

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**AMENDMENT NO. 1
TO**

**FORM S-3
REGISTRATION STATEMENT
UNDER**

THE SECURITIES ACT OF 1933

G-III APPAREL GROUP, LTD.

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

41-1590959
*(I.R.S. Employer
Identification Number)*

512 Seventh Avenue
New York, New York 10018
(212) 403-0500

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Morris Goldfarb, Chief Executive Officer
G-III Apparel Group, Ltd.
512 Seventh Avenue
New York, New York 10018
(212) 403-0500**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to public:

As soon as practicable after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"), other than securities offered only in connection with dividend or reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	Amount To Be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount Of Registration Fee
Common stock, \$0.01 par value per share (1)	5,175,000 shares	\$ 18.98	\$ 98,221,500	\$ 10,509.71
Common stock, \$0.01 par value per share	575,000 shares (2)	\$ 24.28 (3)	\$ 13,961,000 (3)	\$ 428.60
Total	5,750,000 shares (4)		\$ 112,182,500	\$ 10,938.31

(1) A filing fee of \$10,509.71 (based on a proposed maximum offering price per share of \$18.98, equal to the average of the high and low sales prices of the registrant's common stock on the Nasdaq Global Market on December 29, 2006) was previously paid with respect to the 5,175,000 shares of common stock covered by the original filing of this registration statement on January 4, 2007.

(2) The registrant is registering an additional 575,000 shares of common stock in this Amendment No. 1 to the registration statement.

(3) Estimated solely for purposes of calculating the registration fee under Rule 457(c) promulgated under the Securities Act based on the average of the high and low sales prices of the registrant's common stock on the Nasdaq Global Market on February 13, 2007.

(4) Includes 750,000 shares of common stock that the underwriters have the option to purchase to cover over-allotments, if any.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.



5,000,000 Shares Common Stock

G-III Apparel Group, Ltd. is offering 1,621,000 shares of our common stock and the selling stockholders identified in this prospectus are offering an additional 3,379,000 shares. We will not receive any of the proceeds from the sale of the shares sold by the selling stockholders. We and some of the selling stockholders have granted the underwriters a 30-day option to purchase up to an additional 750,000 shares to cover over-allotments, if any.

Our common stock is traded on the Nasdaq Global Market under the symbol "GIII." The last reported sale price on February 20, 2007 was \$25.56 per share.

INVESTING IN OUR COMMON STOCK INVOLVES RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE 5.

	Per Share	Total
Public offering price	\$	\$
Underwriting discount	\$	\$
Proceeds, before expenses, to us	\$	\$
Proceeds, before expenses, to the selling stockholders	\$	\$

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

Thomas Weisel Partners LLC

Cowen and Company

Lazard Capital Markets

Brean Murray, Carret & Co.

The date of this prospectus is _____, 2007.

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You should rely only on the information contained in this prospectus. Neither we nor the selling stockholders nor the underwriters have authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we nor the selling stockholders nor the underwriters are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

G-III, J.L. Colebrook, JLC, Colebrook & Co., American Classics By Colebrook, Black Rivet, ColeB Co, Siena Studio, Sports 58, Studio 512, Marvin Richards, WINLIT, LNR, La Nouvelle Renaissance and NY 10018 are our trademarks. This prospectus also includes the registered and unregistered trademarks of other persons.

PROSPECTUS SUMMARY

This summary highlights certain information contained elsewhere in this prospectus, but might not contain all of the information that is important to you. For a more complete understanding of information you may consider important in making your investment decision, you should read the entire prospectus carefully, including information set forth under the heading "Risk Factors" and our consolidated financial statements and the related notes incorporated by reference in this prospectus.

In this prospectus, "G-III," "we," "us," and "our" refer to G-III Apparel Group, Ltd., a Delaware corporation, together with its subsidiaries. References to fiscal years refer to the year ended or ending on January 31 of that year. For example, our fiscal year ended January 31, 2006 is referred to as "fiscal 2006".

Our Company

G-III is a leading designer, manufacturer and marketer of outerwear and sportswear under licensed brands, our own proprietary brands and private retail labels. We sell an extensive range of outerwear and sportswear, including coats, jackets and pants, as well as women's suits and dresses. We provide high quality apparel under recognized brands to retailers such as Macy's, Nordstrom and Saks. We distribute our products through a diverse mix and a large number of retailers at a variety of price points.

Licensed brands have been an important part of our strategy for over 10 years. We currently have licenses to produce branded fashion apparel including, among others, under the Calvin Klein, Sean John, Kenneth Cole, Cole Haan, Guess?, Jones New York, Nine West, Ellen Tracy, IZOD and Tommy Hilfiger labels. We also have licenses to produce branded sports apparel containing trademarks of the National Football League, National Basketball Association, Major League Baseball, National Hockey League, Louisville Slugger, World Poker Tour and over 100 U.S. colleges and universities.

We also work with leading retailers, such as Federated, Wal-Mart, JC Penney and Kohl's, in developing product lines to be sold under their own proprietary private labels. We produce apparel under our own proprietary brands, including *Marvin Richards*, *G-III*, *Black Rivet*, *Siena Studio*, *Colebrook*, *G-III by Carl Banks*, *Winlit*, *NY 10018* and *La Nouvelle Renaissance*.

In July 2005, we significantly expanded our business when we acquired Marvin Richards and the operating assets of Winlit Group, Ltd. As a result of the Marvin Richards acquisition, we added licenses for men's and women's outerwear under the Calvin Klein brand, as well as Marvin Richards' own proprietary labels. As a result of acquiring Winlit's assets, we added licenses for men's and women's outerwear under the Guess? brand, men's leather outerwear under the Tommy Hilfiger brand and women's outerwear under the Ellen Tracy brand. We also acquired Winlit's own proprietary labels. In addition, we added significant management, merchandising, manufacturing and design expertise as a result of these acquisitions.

Recent Initiatives

In addition to the licenses we added as a result of the two acquisitions we made, we have undertaken several new initiatives, each of which we believe has significant revenue potential:

- We expanded our relationship with Calvin Klein, one of the most recognized fashion brands in the United States, in August 2005 to include a license for women's suits. We began to ship this line to department and specialty stores in January 2006 and had product in over 400 doors by fall 2006.
- In March 2006, we announced that we would be designing and producing for Wal-Mart a new urban young men's and boy's branded sportswear line, under its Exsto label. We began shipping Exsto product during July 2006 and were shipping to over 500 Wal-Mart locations by fall 2006.
- We further expanded our relationship with Calvin Klein in April 2006 to include a license for women's dresses and began shipping this line to department and specialty stores in October 2006.

- We expanded our relationship with Sean John to include a license for women's sportswear. We expect to launch this line in department stores and urban specialty stores for fall 2007.

Competitive Strengths

We intend to capitalize on the following competitive strengths:

Broad portfolio of recognized brands. Over the past 10 years, we have built a broad and deep portfolio of over 25 licensed and proprietary brands. We believe we are a licensee of choice for well-known brands that have built a loyal following of both fashion-conscious consumers and retailers who desire high quality, well-designed apparel. Our experience in developing our licensed brands and our own proprietary labels, as well as our reputation for producing high quality, well-designed apparel, has led major department stores and retailers, including Federated, Wal-Mart, JC Penney and Kohl's, to select us as a designer and manufacturer for their private label programs.

Diversified distribution base. We market our products at multiple price points and across multiple channels of distribution. Our products are sold to approximately 2,500 customers, including department and specialty stores such as Macy's, Nordstrom and Saks, mid-tier and mass merchants such as Wal-Mart, JC Penney, Target and Kohl's, and membership clubs such as Costco and Sam's Club.

Superior design, sourcing and quality control. Our designers work closely with our licensors and private label customers to create designs and styles that represent the look they want. We believe that our creative design team and our sourcing expertise give us an advantage in product development. We believe we have developed a significant customer following and positive reputation in the industry as a result of our design capabilities, sourcing expertise, on-time delivery and high standards of quality control.

Leadership position in the outerwear wholesale business. As one of the largest outerwear wholesalers, we are widely recognized within the apparel industry for our quality, well-designed products. Our expertise and reputation in designing, manufacturing and marketing outerwear have enabled us to build strong customer relationships and to expand into women's suits, dresses and other product categories.

Experienced management team. Our executive management team has extensive experience in the apparel industry. Morris Goldfarb, our Chairman and Chief Executive Officer, has been with us for 35 years. In 2005, we added significant management, merchandising, manufacturing and design expertise as a result of our acquisition of the Marvin Richards and Winlit businesses. The experience, expertise and depth of our management team have enabled us to implement new initiatives in new product categories with existing licensees, such as Calvin Klein and Sean John, and private label customers, such as Wal-Mart.

Growth Strategy

Our goal is to build an all-season diversified apparel company with a broad portfolio of brands that we offer in multiple channels of retail distribution through the following growth strategies:

Execute new initiatives. We are continually seeking opportunities to produce products for all seasons as we attempt to reduce our dependency on our third fiscal quarter for the majority of our net sales and substantially all of our net income. During the past year, we have initiated several product diversification efforts, each of which we believe has significant revenue potential.

Continue to grow our outerwear business. We have been a leader in the outerwear business for many years and believe there is significant growth potential for us within this category. For example, we believe that the strong brand awareness of Calvin Klein, our addition of women's outerwear for Sean John, and new private label programs, such as for the Candie's brand distributed by Kohl's, will provide us with increased outerwear business.

Extend our new product categories to additional brands. We have been able to leverage our expertise and experience in the outerwear business to expand our licenses to new product categories

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such as women's suits, dresses and sportswear. We will attempt to expand our distribution of products in these categories under other licensed brands, private label brands and our own brands.

Seek attractive acquisitions. We plan to pursue acquisitions of complementary product lines and businesses, which could include wholesale and retail opportunities. Our acquisitions of the Marvin Richards and Winlit businesses increased our portfolio of licensed brands, added additional retail customers and allowed us to realize economies of scale.

Recent Developments

On February 21, 2007, we announced preliminary unaudited results for fiscal 2007. We anticipate net sales of \$425 to \$428 million, net income of \$12.5 to \$13.5 million and net income per diluted share of \$0.90 to \$0.95 for fiscal 2007 compared to net sales of \$324 million, net income of \$7.1 million and net income per diluted share of \$0.58 for fiscal 2006. In computing net income per diluted share, there were approximately 14,000,000 weighted average shares outstanding for fiscal 2007 compared to 12,236,000 weighted average shares outstanding for fiscal 2006.

	The Offering
Common stock offered by us	1,621,000 shares
Common stock offered by the selling stockholders	3,379,000 shares
Common stock to be outstanding after this offering	15,896,345 shares
Use of proceeds	We intend to use the net proceeds of this offering for general corporate purposes to support the growth of our business. We will not receive any proceeds from the sale of stock offered by the selling stockholders.
Nasdaq Global Market symbol	GIII

The number of shares of common stock that will be outstanding after this offering is based on 14,162,845 shares of common stock outstanding as of January 31, 2007 and excludes:

- an aggregate of 1,673,798 shares of common stock issuable upon exercise of options outstanding as of January 31, 2007 at a weighted average exercise price of \$6.16 per share;
- an aggregate of 375,000 shares of common stock issuable upon exercise of warrants outstanding as of January 31, 2007 at an exercise price of \$11.00 per share;
- an aggregate of 1,044,240 shares of common stock reserved for future grants under our option plans; and
- an aggregate of 367,225 shares held in treasury.

All share and per share information in this prospectus has been adjusted to reflect a three-for-two split of our common stock effective March 28, 2006.

Unless otherwise indicated, the information contained in this prospectus assumes no exercise of outstanding options or warrants and no exercise of the underwriters' over-allotment option to purchase up to an additional 750,000 shares from us and some of the selling stockholders.

Corporate Information

We are a Delaware corporation that was formed in 1989. We and our predecessors have conducted business since 1974. Our executive offices are located at 512 Seventh Avenue, New York, NY 10019 and our telephone number is (212) 403-0500. Our website is <http://www.g-iii.com>. The information on our website is not a part of this prospectus.

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Summary Consolidated Financial Data (In thousands, except per share data)

The following table summarizes our consolidated financial data for the periods presented. You should read the data in conjunction with the information under "Selected Consolidated Financial Data" and our consolidated financial statements and related notes incorporated by reference in this prospectus.

Our results of operations for the year ended January 31, 2006 include the results of our Marvin Richards and Winlit divisions from July 11, 2005, the date we acquired the stock of Marvin Richards and certain assets from Winlit. Our results for fiscal 2006 exclude the seasonal losses that were incurred by the acquired companies in the first half of fiscal 2006. Results for fiscal 2007 include the operations of the acquired companies for the entire period, as well as interest expense and depreciation and amortization expense relating to the acquisitions

for the entire period.

The summary consolidated income statement data for the nine months ended October 31, 2005 and 2006 and the summary consolidated balance sheet data as of October 31, 2006 set forth below are derived from our unaudited consolidated financial statements. In the opinion of our management, all known adjustments necessary for a fair presentation of the results for the nine months ended October 31, 2005 and 2006 have been made. The financial data for the nine months ended October 31, 2005 and 2006 include all normal recurring adjustments which in the opinion of our management are necessary for these periods. Our results of operations for the nine months ended October 31, 2006 are not necessarily indicative of the results that may be expected for the entire year or for any future period.

	Year Ended January 31,			Nine Months Ended October 31,	
	2004	2005	2006	2005	2006
Consolidated Income Statement Data:					
Net sales	\$ 225,061	\$ 214,278	\$ 324,072	\$ 254,941	\$ 328,175
Gross profit	62,832	52,744	84,846	68,782	89,856
Operating profit	14,793	3,066	16,958	19,742	25,089
Net income	\$ 8,376	\$ 703	\$ 7,092	\$ 9,843	\$ 12,671
Diluted earnings per share	\$ 0.76	\$ 0.06	\$ 0.58	\$ 0.82	\$ 0.93
Weighted average shares outstanding – diluted	11,022	11,292	12,236	11,993	13,630

The following table summarizes our consolidated balance sheet data at October 31, 2006 on an actual basis, and as adjusted to reflect our sale of the 1,621,000 shares offered by us at an assumed public offering price of \$25.56 per share, after deducting the underwriting discount and estimated offering expenses payable by us.

	As of October 31, 2006	
	Actual	As Adjusted
Consolidated Balance Sheet Data:		
Working capital	\$ 86,704	\$ 125,975
Total assets	298,120	337,391
Short-term debt	106,691	106,691
Long-term debt, excluding current portion	16,800	16,800
Total stockholders' equity	110,789	150,060

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RISK FACTORS

An investment in our common stock involves various risks. Before making an investment in our common stock, you should carefully consider the following risks, as well as the other information contained or incorporated by reference in this prospectus, including our consolidated financial statements and the related notes. The risks described below are those which we believe are the material risks we face. Any of the risk factors described below or additional risks and uncertainties not presently known to us, or that we currently deem immaterial, could have a material adverse effect on our business, financial condition and results of operations. As a result, the trading price of our common stock could decline and you may lose some or all of your investment.

Risk Factors Relating to Our Operations

The failure to maintain our licensing agreements could cause us to lose significant revenues and have a material adverse effect on our results of operations.

We are dependent on sales of licensed product for a substantial portion of our revenues. In fiscal 2006, revenues from the sale of licensed product accounted for 60.8% of our net sales compared to 63.6% of our net sales in fiscal 2005 and 76.3% of our net sales in fiscal 2004. For the nine months ended October 31, 2006, revenues from the sale of licensed product accounted for 60.2% of our net sales compared to 57.3% of our net sales in the comparable period in the prior year.

We are generally required to achieve specified minimum net sales, make specified royalty and advertising payments and receive prior approval of the licensor as to all design and other elements of a garment prior to production. License agreements also may restrict our ability to enter into other license agreements for competing products. If we do not satisfy any of these requirements, a licensor usually will have the right to terminate our license. Even if a licensor does not terminate our license, the failure to achieve net sales sufficient to cover our required minimum royalty payments could have a material adverse effect on our results of operations. If a license contains a renewal provision, there are usually minimum sales and other conditions that must be met in order to be able to renew a license. Even if we comply with all the terms of a licensing agreement, we cannot be sure that we will be able to renew an agreement when it expires even if we desire to do so. The failure to maintain our license agreements could cause us to lose significant revenue and have a material adverse effect on our results of operations.

Our success is dependent on the strategies and reputation of our licensors.

Our business strategy is to offer our products on a multiple brand, multiple channel and multiple price point basis. As a part of this strategy, we license the names and brands of numerous recognized companies, designers and celebrities. In entering into these license agreements, we plan our products to be targeted towards different market segments based on consumer demographics, design, suggested pricing and channel of distribution. If any of our licensors decides to "reposition" its products under the brands we license from them, introduce similar products under similar brand names or otherwise change the parameters of design, pricing, distribution, target market or competitive set, we could experience a significant downturn in that brand's business, adversely affecting our sales and profitability. In addition, as products may be personally associated with designers or celebrities, our sales of those products could be materially and adversely affected if any of those individuals' images, reputations or popularity were to be negatively impacted.

If we are unable to successfully translate market trends into attractive product offerings, our sales and profitability could suffer.

Our ability to successfully compete depends on a number of factors, including our ability to effectively

anticipate, gauge and respond to changing consumer demands and tastes across multiple product lines and tiers of distribution. We are required to translate market trends into attractive product offerings and operate within substantial production and delivery constraints. We cannot be sure we will

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continue to be successful in this regard. For example, a key part of our success in fiscal 2004 was a result of increased sales of fashion sports apparel. This trend did not continue in fiscal 2005 and, as a result, our results of operations were materially adversely affected. We need to anticipate and respond to changing trends quickly, efficiently and effectively in order to be successful.

Expansion of our product offerings involves significant costs and uncertainty and could adversely affect our results of operations.

An important part of our strategy is to expand the types of products we offer. For example, in the past year we have added licenses for new lines of women's suits, sportswear and dresses. We have limited prior experience designing, manufacturing and marketing these types of products. We intend to continue to add additional product lines in the future. As is typical with new products, demand and market acceptance for any new products we introduce will be subject to uncertainty. Designing, producing and marketing new products require substantial expenditures. We cannot be certain that our efforts and expenditures will successfully generate sufficient sales or that sales that are generated will be sufficient to cover our expenditures.

If our customers change their buying patterns, request additional allowances or develop their own private label brands, our sales to these customers could be materially adversely affected.

Our customers' buying patterns, as well as the need to provide additional allowances to vendors, could have a material adverse effect on our business, results of operations and financial condition. Customers' strategic initiatives, including developing their own private labels brands and reducing the number of vendors they purchase from, could also impact our sales to these customers.

We have significant customer concentration, and the loss of one of our large customers could adversely affect our business.

Our 10 largest customers accounted for approximately 60.7% of our net sales in fiscal 2006 compared to 52.6% of our net sales in fiscal 2005, with our two largest customers accounting for 19.0% and 13.2% of our net sales in fiscal 2006. For the nine months ended October 31, 2006, our 10 largest customers accounted for approximately 73.9% of our net sales, with our two largest customers accounting for 23.8% and 14.6% of our net sales during that period. Consolidation in the retail industry, such as the combination of the Federated and May department store chains, has increased the concentration of our sales to our largest customers. We do not have long-term contracts with any customers, and sales to customers generally occur on an order-by-order basis that may be subject to cancellation or rescheduling by the customer. A decision by our major customers to decrease the amount of merchandise purchased from us, to increase the use of their own private label brands or to change the manner of doing business with us could reduce our revenues and materially adversely affect our results of operations.

If we miscalculate the market for our products, we may end up with significant excess inventories for some products and missed opportunities for others.

We often produce garments to hold in inventory in order to meet our customers' delivery requirements and to be able to quickly fulfill reorders. If we misjudge the market for our products, we may be faced with significant excess inventories for some products and missed opportunities for others. In addition, weak sales and resulting markdown requests from customers could have a material adverse effect on our results of operations.

We are dependent upon foreign manufacturers.

We do not own or operate any manufacturing facilities. Almost all of our products are imported from independent foreign manufacturers. The failure of these manufacturers to ship products to us in a timely manner or to meet required quality standards could cause us to miss the delivery date requirements of our customers. The failure to make timely deliveries could cause customers to cancel

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orders, refuse to accept delivery of products or demand reduced prices, any of which could have a material adverse effect on our business. We do not have long-term written agreements with any of our manufacturers. As a result, any of these manufacturers may unilaterally terminate its relationship with us at any time.

We are also dependent on these manufacturers for compliance with our policies and the policies of our licensors and customers regarding labor practices employed by factories that manufacture product for us. Any failure by these manufacturers to comply with required labor standards or any other divergence in their labor or other practices from those generally considered ethical in the United States, and the potential negative publicity relating to any of these events, could result in a violation by us of our license agreements and harm us and our reputation.

We are subject to the risks of doing business abroad.

