FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OF 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly period ended April 30, 1995

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 0-18183

G-III APPAREL GROUP, LTD.
(Exact of name of registrant as specified in its character)

Delaware	41-1590959
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
345 West 37th Street, New York, New York	10018
(Address of Principal Executive Office)	(Zip Code)

(212) 629-883
(Registrant's telephone number, including area code)

- ---
(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes XX No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of June 1, 1995.

Common Stock, $.01 par value per share: 6,459,381 shares.

Part I FINANCIAL INFORMATION Page No.

Item 1. Financial Statements *

* The Balance Sheet at January 31, 1995 has been taken from the audited financial statements at that date. All other financial statements are unaudited.

G-III APPAREL GROUP, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(in thousands)

ASSETS	JANUARY 31, 1995	APRIL 30, 1995 (unaudited)
Current Assets:		
Cash and Cash Equivalents	$ 1,421	$ 411
Accounts Receivable - Net	13,414	4,704
Inventories - Net	25,532	29,187
Prepaid and Refundable Income Taxes	4,204	6,145
Prepaid Expense and Other Current Assets	466	782
Total Current Assets	45,037	41,229
Property, Plant and Equipment at Cost - Net	7,015	7,060
Deferred Income Taxes	1,717	1,717
Other Assets	803	884
	$54,572	$50,890

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:		
Bankers' Acceptances and Notes Payable	$12,907	$12,685
Current Maturities of Capital Leases	573	573
Accounts Payable	3,947	4,190
Accrued Expenses	2,152	1,732
Accrued Nonrecurring Charges	2,856	2,728
Total Current Liabilities	22,435	21,908
Obligations Under Capital Leases	1,479	1,359
Nonrecurring Charges - Long-Term	557	557
Stockholders' Equity:		
Preferred stock, 1,000,000 shares authorized; no shares issued and outstanding		
Common Stock, $.01 par value: authorized, 20,000,000 shares; issued and outstanding, 6,459,381 shares on January 31, 1995 and on April 30, 1995	65	65
Additional Paid-in capital	23,603	23,603
Retained Earnings	6,433	3,398
	30,101	27,066
	$54,572	$50,890

See Accompanying Notes to Financial Statement.

G-III APPAREL GROUP, LTD. AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENTS
(in thousands, except share and per share amounts)

	THREE MONTHS ENDED APRIL 30, (000'S) (unaudited)	
	1994	1995
Net Sales	$ 20,157	$ 8,841
Commission Income		434
Net Sales and Revenues	20,157	9,275
Cost of Goods Sold	18,599	8,584
Gross Profit	1,558	691
Selling, General and Administrative Expenses	6,356	5,343
Operating Loss	(4,798)	(4,652)
Interest and Financing Charges, Net	489	406
Loss Before Taxes	(5,287)	(5,058)

Income Taxes (Benefit)	(2,357)	(2,023)
Net Loss	$ (2,930)	$ (3,035)
Loss per common share:		
Primary;		
Net Loss per common share	$ (.45)	$ (.47)
Weighted average number of shares outstanding	6,495,557	6,459,381
Fully Diluted;		
Net Loss per common share	$ (.45)	$ (.47)
Weighted average number of shares outstanding	6,495,557	6,459,381

See Accompanying Notes to Financial Statements.

G-III APPAREL GROUP, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	THREE MONTHS ENDED APRIL 30,	
	1994	1995
	(000's) (unaudited)	
Cash Flows from Operating Activities:		
Net Loss	$ (2,930)	$ (3,035)
Adjustments to Reconcile Net Income:		
Depreciation and Amortization	326	255
Changes in Operating Assets and Liabilities:		
Accounts Receivable	3,444	8,710
Inventory	(13,232)	(3,655)
Prepaid and Refundable Income Taxes	(2,515)	(1,941)
Prepaid Expenses	(1,293)	(316)
Other Assets	47	(81)
Accounts Payable and Accrued Expenses	2,188	(177)
Accrued Nonrecurring Charge		(128)
	(11,035)	2,677
Net Cash (Used in) Operating Activities	(13,965)	(368)
Cash Flows for Investing Activities:		

