

G-III Apparel Group, Ltd. Announces Second Quarter Fiscal 2003 Results

NEW YORK, Sept. 5, 2002 -- G-III Apparel Group, Ltd. (Nasdaq:GIII) today announced operating results for the second quarter of fiscal 2003.

For the three-month period ended July 31, 2002, G-III reported net sales of \$40.0 million and net income of \$576,000, or \$0.08 per diluted share, compared to net sales of \$62.9 million and net income of \$3.9 million, or \$0.52 per diluted share, during the comparable period last year.

For the six-month period ended July 31, 2002, G-III reported net sales of \$52.7 million and a net loss of \$3.6 million, or \$0.54 per diluted share, compared to net sales of \$80.1 million and net income of \$993,000 or \$0.13 per diluted share, during the comparable period last year.

Morris Goldfarb, G-III's Chief Executive Officer, said, "Sales were down versus the prior year, as an ongoing trend toward shipments occurring closer to selling-floor needs caused some expected revenues to be pushed into the third quarter. While the retail environment continues to be challenging, we are meeting our booking goals and believe that our second half results for the year will be strong."

Mr. Goldfarb continued, "Our Sports Licensing, Sean Jean and Timberland lines are receiving particularly strong responses from retailers. We continue to believe that Sports Licensing is going to be a key component of our success over the next couple of years. We have already exceeded our full-year booking target for this business and are very pleased with the products we have recently shipped. Our company's diversification by distribution channel, gender, and brand is designed to enable us to perform well, even in a challenging retail environment."

For the fiscal year ending January 31, 2003, the Company continues to expect diluted net income per share to be between \$0.95 and \$1.00 with net sales of approximately \$190 million.

About G-III Apparel Group, Ltd.

G-III Apparel Group, Ltd. is a leading manufacturer and distributor of leather and non-leather outerwear apparel under our own labels, licensed labels and private labels. The Company has fashion licenses with Kenneth Cole Productions, Nine West Group, Timberland, Cole Haan, Jones Apparel Group and Sean John, and licensing agreements with the National Football League, National Hockey League, National Basketball Association, Major League Baseball and more than 50 universities nationwide.

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, seasonality, customer acceptance of new products, the impact of competitive products and pricing, dependence on existing management, 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
(NASDAQ:GIII)
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	7/31/02	7/31/01	7/31/02	7/31/01
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Net sales	\$ 40,022	\$ 62,913	\$ 52,713	\$ 80,080
Cost of sales	29,209	46,298	40,997	60,515
Gross profit	10,813	16,615	11,716	19,565
Selling, general				

and administrative expenses	9,453	9,027	16,967	16,492
Operating profit (loss)	1,360	7,588	(5,251)	3,073
Interest and financing charges, net	396	1,113	521	1,418
Income (loss) before income taxes	964	6,475	(5,772)	1,655
Income tax expense (benefit)	388	2,590	(2,179)	662
Net income (loss)	\$ 576	\$ 3,885	\$(3,593)	\$ 993
Basic net income (loss) per common share	\$ 0.09	\$ 0.58	\$ (0.54)	\$ 0.15
Diluted net income (loss) per common share	\$ 0.08	\$ 0.52	\$ (0.54)	\$ 0.13
Weighted average shares outstanding:				
Basic	6,714,200	6,678,639	6,708,383	6,662,121
Diluted	7,379,809	7,456,050	6,708,383	7,412,370

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