Our arrangements with foreign manufacturers are subject to the usual risks of doing business abroad, including currency fluctuations, political or labor instability and potential import restrictions, duties and tariffs. We do not maintain insurance for the potential lost profits due to disruptions of our overseas factories. Because our products are produced abroad, political or economic instability in China or elsewhere could cause substantial disruption in the business of our foreign manufacturers. This could materially adversely affect our financial condition and results of operations. There have been threats of anti-dumping cases with respect to apparel sourced from several countries, including Vietnam and China. Heightened terrorism security concerns could subject imported goods to additional, more frequent or more thorough inspections. This could delay deliveries or increase costs, which could adversely impact our results of operations. In addition, since we negotiate our purchase orders with foreign manufacturers in United States dollars, the value of the United States dollar against local currencies could impact our cost in dollars of production from these manufacturers. We are not currently engaged in any hedging activities to protect against these currency risks. If there is downward pressure on the value of the dollar, our purchase prices for our products could increase. We may not be able to offset an increase in product costs with a price increase to our customers.

Fluctuations in the price, availability and quality of materials used in our products could have a material adverse effect on our cost of goods sold and our ability to meet our customers' demands.

Fluctuations in the price, availability and quality of the leather, wool and other materials used in our products could have a material adverse effect on our cost of sales or our ability to meet our customers' demands. We compete with numerous entities for supplies of materials and manufacturing capacity. The supply and price of leather are vulnerable to animal diseases as well as natural disasters that can affect the supply and price of raw leather. For example, in the past, the outbreak of mad-cow and foot-and-mouth disease in Europe, and its aftereffects, adversely affected the supply of leather. Any recurrence of these diseases could adversely affect us. The prices for wool and other fabrics used in our products depend largely on the market prices for the raw materials used to produce them, such as raw wool or cotton. We may not be able to pass on all or any portion of higher material prices to our customers.

If we lose the services of our key personnel, our business will be harmed.

Our future success depends on Morris Goldfarb, our Chairman and Chief Executive Officer, and other key personnel. The loss of the services of Mr. Goldfarb and any negative market or industry perception arising from the loss of his services could have a material adverse effect on us and the price of our shares. Our other executive officers have substantial experience and expertise in our business and have made significant contributions to our success. The unexpected loss of services of one or more of these individuals could also adversely affect us.

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We have expanded our business through acquisitions that could result in diversion of resources, an inability to integrate acquired operations and extra expenses. This could disrupt our business and adversely affect our financial condition.

Part of our growth strategy is to pursue acquisitions. For example, in July 2005, we acquired Marvin Richards and the operating assets of Winlit. The negotiation of potential acquisitions as well as the integration of acquired businesses could divert our management's time and resources. Acquired businesses may not be successfully integrated with our operations. We may not realize the intended benefits of any acquisition.

Acquisitions could also result in:

- substantial cash expenditures;
- potentially dilutive issuances of equity securities;
- the incurrence of debt and contingent liabilities;
- a decrease in our profit margins; and
- amortization of intangibles and potential impairment of goodwill.

If acquisitions disrupt our operations, our business may suffer.

We may need additional financing to continue to grow.

The continued growth of our business depends on our access to sufficient funds to support our growth. Our primary source of working capital to support our growth is our line of credit and related term loan entered into in July 2005. Our need for working capital and the amount of our debt increased as a result of our two acquisitions in July 2005. In December 2005, we began to make quarterly payments under our term loan of \$1,650,000. A final payment under the term loan of \$11,850,000 is due in July 2008. Our growth is dependent on our ability to extend and increase the line of credit and may be dependent on our ability to refinance the term loan if we do not generate sufficient cash to make the payments due under the term loan. If we are unable to refinance our debt, we cannot be sure we will be able to secure alternative financing on satisfactory terms or at all.

We are dependent on sales during the July through November period each year for the substantial majority of our net sales and net income, and our results of operations may suffer in the event that the weather is unusually warm during the peak outerwear selling season.

Retail sales of outerwear have traditionally been seasonal in nature. As a result, we are dependent on our sales from July through November each year for the substantial majority of our net sales and net income. Net sales in the months of July through November accounted for approximately 82% of our net sales in fiscal 2006, 74% of our net sales in fiscal 2005 and 75% of our net sales in fiscal 2004. Any difficulties we may encounter during this period as a result of weather or disruption of manufacturing or transportation of our products will have a magnified effect on our net sales and net income for the year. In addition, because of the large amount of outerwear we sell, unusually warm weather conditions during the peak fall and winter outerwear selling season could have a material adverse effect on our results of operations. The July through November time frame is expected to continue to provide a disproportionate amount of our net sales and net income for the foreseeable future.

Risk Factors Relating to the Apparel Industry

The competitive nature of the apparel industry may result in lower prices for our products and decreased gross profit margins.

The apparel business is highly competitive. We have numerous competitors with respect to the sale of apparel, including distributors that import apparel from abroad and domestic retailers with established foreign manufacturing capabilities. Many of our competitors have greater financial and marketing

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resources and greater manufacturing capacity than we do. We also compete with vertically integrated apparel manufacturers that also own retail stores. The general availability of contract manufacturing capacity also allows ease of access by new market entrants. The competitive nature of the apparel industry may result in lower prices for our products and decreased gross profit margins, either of which may materially adversely affect our sales and profitability. Sales of our products are affected by style, price, quality, brand reputation and general fashion trends.

If major department, mass merchant and specialty store chains continue to consolidate, our business could be negatively affected.

We sell our products to major department, mass merchant and specialty store chains. Continued consolidation in the retail industry, such as the purchase of May Department Store Company by Federated Department Stores, Inc., could negatively impact our business. Consolidation could reduce the number of our customers and potential customers. With increased consolidation in the retail industry, we are increasingly dependent on retailers whose bargaining strength may increase and whose share of our business may grow. As a result, we may face greater pressure from these customers to provide more favorable terms. If purchasing decisions become more centralized, the risks from consolidation increases. Customers may also concentrate purchases among a narrowing group of vendors. This could adversely affect our business.

The cyclical nature of the apparel industry and uncertainty over future economic prospects and consumer spending could have a materially adverse effect on our results of operations.

The apparel industry is cyclical. Purchases of outerwear, sportswear and other apparel tend to decline during recessionary periods and may decline for a variety of other reasons, including changes in fashion trends and the introduction of new products or pricing changes by our competitors. Uncertainties regarding future economic prospects could affect consumer-spending habits and have an adverse effect on our results of operations. Uncertainty with respect to consumer spending as a result of weak economic conditions has in the past caused our customers to delay the placing of initial orders and to slow the pace of reorders during the seasonal peak of our business. Weak economic conditions have had a material adverse effect on our results of operations at times in the past and could have a material adverse effect on our results of operations in the future as well.

The significant increase in fuel prices could adversely affect our results of operations.

Fuel prices have increased significantly during the past year, including as a result of Hurricane Katrina and tensions in the Middle East. Increased gasoline prices could adversely affect consumer spending, including discretionary spending on apparel. In addition, higher fuel prices could cause our operating expenses to increase, especially with respect to warehousing and freight. Any significant decrease in sales or increase in expenses as a result of higher fuel prices could adversely affect our results of operations.

If new legislation restricting the importation or increasing the cost of textiles and apparel produced abroad is enacted, our business could be adversely affected.

Legislation that would restrict the importation or increase the cost of textiles and apparel produced abroad has been periodically introduced in Congress. The enactment of new legislation or international trade regulation, or executive action affecting international textile or trade agreements, could adversely affect our business. International trade agreements that can provide for tariffs and/or quotas can increase the cost and limit the amount of product that can be imported.

The quota system established by the World Trade Organization was eliminated on December 31, 2004. We cannot be certain of the full impact that this elimination will have on international trade in general and the apparel industry in particular. We also cannot be certain of the impact of quota elimination on our business, including increased competition that could result from the importation of an increasing amount of lower priced apparel into the United States. Notwithstanding quota elimination, China's accession agreement for membership in the WTO provides that WTO

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member countries, including the United States, may re-impose safeguard quotas on specific products. In May 2005, the United States imposed unilateral quotas on several product categories, limiting growth in imports of these categories to 7.5% a year. The safeguard quotas in several categories have been extended by the United States government and will likely continue through 2008. These limitations apply to a limited number of products imported by us from China. We are unable to assess the potential for additional action by the United States government with respect to these or other product categories in the event that the quantity of imported apparel significantly disrupts the apparel market in the United States. Additional action by the United States in response to a disruption in its apparel markets could limit our ability to import apparel and increase our costs.

Risks Relating to this Offering and Ownership of Our Common Stock

Two persons may be in a position to control matters requiring a stockholder vote.

Morris Goldfarb, our Chairman and Chief Executive Officer, and his father, Aron Goldfarb, our founder and former director, will beneficially own approximately 23.1% of our common stock after completion of this offering (21.1% if the over-allotment option is exercised in full). As a result, if they vote together, they may have the ability to control the outcome on matters requiring stockholder approval including, but not limited to, the election of directors and any merger, consolidation or sale of all or substantially all of our assets. They also may have the ability to control our management and affairs.

The price of our common stock has fluctuated significantly and could continue to fluctuate significantly.

Between February 1, 2005 and February 20, 2007, the market price of our common stock has ranged from a low of \$4.34 to a high of \$25.61 per share. The market price of our common stock may change significantly in response to various factors and events beyond our control, including:

- fluctuations in our quarterly revenues or those of our competitors as a result of seasonality or other factors;
- a shortfall in revenues or net income from that expected by securities analysts and investors;
- changes in securities analysts' estimates of our financial performance or the financial performance of our competitors or companies in our industry generally;
- announcements concerning our competitors;
- changes in product pricing policies by our competitors or our customers;
- general conditions in our industry; and
- general conditions in the securities markets.

Our actual financial results might vary from our publicly disclosed financial forecasts.

From time to time, we publicly disclose financial forecasts. Our forecasts reflect numerous assumptions concerning our expected performance, as well as other factors which are beyond our control and which might not turn out to be correct. As a result, variations from our forecasts could be material. Our financial results are subject to numerous risks and uncertainties, including those identified throughout this "Risk Factors" section and elsewhere in this prospectus and in the documents incorporated by reference in this prospectus. If our actual

financial results are worse than our financial forecasts, the price of our common stock may decline.

Future sales of our common stock, including the shares purchased in this offering, may depress our stock price.

Sales of a substantial number of shares of our common stock in the public market by our stockholders after this offering, sales of our common stock by our management or the perception that

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such sales are likely to occur could depress the market price of our common stock and impair our ability to raise capital through the sale of additional equity securities. Upon completion of this offering, we will have outstanding 15,896,345 shares of common stock. Of these shares:

- 11,024,967 shares generally will be freely tradable in the public market, including all of the 5,000,000 shares offered under this prospectus;
- approximately 4,871,378 additional shares may be sold after the expiration of the 90-day lock-up agreements entered into by our officers, directors and the selling stockholders in this offering, subject to compliance with the volume limitations and other restrictions of Rule 144;
- 1,673,798 additional shares will be eligible for issuance pursuant to options presently outstanding under our existing stock option plans; and
- 375,000 additional shares will be eligible for issuance pursuant to warrants presently outstanding and exercisable at an exercise price of \$11.00 per share.

We may issue shares of our common stock from time to time as consideration for or to finance future acquisitions and investments. In the event any such acquisition or investment is significant, the number of shares of our common stock, or the number or aggregate principal amount, as the case may be, of other securities that we may issue may in turn be significant. In addition, we may also grant registration rights covering those shares of our common stock or other securities in connection with any such acquisition or investment.

The failure to comply with the internal control evaluation and certification requirements of Section 404 of Sarbanes-Oxley Act could harm our operations and our ability to comply with our periodic reporting obligations.

We will be required to comply with the internal control evaluation and certification requirements of Section 404 of the Sarbanes-Oxley Act of 2002 by the end of our fiscal year ending January 31, 2008. We have begun the process of determining whether our existing internal controls over financial reporting systems are compliant with Section 404. This process may divert internal resources and will take a significant amount of time, effort and expense to complete. If it is determined that we are not in compliance with Section 404, we may be required to implement new internal control procedures and reevaluate our financial reporting. We may experience higher than anticipated operating expenses as well as outside auditor fees during the implementation of these changes and thereafter. Further, we may need to hire additional qualified personnel in order for us to be compliant with Section 404. If we are unable to implement these changes effectively or efficiently, it could harm our operations, financial reporting or financial results and could result in our being unable to obtain an unqualified report on internal controls from our independent auditors, which could adversely affect our ability to comply with our periodic reporting obligations under the Securities and Exchange Act of 1934, as amended, and the rules of the Nasdaq Global Market.

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FORWARD-LOOKING STATEMENTS

Statements in this prospectus (including the documents incorporated by reference in this prospectus) concerning our business outlook or future performance; anticipated revenues, expenses or other financial items; product introductions and plans and objectives related thereto; and assumptions made or expectations as to any future events, conditions, performance or other matters, are "forward-looking statements" as that term is defined under U.S. federal securities laws. We generally use words such as "believe," "may," "could," "will," "intend," "estimate," "expect," "anticipate," "plan," and similar expressions to identify forward-looking statements. Forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results to differ materially from those stated in such statements. These risks, uncertainties and factors include, but are not limited to: reliance on licensed products, 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, possible disruption from acquisitions, general economic conditions, as well as other risks detailed in our filings with the Securities and Exchange Commission. Although we believe the expectations reflected in the forward-looking statements are reasonable, they relate only to events as of the date on which the statements are made, and we cannot assure you that our future results, levels of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We do not intend to update any of the forward-looking statements after the date of this prospectus to conform these statements to actual results or to changes in our expectations, except as required by law.

USE OF PROCEEDS

We estimate that the net proceeds from our sale of 1,621,000 shares of common stock in this offering will be approximately \$38.9 million (\$48.6 million if the over-allotment option is exercised in full), based upon an assumed offering price of \$25.56 per share and after deducting the underwriting discount and estimated offering expenses payable by us. We will not receive any proceeds from the sale of common stock being offered by the selling stockholders.

We expect to use the net proceeds for general corporate purposes to support the growth of our business. The net proceeds may also be used to acquire complementary product lines or businesses. Although we regularly investigate possible acquisitions, we have no existing commitments or agreements with respect to any particular acquisition.

Until we use the net proceeds of this offering for the above intended purposes, we intend to invest the funds in short-term, investment grade securities.

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PRICE RANGE OF COMMON STOCK

Our common stock is quoted on the Nasdaq Global Market under the trading symbol "GIII." The following table sets forth, for the fiscal periods shown, the high and low sales prices for our common stock, as reported by the Nasdaq National Market until June 30, 2006, and the Nasdaq Global Market after that date. All share prices have been adjusted to give retroactive effect to a three-for-two split of our common stock effective March 28, 2006.

	High	Low
Fiscal 2008		
Quarter ending April 30, 2007 (through February 20, 2007)	\$ 25.61	\$ 21.52
Fiscal 2007		
Quarter ended April 30, 2006	\$ 12.82	\$ 8.80
Quarter ended July 31, 2006	11.25	7.91
Quarter ended October 31, 2006	15.50	9.03
Quarter ended January 31, 2007	22.95	13.79
Fiscal 2006		
Quarter ended April 30, 2005	\$ 5.91	\$ 4.49
Quarter ended July 31, 2005	7.84	4.34
Quarter ended October 31, 2005	7.93	6.23
Quarter ended January 31, 2006	9.89	6.33

The last sale price of our common stock on the Nasdaq Global Market on February 20, 2007 was \$25.56 per share. On January 31, 2007, there were 51 holders of record of our common stock.

DIVIDEND POLICY

Our board of directors currently intends to follow a policy of retaining any earnings to finance the continued growth and development of our business and does not anticipate paying cash dividends in the foreseeable future. Any future determination as to the payment of cash dividends will be dependent upon our financial condition, results of operations and other factors deemed relevant by our board. Our loan agreement limits payments for cash dividends and stock redemption to \$1.5 million plus an additional amount for stock redemptions based on the proceeds of sales of equity securities.

CAPITALIZATION

(In thousands, except share and per share amounts)

The following table sets forth our capitalization at October 31, 2006 on an actual basis, and as adjusted to reflect our sale of the 1,621,000 shares offered by us at an assumed public offering price of \$25.56 per share, after deducting the underwriting discount and estimated offering expenses payable by us.

You should read this table in conjunction with the sections of this prospectus entitled "Use of Proceeds" and "Selected Consolidated Financial Data," and with our consolidated financial statements and related notes incorporated by reference in this prospectus.

	As of October 31, 2006	
	Actual	As Adjusted
Current portion of term loan	\$ 6,600	\$ 6,600
Long-term debt, less current portion	16,800	16,800
Stockholders' equity:		
Preferred stock, \$.01 par value; 1,000,000 shares authorized; no shares issued and outstanding actual and as adjusted.		
Common stock, \$.01 par value; 40,000,000 shares authorized; 14,386,825 shares issued actual and 16,120,325 shares issued as adjusted(1)	144	161
Additional paid-in capital	52,352	91,606
Retained earnings	59,263	59,263
	111,759	151,030
Common stock held in treasury – 367,225 shares at cost	(970)	(970)
Total stockholders' equity(1)	110,789	150,060
Total capitalization	<u>\$ 134,189</u>	<u>173,460</u>

(1) Shares outstanding and total stockholders' equity as adjusted also include (i) 112,500 shares to be issued upon the exercise of options by selling stockholders who will sell these shares in this offering and (ii) the amounts to be paid to us upon exercise of these options.

SELECTED CONSOLIDATED FINANCIAL DATA

(In thousands, except per share data)

The selected consolidated financial data as of January 31, 2002, 2003, 2004, 2005 and 2006 set forth below are derived from our audited consolidated financial statements. The selected consolidated income statement data for the nine months ended October 31, 2005 and 2006 and the selected consolidated balance sheet data as of

October 31, 2006 set forth below are derived from our unaudited consolidated financial statements. In the opinion of our management, all known adjustments necessary for a fair presentation of the results for the nine months ended October 31, 2005 and 2006 have been made. The financial data for the nine months ended October 31, 2005 and 2006 include all normal recurring adjustments which in the opinion of our management are necessary for these periods. Our results of operations for the nine months ended October 31, 2006 are not necessarily indicative of the results that may be expected for the entire year or for any future period. The selected consolidated financial data should be read in conjunction with our audited consolidated financial statements, unaudited consolidated financial statements and related notes. Certain amounts in the consolidated income statement data for fiscal years 2002 through 2005 have been reclassified to conform to the current year presentation.

Our results of operations for the year ended January 31, 2006 include the results of our Marvin Richards and Winlit divisions from July 11, 2005, the date we acquired the stock of Marvin Richards and certain assets from Winlit. Our results for fiscal 2006 exclude the seasonal losses that were incurred by the acquired companies in the first half of fiscal 2006. Results for fiscal 2007 include the operations of the acquired companies for the entire period, as well as interest expense and depreciation and amortization expense relating to the acquisitions for the entire period.

All share and per share information in the table below has been adjusted to give retroactive effect to a three-for-two split of our common stock effective March 28, 2006.

	Year Ended January 31,					Nine Months Ended October 31,	
	2002	2003	2004	2005	2006	2005	2006
Consolidated Income Statement Data:							
Net sales	\$201,855	\$203,301	\$225,061	\$214,278	\$324,072	\$254,941	\$328,175
Cost of goods sold	158,160	153,367	162,229	161,534	239,226	186,159	238,319
Gross profit	43,695	49,934	62,832	52,744	84,846	68,782	89,856
Selling, general & administrative expenses	35,174	40,841	46,784	47,452	64,763	46,990	61,467
Depreciation and amortization	1,069	1,360	1,255	1,344	3,125	2,050	3,300
Non-recurring charge		3,566					
Write-down of equity investment				882			
Operating profit	7,452	4,177	14,793	3,066	16,958	19,742	25,089
Interest and financing charges, net	3,577	1,907	1,179	1,086	4,349	2,771	4,573
Income before income taxes	3,875	2,270	13,614	1,980	12,609	16,971	20,516
Income taxes	1,511	1,888	5,238	1,277	5,517	7,128	7,845
Net income	\$ 2,364	\$ 382	\$ 8,376	\$ 703	\$ 7,092	\$ 9,843	\$ 12,671
Basic earnings per share	\$ 0.24	\$ 0.04	\$ 0.81	\$ 0.07	\$ 0.62	\$ 0.87	\$ 0.98
Weighted average shares outstanding – basic	10,014	10,147	10,368	10,773	11,509	11,307	12,898
Diluted earnings per share	\$ 0.21	\$ 0.03	\$ 0.76	\$ 0.06	\$ 0.58	\$ 0.82	\$ 0.93
Weighted average shares outstanding – diluted	11,061	11,020	11,022	11,292	12,236	11,993	13,630

	As of January 31,				As of October 31,	
	2002	2003	2004	2005	2006	2006
Consolidated Balance Sheet Data:						
Working capital	\$46,140	\$47,260	\$57,388	\$59,868	\$ 61,197	\$ 86,704
Total assets	67,701	70,956	80,696	80,595	138,317	298,120
Short-term debt	906	885	852	972	7,578	106,691
Long-term debt, excluding current portion	203	88	0	510	21,750	16,800
Total stockholders' equity	54,813	55,748	65,272	66,930	82,011	110,789

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BUSINESS

Overview

G-III designs, manufactures and markets an extensive range of outerwear and sportswear, including coats, jackets and pants, as well as women's suits and dresses. We sell our products under licensed brands, our own proprietary brands and private retail labels. We provide high quality apparel under recognized brands to retailers such as Macy's, Nordstrom and Saks. We distribute our products through a diverse mix and a large number of retailers at a variety of price points.