Capital Expenditures	(205)	(300)
Investment in Joint Venture	(249)	
Net Cash (Used in) Investing Activities:	(454)	(300)
Cash Flows from Financing Activities:		
Borrowings under bankers' acceptances and notes	31,399	3,321
Repayments of bankers' acceptances and notes	(16,400)	(3,543)
Proceeds from capital lease obligations	1,053	
Payment of capital lease obligations	(117)	(120)
Net Cash Provided by Financing Activities	15,935	(342)
Net Increase (Decrease) in Cash	1,516	(1010)
Cash at Beginning Period	833	1,421
Cash at End of Period	$ 2,349	$ 411
Supplemental Disclosures of Cash Flow Information		
Cash Paid During the Period for:		
Interest	$ 581	$ 238
Income Taxes	$ 32	$ 2

See Accompanying Notes to Financial Statements.

G-III APPAREL GROUP, LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - General Discussion

The results for the quarter ended April 30, 1995 are not necessarily indicative of the results expected for the entire fiscal year. The accompanying financial statements included herein are unaudited. In the opinion of management, all adjustments (consisting of only normal recurring adjustments) necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods presented have been reflected.

The accompanying financial statements should be read in conjunction with the financial statements and notes included in the Company's Form 10K filed with the Securities and Exchange Commission for the year ended January 31, 1995.

Note 2 - Inventories

Inventories consist of:	January 31, 1995	April 30, 1995
Finished products	$23,107	$22,068
Work-in-process	52	214
Raw materials	2,373	6,905
	$25,532	$29,187

Note 3 - Net Earnings Per Common Share

Net earnings per common share is based on the weighted average number of common shares and common share equivalents during each of the periods. Primary and fully diluted earnings per share include the dilutive effect of unexercised stock options.

Note 4 - Bankers' Acceptances and Notes Payable

The Company has a loan agreement with three banks for $48,000,000 through January 30, 1996 and $40,000,000 through May 31, 1996, of which $40,000,000 through January 30, 1996 and $32,000,000 through May 31, 1996 is available for direct borrowings and the unused balance for letters of credit. All amounts available for borrowings are subject to borrowing base formulas.

Note 5 - Nonrecurring Charges

As of the year ended January 31, 1995, the Company had a remaining reserve of approximately $3.4 million related to a cost reduction program. The status of the components of the provision at the end of the period was:

	Balance January 31, 1995	1995 Activity	Balance April 30, 1995
Disposal of Asian Facility	$ 2,500	$	$ 2,500
Shut down of Domestic Facilities	779	(60)	719
Severance and related costs	334	(68)	266
	$ 3,413	$ (128)	$ 3,285

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations

Net sales and revenues for the quarter ended April 30, 1995 were $9.3 million compared to $20.2 million for the same quarter last year. The decrease in net sales during the quarter was primarily due to lower sales in the Womens Leather ($6.8 million) and JL Colebrook ($2.1 million) divisions. The unusually warm fall season in 1994 left retailers in an overstocked position and continued to cause weak demand for outerwear apparel during this quarter. Additionally, a decrease in net sales of $2.9 million during the quarter resulted from the recognition by the Company of only commission income of $434,000 on certain types of sales where the Company's customers provide letters of credit which are transferred by the Company directly to overseas manufacturers. Prior to the quarter ended July 31, 1994, the customer provided a letter of credit to the Company and the Company opened a letter of credit to the manufacturer. Accounting rules require the Company to recognize only commission income with respect to transactions where the Company does not open a letter of credit. The Company expects that it will increasingly utilize this type of letter of credit transaction which results in lower net sales.

Gross profit was $691,000 for the quarter ended April 30, 1995, compared to the $1.6 million in the same quarter last year. Gross profit as a percentage of net sales and revenues was 7.5% for the quarter ended April 30, 1995, slightly lower than 7.7% for the comparable quarter last year. While the change in the use of certain letters of credit to transact sales did not impact gross profit dollars, it did affect gross profit as a percentage of net sales and revenues since net sales and revenues recognized from such transactions was lower. Had the Company recognized the full amount of such sales, gross profit for the three months ended April 30, 1995 would have been 5.8% of net sales and revenues. The decrease in the gross profit percentage was a result of certain period costs included in cost of goods sold being spread over lower net sales and revenues.

