

## **G-III Apparel Group, Ltd. Announces Third Quarter Fiscal 2003 Results**

- Reports Third Quarter Sales and Net Income Increases of 12.9% and 68.8%, Respectively**
- Closing of Indonesian Facility and Related Charges**
- Election of New Board Member**
- Issues New Fiscal 2003 Guidance, Excluding Charges, of \$0.60 to \$0.65 per Share**

NEW YORK, Dec. 11, 2002 -- G-III Apparel Group, Ltd. (Nasdaq:GIII) G-III Apparel Group, Ltd. (Nasdaq:GIII) today announced results for the third quarter of fiscal 2003.

For the three-month period ended October 31, 2002, G-III reported net sales of \$102.3 million and net income of \$8.5 million, or \$1.16 per diluted share, compared to net sales of \$90.6 million and net income of \$5.0 million, or \$0.68 per diluted share, in the comparable period last year.

For the nine-month period ended October 31, 2002, G-III reported net sales of \$155.0 million and net income of \$4.9 million, or \$0.67 per diluted share, compared to net sales of \$170.7 million and net income of \$6.0 million, or \$0.82 per diluted share, in the comparable period last year.

Morris Goldfarb, G-III's Chief Executive Officer, said, "We are very pleased with our third quarter results, particularly in the mid-tier and mass distribution channels. We achieved a higher level of shipments, kept our inventories clean, and executed well."

Mr. Goldfarb continued, "Due to rapidly rising costs and political and economic instability in Indonesia, we have decided to close our factory in Indonesia. We estimate that our fiscal fourth quarter results will reflect a pre-tax charge in the range of \$3.0 to \$5.0 million in connection with closing this facility. We believe that closing this facility will not affect our ability to produce product and will enable us to become more efficient in meeting our sourcing needs."

The Company also announced the appointment of Richard D. White to its Board of Directors. Morris Goldfarb stated, "Rick worked with G-III on our initial public offering and brings a wealth of industry, investment banking and financial experience to our Company. We are quite pleased that Rick has joined us as both a member of our Board of Directors and our Audit Committee." Mr. White is currently a private investor and until recently was a Managing Director of CIBC Capital Partners.

The Company also announced today that it continues to believe it will achieve its previously announced \$190 million sales forecast for the fiscal year ending January 31, 2003. However, due to the significant increase in operating losses at its Indonesian facility, as well as higher than planned advertising and third party shipping costs, the Company now estimates that net income per diluted share (excluding the charge to be taken in connection with closing the Indonesian facility) for the fiscal year ending January 31, 2003 will be in the range of \$0.60 to \$0.65.

About G-III Apparel Group, Ltd. G-III Apparel Group, Ltd. is a leading manufacturer and distributor of leather and non-leather outerwear apparel under our own labels, licensed labels and private labels. The Company has fashion licenses with Kenneth Cole Productions, Nine West Group, Timberland, Cole Haan, Jones Apparel Group, and Sean John, and sports 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 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 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, 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  
(NASDAQ:GIII)  
CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except share and per share amounts)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	10/31/02	10/31/01	10/31/02	10/31/01
Net sales	\$102,284	\$90,623	\$154,997	\$170,703
Cost of sales	74,324	69,905	115,321	130,420
Gross profit	27,960	20,718	39,676	40,283
Selling, general and administrative expenses	13,181	10,930	30,148	27,422
Operating profit	14,779	9,788	9,528	12,861
Interest and financing charges, net	853	1,399	1,374	2,817
Income before income taxes	13,926	8,389	8,154	10,044
Income tax expense	5,431	3,356	3,252	4,018
Net income	\$8,495	\$5,033	\$4,902	\$6,026
Basic net income per common share	\$1.25	\$0.75	\$0.73	\$0.90
Diluted net income per common share	\$1.16	\$0.68	\$0.67	\$0.82
Weighted average shares outstanding:				
Basic	6,778,757	6,689,787	6,732,107	6,671,444
Diluted	7,292,321	7,380,068	7,350,505	7,393,126

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