Licensed brands have been an important part of our strategy for over 10 years. We currently have licenses to produce branded fashion apparel, including, among others, under the Calvin Klein, Sean John, Kenneth Cole, Cole Haan, Guess?, Jones New York, Nine West, Ellen Tracy, IZOD and Tommy Hilfiger labels. We also have licenses to produce branded sports apparel containing trademarks of the National Football League, National Basketball Association, Major League Baseball, National Hockey League, Louisville Slugger, World Poker Tour and over 100 U.S. colleges and universities.

We work with leading retailers, such as Federated, Wal-Mart, JC Penney and Kohl's, in developing product lines to be sold under their own proprietary private labels. In March 2006, we announced that we had expanded our relationship with Wal-Mart to design and produce a new young men's and boy's branded urban sportswear line, under its Exsto label. We began shipping Exsto product during July 2006 and were shipping to over 500 Wal-Mart locations by fall 2006. We also produce apparel under our own proprietary brands, including *Marvin Richards*, *G-III*, *Black Rivet*, *Siena Studio*, *Colebrook*, *G-III by Carl Banks*, *Winlit*, *NY 10018* and *La Nouvelle Renaissance*.

In July 2005, we acquired the business of Marvin Richards and the operating assets of Winlit Group, Ltd. As a result of the Marvin Richards acquisition, we added licenses for men's and women's outerwear under the Calvin Klein brand name, as well as Marvin Richards' own proprietary labels. As a result of acquiring Winlit's assets, we added licenses for men's and women's outerwear under the Guess? brand, men's leather outerwear under the Tommy Hilfiger brand and women's outerwear under the Ellen Tracy brand. We also acquired Winlit's own proprietary labels. In addition, we added significant management, merchandising, manufacturing and design expertise as a result of these acquisitions.

As an immediate benefit of our acquisition of Marvin Richards, we expanded our relationship with Calvin Klein by entering into license agreements in September 2005 to manufacture and distribute women's better suits, and in April 2006 to manufacture and distribute women's dresses, under the Calvin Klein label.

Competitive Strengths

Our broad portfolio of high-profile brands combined with our extensive distribution relationships positions us for growth. We intend to capitalize on the following competitive strengths in order to achieve our goal of creating an all-season diversified apparel company:

Broad portfolio of recognized brands. Over the past 10 years, we have built a broad and deep portfolio of over 25 licensed and proprietary brands. We believe we are a licensee of choice for well-known brands that have built a loyal following of both fashion-conscious consumers and retailers who desire high quality, well designed apparel. We have selectively added the licensing rights to premier brands in women's, men's and sports categories catering to a wide range of customers. In an environment of rapidly changing consumer fashion trends, we benefit from a balanced mix of well-established and newer brands. In addition to our licensed brands, we own several successful proprietary brands. Our experience in developing our licensed brands and our own proprietary labels, as well as our reputation for producing high quality, well-designed apparel, has led major department stores and retailers, including Federated, Wal-Mart, JC Penney and Kohl's, to select us as a designer and manufacturer for their private label programs.

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We currently market apparel under the following licensed and proprietary brand names:

<u>Women's</u>	<u>Men's</u>	<u>Sports</u>
<i>Licensed Brands</i>		
Calvin Klein	Calvin Klein	National Football League
ck Calvin Klein	ck Calvin Klein	Major League Baseball
Kenneth Cole NY	Kenneth Cole NY	National Basketball Association
Reaction Kenneth Cole	Reaction Kenneth Cole	National Hockey League
Sean John	Sean John	Collegiate Licensing Company
Cole Haan	Cole Haan	Louisville Slugger
Guess	Guess	World Poker Tour
Guess?	Guess?	
House of Deréon	IZOD	
Jones New York	Tommy Hilfiger	
Jones NY Collection		
Nine West		
Ellen Tracy		
Company Ellen Tracy		
IZOD		
<i>Proprietary Brands</i>		
G-III	G-III	G-III Sports by Carl Banks
Black Rivet	Black Rivet	
Marvin Richards	Colebrook	
Winlit	Winlit	
Colebrook		
NY 10018		
La Nouvelle Renaissance		
LNR		
Siena Studio		

Diversified distribution base. We market our products at multiple price points and across multiple channels of distribution, allowing us to provide products to a broad range of consumers, while reducing our reliance on any one demographic segment, merchandise preference or distribution channel. Our products are sold to approximately 2,500 customers, including leading department and specialty stores such as Macy's, Nordstrom and Saks, mid-tier and mass merchants such as Wal-Mart, JC Penney, Target and Kohl's, and membership clubs such as Costco and Sam's Club. As a result of our broad distribution platform, we are a licensee and supplier of choice and can more easily adapt to changes in the retail environment. In addition, we believe our strong relationships with retailers have been established through many years of personal customer service and adherence to meeting or exceeding retailer expectations.

Superior design, sourcing and quality control. Our in-house design and merchandising team of over 100 professionals designs substantially all of our licensed, proprietary and private label products. Our designers work closely with our licensors and private label customers to create designs and styles that represent the look they want. We believe that our creative design team and our sourcing expertise give us an advantage in product development. We have a network of worldwide suppliers that allows us to negotiate competitive terms without relying on any single vendor. In addition, we employ a 25-person quality control team and a 33-person sourcing group in China to ensure the quality of our products. We believe we have developed a significant customer following and positive reputation in the industry as a result of our design capabilities, sourcing expertise, on-time delivery and high standards of quality control.

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Leadership position in the outerwear wholesale business. As one of the largest outerwear wholesalers, we are widely recognized within the apparel industry for our high-quality and well-designed products. Our knowledge of the outerwear business and our industry-wide reputation provide us with an advantage when we are competing for outerwear licenses and private label business. We are known for our leather manufacturing expertise, a skill that has given us another competitive advantage in the outerwear market. Our expertise and reputation in designing, manufacturing and marketing outerwear have enabled us to build strong customer relationships and to expand into women's suits, dresses and other product categories.

Experienced management team. Our executive management team has extensive experience in the apparel industry. Morris Goldfarb, our Chief Executive Officer and son of our founder, has been with us for 35 years, Jeanette Nostra, our President, has been with us for 25 years, and Wayne S. Miller, our Chief Operating Officer, has been with us for eight years. In 2005, we added significant management, merchandising, manufacturing and design expertise as a result of our acquisition of the Marvin Richards and Winlit businesses. The principals of those businesses, Sammy Aaron and David Winn, each have more than 25 years' experience in the apparel industry. The experience, expertise and depth of our management team have enabled us to implement new

initiatives in new product categories with existing licensees, such as Calvin Klein and Sean John, and private label customers, such as Wal-Mart.

Growth Strategy

Our goal is to build an all-season diversified apparel company with a broad portfolio of brands that we offer in multiple channels of retail distribution through the following growth strategies:

Execute new initiatives. We are continually seeking opportunities to produce products for all seasons as we attempt to reduce our dependency on our third fiscal quarter for the majority of our net sales and substantially all of our net income. We have initiated the following product diversification efforts, each of which we believe has significant revenue potential:

- We expanded our relationship with Calvin Klein, one of the most recognized fashion brands in the United States, in August 2005 to include a license for women's suits. We began to ship this line to department and specialty stores in January 2006 and had product in over 400 doors by fall 2006.
- In March 2006, we announced that we would be designing and producing for Wal-Mart a new urban young men's and boy's branded sportswear line, under its Exsto label. We began shipping Exsto product during July 2006 and were shipping to over 500 Wal-Mart locations by fall 2006.
- We further expanded our relationship with Calvin Klein in April 2006 to include a license for women's dresses and began shipping this line to department and specialty stores in October 2006.
- We expanded our relationship with Sean John to include a license for women's sportswear. We expect to launch this line in department stores and urban specialty stores for fall 2007.

Continue to grow our outerwear business. We have been a leader in the outerwear business for many years and believe there is significant growth potential for us in this category. Specifically, our Calvin Klein men's and women's outerwear businesses is expected to benefit from Calvin Klein's strong brand awareness and loyalty among consumers. In May 2006, we added a license for Sean John women's outerwear to our existing license for their men's outerwear. We also intend to expand our private label outerwear business with additional programs, such as the Candies' brand distributed by Kohl's.

Extend our new product categories to additional brands. We have been able to leverage our expertise and experience in the outerwear business to expand our licenses to new product categories such as women's suits, dresses and sportswear. We will attempt to expand our distribution of products in these categories under other licensed brands, private label brands and our own brands. Specifically, we expect to seek additional licenses to produce dresses and private label programs to produce women's suits.

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Seek attractive acquisitions. We plan to continue to pursue acquisitions of complementary product lines and businesses, which could include wholesale and retail opportunities. In July 2005, we acquired two businesses, Marvin Richards and Winlit, both of which added name-brand licenses, including Calvin Klein, Guess?, Tommy Hilfiger and Ellen Tracy, to our expanding brand portfolio. In addition, each of these companies has recognized proprietary labels and significant private label programs. These acquisitions have increased our portfolio of licensed brands, added additional retail customers and allowed us to realize economies of scale. We believe that our existing infrastructure and management depth will enable us to complete additional acquisitions in the apparel industry.

Products - Development and Design

G-III designs, manufactures and markets women's and men's apparel at a wide range of retail sales prices. Our product offerings primarily include outerwear, sportswear and women's suits and dresses. We sell products under licensed brands, our own brands and private retail labels.

G-III's licensed apparel consists of both men's and women's products. Our strategy is to seek licenses that will enable us to offer a range of products targeting different price points and different tiers of distribution. Our women's licensed apparel includes products that sell at retail prices generally ranging from \$100 for sportswear items to \$3,500 for outerwear. Our men's licensed apparel consists of garments that generally sell at retail prices ranging from \$50 for sportswear items to \$2,000 for outerwear.

G-III's proprietary branded apparel also consists of both men's and women's products. The *Black Rivet*, *Colebrook*, *Marvin Richards*, *Winlit* and *NY 10018* lines of women's apparel consist of moderately priced women's outerwear and sportswear that typically sell at retail prices from \$40 for sportswear items to \$250 for outerwear. Products in our men's outerwear lines, primarily consisting of leather outerwear, sold under the *G-III*, *Colebrook* and *Winlit* labels, typically have retail prices between \$40 and \$400. *Siena Studio*, *LNR* and *La Nouvelle Renaissance*, our bridge-priced lines of women's leather and textile apparel, primarily consist of jackets, skirts and related sportswear separates with retail prices from \$100 for skirts to \$700 for outerwear.

We also work with retail chains, such as Federated, Wal-Mart, Sam's Club, JC Penney and Kohl's, in developing product lines sold under their own proprietary private labels. We meet frequently with department and specialty chain store buyers who custom order products by color, fabric and style. These buyers may provide samples to us or may select styles already available in our showrooms. We believe we have established a reputation among these buyers for our ability to produce high quality product on a reliable, expeditious and cost-effective basis.

Our in-house designers are responsible for the design and look of our licensed and non-licensed products. We work closely with our licensors to create designs and styles for each of our licensed brands. Licensors generally must approve products to be sold under their brand names prior to production. We respond to style changes in the apparel industry by maintaining a continuous program of style, color, leather and fabric selection. In designing new products and styles, we attempt to incorporate current trends and consumer preferences. We seek to design products in response to trends in consumer preferences, rather than attempt to create new market trends and styles.

Our design personnel meet regularly with our sales and merchandising department, as well as with the design and merchandising staffs of our licensors, to review market trends, sales results and the popularity of our latest products. In addition, our representatives regularly attend trade and fashion shows and shop at fashion forward stores in the United States, Europe and the Far East. Our designers present sample items along with their evaluation of the styles expected to be in demand in the United States. We also seek input from selected customers with respect to product design. We believe that our sensitivity to the needs of retailers, coupled with the flexibility of our production capabilities and our continual monitoring of the retail market, enables us to modify designs and order specifications in a timely fashion.

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Licensing

The following table sets forth for each of our principal licenses the date on which the current term ends and the date on which any potential renewal term ends:

<u>License</u>	<u>Date Current Term Ends</u>	<u>Date Potential Renewal Term Ends</u>
<i>Fashion Licenses</i>		
Calvin Klein (Men's outerwear)	December 31, 2010	December 31, 2015
Calvin Klein (Women's outerwear)	December 31, 2008	December 31, 2013
Calvin Klein (Women's dresses)	December 31, 2011	December 31, 2016
Calvin Klein (Women's suits)	December 31, 2011	None
Cole Haan (Men's and Women's outerwear)	January 31, 2010	January 31, 2012
Ellen Tracy/Company Ellen Tracy (Women's outerwear)	December 31, 2007	December 31, 2010
Guess/Guess? (Men's and Women's outerwear)	December 31, 2009	None
IZOD (Men's and Women's outerwear)	December 31, 2007	December 31, 2012
Jones New York/Jones NY Collection (Women's outerwear)	January 31, 2009	None
Kenneth Cole NY/Reaction Kenneth Cole (Men's and Women's outerwear)	December 31, 2008	December 31, 2012
Nine West (Women's outerwear)	January 31, 2008	None
Sean John (Men's outerwear)	January 31, 2010	None
Sean John (Women's outerwear and sportswear)	December 31, 2009	December 31, 2022
Tommy Hilfiger (Men's outerwear)	March 31, 2009	None
<i>Sports Licenses</i>		
Collegiate Licensing Company	March 31, 2007	None
Major League Baseball	December 31, 2007	None
National Basketball Association	September 30, 2007	None
National Football League	March 31, 2010	None

Under our licensing agreements, we are generally required to achieve minimum net sales of licensed products, pay guaranteed minimum royalties, make specified royalty and advertising payments (usually based on a percentage of net sales of licensed products), and receive prior approval of the licensor as to all design and other elements of a garment prior to production. If we do not satisfy any of these requirements or otherwise fail to meet our obligations under a license agreement, a licensor usually will have the right to terminate our license.

Our ability to renew the current term of a license agreement is usually subject to attaining minimum sales and/or royalty levels and to our compliance with all of the terms of the agreement. Other criteria may also impact our ability to renew a license. As a result, we cannot be sure that we will be able to renew a license agreement when it expires if we desire to do so.

We believe that brand owners are looking to consolidate the number of licensees they engage to develop product and to choose licensees who have a successful track record of developing brands. We continue to seek other opportunities to enter into license agreements in order to expand our product offerings under nationally recognized labels and broaden the markets that we serve.

Revenues from the sale of licensed products accounted for 60.8% of our net sales during fiscal 2006 compared to 63.6% of our net sales in fiscal 2005 and 76.3% of our net sales in fiscal 2004. For the nine months ended October 31, 2006, revenues from the sale of licensed products accounted for 60.2% of our net sales compared to 57.3% of our net sales in the comparable period in the prior year. In fiscal 2006, sales of licensed product as a percentage of total net sales decreased primarily because a majority of the revenue from our Marvin Richards division, which we acquired in fiscal 2006, was generated by their own proprietary brands. The significant decrease in fiscal 2005 compared to fiscal 2004 in the

percentage of our net sales accounted for by licensed products was the result of our largest customer shifting from orders for licensed product to orders for our proprietary branded product.

Manufacturing and Sourcing

G-III arranges for the production of products from independent manufacturers located primarily in China and, to a lesser extent, in South Korea, the Ukraine, Eastern Europe, the Dominican Republic, Macau, Sri Lanka and Vietnam. A small portion of our garments is manufactured in the United States.

In January 2005, we sold our joint venture interest in a factory in Northern China to our joint venture partner. We manufactured approximately 3.2% of our products at this factory in fiscal 2006. We may continue to source comparable unit levels of production through this factory although the percentage of our products from this factory will decrease as a result of our acquisitions in July 2005.

In fiscal 2006, we completed the transition from a branch office in Korea to two representative offices in Qingdao and Hangzhou, China. As a result, we closed our branch office in Korea that had acted as a liaison between us and manufacturers in the Far East. Because a majority of our production is being sourced in China, we believe it is more efficient to provide the liaison functions in closer proximity to where the manufacturing occurs. Our China offices will perform all the functions that had previously been performed in Korea. At November 30, 2006, we had 34 employees in our Qingdao office and 34 employees in our Hangzhou office.

G-III's headquarters provides these liaison offices with production orders stating the quantity, quality, delivery time and types of garments to be produced. Liaison office personnel negotiate and place orders with one or more manufacturers. In allocating production among independent suppliers, we consider a number of criteria, including, but not limited to, quality, availability of production capacity, pricing and ability to meet changing production requirements.

To facilitate better service for our customers and accommodate the volume of manufacturing in the Far East, we also have an office in Hong Kong. The Hong Kong office also supports third party production of products on a commission-fee basis that we arrange as agent directly for some of our customers. We utilize our China and Hong Kong office employees to monitor production at each manufacturer's facility to ensure quality control, compliance with our specifications and timely delivery of finished garments to our distribution facilities and customers. At November 30, 2006, the Hong Kong office employed five persons.

In connection with the foreign manufacture of our apparel, manufacturers purchase leather, wool and other fabrics under our direction. In addition, they purchase necessary "submaterials" (such as linings, zippers, buttons and trimmings) according to parameters specified by us. Prior to commencing the manufacture of garments, samples of raw materials or submaterials are sent to us for approval. We regularly inspect and supervise the manufacture of our products in order to ensure timely delivery, maintain quality control and monitor compliance with our manufacturing specifications. We also inspect finished apparel at the factory site.

The manufacture of the substantial majority of our apparel is performed manually. A pattern is used in cutting fabric to panels that are assembled in the factory. All submaterials are also added at this time. We inspect products throughout this process to insure that the design and quality specifications of the order are being maintained as the garment is assembled. After pressing, cleaning and final inspection, the garment is labeled and ready for shipment. A final random inspection by us occurs when the garments are packed for shipment.

We generally arrange for the production of apparel on a purchase order basis with completed garments manufactured to our design specifications. We assume the risk of loss predominantly on a Freight-On-Board (F.O.B.) basis when goods are delivered to a shipper and are insured against casualty losses arising during shipping.

As is customary in the apparel industry, we have not entered into any long-term contractual arrangements with any contractor or manufacturer. We believe that the production capacity of foreign manufacturers with which we have developed, or are developing, a relationship is adequate to meet our apparel production requirements for the foreseeable future. We believe that alternative foreign apparel manufacturers are readily available.

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A majority of all finished goods manufactured for us is shipped to our New Jersey warehouse and distribution facilities or to designated third party facilities for final inspection and allocation, as well as reshipment to customers. The goods are delivered to our customers and us by independent shippers, choosing the form of shipment (principally ship, truck or air) based upon a customer's needs, cost and timing considerations.

Quotas and Customs

Until January 1, 2005, our textile apparel was subject to quota restrictions. Quotas represent the right to export amounts of certain categories of merchandise into a country. On January 1, 2005, pursuant to the Agreement on Textiles and Clothing, quotas on textile and apparel products were eliminated for World Trade Organization, or WTO, members, including the United States. China's accession agreement for membership in the WTO provides that WTO member countries, including the United States, may re-impose safeguard quotas on specific products if it is determined that imports from China have surged and are threatening to create a market disruption for these categories of products. In May 2005, the United States imposed unilateral safeguard quotas on several product categories, limiting growth in imports of these categories to 7.5% a year. The safeguard quotas in several categories have been extended by the United States government and will likely continue through 2008. These limitations apply to a limited number of products imported by us from China. We do not, however, expect these limitations to have a negative impact on our ability to manufacture and import women's suits, dresses and sportswear.

Our arrangements with textile manufacturers and suppliers are subject to requisite customs clearances for textile apparel and the imposition of export duties. United States Customs duties on our textile apparel presently range from duty free to 28%, depending upon the type of fabric used and how the garment is constructed. Countries in which our products are manufactured and sold may, from time to time, impose new duties, tariffs, surcharges or other import controls or restrictions or adjust prevailing duty or tariff levels. We continually monitor duty, tariff and other import restriction developments. We seek to minimize our potential exposure to import related risks through, among other measures, geographical diversification of manufacturing sources and shifts of production among countries and manufacturers.

Raw Materials

We purchase most products manufactured for us on a finished goods basis. We coordinate the sourcing of raw materials used in the production of our apparel, such as leather, wool and cotton, which are available from numerous sources. The leather apparel industry competes with manufacturers of other leather products for the supply of leather. Leather skins are a byproduct. Accordingly, raw material costs for leather products are impacted by changes in meat consumption worldwide, as well as by the popularity of leather products.

Marketing and Distribution

G-III's products are sold primarily to department, specialty and mass merchant retail stores in the United States. We sell to approximately 2,500 customers, ranging from national and regional chains to small specialty stores.

