

G-III Apparel Group, Ltd. Announces Second Quarter Results

Net Sales Increase by 32.8%

NEW YORK, Sept. 6, 2001 -- G-III Apparel Group, Ltd. (Nasdaq: GIII) today announced operating results for the three and six months ended July 31, 2001.

For the three months ended July 31, 2001, net sales increased 32.8% to \$62.9 million compared to \$47.4 million during the same period last year. Net income for the quarter increased to \$3.9 million, or \$0.52 per diluted share, in line with the company's previous guidance. This compares to net income of \$3.4 million, or \$0.49 per diluted share, during the same period last year.

For the six months ended July 31, 2001, net sales increased 38.2% to \$80.1 million compared to \$58.0 million during the same period last year. Net income for the six-month period this year was \$993,000 or \$0.13 per diluted share, compared to net income of \$928,000, or \$0.13 per diluted share, during the same period last year.

Morris Goldfarb, Chief Executive Officer of G-III commented, "We are pleased with our second quarter results. We achieved our operating goals for the quarter and successfully completed negotiations for our new, expanded license with NFL Properties, Inc. We were also delighted to be named the exclusive outerwear licensee for the Sean John brand of apparel."

Commenting on the company's outlook for the balance of this fiscal year Mr. Goldfarb stated, "Many retailers have adopted a conservative stance toward expectations for the fall and holiday season. Due to this caution with regard to potential consumer demand, the pace of future bookings has slowed. Our ability to achieve our previously projected full year earnings of \$1.65 to \$1.70 per diluted share depends on an improvement in bookings over the upcoming weeks."

G-III Apparel Group is a leading manufacturer and distributor of leather and non-leather outerwear apparel. The Company has fashion licenses for Kenneth Cole, Nine West, Cole Haan, Jones New York and Sean John, as well as 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 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 other factors which could cause actual results to differ materially from those stated in such statements. Such 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, seasonality, customer acceptance of new product, 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
(NASDAQ:GIII - news)
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	7/31/01	7/31/00	7/31/01	7/31/00
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Net sales	62,913	47,385	80,080	57,963
Cost of sales	46,298	33,587	60,515	41,985
Gross profit	16,615	13,798	19,565	15,978
Selling, general and administrative expenses	9,027	7,280	16,492	13,582

Operating profit	7,588	6,518	3,073	2,396
Interest and financing charges, net	1,113	787	1,418	872
Income before minority interest and income taxes	6,475	5,731	1,655	1,524
Minority interest				9
Income before income taxes	6,475	5,731	1,655	1,533
Income tax expense	2,590	2,284	662	605
Net income	\$ 3,885	\$ 3,447	\$ 993	\$ 928
Basic net income per common share	\$ 0.58	\$ 0.53	\$ 0.15	\$ 0.14
Diluted net income per common share	\$ 0.52	\$ 0.49	\$ 0.13	\$ 0.13

Weighted average shares outstanding:

Basic	6,678,639	6,524,360	6,662,121	6,569,370
Diluted	7,456,050	7,048,484	7,412,370	7,033,839

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