

# Q2

# GIII

## FY26 EARNINGS

SECOND QUARTER	2026	2025
Total Revenue	\$613M	\$645M
Gross Margin	40.8%	42.8%
Non-GAAP Net Income <sup>1</sup>	\$11.2M	\$23.8M
Non-GAAP Diluted EPS <sup>1</sup>	\$0.25	\$0.52



## Second Quarter Highlights

- We delivered strong second quarter results with net sales and earnings exceeding expectations, driven by growth our go-forward portfolio, specifically our key owned brands DKNY, Donna Karan, Karl Lagerfeld and Vilebrequin.
- Gross margins in the quarter were impacted by higher-than-expected tariff costs, driven primarily by a greater volume of tariffed inventory shipments than initially forecasted.
- We are actively mitigating these pressures through a combination of vendor participation, selective sourcing shifts, and targeted price increases.
- Looking ahead, we have updated fiscal 2026 guidance to reflect the current macro environment, a more cautious outlook from our retail partners, as well as the impact of tariffs on our top and bottom lines.

## FISCAL 2026 OUTLOOK

Total Revenue	\$3.02B
Adjusted EBITDA	\$198M - \$208M
Non-GAAP Net Income <sup>1</sup>	\$113M - \$123M
Non-GAAP Diluted EPS <sup>1</sup>	\$2.55 - \$2.75

*“In the second quarter, we exceeded expectations across both net sales and earnings, driven by the strong momentum of our go-forward portfolio, led by DKNY, Donna Karan, Karl Lagerfeld, and Vilebrequin. These results highlight our ability to execute on our strategic priorities and leverage our powerful corporate platform to maximize the full potential of our globally recognized brands.”*

Morris Goldfarb, Chairman & CEO

**KARL  
LAGERFELD**



<sup>1</sup>Non-GAAP measure: For non-GAAP financial measure disclosure, including reconciliations, please refer to our second quarter earnings release which is available at <https://ir.g-iii.com>.