Sales to Federated Department Stores accounted for an aggregate of 19.0% of our net sales in fiscal 2006 and 23.8% of our net sales in the nine months ended October 31, 2006. Federated completed the acquisition of May Department Store Company in August 2005. Sales to Federated in fiscal 2006 include sales to the Macy's, Lord & Taylor and Marshall Fields retail chains that were part of the combined Federated and May. Sales to Federated in the nine months ended October 31, 2006 do not include sales to Lord & Taylor, which was sold by Federated during that period. Sales to department store divisions of Federated and May accounted for an aggregate of 11.3% of our net sales in each of fiscal 2005 and fiscal 2004. The increase in the percentage of our net sales to Federated was the result of our two acquisitions in July 2005.

Sales to the Sam's Club and Wal-Mart divisions of Wal-Mart Stores, Inc. accounted for an aggregate of 15.3% of our net sales in fiscal 2004, 15.0% of our net sales in fiscal 2005, 13.2% of our net sales in fiscal 2006 and 14.6% of our net sales for the nine months ended October 31, 2006.

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The loss of either Federated or Wal-Mart, or a significant reduction in purchases by either customer, could have a material adverse effect on our results of operations. Sales to our 10 largest customers accounted for 60.7% of our net sales in fiscal 2006 compared to 52.6% of our net sales in fiscal 2005. For the nine months ended October 31, 2006, our 10 largest customers accounted for approximately 73.9% of our net sales.

Almost all of our sales are made in the United States. We also market our products in Canada, Europe and the Far East, which, on a combined basis, accounted for less than 1% of our net sales in fiscal 2006.

G-III's products are sold primarily through a direct sales force that consisted of 52 employees as of November 30, 2006. Our principal executives are also actively involved in sales of our products. Some of our products are also sold by various retail buying offices and independent sales representatives located throughout the United States. Final authorization of all sales of product is solely through our New York showrooms, enabling our management to deal directly with, and be readily accessible to, major customers, as well as to more effectively control our selling operations.

Brand name products sold by us pursuant to a license agreement are promoted by institutional and product advertisements placed by the licensor. Our license agreements generally require us to pay the licensor a fee, based on a percentage of net sales of licensed product, to pay for a portion of these advertising costs. We may also be required to spend a specified percentage of net sales of a licensed product on advertising placed by us.

We primarily rely on our reputation and relationships to generate business in our non-licensed segment. We believe we have developed a significant customer following and positive reputation in the industry as a result of, among other things, standards of quality control, on-time delivery, competitive pricing and willingness and ability to assist customers in their merchandising of our products. In addition, we have, to a limited extent, advertised our own labels and engaged in cooperative advertising programs with retailers. We believe we have developed brand awareness of our own labels primarily through our reputation, consumer acceptance and the fashion press.

Seasonality

Retail sales of outerwear apparel have traditionally been seasonal in nature. Although we sell our apparel products throughout the year, net sales in the months of July through November accounted for approximately 82% of our net sales in fiscal 2006, 74% of our net sales in fiscal 2005 and 75% of our net sales in fiscal 2004. The percentage of our net sales increased during this period in fiscal 2006 because we made two acquisitions in July 2005. The July through November time frame is expected to continue to represent a disproportionate amount of our net sales and net income.

Order Book

A portion of our orders consists of short-term purchase orders from customers who place orders on an as-needed basis. Information relative to open purchase orders at any date may also be materially affected by, among other things, the timing of the initial showing of apparel to the trade, as well as by the timing of recording of orders and shipments. As a result, we do not believe that disclosure of the amount of our unfilled customer orders at any time is meaningful.

Competition

We have numerous competitors with respect to the sale of apparel, including distributors that import apparel from abroad and domestic retailers with established foreign manufacturing capabilities. Many of our competitors have greater financial and marketing resources and greater manufacturing capacity than we do. We also compete with vertically integrated apparel manufacturers that also own retail stores. The general availability of contract manufacturing capacity also allows ease of access by new market entrants. Sales of our products are affected by style, price, quality, brand reputation and general fashion trends.

Trademarks

Several trademarks owned by us have been granted federal trademark protection through registration with the U.S. Patent and Trademark Office, including *G-III*, *G-III (& Design)*, *G-III Sports By*

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Carl Banks & Design, *J.L. Colebrook*, *JLC*, *Colebrook & Co.*, *American Classics By Colebrook*, *Black Rivet*, *Black Rivet & Design [lower diamond]*, *Black Rivet & Design [upper diamond]*, *Black Rivet & Design [circle and diamond]*, *ColeB Co. (& Design)*, *Siena*, *Siena Studio*, *Sports 58 (& Design)* and *Studio 512*. We have applications for several additional marks pending before the U.S. Patent and Trademark Office, including the trademarks we acquired from Marvin Richards.

We acquired trademarks previously owned by Winlit Group, Ltd., including *WINLIT*, *WINLIT (Stylized)*, *LNR*, *LNR (Stylized)*, *La Nouvelle Renaissance* and *NY 10018* upon our acquisition of specified assets of Winlit. We also acquired the *J. Percy Sport*, *Marvin Richards* and *J. Percy For Marvin Richards* United Kingdom trademarks upon our acquisition of Marvin Richards.

We have been granted trademark registration for *G-III* in Canada, the European Union, France and Mexico, for *J.L. Colebrook* in Canada, France, Great Britain, Mexico and the European Union, for *J.L.C. (& Design)* and *JLC (& Design)* in Canada, and for *BR (& Design)* in the European Union and Russia. We also have applications for several additional marks in Canada.

Employees

As of November 30, 2006, we had 532 full-time employees, of whom 94 worked in executive or administrative capacities, 204 worked in design, merchandising and sourcing, 182 worked in warehouse and distribution facilities, and 52 worked in sales. We employ both union and non-union personnel and believe that our relations with our employees are good. We have not experienced any interruption of any of our operations due to a labor disagreement with our employees.

We are a party to an agreement with the Amalgamated Clothing and Textile Workers Union, covering approximately 75 of our full-time employees as of January 31, 2006. This agreement, which is currently in effect through October 31, 2007, automatically renews on an annual basis thereafter unless terminated by us or the union prior to September 1 of that year.

Properties

Our executive offices, sales showrooms and support staff are located at 512 Seventh Avenue in New York City. We lease an aggregate of approximately 42,500 square feet in this building through March 31, 2011 at a current aggregate annual rent of approximately \$1.2 million. We also lease approximately 4,000 square feet at a current annual rent of \$90,000 in an adjoining building at 500 Seventh Avenue for additional design staff.

We assumed leases for an additional 28,000 square feet of office and showroom space at 512 Seventh Avenue in connection with our acquisition of Marvin Richards. The current aggregate annual rent for this space is \$500,000. One of these leases expires in January 2008 and the other expires in December 2013. We assumed a lease in New York City for approximately 20,000 square feet of office and showroom space at 463 Seventh

Avenue in connection with the Winlit transaction. The current annual rent is approximately \$440,000 and the lease expires in December 2011.

In February 2005, we extended the lease on our warehouse and distribution facility, located in Secaucus, New Jersey, through February 2011. As part of the new lease, we leased an additional 95,000 square feet of adjacent space that we have utilized since October 1, 2005, giving us total space at the facility of approximately 205,000 square feet. Annual rent for the entire premises is approximately \$1.2 million. We obtained the additional space to reduce our reliance on third party warehouses and accommodate the additional volume we anticipate being generated from our newly signed licenses. In fiscal 2006, we spent approximately \$800,000 to renovate the new and existing warehouse space.

In June 2006, we entered into a seven-year lease for an additional distribution center in South Brunswick, New Jersey. This facility contains approximately 305,000 square feet of space which will be used by us for product distribution. Annual rent for this facility is approximately \$1.2 million. As a result of adding this new facility, we did not renew our lease for our distribution center in Edison, New Jersey, which expired in January 2007 and covered approximately 89,000 square feet of space. The additional space is expected to allow us to meet some of our anticipated increased shipping volume. We estimate that the renovation of this new facility will cost us between \$1 million and \$1.5 million and that the facility will be fully operational by May 2007.

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A majority of our finished goods is shipped to our New Jersey warehouse and distribution facilities for final reshipment to customers. We also use third-party warehouses to accommodate our finished goods storage and reshipment needs.

We also lease office space at 345 West 37th Street in New York City for administrative personnel. This space is leased from a corporation owned by Morris Goldfarb and Aron Goldfarb. Aggregate payments under this lease in fiscal 2006 were \$227,000. We lease three floors in the building as well as parking spaces and a billboard. Total leased space in this building is approximately 10,100 square feet.

Legal Proceedings

In the ordinary course of our business, we are subject to periodic lawsuits, investigations and claims. Although we cannot predict with certainty the ultimate resolution of lawsuits, investigations and claims asserted against us, we do not believe that any currently pending legal proceeding or proceedings to which we are a party will have a material adverse effect on our business, financial condition or results of operations.

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MANAGEMENT

Executive Officers and Directors

The following table sets forth the names, ages and positions of each of our executive officers and directors.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Morris Goldfarb	56	Chairman of the Board, Chief Executive Officer and Director
Sammy Aaron	47	Vice Chairman, President-Marvin Richards Division and Director
Jeanette Nostra	54	President
Wayne S. Miller	49	Chief Operating Officer and Secretary
Neal S. Nackman	47	Chief Financial Officer and Treasurer
Deborah Gaertner	52	Vice President – Women’s Sales Division of G-III Leather Fashions
Thomas J. Brosig (1)(3)	57	Director
Pieter Deiters	63	Director
Alan Feller (1)	64	Director
Carl Katz	66	Director
Laura Pomerantz (2)	59	Director
Willem van Bokhorst (1)(2)	60	Director
Richard White (1)(2)(3)	53	Director

(1) Member of the Audit Committee.

(2) Member of the Compensation Committee.

(3) Member of the Nominating Committee.

Morris Goldfarb is our Chairman of the Board and Chief Executive Officer, as well as one of our directors. Until April 1997, Mr. Goldfarb also served as our President. Mr. Goldfarb has served as an executive officer of G-III and our predecessors since our formation in 1974. Mr. Goldfarb is also a director of Lakes Entertainment, Inc.

Sammy Aaron became our Vice Chairman and President of our Marvin Richards division, as well as one of our directors, after the Marvin Richards acquisition in July 2005. Prior to joining G-III, Mr. Aaron served as the President of Marvin Richards from 1998 until July 2005.

Jeanette Nostra became our President in April 1997. She had been our Executive Vice President since March 1992. Ms. Nostra’s responsibilities for G-III include sales, marketing, merchandising, product development and public relations for our licensed fashion brands. We have employed Ms. Nostra since 1981.

Wayne S. Miller has been our Chief Operating Officer since December 2003 and our Secretary since November 1998. He also served as our Chief Financial Officer from April 1998 until September 2005 and as our Treasurer from November 1998 until April 2006.

Neal S. Nackman has been our Chief Financial Officer since September 2005 and was elected Treasurer in April 2006. Mr. Nackman also served as Vice President – Finance from December 2003 until April 2006. Prior to joining G-III, Mr. Nackman was a financial consultant with Jefferson Wells International from January 2003 until December 2003. From May 2001 until October 2002, he was Senior Vice President – Controller of Martha Stewart Living Omnimedia, Inc. From May 1999 until May 2001, he was Chief Financial Officer of Perry Ellis International Inc. From August 1995 until May 1999, he was the Vice-President – Finance with Nautica Enterprises, Inc.

Deborah Gaertner is the Vice President – Women’s Division of G-III Leather Fashions and has held this position since March 1992. Ms. Gaertner is responsible for sales and marketing of certain of our women’s apparel lines. She previously served as Vice President, Imports from June 1989 until March 1992, coordinating production and merchandising.

Thomas J. Brosig has served as a member of our board of directors since 1992. Mr. Brosig is currently retired. From January 1999 through February 2002, he served as President, Mid-South Region,

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Park Place Entertainment. For more than five years prior to 1999, he served its predecessor, Grand Casinos, Inc., in various executive capacities including its President from September 1996 to January 1999. From January 1999 to October 1999, he served as President and was a Director of Lakes Entertainment, Inc. Mr. Brosig currently serves as a Director of Mountaineer Gaming Inc.

Pieter Deiters has served as a member of our board of directors since 2005. Mr. Deiters has been a member of the supervisory board of Tootal N.V. Enshede, a textile trading company in the Netherlands, since 2002 and an advisor to Bandolera B.V., a women’s clothing manufacturer in the Netherlands, since 2000. Since 1998, Mr. Deiters has been a senior member of the Turn Around Management Team of the European Bank for Reconstruction and Development and Vice President of the Supervisory Board of Royal Ten Cate Companies, KTC, a Netherlands company quoted in the Euronext Stock Market.

Alan Feller has served as a member of our board of directors since 1996. Mr. Feller is currently retired. Mr. Feller was our Chief Financial Officer from December 1989 to April 1998, and served as our Executive Vice President, Treasurer and Secretary from January 1990 through July 1995. Mr. Feller served as a consultant to us from May 1998 through October 1999.

Carl Katz has served as a member of our board of directors since 1989. Mr. Katz is currently retired. Mr. Katz was Executive Vice President of our Siena Leather division from 1989 until January 2003. Mr. Katz had been an executive of Siena since 1981.

Laura Pomerantz has served as a member of our board of directors since 2005. Ms. Pomerantz has been a principal of PBS Realty Advisors, LLC since 1994. She has also served as a director of Newkirk Realty Trust, Inc. since 2005.

Willem van Bokhorst has served as a member of our board of directors since 1989. Mr. van Bokhorst has been a Managing Partner of STvB Advocaten, a Netherlands Antilles law firm with offices in Amsterdam and Curaçao, for more than the past five years.

Richard White has served as a member of our board of directors since 2003. Mr. White has been a Managing Director and head of the Private Equity Investment Department of Oppenheimer & Co. Inc. since June 2004. From 2002 to June 2004, he served as President of Aeolus Capital Group LLC, an investment management firm. From 1985 until 2002, he was a Managing Director at CIBC Capital Partners, an affiliate of CIBC World Markets, and its predecessor firm, Oppenheimer & Co., Inc. During that time, Mr. White worked in both the Investment Banking and Private Equity Investing departments. Mr. White is a director of ActivIdentity Corp., a company which develops digital identity and authentication software and hardware, and Escalade Inc., a manufacturer of sporting goods and office products. He has also served as a director of Lakes Entertainment Inc. since 2006. Mr. White previously served as a director of G-III from November 1991 to July 1993.

Carl Katz, one of our directors, and Jeanette Nostra, our President, are married to each other.

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Goldfarb Employment Agreement

We have an employment agreement with Morris Goldfarb effective through January 31, 2009. Two years prior to the expiration of the term of the agreement, it will automatically be extended for an additional year unless prior to that time either we or Mr. Goldfarb provides a written notice that the term should not be extended any further. The agreement provides for an annual base salary of \$650,000, with increases at the discretion of the board of directors. The agreement also provides for a \$2,000,000 life insurance policy which names Mr. Goldfarb’s wife as beneficiary and an annual incentive bonus equal to varying percentages of pre-tax income (as defined in the employment agreement) if pre-tax income exceeds \$2,000,000. The percentages vary from 3% of pre-tax income in excess of \$2,000,000 up to 6% of pre-tax income in excess of \$2,000,000 if pre-tax income exceeds \$4,000,000. Pursuant to the employment agreement, we will contribute \$50,000 per year to a supplemental pension trust for Mr. Goldfarb’s benefit for each year in which net after-tax income (as defined in the employment agreement) exceeds \$1,500,000. In addition, pursuant to the employment agreement, in the event that Morris Goldfarb’s employment is terminated (i) by us without cause or (ii) by Morris Goldfarb because of a material breach by us of the agreement, in either case at any time after a “Change in Control” (as defined in the employment agreement), then Mr. Goldfarb will be entitled to receive from us, in general, (a) an amount equal to 2.99 times his base salary and bonus, as well as (b) certain employment-related benefits for a period of three years from the date of his termination.

Aaron Employment Agreement

On July 11, 2005, we entered into an employment agreement with Sammy Aaron. His employment agreement has a term through January 31, 2009 with automatic one-year renewals unless either party gives written notice to the other at least 90 days prior to the expiration of the initial term or any renewal period. The employment agreement provides for an annual base salary of \$500,000, with increases at the discretion of the board of directors. On February 1, 2006, the Compensation Committee of the board of directors approved an increase in Mr. Aaron’s annual base salary to \$600,000. Mr. Aaron is also entitled to participate in our benefit plans. If the employment agreement is terminated by us without justifiable cause (as defined in the employment agreement) or by Mr. Aaron for good reason (as defined in his employment agreement), Mr. Aaron is entitled to receive his salary and benefits for the remainder of the term of the employment agreement, subject to compliance by Mr. Aaron with his non-competition and other certain obligations in the employment agreement.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information regarding the beneficial ownership of our common stock as of January 31, 2007 and upon completion of this offering by:

- each of our directors;
- each of our executive officers named under the heading “Management — Executive Officers and Directors”;
- each person or entity who is known by us to beneficially own more than 5% of our outstanding common stock;
- all our directors and executive officers as a group; and
- each of the selling stockholders.

Except as indicated by footnote, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to community property laws where applicable.

Percentage of beneficial ownership after the transaction is based on 15,896,345 shares of common stock outstanding at the completion of this offering.

Except for beneficial ownership of our securities or positions as directors or officers as reflected below, none of the selling stockholders has had any material relationship with us within the past three years. Morris Goldfarb, our Chairman and Chief Executive Officer, is an investor in PEC I, LLC, one of the selling stockholders. Mr. Goldfarb and PEC I, LLC have agreed that Mr. Goldfarb will have no direct or indirect ownership or economic interest in our securities purchased by PEC I, LLC in our private placement in July 2006 or in our securities purchased by PEC I, LLC from Aron Goldfarb in July 2006.

Except as set forth in the footnotes to the table, the information set forth below under the captions “Other 5% Holders” and “Other Selling Stockholders” has been provided to us by the selling stockholders.

Name and Address	Shares Beneficially Owned Prior To Offering(1)		Number Of Shares Being Offered(2)	Shares Beneficially Owned After Offering	
	Number	Percent		Number	Percent
<i>Directors</i>					
Morris Goldfarb(3)	4,629,488(4)	31.9%	1,300,000	3,329,488	20.5%
Sammy Aaron(3)	363,859(5)	2.6%	200,000	163,859	1.0%
Thomas J. Brosig(3)	4,500(6)	*	—	4,500	*
Pieter Deiters(3)	6,600(7)	*	—	6,600	*
Alan Feller(3)	19,112(8)	*	—	19,112	*
Carl Katz(3)	180,900(9)	1.3%	75,000(10)	105,900	*
Laura Pomerantz(3)	3,000(11)	*	—	3,000	*
<i>Other Selling Stockholders</i>					
Willem van Bokhorst Julianaplein 5 Curaçao, Netherlands Antilles	51,825(12)	*	—	51,825	*
Richard White(3)	33,600(13)	*	—	33,600	*
<i>Other Executive Officers</i>					
Jeanette Nostra(3)	180,900(14)	1.3%	75,000	105,900	*
Wayne S. Miller(3)	102,298(15)	*	37,500	64,798	*
Deborah Gaertner(3)	44,512(16)	*	7,500	37,012	*
Neal S. Nackman(3)	27,000(17)	*	9,000	18,000	*
<i>Other 5% Holders</i>					
S.A.C. Capital Associates, LLC c/o S.A.C. Capital Advisors, LLC 72 Cummings Point Road Stamford, CT 06902	881,610(18)	5.3%(19)	371,200	510,410	3.2%

Name and Address	Shares Beneficially Owned Prior To Offering(1)		Number Of Shares Being Offered(2)	Shares Beneficially Owned After Offering	
	Number	Percent		Number	Percent
Aron Goldfarb(3)	927,032(20)	6.5%	500,000	427,032	2.7%
Buckingham Capital Management 750 Third Avenue, Sixth Floor New York, NY 10017	1,113,150(21)	7.9%	—	1,113,150	7.0%
All directors and executive officers as a group (13 persons)	5,466,694(22)	36.6%	1,629,000	3,837,694(23)	23.2%
<i>Other Selling Stockholders</i>					
Lee Lipton(3)	211,250(24)	1.5%	100,000	111,250	*
Andrew Reid(3)	211,250(25)	1.5%	100,000	111,250	*
David Winn(3)	112,500(26)	*	50,000	62,500	*
Prentice Capital Partners, LP 623 Fifth Avenue, 32nd Floor New York, NY 10022	64,590(27) (28)	*	27,200	37,390	*
Prentice Capital Partners QP, LP 623 Fifth Avenue, 32nd Floor New York, NY 10022	323,950(28) (29)	2.3%	136,400	187,550	1.2%
Prentice Capital Offshore, Ltd. 623 Fifth Avenue, 32nd Floor New York, NY 10022	712,270(28) (30)	4.9%(31)	299,900	412,370	2.6%

PEC I, LLC 623 Fifth Avenue, 32nd Floor New York, NY 10022	237,500(28) (32) 1.7%	100,000	137,500	*
GPC XLIII, LLC 623 Fifth Avenue, 32nd Floor New York, NY 10022	155,080(28) (33) 1.0%	65,300	89,780	*

* Less than one percent

- (1) For purposes of this table, a person or a group of persons is deemed to have "beneficial ownership" of any shares of common stock when such person or persons have the right to acquire them within 60 days after January 1, 2007. For purposes of computing the percentage of outstanding shares of common stock held by each person or group of persons named above, any shares which such person or persons have the right to acquire within 60 days after January 1, 2007 are deemed to be outstanding but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person.
- (2) In the event the underwriters exercise the over-allotment option in full, the 750,000 over-allotment shares will be sold by the following persons or entities: G-III Apparel Group, Ltd. – 400,000 shares; Morris Goldfarb – 250,000 shares; S.A.C. Capital Associates, LLC – 37,120 shares; Prentice Capital Partners, LP – 2,720 shares; Prentice Capital Partners QP, LP – 13,640 shares; Prentice Capital Offshore, Ltd. – 29,990 shares; PEC I, LLC – 10,000 shares; and GPC XLIII, LLC – 6,530 shares.
- (3) The address of such individual is c/o G-III Apparel Group, Ltd., 512 Seventh Avenue, New York, New York 10018.
- (4) Includes (i) 360,000 shares of common stock which may be acquired within 60 days upon the exercise of options; (ii) 195,000 shares of common stock held in a trust, of which Mr. Goldfarb's wife is one of two trustees with shared voting and dispositive power, for the benefit of Mr. Goldfarb's daughter; (iii) 195,000 shares of common stock held in a trust, of which Mr. Goldfarb's wife is one of two trustees with shared voting power, for the benefit of Mr. Goldfarb's son; (iv) 14,833 shares of common stock owned by Mr. Goldfarb's wife; (v) 441,300 shares of common stock held by Morris and Arlene Goldfarb as joint tenants; (vi) 57,500 shares of common stock owned by The Morris and Arlene Goldfarb Family Foundation, Inc., of which Mr. Goldfarb is the President and Treasurer; and (vii) 108,375 shares of common stock held by Goldfarb Family Partners, L.L.C., of which Mr. Goldfarb is the Managing Member.
- (5) Sammy Aaron has been a director and executive officer of G-III and the President of our Marvin Richards division since July 11, 2005.
- (6) Consists of shares of common stock which may be acquired within 60 days upon the exercise of options.
- (7) Consists of shares of common stock which may be acquired within 60 days upon the exercise of options.
- (8) Includes 10,600 shares of common stock which may be acquired within 60 days upon the exercise of options.
- (9) Consists of shares of common stock which may be acquired within 60 days upon exercise of options.
- (10) Consists of 75,000 shares of common stock which may be acquired within 60 days upon the exercise of options. The shares indicated as being offered are being sold by Ms. Nostra.
- (11) Consists of shares of common stock which may be acquired within 60 days upon the exercise of options.
- (12) Includes 32,100 shares of common stock which may be acquired within 60 days upon the exercise of options.
- (13) Includes 27,100 shares of common stock which may be acquired within 60 days upon the exercise of options.

