

August 7, 2012

G-III Apparel Group, Ltd. Acquires Global Luxury Resort Brand Vilebrequin

-- Vilebrequin Primarily Distributed In 185 Owned and Franchised Retail Stores and Shops in over 50 Countries--

-- G-III Expects Growth through Additional Penetration and Category Expansion --

NEW YORK--(BUSINESS WIRE)-- G-III Apparel Group, Ltd. (NasdaqGS: GIII) today announced that it has acquired Vilebrequin, a leading global provider of luxury swimwear, accessories and resort-wear. The total purchase price is €85.5 million (approximately \$106.2 million), subject to certain post-closing adjustments, of which €70.5 million (approximately \$87.6 million) was paid in cash and €15 million (approximately \$18.6 million) was paid by unsecured promissory notes, due December 31, 2017, with interest at the rate of 5% per year. In addition to the purchase price, the agreement provides for up to an additional €22.5 million (approximately \$27.9 million) of contingent future payments based upon achieving certain performance objectives related to growth over the three years ending December 31, 2015.

The cash portion of the purchase price was funded by G-III's newly expanded \$450 million bank facility. The acquisition is expected to be neutral to G-III's net income per share in its fiscal year ending January 31, 2013, excluding acquisition and integration expenses. Vilebrequin, headquartered in Geneva, Switzerland, has been owned since 2007 by Fashion Fund I B.V., a private equity fund focusing on majority investments in mid to later stage companies that are active in the apparel and accessories segment of the European fashion industry.

Vilebrequin sells its products through a network of 185 owned and franchised specialty retail stores and shops, as well as through select wholesale distribution, and reported sales for the twelve months ended December 31, 2011 of €45.1 million (approximately \$55.9 million using the current exchange rate). G-III believes that the brand is capable of significant worldwide expansion. A substantial majority of Vilebrequin's current revenues are derived from sales in Europe and the United States.

Roland Herlory, most recently Managing Director of Hermès running the Latin America and Caribbean territories, has agreed to join Vilebrequin as its Chief Executive Officer, effective September 1, 2012. Roland was employed by Hermès for over 23 years. Roland's expertise is in luxury retail and product development. Christian Blanckaert will join as Chairman of Vilebrequin's newly established Advisory Board. Christian is the Chairman of the Board of Petit Bateau and serves on the Board of Moncler. He has been involved in the luxury business for more than twenty years previously serving as President of Comité Colbert and Executive Vice President of Hermès International. Christian is Professor of Management at ESCP in Paris and is also an author of several books on luxury.

G-III also noted that, as part of the transaction, Adu Advaney, co-founder of Fashion Fund I B.V., has joined Vilebrequin's Board as Vice Chairman.

Morris Goldfarb, Chairman and Chief Executive Officer of G-III Apparel Group, commented, "We have stated publicly our desire to own a global brand. An opportunity to acquire a preeminent luxury brand such as Vilebrequin does not happen very often. Vilebrequin sets a global standard for excellence and commands exceptional loyalty at a premium price in each of its markets. We believe that this brand is very powerful and expect to add more retail locations throughout the world, as well as develop the business beyond its heritage in men's swimwear, accessories and resort-wear. We have assembled a world class luxury brand management team, led by Roland Herlory, who we are confident can extend and expand Vilebrequin into a diversified global luxury brand."

Mr. Herlory commented, "I am excited to begin the next chapter of my career. I have admired the Vilebrequin brand for many years. Vilebrequin has maintained the highest integrity of design, quality and value. We have a shared vision for the Vilebrequin brand and will continue to set the standard for men's casual luxury. We believe that the brand is positioned extremely well to expand its business into more points of sale throughout the world. In the near-term, we will also work on further developing men's accessories and resort-wear. It is our intention to leverage our strong brand and the additional resources G-III will provide to quickly transcend our leadership position in the men's luxury resort business."

Barclays acted as exclusive financial advisor to G-III. Fulbright & Jaworski L.L.P. and Meyerlustenberger Lachenal Avocats served as legal advisors for G-III in connection with the acquisition of Vilebrequin.

About Vilebrequin

Vilebrequin was founded in 1971 in St Tropez when a young visionary, seated at the illustrious Café Senequier, invented the first boxer short.

Easy to wear, comfortable, chic, it represented the perfect convergence of elegance and laid back style; a fashion icon was born.

The success was immediate. The brand gained a following among the most distinguished celebrities. In 1995, Vilebrequin recreated its flagship styles for children and launched the now famous "Like Father, Like Son" concept. Strengthening family ties, the brand advocates the values of beauty and refinement, passing them down from one generation to the next. From intuition to boldness, the brand grew by developing a wide selection of colors and exclusive prints and also by extending its beach spirit to ready to wear and accessories to become the only men's brand born from an original focus on beachwear. Its expertise is characterized by the art of details and the craftsman's spirit. Staying true to its St. Tropez roots and loyal to its designer, Zaza De Brito, for more than 15 years, the brand cultivates casual elegance for men today and is recognized as a modern luxury lifestyle.

About G-III Apparel Group

G-III is a leading manufacturer and distributor of outerwear, dresses, sportswear, swimwear, beachwear and women's suits, as well as handbags and luggage, under licensed brands, our own brands and private label brands. G-III sells swimwear and beachwear under our own Vilebrequin brand. G-III also sells outerwear and dresses under our own Andrew Marc, Marc New York and Marc Moto brands and has licensed these brands to select third parties in certain product categories. G-III has fashion licenses under the Calvin Klein, Sean John, Kenneth Cole, Cole Haan, Guess?, Jones New York, Jessica Simpson, Vince Camuto, Nine West, Ellen Tracy, Tommy Hilfiger, Kensie, Mac & Jac, Levi's and Dockers brands and sports licenses with the National Football League, National Basketball Association, Major League Baseball, National Hockey League, Touch by Alyssa Milano and more than 100 U.S. colleges and universities. Our other owned brands include Jessica Howard, Eliza J, Black Rivet, G-III, G-III Sports by Carl Banks and Winlit. G-III also operates outlet stores under our Wilsons Leather and Andrew Marc names, is a party to a joint venture that operates outlet stores under the Vince Camuto name and operates retail stores under the Calvin Klein Performance name.

Statements concerning G-III's business outlook or future economic performance, anticipated revenues, expenses or other financial items; product introductions and plans and objectives related thereto; and statements concerning assumptions made or expectations as to any future events, conditions, performance or other matters are "forward-looking statements" as that term is defined under the Federal Securities laws. Forward-looking statements are subject to risks, uncertainties and factors which include, but are not limited to, reliance on licensed product, reliance on foreign manufacturers, risks of doing business abroad, the current economic and credit environment, the nature of the apparel industry, including changing customer demand and tastes, customer concentration, seasonality, risks of operating a retail business, customer acceptance of new products, the impact of competitive products and pricing, dependence on existing management, possible disruption from acquisitions and general economic conditions, as well as other risks detailed in G-III's filings with the Securities and Exchange Commission. G-III assumes no obligation to update the information in this release.

For G-III Apparel Group, Ltd.
Investor Relations
James Palczynski, 203-682-8229
or
G-III Apparel Group, Ltd.
Wayne S. Miller, 212-403-0500
Chief Operating Officer

Source: G-III Apparel Group, Ltd.

News Provided by Acquire Media