economic performance, anticipated revenues, expenses or other financial items; product introductions and plans and objectives related thereto; and statements concerning assumptions made or expectations as to any future events, conditions, performance or other matters are "forward-looking statements" as that term is defined under the Federal Securities laws. Forward-looking statements are subject to risks, uncertainties and factors include, but are not limited to, reliance on foreign manufacturers, the nature of the apparel industry, including changing customer demand and tastes, reliance on licensed product, seasonality, customer acceptance of new products, the impact of competitive products and pricing, dependence on existing management, possible business disruption from acquisitions, general economic conditions, as well as other risks detailed in the Company's filings with the Securities and Exchange Commission. The

Company assumes no obligation to update the information in this release.

G-III APPAREL GROUP, LTD. AND SUBSIDIARIES
(GIII)

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	7/31/05	7/31/04	7/31/05	7/31/04
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Net sales	\$ 54,553	\$ 43,974	\$ 68,320	\$ 60,472
Cost of sales	41,804	33,354	54,656	48,113
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Gross profit	12,749	10,620	13,664	12,359
Selling, general and administrative expenses	12,600	11,789	21,703	21,923
Write down of equity investment		882		882
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Operating profit/(loss)	149	(2,051)	(8,039)	(10,446)
Interest and financing charges, net	527	197	530	270
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Loss before income taxes	(378)	(2,248)	(8,569)	(10,716)
Income tax benefit	(77)	(588)	(3,599)	(4,229)
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Net loss	\$ (301)	\$ (1,660)	\$ (4,970)	\$ (6,487)
	=====	=====	=====	=====
Basic net loss per common Share	\$ (0.04)	\$ (0.23)	\$ (0.68)	\$ (0.91)
	=====	=====	=====	=====
Diluted net loss per common share	\$ (0.04)	\$ (0.23)	\$ (0.68)	\$ (0.91)
	=====	=====	=====	=====
Weighted average shares outstanding:				
Basic	7,491,186	7,162,467	7,338,163	7,140,701
Diluted	7,491,186	7,162,467	7,338,163	7,140,701

Balance Sheet Data (in thousands):

	At	At
	July 31,	July 31,
	2005	2004
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Working Capital	\$ 59,070	\$ 52,658
Cash	1,194	680
Inventory	72,727	50,507
Total Assets	184,621	106,437
Outstanding Borrowings	\$ 77,256	\$ 21,765

Total Shareholders' Equity

\$ 67,416

\$ 59,142

Contacts:

G-III Apparel Group, Ltd.

Wayne S. Miller, Chief Operating Officer

212-403-0500

or

For G-III Apparel Group, Ltd.

Investor Relations

James Palczynski

203-222-9013