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- (14) Consists of shares of common stock which may be acquired within 60 days upon the exercise of options. Ms. Nostra has been our President for more than three years.
- (15) Consists of shares of common stock which may be acquired within 60 days upon the exercise of options. Mr. Miller is our Chief Operating Officer and has been an executive officer of ours for more than three years.
- (16) Includes 8,250 shares of common stock which may be acquired within 60 days upon the exercise of options.
- (17) Includes 18,000 shares of common stock which may be acquired within 60 days upon the exercise of options.
- (18) Consists of 742,400 shares of common stock and warrants to purchase 139,210 shares of common stock.
Prentice Capital Management, LP manages various investments of S.A.C. Capital Associates, LLC including S.A.C. Capital Associates, LLC's investments in us. Prentice Capital Management, LP has, except in limited circumstances, the power to vote or to direct the vote and to dispose or to direct the disposition of the shares of our common stock held of record by S.A.C. Capital Associates, LLC. S.A.C. Capital Associates, LLC disclaims beneficial ownership of any securities owned by Prentice Capital Management, LP or its affiliates and the shares of our common stock held of record by S.A.C. Capital Associates, LLC.
- (19) Notwithstanding the amount listed for S.A.C. Capital Associates, LLC, with respect to the warrants held by S.A.C. Capital Associates, LLC, such amount is subject to the exercise limitation set forth in the warrants which prohibits the exercise of the warrants if such action would result in the selling securityholder (together with its affiliates) having beneficial ownership of more than 4.99% of the total issued and outstanding shares of common stock.
- (20) Aron Goldfarb, our founder, was a director of ours for more than three years until June 2005.
- (21) Information is derived from the Schedule 13G filed with the Securities and Exchange Commission on May 12, 2006 (the BCM Schedule 13G) by Buckingham Capital Management Incorporated (BCM), a registered investment advisor, as adjusted for our three-for-two stock split. The BCM Schedule 13G states that BCM is deemed to have beneficial ownership of 1,113,150 shares of common stock.
- (22) Includes 753,348 shares of common stock which may be acquired within 60 days upon the exercise of options.
- (23) Includes 640,848 shares of common stock which may be acquired within 60 days upon the exercise of options.
- (24) Mr. Lipton has been employed as Vice President of our Marvin Richards division since July 11, 2005.
- (25) Mr. Reid has been employed as Vice President of our Marvin Richards division since July 11, 2005.
- (26) Includes 37,500 shares of common stock which may be acquired within 60 days upon the exercise of options. Mr. Winn has been employed as President of our Winlit division since July 11, 2005.
- (27) Consists of 54,400 shares of common stock and warrants to purchase 10,190 shares of common stock.
- (28) Prentice Capital GP, LLC ("Prentice Capital GP") has investment and voting power with respect to our securities held by the following entities (the "Domestic Funds"): (i) Prentice Capital Partners, LP, (ii) Prentice Capital Partners QP, LP, and (iii) GPC XLIII, LLC. Prentice Capital Management, LP has investment and voting power with respect to our securities held by the following entities (the "Other Funds"): (i) Prentice Capital Offshore, Ltd. and (ii) S.A.C. Capital Associates, LLC (except in limited circumstances). Mr. Michael Zimmerman controls Prentice Capital Management, LP, Prentice Capital GP and Prentice Management GP, LLC. Each of Prentice Capital Management, Prentice Capital GP, Prentice Management GP, LLC and Mr. Zimmerman disclaims beneficial ownership of any of these securities. Each Domestic Fund and Other Fund disclaims beneficial ownership of any of the securities not held by such Domestic Fund or Other Fund.
- (29) Consists of 272,800 shares of common stock and warrants to purchase 51,150 shares of common stock.
- (30) Consists of 599,800 shares of common stock and warrants to purchase 112,470 shares of common stock.
- (31) Notwithstanding the amount listed for Prentice Capital Offshore, Ltd., with respect to the warrants held by Prentice Capital Offshore, Ltd., such amount is subject to the exercise limitation set forth in the warrants which prohibits the exercise of the warrants if such action would result in the selling securityholder (together with its affiliates) having beneficial ownership of more than 4.99% of the total issued and outstanding shares of common stock.
- (32) Consists of 200,000 shares of common stock and warrants to purchase 37,500 shares of common stock.
- (33) Consists of 130,600 shares of common stock and warrants to purchase 24,480 shares of common stock.

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UNDERWRITING

Subject to the terms and conditions set forth in the underwriting agreement, each of the underwriters named below has severally agreed to purchase from us and the selling stockholders the aggregate number of shares of common stock set forth opposite its name below:

Underwriters	Number of Shares
Thomas Weisel Partners LLC	[•]
Cowen and Company, LLC	
Lazard Capital Markets LLC	
Brean Murray, Carret & Co., LLC	
Total	<u>5,000,000</u>

Of the 5,000,000 shares to be purchased by the underwriters, 1,621,000 shares will be purchased from us and 3,379,000 will be purchased from the selling stockholders.

The underwriting agreement provides that the obligations of the several underwriters are subject to various conditions, including approval of legal matters by counsel. The underwriters are required to purchase and pay for all of the shares of common stock listed above if any are purchased.

Thomas Weisel Partners LLC expects to deliver the shares of common stock to purchasers on or about , 2007.

Over-Allotment Option

We and some of the selling stockholders have granted a 30-day over-allotment option to the underwriters to purchase up to a total of 750,000 additional shares of our common stock at the public offering price, less the underwriting discount payable, as set forth on the cover page of this prospectus. If the underwriters exercise this option in whole or in part, then each of the underwriters will be separately committed, subject to the conditions described in the underwriting agreement, to purchase the additional shares of our common stock in proportion to their respective commitments set forth in the table above.

Commissions and Discounts

The underwriters propose to offer the shares of common stock directly to the public at the public offering price set forth on the cover page of this prospectus, and at this price less a concession not in excess of \$ per share of common stock to other dealers specified in a master agreement among underwriters who are members of the National Association of Securities Dealers, Inc. The underwriters may allow, and the other dealers specified may reallocate, concessions not in excess of \$ per share of common stock to these other dealers. After this offering, the offering price, concessions and other selling terms may be changed by the underwriters. Our common stock is offered subject to receipt and acceptance by the underwriters and to other conditions, including the right to reject orders in whole or in part.

Lazard Frères & Co. LLC referred this transaction to Lazard Capital Markets LLC and will receive a referral fee from Lazard Capital Markets LLC in connection therewith.

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The following table summarizes the compensation to be paid to the underwriters by us and the selling stockholders and the proceeds, before expenses, payable to us and the selling stockholders:

	Per Share	Total	
		With Over-Allotment	Without Over-Allotment
Public offering price	\$	\$	\$
Underwriting discount			
Proceeds, before expenses, to us			
Proceeds, before expenses, to the selling stockholders			

We estimate that the total expenses of this offering, excluding the underwriting discount, will be approximately \$500,000.

Indemnification of Underwriters

We and the selling stockholders will indemnify the underwriters against some civil liabilities, including liabilities under the Securities Act of 1933, as amended. If we or the selling stockholders are unable to provide this indemnification, we and the selling stockholders will contribute to payments the underwriters may be required to make in respect of those liabilities.

No Sales of Similar Securities

Our directors and executive officers and the selling stockholders have agreed with the underwriters, subject to certain exceptions, not to offer, sell, agree to sell, directly or indirectly, or otherwise dispose of any shares of our common stock or any securities convertible into or exercisable or exchangeable for shares of our common stock, without the prior written consent of Thomas Weisel Partners LLC for a period of 90 days after the date of this prospectus.

We have agreed that for a period of 90 days after the date of this prospectus, we will not, without the prior written consent of Thomas Weisel Partners LLC, offer, sell, agree to sell, directly or indirectly, or otherwise dispose of any shares of our common stock or any securities convertible into or exercisable or exchangeable for shares of our common stock, except for (1) the shares of common stock offered in this offering, (2) any shares of our common stock issuable upon exercise of options or warrants outstanding on the date of this prospectus, and (3) any shares of our common stock issued as consideration for the acquisition of another entity or in connection with a license, joint venture or similar arrangement in an amount not to equal or exceed 20% of the number of shares of our common stock outstanding immediately following this offering.

The 90-day restricted period described in the preceding paragraphs will be automatically extended if: (1) during the last 17 days of the 90-day restricted period we release earnings results or announce material news or a material event; or (2) prior to the expiration of the 90-day restricted period, we announce that we will release earnings results during the 15-day period following the last day of the 90-day period, then in each case the restrictions described in the preceding paragraphs will be automatically extended until the expiration of the 18-day period beginning on the date of release of the earnings results or the announcement of the material news or

material event.

Nasdaq Global Market Listing

Our common stock is quoted on the Nasdaq Global Market under the symbol "GIII."

Short Sales, Stabilizing Transactions and Penalty Bids

In order to facilitate this offering, persons participating in this offering may engage in transactions that stabilize, maintain or otherwise affect the price of our common stock during and after this offering. Specifically, the underwriters may engage in the following activities in accordance with the rules of the SEC.

Short sales. Short sales involve the sales by the underwriters of a greater number of shares than they are required to purchase in this offering. Covered short sales are short sales made in an amount not

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greater than the underwriters' over-allotment option to purchase additional shares from us in this offering. The underwriters may close out any covered short position by either exercising their over-allotment option to purchase shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option. Naked short sales are any short sales in excess of such over-allotment option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in this offering.

Stabilizing transactions. The underwriters may make bids for or purchases of the shares for the purpose of pegging, fixing or maintaining the price of the shares, so long as stabilizing bids do not exceed a specified maximum.

Penalty bids. If the underwriters purchase shares in the open market in a stabilizing transaction or syndicate covering transaction, they may reclaim a selling concession from the underwriters and selling group members who sold those shares as part of this offering. Stabilization and syndicate covering transactions may cause the price of the shares to be higher than it would be in the absence of these transactions. The imposition of a penalty bid might also have an effect on the price of the shares if it discourages presales of the shares.

The transactions above may occur on the Nasdaq Global Market or otherwise. Neither we nor the underwriters make any representation or prediction as to the effect that the transactions described above may have on the price of the shares. If these transactions are commenced, they may be discontinued without notice at any time.

Each of the underwriters has represented and agreed that:

(a) it has not made or will not make an offer of shares to the public in the United Kingdom within the meaning of Section 102B of the Financial Services and Markets Act 2000, as amended, or FSMA, except to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities or otherwise in circumstances which do not require the publication by us of a prospectus pursuant to the Prospectus Rules of the Financial Services Authority;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) to persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which Section 21 of FSMA does not apply to us; and

(c) it has complied with, and will comply with, all applicable provisions of FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive, which we refer to as a Relevant Member State, each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, which we refer to as the Relevant Implementation Date, it has not made and will not make an offer of shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant Member State or, where approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of shares to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

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(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year, (2) a total balance sheet of more than € 43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by us of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of shares to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe for the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

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LEGAL MATTERS

The validity of the shares of common stock offered in this prospectus will be passed upon for us by Fulbright & Jaworski L.L.P., New York, New York. Certain legal matters relating to the offering will be passed upon for the underwriters by Morgan, Lewis & Bockius LLP, New York, New York.

EXPERTS

The consolidated financial statements of G-III Apparel Group, Ltd. appearing in G-III Apparel Group's Annual Report (Form 10-K) for the year ended January 31, 2006 (including schedules appearing therein), have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon, included therein, and incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The combined financial statements of J. Percy for Marvin Richards, Ltd. and CK Outerwear, LLC as of December 31, 2004 and for the year then ended appearing in our Form 8-K/A filed on September 27, 2005, have been audited by Eisner LLP, independent registered public accounting firm, as set forth in their report thereon, included therein, and incorporated herein by reference. Such financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (SEC). We have also filed with the SEC a registration statement on Form S-3 to register the securities being offered in this prospectus. This prospectus, which forms part of the registration statement, does not contain all of the information included in the registration statement. For further information about us and the securities offered in this prospectus, please refer to the registration statement and its exhibits. Our SEC filings may be inspected and copied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. The SEC maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers, including us, that file electronically with the SEC. These SEC filings are available from the SEC's website at <http://www.sec.gov>. More information about us can be obtained by visiting our website at <http://www.g-iii.com>.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to "incorporate by reference" in this prospectus the information that we have filed with them. This means that we can disclose important information to you in this document by referring you to other filings we have made with the SEC. The information incorporated by reference is considered to be part of this prospectus. We incorporate by reference the documents listed below:

- Our annual report on Form 10-K for the fiscal year ended January 31, 2006 and the amendment thereto on Form 10-K/A filed on May 8, 2006;
- Our quarterly reports on Form 10-Q for the fiscal quarters ended April 30, 2006, July 31, 2006 and October 31, 2006, filed on June 8, 2006, September 13, 2006 and December 14, 2006;
- Our current reports on Form 8-K filed on February 7, 2006, March 2, 2006, March 7, 2006, July 14, 2006, August 1, 2006 and February 1, 2007;
- The description of our capital stock contained in our Form 8-K filed on May 1, 2006; and
- The financial statements and other information concerning our acquisition of Marvin Richards set forth in our Form 8-K filed on July 15, 2005 and the amendment thereto on Form 8-K/A filed on September 27, 2005.

This prospectus may contain information that updates, modifies or is contrary to information in one or more of the documents incorporated by reference in this prospectus.

All documents subsequently filed by us pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act, prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference herein and to be a part hereof from the date of filing of such documents.

Upon your written or oral request, we will provide at no cost to you, a copy of any and all of the reports or documents that are incorporated by reference in this prospectus. Copies of any and all reports or documents that are incorporated by reference in this prospectus may be accessed at our website at <http://www.g-iii.com>.

Requests for such documents should be directed to:

Neal S. Nackman
Chief Financial Officer
G-III Apparel Group, Ltd.
512 Seventh Avenue
New York, New York 10018
(212) 403-0500

Proprietary & Private Label

 BLACK RIVET	 BLACK RIVET		
 ALFANI	 COLEBROOK		
			
			
 EXPRESS	 CANDIE'S		
			
			
 EXSTO			
		<small>* Proprietary Label</small>	<small>* Proprietary Label</small>

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PROSPECTUS , 2007



**5,000,000 Shares
Common Stock**

**Thomas Weisel Partners LLC
Cowen and Company
Lazard Capital Markets
Brean Murray, Carret & Co.**

Neither we nor any of the underwriters has authorized anyone to provide information different from that contained in this prospectus. When you make a decision about whether to invest in our common stock, you should not rely upon any information other than the information in this prospectus. Neither the delivery of this prospectus nor the sale of our common stock means that information contained in this prospectus is correct after the date of this prospectus. This prospectus is not an offer to sell or a solicitation of an offer to buy these shares of common stock in any circumstances under which the offer or solicitation is unlawful.

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PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. Other Expenses of Issuance and Distribution.

The following table sets forth the various fees and expenses expected to be incurred by us in connection with the sale and distribution of the securities being registered hereby, other than the underwriting discount. All of the amounts shown are estimated except the SEC registration fee and the NASD filing fee.

	<u>Amount</u>
SEC Registration Fee	\$ 10,938
NASD Filing Fee	\$ 11,718
Printing and Engraving Fee	\$ 100,000
Legal Fees and Expenses	\$ 175,000
Accounting Fees and Expenses	\$ 100,000
Transfer Agent and Registrar Fee	\$ 5,000
Miscellaneous expenses	\$ 97,344
Total	<u>\$ 500,000</u>

The selling stockholders will not bear any of the expenses in this offering.

ITEM 15. Indemnification of Directors and Officers.

The General Corporation Law of the State of Delaware (the "GCL") authorizes Delaware corporations to eliminate or limit the personal liability of a director to the corporation or a stockholder for monetary damages for breach of certain fiduciary duties as a director, other than his duty of loyalty to the corporation and its stockholders, or for acts or omissions not in good faith or involving intentional misconduct or knowing violation of law, and the unlawful purchase or redemption of stock or payment of unlawful dividends or the receipt of improper benefits. Article VI of our bylaws provides for the indemnification of our officers and directors to the fullest extent permitted under the GCL. Insofar as indemnification for liabilities arising under the Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, we have been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is therefore unenforceable.

ITEM 16. Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
1.1	Form of Underwriting Agreement.
5.1	Opinion of Fulbright & Jaworski L.L.P.
23.1	Consent of Fulbright & Jaworski L.L.P. (included in Exhibit 5.1).
23.2	Consent of Independent Registered Public Accounting Firm, Ernst & Young LLP.
23.3	Consent of Independent Registered Public Accounting Firm, Eisner LLP.
24.1	Power of Attorney.*

* Previously filed.

ITEM 17. Undertakings.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers, and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is

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against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act

shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 1 to the Registration Statement on Form S-3 to be signed on its behalf by the undersigned, thereunto duly authorized in the City of New York, State of New York, on February 21, 2007.

G-III APPAREL GROUP, LTD.

By: /s/ NEAL S. NACKMAN
Name: Neal S. Nackman
Title: Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 1 to the Registration Statement on Form S-3 has been signed by the following persons in the capacities and on the date or dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Morris Goldfarb</u> Morris Goldfarb	Director, Chairman of the Board and Chief Executive Officer (principal executive officer)	February 21, 2007
<u>/s/ Neal S. Nackman</u> Neal S. Nackman	Chief Financial Officer and Treasurer (principal financial and accounting officer)	February 21, 2007
<u>*</u> Sammy Aaron	Director and Vice Chairman	February 21, 2007
<u>*</u> Thomas J. Brosig	Director	February 21, 2007
<u>*</u> Pieter Deiters	Director	February 21, 2007
<u>*</u> Alan Feller	Director	February 21, 2007
<u>*</u> Carl Katz	Director	February 21, 2007
<u>*</u> Laura Pomerantz	Director	February 21, 2007
<u>*</u> Willem van Bokhorst	Director	February 21, 2007
<u>*</u> Richard White	Director	February 21, 2007

*By: /s/ Neal S. Nackman
Neal S. Nackman
Attorney-in-Fact

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EXHIBIT INDEX

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23.3	Consent of Independent Registered Public Accounting Firm, Eisner LLP.
24.1	Power of Attorney.*

* Previously filed.

