

GIII-Apparel Group, Ltd. Announces First Quarter Fiscal 2002 Results

Net Sales Increase by 62.3%; Order Book Trends Continue to Show Strength

NEW YORK, May 31, 2001 -- G-III Apparel Group, Ltd. (Nasdaq:GIII) today announced operating results for the first quarter of fiscal 2002, ended April 30, 2001.

Net sales increased 62.3% to \$17.2 million, compared to \$10.6 million in the prior year's first quarter. The net loss for the quarter was \$2.9 million, or \$0.44 per share, compared to \$2.5 million, or \$0.38 per share, in the prior year's first quarter. As anticipated, start-up costs for new business lines under the Jones New York, Cole Haan, and Caterpillar labels were primarily responsible for the year-over-year decline.

Morris Goldfarb, G-III's Chief Executive Officer, said: "We continue to be very pleased with the pace of our business and the strong response to both our non-licensed and licensed product lines. Orders received continue to be up substantially compared to this time last year. While the retail environment remains challenging, outerwear inventories at our major customers are clean due to a successful fall season last year. While it is somewhat early to garner a definite read on our third quarter outlook, we remain confident in our ability to achieve our operating targets for the remainder of the year."

The Company continues to expect diluted earnings per share for fiscal 2002 to be between \$1.65 and \$1.70 on a revenue increase of 15% to 17%. The Company's first quarter sales were higher and the net loss per share lower than previous expectations due to earlier than anticipated shipping of merchandise. Additionally, the Company expressed comfort with an expected range for second quarter earnings per diluted share of \$0.50 to \$0.52.

G-III Apparel Group is a leading manufacturer and distributor of leather and non-leather outerwear apparel. The Company has fashion licenses with Kenneth Cole Productions, Nine West Group, Cole Haan, and Jones Apparel Group, a distribution agreement for Caterpillar apparel and licensing agreements with the National Football League, National Hockey League, National Basketball Association, Major League Baseball and more than 50 universities nationwide.

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

G-III APPAREL GROUP, LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)

	First Quarter Ended April 30,	
	2002	2001
Net sales	\$ 17,167	\$ 10,578
Cost of sales	14,217	8,398
Gross profit	2,950	2,180
Selling, general and administrative expenses	7,465	6,302
Operating loss	(4,515)	(4,122)
Interest and financing charges, net	305	85
Loss before minority interest and income taxes	(4,820)	(4,207)
Minority interest	9	
Loss before income taxes	(4,820)	(4,198)
Income tax benefit	(1,928)	(1,679)
Net loss	\$ (2,892)	\$ (2,519)

Net loss per common share:			
Basic and Diluted	\$	(0.44)	\$ (0.38)
Weighted average number of common shares outstanding		6,645,047	6,614,379

Contact:

Investor Relations

James Palczynski, 203/222-9013

or

G-III Apparel Group, Ltd., New York

Wayne S. Miller, 212/403-0500