Selling, general and administrative expenses of $5.3 million for the quarter ended April 30, 1995 were approximately $1.0 million less than in the same period last year. As a percentage of net sales and revenues, selling, general and administrative expenses were 57.6% in this quarter compared to 31.4% last year. The increase as a percentage of net sales and revenues was the result of lower reported net sales and revenues as described above. The lower selling, general and administrative expenses were the result of the implementation of a cost reduction program which began in the second half of the prior fiscal year. The Company is continuing to monitor and reduce expense levels and expects selling, general and administrative expenses to continue to decrease for the reminder of the year, compared to last year, as a result of this program.

Interest expense of $406,000 was $83,000 lower in the quarter ended April 30, 1995, compared to interest expense of $489,000 in the same period last year. The decrease is attributable to lower borrowing levels as a result of the Company maintaining lower levels of inventory, which more than offset higher interest rates.

Income tax benefit of $2.0 million reflects an effective tax rate of 40%. for the quarter ended April 30, 1995, compared to an income tax benefit of $2.4 million which reflects an effective tax rate of 44.6% in the comparable period in the prior year. The decreased effective tax rate for the current year results from the anticipated lower provision for state and local taxes due to the tax loss carry forward from the prior year.

As a result of the foregoing, for the three month period ended April 30, 1995, the Company had a net loss of $3.0 million, or $.47 per share, compared to a net loss of $2.9 million, or $0.45 per share, for the comparable period in the prior year.

Liquidity and Capital Resources

As of June 13, 1995, the Company entered into an amended and restated loan agreement with its three banks. This amended loan agreement, which expires May 31, 1996, provides for a collateralized working capital line of credit for a maximum amount of $48 million through January 30, 1996 (reduced to $40 million commencing January 31, 1996), of which a maximum of $40 million (reduced to $32 million commencing January 31, 1996) is available for direct borrowings and the unused balance for letters of credit. All amounts available for borrowings are subject to borrowing base formulas and overadvances specified in the agreement.

Direct borrowings bear interest at the agent's prime rate (9% as of June 1, 1995) plus 2%. All borrowings are collateralized by the assets of the Company. The loan agreement requires the Company, among other covenants, to maintain certain earnings and tangible net worth levels, and prohibits the payments of cash dividends. As of April 30, 1995, there was $9.4 million of borrowings outstanding and approximately $16.3 million of contingent liability under open letters of credit. The amount borrowed under the line of credit varies based on the Company's seasonal requirements. The amended loan agreement reduced the maximum credit line available to the Company. The Company is planning to carry lower levels of inventory in the current fiscal year compared to the prior year and, as a result, believes that this facility will be sufficient to meet its working capital needs. Inventories as of April 30, 1995 were $29.2 million compared to $51.6 million as of April 30, 1994.

The Company's majority-owned Indonesian subsidiary has a line of credit with a bank for approximately $3.5 million which is supported by a $2.0 million stand-by letter of credit issued under the Company's loan agreement. As of April 30, 1995, the borrowing by the Indonesian subsidiary under its line of credit approximated $3.3 million.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

G-III APPAREL GROUP, LTD.
(Registrant)

Date: June 14, 1995

By: /s/ Morris Goldfarb

Morris Goldfarb
President and Chief
Executive Officer

Date: June 14, 1995

By: /s/ Alan Feller

Alan Feller
Chief Financial Officer,
Treasurer, and Secretary

<ARTICLE>	5
<MULTIPLIER>	1000
<FISCAL-YEAR-END>	JAN-31-1996
<PERIOD-END>	APR-30-1995
<PERIOD-TYPE>	3-MOS
<CASH>	411
<SECURITIES>	0
<RECEIVABLES>	4,704
<ALLOWANCES>	0
<INVENTORY>	29,187
<CURRENT-ASSETS>	41,229
<PP&E>	7,060
<DEPRECIATION>	0
<TOTAL-ASSETS>	50,890
<CURRENT-LIABILITIES>	22,508
<BONDS>	0
<COMMON>	65
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<OTHER-SE>	27,001
<TOTAL-LIABILITY-AND-EQUITY>	50,890
<SALES>	8,841
<TOTAL-REVENUES>	9,275
<CGS>	8,584
<TOTAL-COSTS>	0
<OTHER-EXPENSES>	5,343
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	406
<INCOME-PRETAX>	(5,058)
<INCOME-TAX>	(2,023)
<INCOME-CONTINUING>	0
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	(3,035)
<EPS-PRIMARY>	(.47)
<EPS-DILUTED>	(.47)