G-III Apparel Group, Ltd.
Common Stock, par value \$0.01 per share

Underwriting Agreement

_____, 2007

Thomas Weisel Partners LLC
Cowen and Company, LLC
Lazard Capital Markets LLC
Brean Murray, Carret & Co., LLC

c/o Thomas Weisel Partners LLC
One Montgomery Street, Suite 3700
San Francisco, California 94104

Ladies and Gentlemen:

Subject to the terms and conditions stated herein, (i) G-III Apparel Group, Ltd., a Delaware corporation (the "Company"), proposes to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") an aggregate of 1,621,000 shares of common stock, par value \$0.01 per share ("Common Stock"), of the Company, and (ii) certain stockholders of the Company named in Schedule II hereto (the "Selling Stockholders") severally propose to sell to the Underwriters an aggregate of 3,379,000 shares of Common Stock, with each Selling Stockholder selling the number of shares set forth opposite such Selling Stockholder's name in the column "Total Number of Firm Shares to be Sold" in Schedule II hereto (the shares referred to in clauses (i) and (ii) collectively, the "Firm Shares"). At the election of the Underwriters, the Company proposes to issue and sell, and certain Selling Stockholders propose to sell, subject to the terms and conditions stated herein, to the Underwriters up to 750,000 additional shares of Common Stock (the "Optional Shares"), with the Company and each of such Selling Stockholders selling the number of shares set forth opposite such Selling Stockholder's name in the column "Number of Optional Shares to be Sold if Maximum Option Exercised" in Schedule II hereto (or their respective *pro rata* portions thereof if the Underwriters exercise their right to purchase Optional Shares as to fewer than all of the Optional Shares). The Firm Shares and the Optional Shares that the Underwriters elect to purchase pursuant to Section 2 hereof are herein collectively called the "Shares".

1. (a) The Company represents and warrants to, and agrees with, each of the Underwriters that:

(i) A registration statement on Form S-3 (Registration No. 333-139795) (the "Initial Registration Statement") in respect of the Shares has been filed with the Securities and Exchange Commission (the "Commission"); the Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to you, and, excluding exhibits thereto, to you for each of the other Underwriters, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a "Rule 462(b) Registration Statement"), filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the "Act"), which became effective upon filing, no other document with respect to the Initial Registration Statement (other than Amendment No. 1 to the Registration Statement filed on February 21, 2007) has heretofore been filed with the Commission; and no stop order suspending the effectiveness of the Initial Registration

Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or, to the knowledge of the Company, threatened by the Commission (any preliminary prospectus included in the Initial Registration Statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act is hereinafter called a "Preliminary Prospectus"; the various parts of the Initial Registration Statement and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and including the information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 6(a) hereof and deemed by virtue of Rule 430A under the Act to be part of the Initial Registration Statement at the time it was declared effective, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, are hereinafter collectively called the "Registration Statement"; the Preliminary Prospectus relating to the Shares that was included in the Registration Statement immediately prior to the Applicable Time (as defined in Section 1(a)(iii) hereof), together with each "issuer free writing prospectus"

as defined in Rule 433 under the Act relating to the Shares (an "Issuer Free Writing Prospectus") that is identified on Schedule III hereto and the other information set forth on Schedule IV hereto, is hereinafter called the "Pricing Prospectus"; and such final prospectus, in the form first filed pursuant to Rule 424(b) under the Act, is hereinafter called the "Prospectus";

All references in this Agreement to financial statements and schedules and other information which is "contained," "included," "set forth" or "stated" in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus (and all other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which is or is deemed to be incorporated by reference in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, as the case may be (except for any financial statements and schedules and other information incorporated or deemed to be incorporated therein by reference to the extent modified or superseded by any financial statements, schedules or other information included in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus); and all references in this Agreement to amendments or supplements to the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus shall be deemed to mean and include the filing of any document under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which is or is deemed to be incorporated by reference in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, as the case may be (subject to the above exception for modified or superseded financial statements, schedules and other information).

(ii) No order preventing or suspending the use of any Preliminary Prospectus or any Issuer Free Writing Prospectus has been issued by the Commission, and each Preliminary Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through Thomas Weisel Partners LLC or by any Selling Stockholder with respect to such Selling Stockholder (other than in their capacity as officers of the Company, if applicable) expressly for use therein;

(iii) For the purposes of this Agreement, the "Applicable Time" is [•] p.m. (Eastern time) on the date of this Agreement. The Pricing Prospectus, as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not

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misleading; and each Issuer Free Writing Prospectus listed on Schedule III hereto does not conflict with the information contained in the Registration Statement, the Pricing Prospectus or the Prospectus and each such Issuer Free Writing Prospectus, as supplemented by and taken together with the Pricing Prospectus as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements or omissions made in an Issuer Free Writing Prospectus in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through Thomas Weisel Partners LLC or by any Selling Stockholder with respect to such Selling Stockholder (other than in their capacity as officers of the Company, if applicable) expressly for use therein;

(iv) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to the Registration Statement and any amendment thereto and as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through Thomas Weisel Partners LLC expressly for use therein;

(v) The documents incorporated or deemed to be incorporated by reference in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, when they become effective or were filed with the Commission, as the case may be, complied in all material respects with the requirements of the Act or the Exchange Act, and, with the exception of information in such incorporated documents that was modified or superseded by information in the Prospectus, when read together with (and as modified by) the other information in the Prospectus, at the time the Registration Statement and any amendments become effective or were filed with the Commission, as the case may be, will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(vi) Neither the Company nor any of its subsidiaries has sustained since the date of the latest audited

financial statements included in the Pricing Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus, except for such loss or interference as would not, individually or in the aggregate, have a material adverse effect on the business, prospects, operations, assets, condition (financial or otherwise), members' or stockholders' equity (as applicable) or results of operations of the Company and its consolidated subsidiaries taken as a whole (a "Material Adverse Effect"); and, since the respective dates as of which information is given in the Registration Statement and the Pricing Prospectus, (A) there has not been any change in the capital stock or long-term debt of the Company or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, prospects, operations, assets, condition (financial or otherwise) or results of operations of the Company and its consolidated subsidiaries taken as a whole, (B) (ii) the Company and its subsidiaries, considered as one entity, have not incurred any material liability or obligation, indirect, direct or contingent, not in the ordinary course of business nor entered into any material transaction or agreement not in the ordinary course of business; and (C) there has been no dividend or distribution of any kind declared, paid or made by the Company or, except for dividends paid to the Company or other subsidiaries, any of its subsidiaries on any class of capital stock or repurchase or

redemption by the Company or any of its subsidiaries of any class of capital stock, in each case other than as set forth or contemplated in the Pricing Prospectus;

(vii) Neither the Company nor any of its subsidiaries owns any real property. The Company and its subsidiaries have good and marketable title to all personal property owned by them which is material to the business of the Company and its subsidiaries, free and clear of all liens, encumbrances and defects except such as are described in the Pricing Prospectus or such as would not cause a Material Adverse Effect and do not interfere with the use made and proposed to be made of such property by the Company and its subsidiaries; and any real property and buildings held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as would not cause a Material Adverse Effect and do not interfere with the use made and proposed to be made of such property and buildings by the Company and its subsidiaries;

(viii) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware with the corporate power and authority to own its properties and conduct its business as described in the Pricing Prospectus, and is duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect;

(ix) Each subsidiary of the Company has been duly formed, incorporated or organized and is validly existing and in good standing under the laws of its jurisdiction of formation, incorporation or organization; and each subsidiary of the Company has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect;

(x) The Company has an authorized capitalization as set forth in the Pricing Prospectus, and all of the issued and outstanding shares of capital stock of the Company have been duly and validly authorized and issued, are fully paid and non-assessable, and have been issued in compliance with federal and state securities laws and conform in all material respects to the description of the capital stock set forth in the Pricing Prospectus and the Prospectus; and all of the shares of capital stock of each subsidiary of the Company have been duly authorized and validly issued, are fully paid and non-assessable, have been issued in compliance with federal and state securities laws and are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except to such extent as would not, individually or in the aggregate, have a Material Adverse Effect or are disclosed in the Registration Statement. None of the outstanding shares of capital stock of the Company were issued in violation of any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase securities of the Company. There are no authorized or outstanding options, warrants, preemptive rights, rights of first refusal or other rights to purchase, or equity or debt securities convertible into or exchangeable or exercisable for, any capital stock of the Company or any of its subsidiaries other than those accurately described in the Pricing Prospectus. The description of the Company's stock option plans, restricted stock plan and other stock plans or arrangements, and the options or other rights granted thereunder, set forth in the Pricing Prospectus accurately and fairly presents the information required to be shown therein with respect to such plans, arrangements, options and rights;

(xi) This Agreement has been duly authorized, executed and delivered by the Company, and is a valid and binding agreement of the Company, enforceable in accordance with its terms, except as rights to indemnification or contribution hereunder may be limited by applicable law or

the public policy underlying such law and except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles;

(xii) The Shares to be sold by the Company have been duly authorized and, when issued and delivered against payment therefor as provided herein, will be validly issued, fully paid and non-assessable and will conform in all material respects to the description of Common Stock set forth in the Pricing Prospectus and the Prospectus. The Shares to be sold by the Selling Stockholders have been duly authorized, are validly issued, fully paid and non-assessable and conform in all material respects to the description of Common Stock set forth in the Pricing Prospectus and the Prospectus, except for the Shares issuable upon exercise of options by the Selling Stockholders, which Shares shall, when issued and paid for in accordance with the terms of the applicable stock option plan and stock option agreement, be duly authorized, validly issued, fully paid and non-assessable and conform in all material respects to the description of Common Stock set forth in the Pricing Prospectus and the Prospectus;

(xiii) Other than agreements relating to the Company's resale shelf registration statement (Registration No. 333-136445), there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company or to require the Company to include such securities with the Shares registered pursuant to the Registration Statement other than as described in the Registration Statement or as have been satisfied, or waived in writing, in connection with the offering contemplated hereby;

(xiv) The issue and sale of the Shares to be sold by the Company and the compliance by the Company with all of its obligations under this Agreement and the consummation of the transactions herein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or give rise to a right of termination under any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject or violate any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, except for such conflicts, breaches, defaults, violations or rights as would not, individually or in the aggregate, have a Material Adverse Effect, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-Laws (or, in the case of subsidiaries that are not corporations, similar organizational documents) of the Company or any of its subsidiaries;

(xv) No consent, approval, authorization, order, registration, qualification, permit, license, exemption, filing or notice (each an "Authorization") of, from, with or to any court, tribunal, government, governmental or regulatory authority, self-regulatory organization or body (each, a "Regulatory Body") is required for the issue and sale of the Shares by the Company or, to the Company's knowledge, by the Selling Stockholders or the consummation by the Company of the transactions contemplated by this Agreement, except (A) the registration of the Shares under the Act; (B) such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters; (C) such Authorizations as may be required by the National Association of Securities Dealers, Inc. (the "NASD") and (D) such other Authorizations the absence of which would not, individually or in the aggregate, have a Material Adverse Effect; and no event has occurred that has resulted in, or that would reasonably be expected to result in, after notice or lapse of time or both,

revocation, suspension, termination or invalidation of any such Authorization or any other impairment of the rights of the holder or maker of any such Authorization;

(xvi) All corporate approvals (including those of stockholders) necessary for the Company to consummate the transactions contemplated by this Agreement have been obtained and are in effect;

(xvii) Neither the Company nor any of its subsidiaries is (A) in violation of its Certificate of Incorporation or By-Laws or other organizational documents or (B) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any material indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except for such defaults specified under subparagraph (B) herein that would not, individually or in the aggregate, have a Material Adverse Effect;

(xviii) Other than as set forth in the Pricing Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or to which any property of the Company or any of its subsidiaries is the subject which, if determined adversely to the Company or any of its subsidiaries, could reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect; and, to the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(xix) There are no statutes, regulations, contracts or other documents that are required to be described in the Pricing Prospectus and no contracts or other documents required to be filed or incorporated by reference as exhibits to the Registration Statement that are not described or filed or incorporated as required;

(xx) The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof, will not be an "investment company", as such term is defined in the Investment Company Act of 1940, as amended (the "Investment Company Act");

(xxi) At the time of filing the Initial Registration Statement, the Company was not an "ineligible issuer," as defined in Rule 405 under the Act;

(xxii) Ernst & Young LLP, which has certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm as required by the Act and the rules and regulations of the Commission thereunder;

(xxiii) Eisner LLP, which has certified certain financial statements of certain subsidiaries of the Company, is an independent registered public accounting firm as required by the Act and the rules and regulations of the Commission thereunder;

(xxiv) The consolidated financial statements of the Company and its subsidiaries (including all notes and schedules thereto) included in the Registration Statement, the Pricing Prospectus and the Prospectus present fairly in all material respects the consolidated financial position of the Company and its consolidated subsidiaries at the dates indicated and the consolidated statements of income, stockholders' equity and cash flows of the Company and its subsidiaries for the periods specified in conformity with generally accepted accounting principles, consistently applied throughout the periods involved, other than as may be expressly stated in the footnotes thereto; no other financial statements or supporting schedules are required to be included in the Registration Statement; the summary and selected consolidated financial data set forth under the captions "Prospectus Summary — Summary Consolidated Financial Data," "Capitalization" and "Selected Consolidated Financial Data" included in the Registration

Statement, the Pricing Prospectus and the Prospectus present fairly the information shown therein as at the respective dates and for the respective periods specified and are derived from the consolidated financial statements set forth in the Registration Statement, the Pricing Prospectus and the Prospectus and other financial information; and the unaudited pro forma condensed consolidated financial data (together with the related narrative overview and notes) included in the Registration Statement, the Pricing Prospectus and the Prospectus have been prepared in good faith on the basis of the assumptions described in the Registration Statement, the Pricing Prospectus and the Prospectus and such assumptions are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein, and such unaudited pro forma condensed consolidated financial data (together with the related narrative overview and notes) comply in all material respects with the applicable accounting requirements of Rule 11-02 of Regulation S-X;

(xxv) The Company and each of its subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurance that (A) transactions are executed in accordance with management's general or specific authorizations; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any material differences;

(xxvi) Since the date of the latest audited financial statements of the Company included in the Pricing Prospectus, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting (other than as set forth in the Pricing Prospectus);

(xxvii) The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) that comply with the requirements of the Exchange Act. Such disclosure controls and procedures (A) are designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company's principal executive officer and its principal financial officer by others within those entities; and (B) are effective in all

material respects to perform the functions for which they were established;

(xxviii) No relationship, direct or indirect, exists between or among the Company, on the one hand, and any director, officer, stockholder, customer, licensor or supplier of the Company, on the other hand, which is required to be described in the Registration Statement, the Pricing Prospectus or the Prospectus and which is not so described. There are no outstanding loans, advances or guarantees of indebtedness by the Company to or for the benefit of any of the executive officers or directors of the Company, except as disclosed in the Registration Statement, the Pricing Prospectus and the Prospectus;

(xxix) To the knowledge of the Company, no person associated with or acting on behalf of the Company, including without limitation any director, officer, agent or employee of the Company or its subsidiaries has, directly or indirectly, while acting on behalf of the Company or its subsidiaries (A) used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity; (B) made any unlawful payment to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns from corporate funds; (C) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended; or (D) made any other unlawful payment;

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(xxx) Except as contemplated by this Agreement and as disclosed in the Registration Statement, the Pricing Prospectus and the Prospectus, no person is entitled to receive from the Company a brokerage commission, finder's fee or other like payment in connection with the transactions contemplated herein;

(xxxi) Neither the Company nor any of its subsidiaries or controlled affiliates does business with the government of, or with any person located in any country in a manner that violates in any material respect any of the economic sanctions programs or similar sanctions-related measures of the United States as administered by the United States Treasury Department's Office of Foreign Assets Control; and the net proceeds from the offering contemplated hereby will not be used to fund any operations in, finance any investments in or make any payments to any country, or to make any payments to any person, in a manner that violates any of the economic sanctions of the United States administered by the United States Treasury Department's Office of Foreign Assets Control;

(xxxii) Neither the Company nor any of its subsidiaries or controlled affiliates does business with the government of Cuba or with any person located in Cuba within the meaning of Section 517.075, Florida Statutes;

(xxxiii) There is (A) no material unfair labor practice complaint pending against the Company, or any of its subsidiaries, nor, to the knowledge of the Company, threatened against it or any of its subsidiaries, before the National Labor Relations Board, any state or local labor relations board or any foreign labor relations board, and no material grievance or material arbitration proceeding arising out of or under any collective bargaining agreement is so pending against the Company or any of its subsidiaries, or, to the knowledge of the Company, threatened against it, and (B) no material labor dispute with the employees of the Company or any of its subsidiaries exists, or, to the knowledge of the Company, is imminent; and the Company is not aware of any existing, threatened or imminent labor disturbance by the employees of any of its principal suppliers, licensors, service providers, manufacturers or contractors that could have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole;

(xxxiv) The Company and its subsidiaries possess all certificates, authorizations and permits issued by the appropriate federal, state or foreign regulatory authorities necessary to conduct their respective business, other than those the failure of which to possess would not cause a Material Adverse Effect, and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would cause a Material Adverse Effect;

(xxxv) The Company and its subsidiaries (A) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), (B) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (C) are in compliance with all terms and conditions of any such permit, license or approval, except where such noncompliance with Environmental Laws, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals would not, individually or in the aggregate, have a Material Adverse Effect. There are no costs or liabilities associated with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean up, closure of properties or compliance with Environmental Laws or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties) which would, individually or in the aggregate, have a Material Adverse Effect;

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(xxxvi) The Company and its subsidiaries own or possess all material patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names that are currently employed by them in connection with the business now operated by them, and neither the Company nor any of its subsidiaries has received any notice of infringement of or conflict with asserted rights of others with respect to any of the foregoing which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect;

(xxxvii) The Company and its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are customary in the businesses in which they are engaged; and neither the Company nor any of its subsidiaries has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect;

(xxxviii) The Company and its subsidiaries have not taken and will not take, directly or indirectly, any action which is designed to or which has constituted or which might reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares or which is otherwise prohibited by Regulation M under the Act;

(xxxix) The Company and its subsidiaries have filed all necessary federal, state and local income, sales and franchise tax returns or have received extensions thereof and have paid all taxes shown on such returns to be required to be paid by any of them and, if due and payable, any related or similar assessment, fine or penalty levied against any of them except for any assessment, fine or penalty that is currently being contested in good faith. The Company has made adequate charges, accruals and reserves in the applicable financial statements referred to in paragraph 1(a)(xxiii) above in respect of all federal and state income and franchise taxes for all periods as to which the tax liability of the Company or any of its subsidiaries has not been finally determined. The Company has no knowledge of any tax deficiency which might be asserted against the Company or any subsidiary which could reasonably be expected to result in a Material Adverse Effect;

(xl) The Common Stock (including the Shares) is registered pursuant to Section 12(g) of the Exchange Act and is listed on the NASDAQ Global Market, and the Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or delisting the Common Stock from the NASDAQ Global Market, nor has the Company received any notification that the Commission or the NASD is contemplating terminating such registration or listing;

(xli) The Company and its subsidiaries and any "employee benefit plan" (as defined under the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder (collectively, "ERISA")) established or maintained by the Company, its subsidiaries or their "ERISA Affiliates" (as defined below) are in compliance in all material respects with ERISA. "ERISA Affiliate" means, with respect to the Company or a subsidiary, any member of any group of organizations described in Sections 414(b),(c),(m) or (o) of the Internal Revenue Code of 1986, as amended, and the regulations and published interpretations thereunder (the "Code") of which the Company or such subsidiary is a member. No "reportable event" (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any "employee benefit plan" established or maintained by the Company, its subsidiaries or any of their ERISA Affiliates. No "employee benefit plan" established or maintained by the Company, its subsidiaries or any of their ERISA Affiliates, if such

"employee benefit plan" were terminated, would have any "amount of unfunded benefit liabilities" (as defined under ERISA). Neither the Company, its subsidiaries nor any of their ERISA Affiliates has incurred or reasonably expects to incur any liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any "employee benefit plan" or (ii) Sections 412, 4971, 4975 or 4980B of the Code. Each "employee benefit plan" established or maintained by the Company, its subsidiaries or any of their ERISA Affiliates that is intended to be qualified under Section 401(a) of the Code is so qualified and nothing has occurred, whether by action or failure to act, which would cause the loss of such qualification; and

(xlii) There is and has not been any failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith (the "Sarbanes-Oxley Act"), including Section 402 related to loans and Sections 302 and 906 related to certifications.

