

## **G-III Apparel Group, Ltd. Announces Third Quarter Fiscal 2006 Results**

- Net sales increase by 61.7%**
- Operating profit increases 55.1% to \$27.8 million**
- Net income per diluted share increases 30.0% to \$1.73**

**-- Achieves strong performance from recent acquisitions**

**G-III Apparel Group, Ltd. (GIII) today announced operating results for the third quarter of fiscal 2006.**

NEW YORK, Dec. 6, 2005 -- G-III Apparel Group, Ltd. (GIII): G-III Apparel Group, Ltd. (GIII) today announced operating results for the third quarter of fiscal 2006.

For the three-month period ended October 31, 2005, G-III reported that net sales increased by 61.7% to \$186.6 million and net income per diluted share increased by 30.0% to \$1.73. This compares to net sales of \$115.4 million and net income per diluted share of \$1.33 during the comparable period last year. Weighted average shares outstanding used in the diluted share calculation were 8,553,000 for the three months ended October 31, 2005 compared to 7,429,000 for the comparable period last year.

For the nine-month period ended October 31, 2005, G-III reported net sales of \$254.9 million and net income per diluted share of \$1.23, compared to net sales of \$175.9 million and net income per diluted share of \$0.46 during the comparable period last year. Weighted average shares outstanding used in the diluted share calculation were 7,995,000 for the nine months ended October 31, 2005 compared to 7,480,000 for the comparable period last year.

The Company's results of operations for the three and nine months ended October 31, 2005 include the results of the Company's Marvin Richards and Winlit divisions from July 11, 2005, the date the Company acquired the stock of Marvin Richards and certain assets from Winlit. The increases in net sales and net income per share during both periods were primarily due to including these two new divisions in the Company's results of operations. The three and nine-month results this year include an after-tax non-cash compensation charge of approximately \$920,000, or \$0.11 per share, related to the vesting of restricted shares of common stock previously granted to key management.

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

Morris Goldfarb, G-III's Chief Executive Officer, said, "We are pleased to be on plan to achieve our anticipated full-year financial performance and continue to make excellent progress with respect to integrating our recent acquisitions. In particular, our Calvin Klein outerwear continues to experience strong demand at retail."

Mr. Goldfarb continued, "Our recent acquisitions have not only enabled us to improve the strength and depth of our management team, but have also re-energized our organization. We intend to capitalize on the improved strategic and operational position of our business and are focused on taking advantage of our position to grow our business."

Mr. Goldfarb concluded, "We have begun a thorough process of identifying and implementing an updated set of best practices across our organization. We will continue to seek synergies and benefits from our recent acquisitions."

With respect to guidance for the fiscal year ending January 31, 2006, the Company reiterates its forecast of net sales in the range of \$330 to \$340 million. Due to the non-cash compensation charge in connection with the vesting of restricted shares of common stock, equal to \$0.11 per share on an after-tax basis, the Company is now forecasting net income per diluted share in the range of \$0.85 to \$0.90.

About G-III Apparel Group, Ltd.

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

Statements concerning the Company's business outlook or future economic performance, anticipated revenues, expenses or other financial items; product introductions and plans and objectives related thereto; and statements concerning assumptions made or expectations as to any future events, conditions, performance or other matters are "forward-looking statements" as that term is defined under the Federal Securities laws. Forward-looking statements are subject to risks, uncertainties and factors include, but are not limited to, reliance on licensed product, 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 the Company's filings with the Securities and Exchange Commission. The Company assumes no obligation to update the information in this release.

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

#### CONSOLIDATED STATEMENTS OF OPERATIONS

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

	Three Months Ended		Nine Months Ended	
	10/31/05	10/31/04	10/31/05	10/31/04
Net sales	\$ 186,621	\$ 115,406	\$ 254,941	\$ 175,878
Cost of sales	131,503	81,358	186,159	129,471
Gross profit	55,118	34,048	68,782	46,407
Selling general and administrative expenses	27,337	16,135	49,040	38,058
Write down of equity investment				882
Operating profit	27,781	17,913	19,742	7,467
Interest and financing charges, net	2,241	550	2,771	820
Income before income taxes	25,540	17,363	16,971	6,647
Income tax expense	10,727	7,466	7,128	3,237
Net income	\$ 14,813	\$ 9,897	\$ 9,843	\$ 3,410
Basic net income per common share	\$ 1.87	\$ 1.38	\$ 1.31	\$ 0.48
Diluted net income per common share	\$ 1.73	\$ 1.33	\$ 1.23	\$ 0.46

Weighted average shares outstanding:

Basic	7,927,000	7,190,000	7,538,000	7,158,000
Diluted	8,553,000	7,429,000	7,995,000	7,480,000

Balance Sheet Data (in thousands):	At Oct. 31,	
	2005	2004
Working Capital	\$ 70,102	\$ 62,359
Inventory	52,123	37,010

Total Assets	243,672	137,413
Outstanding Borrowings	119,511	36,211
Total Shareholders' Equity	\$ 84,381	\$ 69,115

Contacts:

For: G-III Apparel Group, Ltd.  
Investor Relations  
James Palczynski, 203-222-9013  
or  
G-III Apparel Group, Ltd.  
Wayne S. Miller, 212-403-0500