

# GIII-Apparel Group, Ltd. Announces First Quarter Fiscal 2001 Results

## Net Sales Increase by 24.9% Gross Margins Increase Substantially to 20.6% of Net Sales

New York, New York - June 1, 2000 -- G-III Apparel Group, Ltd.(Nasdaq: GIII) today announced operating results for the first quarter of fiscal 2001, ended April 30, 2000.

For the quarter, net sales increased to \$10.6 million from \$8.5 million in the prior year's first quarter. The net loss for the quarter decreased to \$2.5 million, or \$0.38 per diluted share, from \$3.4 million, or \$0.51 per diluted share, in the prior year's quarter. Gross margins for the quarter increased to 20.6% of net sales from 9.8% of net sales in the prior year's first quarter. Excluding the results of BET Design Studio, a joint venture that was discontinued in the third quarter of fiscal 2000, the Company would have recorded a net loss of \$3.2 million, or \$0.47 per diluted share, in the prior year's first quarter.

Wayne Miller, Chief Financial Officer of G-III, commented, "The Company has made a concerted effort to grow its business while improving gross margins and operating results, and I'm pleased to note that we have succeeded once again, even during our slowest quarter of the year. Our focus throughout the year will continue to be on continued top and bottom-line growth."

Morris Goldfarb, G-III's Chief Executive Officer, said, "We believe we offer our customers a strong portfolio of products and we are constantly looking to add new licenses to our branded product offerings. We're excited about the upcoming selling season as in the Fall we will be launching the Jones New York menswear collection as well as the new Cole Haan men's and women's collections. We're also encouraged by the strength of our order book for both our licensed and non-licensed businesses."

Mr. Goldfarb concluded, "I'm extremely proud of the progress that the Company has made and we look forward to continued growth, both from our existing businesses and new product offerings."

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 20 universities nationwide.

Statements concerning the Company's business outlook for 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, seasonal 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,  
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(Unaudited)

	2000	1999
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Net sales	\$10,578	\$ 8,470
Cost of sales	8,398	7,637
Gross profit	2,180	833
Selling, general and administrative expenses	6,302	6,887
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Operating loss	(4,122)	(6,054)
Interest and financing charges, net	85	98
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Loss before minority interest and income taxes	(4,207)	(6,152)
Minority interest	9	431
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Loss before income taxes	(4,198)	(5,721)
Income tax benefit	(1,679)	(2,288)
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Net loss	\$(2,519)	\$(3,433)
	=====	=====
Net loss per common share:		
Basic and Diluted	\$(0.38)	\$ (0.51)
	=====	=====
Weighted average number of common shares outstanding	6,614,379	6,717,921

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