(b) Each of the Selling Stockholders, severally and not jointly, represents and warrants to, and agrees with, each of the Underwriters that:

(i) This Agreement has been duly authorized, executed and delivered by or on behalf of such Selling Stockholder, and assuming due authorization, execution and delivery by the other parties hereto, is a valid and binding agreement of such Selling Stockholder, enforceable in accordance with its terms, except as rights to indemnification and contribution hereunder may be limited by applicable law or the public policies underlying such law and except as the enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles. The TWP Account Agreement and the Power of Attorney (each as hereinafter defined) have been duly authorized, executed and delivered by such Selling Stockholder (or by a duly authorized representative thereof) and, assuming due authorization, execution and delivery by the other parties hereto, are valid and binding agreements of such Selling Stockholder enforceable in accordance with their respective terms, except as rights to indemnification and contribution thereunder may be limited by applicable law or the public policies underlying such law and except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles;

(ii) All consents, approvals, authorizations and orders necessary for the execution and delivery by such Selling Stockholder of this Agreement, the TWP Account Agreement and the Power of Attorney, and for the sale and delivery of the Shares to be sold by such Selling Stockholder hereunder, have been obtained, except (A) the registration of the Shares under the Act; (B) such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters; (C) such Authorizations as may be required under the rules and regulations of the NASD; and (D) such other Authorizations the absence of which would not have a material adverse effect on the ability of such Selling Stockholder to perform such Selling Stockholder's obligations under this Agreement; and such Selling Stockholder has full right, power and authority to enter into this Agreement, the Power of Attorney and the TWP Account Agreement and to sell, assign, transfer and deliver the Shares to be sold by such Selling Stockholder hereunder;

(iii) The sale of the Shares to be sold by such Selling Stockholder hereunder and the compliance by such Selling Stockholder with such Selling Stockholder's obligations under this Agreement, the TWP Account Agreement and the Power of Attorney and the consummation of the transactions herein contemplated will not conflict with or result in a breach or violation of any of the

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terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the property or assets of such Selling Stockholder is subject, nor will such action result in any violation of the provisions of the certificate of incorporation or by-laws of such Selling Stockholder if such Selling Stockholder is a corporation or the limited partnership agreement of such Selling Stockholder if such Selling Stockholder is a limited partnership, or any other organizational and/or governing document of such Selling Stockholder if such Selling Stockholder is not a natural person, or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over such Selling Stockholder or the property of such Selling Stockholder, in each case except for such conflicts, breaches, defaults or violations that would not have a material adverse effect on the ability of such Selling Stockholder to perform its obligations under this Agreement;

(iv) The Shares to be sold by such Selling Stockholder pursuant to this Agreement have been duly authorized and are validly issued, fully paid and non-assessable, except for the Shares issuable upon exercise of options by the Selling Stockholders, which Shares shall, when issued and paid for in accordance with the terms of the applicable stock option plan and stock option agreement, be duly authorized, validly issued, fully paid and non-assessable;

(v) Such Selling Stockholder has, and immediately prior to the First Time of Delivery (as defined in Section 4 hereof) such Selling Stockholder will have, good and valid title to the Shares to be sold by such Selling Stockholder hereunder on such date, free and clear of all liens, encumbrances, equities or claims; and, upon delivery of such Shares and payment therefor pursuant hereto, good and valid title to such Shares, free and clear of all liens, encumbrances, equities or claims, will pass to the several Underwriters;

(vi) Such Selling Stockholder does not have any registration or other similar rights to have any equity or debt securities registered for sale by the Company under the Registration Statement or included in the offering contemplated by this Agreement, other than as described in the Registration Statement or as have been satisfied by the Company or waived in writing by such Selling Stockholder in connection with the offering contemplated hereby;

(vii) Such Selling Stockholder has not taken and will not take, directly or indirectly, any action which is designed to or which has constituted or which might in the future reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares or which is otherwise prohibited by Regulation M under the Act;

(viii) To the extent that any statements or omissions made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus, the Prospectus or any amendment or supplement thereto are made in reliance upon and in

conformity with written information furnished to the Company by such Selling Stockholder expressly for use therein, such Preliminary Prospectus, Pricing Prospectus, and the Registration Statement did not, and the Prospectus and any further amendments or supplements to the Registration Statement or the Prospectus, when they become effective or are filed with the Commission, as the case may be, will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading;

(ix) In order to document the Underwriters' compliance with the reporting and withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982 with respect to the transactions herein contemplated, such Selling Stockholder will deliver to you prior to or at the First Time of Delivery (as defined in Section 4) a properly completed and executed United States Treasury

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Department Form W-9 (or other applicable form or statement specified by Treasury Department regulations in lieu thereof);

(x) Certificates in negotiable form representing the maximum number of the Shares to be sold by such Selling Stockholder hereunder (other than Shares to be issued upon exercise of outstanding options) have been placed in a Thomas Weisel Partners brokerage account under a Thomas Weisel Partners standard customer TWP Account Agreement (or if the Shares are not held in certificated form have been credited to the brokerage account maintained by Thomas Weisel Partners for such Selling Stockholder), in the form heretofore furnished to you (the "TWP Account Agreement"), duly executed and delivered by such Selling Stockholder to Thomas Weisel Partners ("TWP"), and such Selling Stockholder has duly executed and delivered a Power of Attorney, in the form heretofore furnished to you (the "Power of Attorney"), appointing the persons indicated in Schedule II hereto, and each of them, as such Selling Stockholder's attorneys-in-fact (the "Attorneys-in-Fact") with authority to execute and deliver this Agreement on behalf of such Selling Stockholder, to determine the purchase price to be paid by the Underwriters to the Selling Stockholders as provided in Section 2 hereof, to authorize the delivery of the Shares to be sold by such Selling Stockholder hereunder and otherwise to act on behalf of such Selling Stockholder in connection with the transactions contemplated by this Agreement and the TWP Account Agreement;

(xi) The Shares held under the TWP Account Agreement are subject to the interests of the Underwriters hereunder; the arrangements made by such Selling Stockholder for such account, and the appointment by such Selling Stockholder of the Attorneys-in-Fact by the Power of Attorney, are to that extent irrevocable; the obligations of the Selling Stockholders hereunder shall not be terminated by operation of law, whether by the death or incapacity of any individual Selling Stockholder or, in the case of an estate or trust, by the death or incapacity of any executor or trustee or the termination of such estate or trust, or in the case of a partnership or corporation, by the dissolution of such partnership or corporation, or by the occurrence of any other event; if any individual Selling Stockholder or any such executor or trustee should die or become incapacitated, or if any such estate or trust should be terminated, or if any such partnership or corporation should be dissolved, or if any other such event should occur, before the delivery of the Shares hereunder, certificates representing the Shares shall be delivered by or on behalf of the Selling Stockholders in accordance with the terms and conditions of this Agreement and of the TWP Account Agreements; and actions taken by the Attorneys-in-Fact pursuant to the Powers of Attorney shall be as valid as if such death, incapacity, termination, dissolution or other event had not occurred, regardless of whether or not the TWP, the Attorneys-in-Fact, or any of them, shall have received notice of such death, incapacity, termination, dissolution or other event; and

(xii) If such Selling Stockholder is an Executive Selling Stockholder (as hereinafter defined), such Executive Selling Stockholder has no reason to believe that the representations and warranties of the Company contained in Section 1(a) hereof are not true and correct. Such Executive Selling Stockholder is familiar with the Registration Statement, the Pricing Prospectus and the Prospectus and has no knowledge of any material fact, condition or information not disclosed in the Registration Statement, the Pricing Prospectus or the Prospectus which has had or would reasonably be expected to have a Material Adverse Effect and is not prompted to sell any of the Shares by any information concerning the Company which is not set forth in the Registration Statement, the Pricing Prospectus and the Prospectus.

2. Subject to the terms and conditions herein set forth, (a) the Company and each of the Selling Stockholders agree, severally and not jointly, to sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company and each of the Selling Stockholders, at a purchase price per share of \$[•], the number of Firm Shares (to be adjusted by you so as to eliminate fractional shares) determined by multiplying the aggregate number of Firm Shares to be

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sold by the Company and each of the Selling Stockholders as set forth opposite their respective names in Schedule II hereto by a fraction, the numerator of which is the aggregate number of Firm Shares to be purchased by such Underwriter as set forth opposite the name of such Underwriter in Schedule I hereto and the denominator of which is the aggregate number of Firm Shares to be purchased by all of the Underwriters from the Company and all of the Selling Stockholders hereunder and (b) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Shares as provided below, the Company agrees to sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the purchase price per share set forth in clause (a) of this Section 2, that portion of the number of Optional Shares as to which such election shall have been exercised (to be adjusted by you so as to eliminate fractional shares) determined by multiplying such number of Optional Shares by a fraction the numerator of which is the maximum number of Optional Shares which such Underwriter is entitled to purchase as set forth opposite the name of such Underwriter in Schedule I hereto and the denominator of which is the maximum number of Optional Shares that all of the Underwriters are entitled to purchase hereunder.

The Company and the Selling Stockholders for whom a number of Optional Shares is specified in the column "Number of Optional Shares to be Sold if Maximum Option Exercised" in Schedule II hereto hereby grant to the Underwriters the right to purchase at their election up to 750,000 Optional Shares (or their respective *pro rata* portions thereof if the Underwriters exercise their right to purchase Optional Shares as to fewer than all of the Optional Shares), at the purchase price per share set forth in the paragraph above, for the sole purpose of covering sales of shares in excess of the number of Firm Shares. Any such election to purchase Optional Shares may be exercised only by written notice from you to the Company and the Attorneys-in-Fact, given within a period of 30 calendar days after the date of this Agreement and setting forth the aggregate number of Optional Shares to be purchased and the date on which such Optional Shares are to be delivered, as determined by you but in no event earlier than the First Time of Delivery (as defined in Section 4 hereof) or, unless you and the Company otherwise agree in writing, earlier than two or later than 10 business days after the date of such notice.

3. Upon the authorization by you of the release of the Firm Shares, the several Underwriters propose to offer the Firm Shares for sale upon the terms and conditions set forth in the Prospectus.

4. (a) The Shares to be purchased by each Underwriter hereunder will be represented by one or more definitive global Shares in book-entry form which will be deposited by or on behalf of the Company with the Depository Trust Company ("DTC") or its designated custodian. The Company will deliver the Shares to be sold by it to, and the Shares to be sold by the Selling Stockholders have been placed in a Thomas Weisel Partners brokerage account under a TWP Account Agreement for release to Thomas Weisel Partners LLC, for the account of each Underwriter, against payment by or on behalf of each such Underwriter of the purchase price therefor by wire transfer of Federal (same-day) funds to the accounts specified by the Company and the Selling Stockholders by causing DTC to credit the Shares to the account of Thomas Weisel Partners LLC at DTC. The time and date of such delivery and payment shall be, with respect to the Firm Shares, 9:30 a.m., New York time, on [•], or such other time and date as Thomas Weisel Partners LLC and the Company may agree upon in writing, and, with respect to the Optional Shares, 9:30 a.m., New York time, on the date specified by Thomas Weisel Partners LLC in the written notice given by Thomas Weisel Partners LLC of the Underwriters' election to purchase such Optional Shares, or such other time and date as Thomas Weisel Partners LLC and the Company may agree upon in writing. Such time and date for delivery of the Firm Shares is herein called the "First Time of Delivery", such time and date for delivery of the Optional Shares, if not the First Time of Delivery, is herein called the "Second Time of Delivery", and each such time and date for delivery is herein called a "Time of Delivery".

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(b) The documents to be delivered at each Time of Delivery by or on behalf of the parties hereto pursuant to Section 9 hereof, including the cross receipt for the Shares and any additional documents requested by the Underwriters pursuant to Section 9(m) hereof, will be delivered at the offices of Morgan, Lewis & Bockius LLP, 101 Park Avenue, New York, New York 10178 (the "Closing Location"), and the Shares will be delivered at the office of DTC or its designated custodian (the "Designated Office"), all at such Time of Delivery. A meeting will be held at the Closing Location at [•] p.m., New York City time, on the New York Business Day next preceding such Time of Delivery, at which meeting the final drafts of the documents to be delivered pursuant to the preceding sentence will be available for review by the parties hereto. For the purposes of this Section 4, "New York Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City are generally authorized or obligated by law or executive order to close.

5. Each of the Company and the Selling Stockholders acknowledges and agrees that (i) the purchase and sale of the Shares pursuant to this Agreement is an arm's-length commercial transaction between the Company and the Selling Stockholders, on the one hand, and the several Underwriters, on the other, (ii) in connection therewith and with the process leading to such transactions, each Underwriter is acting solely as a principal and not as agent or fiduciary of the Company or the Selling Stockholders, (iii) no Underwriter has assumed an advisory or fiduciary responsibility in favor of the Company or the Selling Stockholders with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company or the Selling Stockholders on other matters) or any other obligation to the Company or the Selling Stockholders except the obligations expressly set forth in this Agreement and (iv) each of the

Company and the Selling Stockholders has consulted its own legal and financial advisors to the extent it deemed appropriate. Each of the Company and the Selling Stockholders agrees that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company or the Selling Stockholders, in connection with such transaction or the process leading thereto.

This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company and the Selling Stockholders, on the one hand, and the Underwriters, or any of them, on the other, with respect to the subject matter hereof other than the "lock-up" agreements executed by the Selling Stockholders referred to in Section 9(j).

Each of the Company and the Selling Stockholders and each of the Underwriters hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

6. The Company agrees with each of the Underwriters:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Act; to make no further amendment or any supplement to the Registration Statement or the Prospectus prior to the last Time of Delivery which shall be disapproved by you promptly after reasonable notice thereof; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed and to furnish you with copies thereof; to file promptly all material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus in respect of the Shares, of the suspension of the

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qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or the Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order;

(b) Promptly from time to time to take such action as you may reasonably request to qualify the Shares for offering and sale under the securities laws of such jurisdictions as you may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Shares, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(c) Prior to 10:00 A.M., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, to furnish the Underwriters with written and electronic copies of the Prospectus in New York City in such quantities as you may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Shares and if at such time any events shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus in order to comply with the Act, to notify you and upon your request to prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than 18 months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earning statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e) During the period beginning from the date of the Prospectus and continuing to and including the date 90 days after the date of the Prospectus (the initial "Lock-Up Period") used to sell the Shares, not to offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any securities of the Company, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any securities of the Company

(other than (i) the Shares offered by the Company pursuant to this Agreement, (ii) any shares of Common Stock issuable upon exercise of options or warrants outstanding on the date of the Prospectus, or (iii) any shares of Common Stock issued as consideration for the acquisition of another entity or in connection with a license, joint venture or similar arrangement in an amount not to equal or exceed 20% of the number of shares of Common Stock outstanding immediately after the offering contemplated by this Agreement), without your prior written consent; provided, however, that if (1) during the last 17 days of the initial Lock-Up Period, the Company releases earnings results or announces material news or a material event or (2) prior to the expiration of the initial Lock-Up Period, the Company announces that it will release earnings results during the 15-day period following

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the last day of the initial Lock-Up Period, then in each case the Lock-Up Period will be automatically extended until the expiration of the 18-day period beginning on the date of release of the earnings results or the announcement of the material news or material event, as applicable, unless Thomas Weisel Partners LLC waives, in writing, such extension; the Company will provide Thomas Weisel Partners LLC and any co-managers and each stockholder subject to the Lock-Up Period pursuant to the lock-up letters described in Section 9(j) with prior notice of any such announcement that gives rise to an extension of the Lock-Up Period;

(f) Unless otherwise publicly available in electronic format on the website of the Company or the Commission, to furnish to its stockholders as soon as practicable after the end of each fiscal year an annual report (including a balance sheet and statements of income, stockholders' equity and cash flows of the Company and its consolidated subsidiaries certified by independent public accountants) and, as soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the effective date of the Registration Statement), to make available to its stockholders consolidated summary financial information of the Company and its subsidiaries for such quarter in reasonable detail;

(g) During a period of three years from the effective date of the Registration Statement, unless otherwise publicly available in electronic format on the website of the Company or the Commission, to furnish to you copies of all reports or other communications (financial or other) furnished to stockholders, and to deliver to you (i) as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange or quotation system on which any class of securities of the Company is listed or quoted; and (ii) such additional information concerning the business and financial condition of the Company as you may from time to time reasonably request (such financial statements to be on a consolidated basis to the extent the accounts of the Company and its subsidiaries are consolidated in reports furnished to its stockholders generally or to the Commission);

(h) To maintain, at its expense, a registrar and transfer agent for the Common Stock;

(i) To use the net proceeds received by it from the sale of the Shares pursuant to this Agreement in the manner specified in the Pricing Prospectus and the Prospectus under the caption "Use of Proceeds";

(j) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act;

(k) Upon request of any Underwriter, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Company's trademarks, servicemarks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the on-line offering of the Shares (the "License"); provided, however, that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred; and

(l) That the Company and its subsidiaries will comply, in all material respects, with all effective applicable provisions of the Sarbanes-Oxley Act.

7. (a) The Company represents and agrees that, without the prior consent of Thomas Weisel Partners LLC, it has not made and will not make any offer relating to the Shares that would

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constitute a "free writing prospectus" as defined in Rule 405 under the Act; each Underwriter represents and agrees that, without the prior consent of Thomas Weisel Partners LLC and the Company, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus; any such free writing prospectus the use of which has been consented to by the Company and Thomas Weisel Partners LLC is listed on Schedule III hereto;

(b) The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending; and the Company represents that it has satisfied and agrees that it will satisfy the conditions under Rule 433 under the Act to avoid a requirement to file with the Commission any electronic road show;

(c) The Company agrees that if at any time following issuance of an Issuer Free Writing Prospectus any event occurred or occurs as a result of which such Issuer Free Writing Prospectus would conflict with the information in the Registration Statement, the Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, the Company will give prompt notice thereof to Thomas Weisel Partners LLC and, if requested by Thomas Weisel Partners LLC, will prepare and furnish without charge to each Underwriter an Issuer Free Writing Prospectus or other document which will correct such conflict, statement or omission; provided, however, that this representation and warranty shall not apply to any statements or omissions in an Issuer Free Writing Prospectus made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through Thomas Weisel Partners LLC expressly for use therein.

8. The Company and each of the Selling Stockholders covenant and agree with one another and with the several Underwriters that (a) the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Shares under the Act and all other expenses in connection with the preparation, printing, reproduction and filing of the Registration Statement, any Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Agreement, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Shares; (iii) all fees and expenses in connection with listing the Shares on the NASDAQ Global Market; (iv) the filing fees incident to, and the fees and disbursements of counsel for the Underwriters in connection with, securing any required review by the NASD of the terms of the sale of the Shares; and (v) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Shares, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and the Company's proportionate share of the cost of any aircraft chartered in connection with the road show; (b) the Company will also pay or cause to be paid: (i) the cost of preparing stock certificates; (ii) the cost and charges of any transfer agent or registrar; and (iii) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section and (c) such Selling Stockholder will pay or cause to be paid all costs and expenses incident to the performance of such Selling Stockholder's obligations hereunder which are not otherwise specifically provided for in this Section, including (i) any fees and expenses of counsel for such Selling Stockholder; and (ii) all expenses and taxes incident to the sale and delivery of the Shares to be sold by such Selling Stockholder to the Underwriters hereunder. In connection with clause (c)(ii) of the preceding sentence,

Thomas Weisel Partners LLC agrees to pay New York State stock transfer tax, and the Selling Stockholder agrees to reimburse Thomas Weisel Partners LLC for any portion of such tax payment not rebated. It is further understood, however, that the Company shall bear, and no Selling Stockholder shall be required to pay or to reimburse the Company for, the cost of any other matters not directly relating to the sale and purchase of the Shares of such Selling Stockholder pursuant to this Agreement, and that, except as provided in this Section, and Sections 10 and 13 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, stock transfer taxes on resale of any of the Shares by them, and any advertising expenses connected with any offers they may make.

9. The obligations of the Underwriters hereunder, as to the Shares to be delivered at each Time of Delivery, shall be subject, in their discretion, to the condition that all representations and warranties and other statements of the Company and of the Selling Stockholders herein are, at and as of such Time of Delivery, true and correct in all material respects, the condition that the Company and the Selling Stockholders shall have performed in all material respects all of its and their obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 6(a) hereof; all material required to be filed by the Company pursuant to Rule 433(d) under the Act shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433; if the Company has elected to rely upon Rule 462(b) under the Act, the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of this Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; no stop order suspending or preventing the use of the Prospectus or any Issuer Free Writing Prospectus shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied

with to your reasonable satisfaction;

(b) Morgan, Lewis & Bockius LLP, counsel for the Underwriters, shall have furnished to you their written opinion and letter, dated such Time of Delivery, in the forms attached as Annex I(a) hereto;

(c) Fulbright & Jaworski L.L.P., counsel for the Company, shall have furnished to you their written opinion and letter, dated such Time of Delivery, in the forms attached as Annex I(b) hereto;

(d) Grunfeld, Desiderio, Lebowitz, Silverman & Klestadt LLP, counsel for the Company, shall have furnished to you their written opinion, dated such Time of Delivery, in the form attached as Annex I(c) hereto;

(e) The respective counsel for each of the Selling Stockholders, as indicated in Schedule II hereto, each shall have furnished to you their written opinion with respect to each of the Selling Stockholders for whom they are acting as counsel, dated such Time of Delivery, in the forms attached as Annex I(d) hereto;

(f) On the date of execution of this Agreement at a time prior to the execution of this Agreement, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at each Time of Delivery, Ernst & Young LLP shall have furnished to you a letter or letters, dated the respective dates of delivery thereof, in form and substance satisfactory to you, containing statements and information of the

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type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements, and with respect to certain financial information, contained in the Registration Statement, the Pricing Prospectus and the Prospectus; provided that the letter delivered on the Closing Date shall use a "cut-off date" not earlier than the date hereof;

(g) (i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included in the Pricing Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth in the Pricing Prospectus, and (ii) since the respective dates as of which information is given in the Pricing Prospectus, there shall not have been any change in the capital stock or long-term debt of the Company or any of its subsidiaries or any change, or any development involving a prospective change, in or affecting the business, operations, assets, condition (financial or otherwise) or results of operations of the Company and its consolidated subsidiaries, otherwise than as set forth in the Pricing Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in the judgment of Thomas Weisel Partners LLC so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus;

(h) On or after the Applicable Time, there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange ("NYSE") or on the NASDAQ Stock Market; (ii) a suspension or material limitation in trading in the Company's securities on the NASDAQ Stock Market; (iii) a general moratorium on commercial banking activities declared by either Federal or New York authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clauses (i) through (v) in your judgment makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Prospectus;

(i) The Shares to be sold at such Time of Delivery shall have been duly listed for quotation on the NASDAQ Global Market;

(j) The Company has obtained and delivered to the Underwriters executed copies of a "lock-up" agreement from each of the Selling Stockholders, executive officers and directors of the Company, substantially to the effect set forth in Annex II hereto; and such agreements shall be in full force and effect as of the last Time of Delivery;

(k) The Company shall have complied with the provisions of Section 6(c) hereof with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of this Agreement;

(l) The Company shall have furnished or caused to be furnished to you at such Time of Delivery certificates of officers of the Company satisfactory to you as to the accuracy in all material respects of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company in all material respects of all of its respective obligations hereunder to be performed at or prior to such Time of Delivery, and as to such other matters as you may reasonably request, and the Company shall have furnished or caused to be furnished certificates as to the matters set forth in

subsections (a) and (h) of this Section; and

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(m) The Selling Stockholders shall have furnished or caused to be furnished to you at such Time of Delivery certificates of the Selling Stockholders substantially in the form attached hereto as Annex III.

10. (a) The Company will indemnify and hold harmless (i) each Underwriter, (ii) each person, if any, who controls any Underwriter within the meaning of Section 15 of the Act or Section 20(a) of the Exchange Act, and (iii) the respective officers, directors, partners, employees, representatives and agents of each Underwriter or any controlling person against any losses, claims, damages or liabilities (collectively "Losses"), joint or several, to which any party described in (i), (ii) and (iii) of this subsection may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each party described in (i), (ii) and (iii) of this subsection for any legal or other expenses reasonably incurred by such party in connection with investigating or defending any such action or claim as such expenses are incurred (collectively, "Expenses"); provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, in reliance upon and in conformity with, written information furnished to the Company by any Underwriter through Thomas Weisel Partners LLC expressly for use therein; and provided further, that the foregoing indemnity agreement with respect to any Preliminary Prospectus or any Issuer Free Writing Prospectus shall not inure to the benefit of any Underwriter who it shall be established failed to deliver to the person asserting any losses, claims, damages, liabilities and judgments caused by any untrue statement or alleged untrue statement of a material fact or an omission or alleged omission to state a material fact required to be stated in such Preliminary Prospectus or Issuer Free Writing Prospectus or necessary to make the statements in such Preliminary Prospectus or Issuer Free Writing Prospectus not misleading, if (A) the Company shall have furnished copies of the Preliminary Prospectus and each Issuer Free Writing Prospectus identified in Schedule III hereto to the several Underwriters in the quantity requested by the Underwriters sufficiently in advance of the effective date of the Registration Statement to permit proper delivery of such Preliminary Prospectus and each such Issuer Free Writing Prospectus to such person on or prior to the effective date of the Registration Statement; (B) such misstatement or omission or alleged misstatement or omission was identified at such time to such Underwriter or its counsel and cured in the Preliminary Prospectus and (C) the timely delivery of the Preliminary Prospectus and each Issuer Free Writing Prospectus identified on Schedule III hereto to such person would have constituted a complete defense to the losses, claims, damages, liabilities and judgments asserted by such person.

(b) Each Executive Selling Stockholder (as identified in Schedule II as an "Executive Selling Stockholder") will, severally and not jointly, indemnify and hold harmless (i) each Underwriter, (ii) each person, if any, who controls any Underwriter within the meaning of Section 15 of the Act or Section 20(a) of the Exchange Act, and (iii) the respective officers, directors, partners, employees, representatives and agents of each Underwriter or any controlling person against any losses, claims, damages or liabilities, joint or several, to which any party described in (i), (ii) and (iii) of this subsection may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a

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material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each party described in (i), (ii) and (iii) of this subsection for any legal or other expenses reasonably incurred by such party in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Executive Selling Stockholders shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, in reliance upon and in conformity with, written information furnished to the Company by any Underwriter through Thomas Weisel Partners LLC expressly for use therein. This Section 10(b) shall only be applicable to an Executive Selling Stockholder to the extent that the Underwriters have made a claim under Section 10(a) hereof, a court has

determined that the Underwriters are entitled to be reimbursed by the Company for Losses and Expenses and the Company has not reimbursed the Underwriters for such Losses and/or Expenses; provided, however, in no event shall an Executive Selling Stockholder be liable under this Section 10(b) in excess of the amount referred to in Section 10(h) hereof.

(c) Subject to Section 10(h), each of the Selling Stockholders will, severally and not jointly, indemnify and hold harmless the Company, each person, if any, who controls the Company within the meaning of either Section 15 of the Act or Section 20(a) of the Exchange Act, and the persons identified in clauses (i), (ii) and (iii) of Section 10(b) against any losses, claims, damages or liabilities to which such persons may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, in reliance upon and in conformity with information relating to such Selling Stockholder furnished to the Company in writing by such Selling Stockholder expressly for use therein, and will reimburse such persons for any legal or other expenses reasonably incurred by such persons in connection with investigating or defending any such action or claim as such expenses are incurred.

(d) Each Underwriter will indemnify and hold harmless (i) the Company, (ii) each Selling Stockholder, (iii) and each person, if any, who controls the Company or any Selling Stockholder within the meaning of either Section 15 of the Act or Section 20(a) of the Exchange Act and (iv) the respective officers, directors, partners, employees, representatives and agents of the Company or any Selling Stockholder against any losses, claims, damages or liabilities to which any party described in (i), (ii) and (iii) of this subsection may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, in reliance upon and in conformity with written information furnished to the Company by such Underwriter through Thomas Weisel Partners LLC

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expressly for use therein; and will reimburse the party described in (i), (ii) and (iii) of this subsection (d) for any legal or other expenses reasonably incurred by such party in connection with investigating or defending any such action or claim as such expenses are incurred.

(e) Promptly after receipt by an indemnified party under subsection (a), (b), (c) or (d) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof. It is understood that the indemnifying party shall not, in respect of the legal expenses in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (1) the fees and expenses of more than one separate firm (in addition to a single firm of local counsel in each applicable jurisdiction) for all Underwriters and all persons, if any, who control any Underwriter within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act, (2) the fees and expenses of more than one separate firm (in addition to a single firm of local counsel in each applicable jurisdiction) for the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either such section and (3) the fees and expenses of more than one separate firm (in addition to a single firm of local counsel in each applicable jurisdiction) for all Selling Stockholders and all persons, if any, who control any Selling Stockholder within the meaning of either such section. In the case of any such separate firm for the Underwriters and such control persons of any Underwriters, such firm shall be designated in writing by Thomas Weisel Partners LLC. In the case of any such separate firm for the Company, and such directors, officers and control persons of the Company, such firm shall be designated in writing by the Company. In the case of any such separate firm for the Selling Stockholders and such control persons of any Selling Stockholders, such firm shall be reasonably satisfactory to the

persons named as attorneys in fact for the Selling Stockholders under the Powers of Attorney. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party. No indemnified party shall settle any claim for which indemnification is sought hereunder without the prior written consent of the indemnifying party.

(f) If the indemnification provided for in this Section 10 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a), (b), (c) or (d) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party under such subsection as applicable shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by

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applicable law or if the indemnified party failed to give the notice required under subsection (e) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and the Selling Stockholders on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company and the Selling Stockholders bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Selling Stockholders on the one hand or the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, each of the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contributions pursuant to this subsection (f) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (f). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (f) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (f), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (f) to contribute are several in proportion to their respective underwriting obligations and not joint.

(g) The obligations of the Company and the Selling Stockholders under this Section 10 shall be in addition to any liability which the Company and the respective Selling Stockholders may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section 10 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his or her consent, is named in the Registration Statement as about to become a director of the Company) and to each person, if any, who controls the Company or any Selling Stockholder within the meaning of the Act.

(h) The liability of each Selling Stockholder under the indemnity and contribution provisions of this Section 10 shall be limited, in the aggregate, to an amount equal to the aggregate net proceeds of the offering of the Shares (after deducting underwriting commissions or discounts but before deducting expenses) received by such Selling Stockholder, as determined by reference to the front cover page of the Prospectus.

11. (a) If any Underwriter shall default in its obligation to purchase the Shares which it has agreed to purchase hereunder at a Time of Delivery, you may in your discretion arrange for you or another party or other parties to purchase such Shares on the terms contained herein. If within thirty-six hours after such default by any Underwriter you do not arrange for the purchase of such Shares, then the

Company and the Selling Stockholders shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to you to purchase such Shares on such terms. In the event that, within the respective prescribed periods, you notify the Company and the Selling Stockholders that you have so arranged for the purchase of such Shares, or the Company and the Selling Stockholders notify you that they have so arranged for the purchase of such Shares, you or the Company and the Selling Stockholders shall have the right to postpone a Time of Delivery for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in your opinion may thereby be made necessary. The term “Underwriter” as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Agreement with respect to such Shares.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you and the Company and the Selling Stockholders as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased does not exceed one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, then the Company and the Selling Stockholders shall have the right to require each non-defaulting Underwriter to purchase the number of Shares which such Underwriter agreed to purchase hereunder at such Time of Delivery and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Shares which such Underwriter agreed to purchase hereunder) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you and the Company and the Selling Stockholders as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased exceeds one-eleventh of the aggregate number of all of the Shares to be purchased at such Time of Delivery, or if the Company and the Selling Stockholders shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Shares of a defaulting Underwriter or Underwriters, then this Agreement (or, with respect to the Second Time of Delivery, the obligations of the Underwriters to purchase and of the Selling Stockholders to sell the Optional Shares) shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company or the Selling Stockholders, except for the expenses to be borne by the Company and the Selling Stockholders and the Underwriters as provided in Section 8 hereof and the indemnity and contribution agreements in Section 10 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

12. The respective indemnities, agreements, representations, warranties and other statements of the Company, the Selling Stockholders and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company, or any of the Selling Stockholders, or any officer or director or controlling person of the Company, or any controlling person of any Selling Stockholder, and shall survive delivery of and payment for the Shares.

13. If this Agreement shall be terminated pursuant to Section 11 hereof, neither the Company nor the Selling Stockholders shall then be under any liability to any Underwriter except as provided in Sections 8 and 10 hereof; but, if for any other reason any Shares are not delivered by or on behalf of the Company and the Selling Stockholders as provided herein, the Company will reimburse the Underwriters through you for all out-of-pocket expenses approved in writing by you, including fees and disbursements

of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Shares not so delivered, but the Company and the Selling Stockholders shall then be under no further liability to any Underwriter in respect of the Shares not so delivered except as provided in Sections 8 and 10 hereof.

14. In all dealings hereunder, you shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by you jointly or by Thomas Weisel Partners LLC on behalf of you as the representative of the Underwriters; and in all dealings with any Selling Stockholder hereunder, you and the Company shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of such Selling Stockholder made or given by any or all of the Attorneys-in-Fact for such Selling Stockholder.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered

or sent by mail, telex or facsimile transmission to you as the representative of the Underwriters in care of Thomas Weisel Partners LLC , 390 Park Avenue , New York, New York 10022, Attention: Alexander Chefetz (Facsimile: (212) 271-3748), with a copy to Thomas Weisel Partners LLC , One Montgomery Street, Suite 3700 San Francisco, California 94104 , Attention: Jack Helfand (Facsimile: (415) 364-2694); if to any Selling Stockholder shall be delivered or sent by mail, telex or facsimile transmission to counsel for such Selling Stockholder at its address set forth in Schedule II hereto; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: Secretary; with a copy to Fulbright & Jaworski L.L.P., 666 Fifth Avenue, New York, New York 10103, Attention: Neil Gold (Facsimile: (212) 318-3400); provided, however, that any notice to an Underwriter pursuant to Section 10(e) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire or telex constituting such Questionnaire, which address will be supplied to the Company or the Selling Stockholders by you on request; provided, however, that notices under Section 6(f) shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the representative at Thomas Weisel Partners LLC, One Montgomery Street, Suite 3700, San Francisco, California 94104, Attention: General Counsel; if to any other signatory to an agreement referred to in Section 9(j), to the address listed on the signature page thereto. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

15. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and the Selling Stockholders and, to the extent provided in Sections 10 and 12 hereof, the officers and directors of the Company and each person who controls the Company, any Selling Stockholder or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Shares from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

16. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

17. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

18. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

If the foregoing is in accordance with your understanding, please sign and return to us one for the Company and you plus one for each counsel, of any counterparts hereof, and upon the acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof shall constitute a binding agreement among each of the Underwriters, the Company and each of the Selling Stockholders. It is understood that your acceptance of this letter on behalf of each of the Underwriters is pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company and the Selling Stockholders for examination, upon request, but without warranty on your part as to the authority of the signers thereof.

Any person executing and delivering this Agreement as Attorney-in-Fact for a Selling Stockholder represents by so doing that he has been duly appointed as Attorney-in-Fact by such Selling Stockholder pursuant to a validly existing and binding Power-of-Attorney which authorizes such Attorney-in-Fact to take such action.

Very truly yours,

G-III Apparel Group, Ltd.

By: _____
Name:
Title:

Each of the Prentice Selling Stockholders named in Schedule II hereto, acting severally

By: _____
Name:
Title: Attorney-In-Fact

Each of the G-III Selling Stockholders named in Schedule II hereto, acting severally

By: _____
Name:
Title: Attorney-In-Fact

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Accepted as of the date hereof

Thomas Weisel Partners LLC
Acting severally on behalf
of itself and as representative
of the several Underwriters named
in Schedule I hereto.

By: Thomas Weisel Partners LLC

By: _____
Name:
Title:

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SCHEDULE I

<u>Underwriter</u>	<u>Total Number of Firm Shares to be Purchased</u>	<u>Number of Optional Shares to be Purchased if Maximum Option Exercised</u>
Thomas Weisel Partners LLC		
Cowen and Company, LLC		
Lazard Capital Markets LLC		
Brean Murray, Carret & Co., LLC		
Total	<u>5,000,000</u>	<u>750,000</u>

SCHEDULE II

	Total Number of Firm Shares to be Sold	Number of Optional Shares to be Sold if Maximum Option Exercised
The Company		
The Selling Stockholders:		
Morris Goldfarb*		
Sammy Aaron*		
Jeanette Nostra*		
Wayne S. Miller*		
Deborah Gaertner*		
Neal S. Nackman*		
S.A.C. Capital Associates, LLC		
Aron Goldfarb		
Lee Lipton		
Andrew Reid		
David Winn		
Prentice Capital Partners, LP		
Prentice Capital Partners QP, LP		
Prentice Capital Offshore, Ltd.		
PEC I, LLC		
GPC XLIII, LLC		
Total	<u>5,000,000</u>	<u>750,000</u>

S.A.C. Capital Associates, LLC, Prentice Capital Partners, LP, Prentice Capital Partners, QP, LP, Prentice Capital Offshore, Ltd., PEC I, LLC and GPC XLIII, LLC (collectively, the "Prentice Selling Stockholders") are represented by Lowenstein Sandler PC and have appointed _____ as their Attorney-in-Fact. The Selling Stockholders other than the Prentice Selling Stockholders (the "G-III Selling Stockholders") are represented by Fulbright & Jaworski L.L.P., 666 Fifth Avenue, New York, NY 10103 and have appointed Morris Goldfarb and Wayne S. Miller, and each of them, as their Attorneys-in-Fact.

* Executive Selling Stockholders

FULBRIGHT & JAWORSKI L.L.P.

A REGISTERED LIMITED LIABILITY PARTNERSHIP

666 FIFTH AVENUE, 31ST FLOOR
NEW YORK, NEW YORK 10103-3198
WWW.FULBRIGHT.COM

TELEPHONE: (212) 318-3000

FACSIMILE: (212) 318-3400

February 21, 2007

G-III Apparel Group, Ltd.
512 Seventh Avenue
New York, NY 10018

Dear Sirs:

We have examined the registration statement on Form S-3 (Registration No. 333-139795) filed by G-III Apparel Group, Ltd., a Delaware corporation (the "Company"), with the Securities and Exchange Commission (the "Commission") on January 4, 2007, as amended by Amendment No. 1 thereto filed with the Commission on February 21, 2007 (as it may be further amended from time to time, the "Registration Statement"), in connection with the registration under the Securities Act of 1933, as amended (the "Act"), of an aggregate of 5,750,000 shares (the "Shares") of the Company's common stock, \$0.01 par value per share ("Common Stock") to be sold in a public offering (the "Offering") by the Company and the selling stockholders identified in the Registration Statement (the "Selling Stockholders") (including up to 750,000 shares of Common Stock (the "Over-Allotment Option Shares") which may be purchased by the underwriters pursuant to their exercise of an option granted to them by the Company and specified Selling Stockholders to cover over-allotments, if any). Certain of the Shares being sold by the Selling Stockholders are currently outstanding (the "Selling Stockholder Shares"), and certain of the Shares being sold by the Selling Stockholders will be issuable upon exercise of options held by certain of the Selling Stockholders (the "Selling Stockholder Option Shares"). The Shares are to be purchased by the underwriters and offered for sale to the public pursuant to the terms of an underwriting agreement by and among the Company, the Selling Stockholders, and Thomas Weisel Partners LLC, on behalf of itself and as representative of the several underwriters named therein (the "Underwriting Agreement"), the form of which is filed as Exhibit 1.1 to the Registration Statement.

We have examined originals or copies of such corporate records, as applicable, of the Company, certificates and other communications of public officials, certificates of officers of the Company and such other documents as we have deemed necessary for the purpose of rendering the opinions expressed herein. As to questions of fact material to the opinions expressed herein, we have, to the extent we deemed appropriate, relied on certificates of officers of the Company and on certificates and other communications of public officials. We have assumed the genuineness of all signatures on, and the authenticity of, all documents submitted to us as originals, the conformity to authentic original documents of all documents submitted to us as copies thereof, the due authorization, execution and delivery by the parties thereto other than the Company of all documents examined by us, and the legal capacity of each individual who signed any of those documents.

Based upon the foregoing, and having due regard for such legal considerations as we deem relevant, we are of the opinion that:

- a. the Shares to be sold by the Company in the Offering have been duly and validly authorized for issuance and, when issued by the Company in accordance with the terms of the Underwriting Agreement, and upon receipt by the Company of payment therefor as provided in the Underwriting Agreement, will be legally issued, fully paid and non-assessable;
- b. the Selling Stockholder Shares to be sold by the Selling Stockholders have been duly and validly authorized, and are legally issued, fully paid and non-assessable; and

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- c. the Selling Stockholder Option Shares, when issued and paid for in accordance with the terms of the applicable stock option plan and stock option agreement, will be duly and validly authorized, legally issued, fully paid and non-assessable.

We do not express any opinion herein concerning any law other than the Delaware General Corporation Law (including the statutory provisions, all applicable provisions of the Delaware Constitution and reported judicial decisions interpreting the foregoing).

We hereby consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement and the reference to this firm under the caption "Legal Matters" in the prospectus contained therein. This consent is not to be construed as an admission that we are a party whose consent is required to be filed with the Registration Statement under the provisions of the Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Fulbright & Jaworski L.L.P.

Fulbright & Jaworski L.L.P.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the reference to our firm under the caption "Experts" in Amendment No. 1 to the Registration Statement on Form S-3 (No. 333-139795) and related Prospectus of G-III Apparel Group, Ltd. for the registration of 5,750,000 shares of its common stock, and to the incorporation by reference therein of our report dated March 30, 2006, with respect to the consolidated financial statements and schedule of G-III Apparel Group, Ltd. included in its Annual Report on Form 10-K for the year ended January 31, 2006, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP
New York, New York
February 16, 2007

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the reference to our firm under the caption "Experts" in Amendment No. 1 to the Registration Statement on Form S-3 (File No. 333-139795) and related Prospectus of G-III Apparel Group, Ltd., and to the incorporation by reference therein of our report dated September 13, 2005, relating to our audit of the combined financial statements of J. Percy for Marvin Richards, Ltd. and CK Outerwear, LLC as of December 31, 2004 and for the year then ended, included in G-III Apparel Group, Ltd.'s Form 8-K/A filed with the Securities and Exchange Commission on September 27, 2005.

/s/ Eisner LLP
New York, New York
February 16, 2007
