ABEA-6D408R Logo

G-III Apparel Group, LTD. Announces Results for Fourth Quarter and Fiscal Year

-- Fiscal 2000 Net Sales Increase 23% -- -- Fiscal 2000 Gross Margins Increase to 26% of Net Sales -- -- Reports Fiscal 2000 Net Income of $5.8 Million --

NEW YORK, March 30, 2000 -- G-III Apparel Group, Ltd. (Nasdaq: GIII) today announcedoperating results for the three and twelve-month periods ended January 31, 2000.

For the twelve-month period ended January 31, 2000 ("fiscal 2000"), G-III reported net income of $5.8 million, or $0.84 per dilutedshare, compared to a net loss of $1.2 million, or $0.18 per diluted share, for the prior twelve-month period. Net sales for fiscal2000 increased 23.0% to $149.6 million, from $121.6 million for the prior twelve-month period. Revenue from the sale of licensedproduct accounted for approximately 41.0% of fiscal 2000 net sales. Licensed product revenue increased approximately 35.0% to$61.9 million for fiscal 2000 from $45.9 million in the prior twelve-month period. Gross margins for fiscal 2000 increased to 26.0%of net sales from 21.6% of net sales for the prior twelve-month period. Excluding the results of BET Design Studio and thereversal of unused prior period non-recurring charges, the Company would have reported net income of $6.7 million, or $0.98 perdiluted share, for fiscal 2000 compared to a net loss of $231,000, or $0.04 per diluted share, for the prior twelve-month period.

For the three-month period ended January 31, 2000, G-III reported net income of $697,000, or $0.10 per diluted share, comparedto a net loss of $3.1 million, or $0.47 per diluted share, during the comparable period last year. Net sales for the three-month periodended January 31, 2000 increased 69.0% to $33.4 million, from $19.7 million during the comparable period last year. Gross marginsfor the three-month period increased to 24.2% of net sales from 9.6% of net sales for the comparable period last year. Excludingthe results of BET Design Studio and the reversal of unused prior period non-recurring charges, the Company would havereported net income for the three-month period ended January 31, 2000 of $370,000, or $0.05 per diluted share, compared to a netloss of $2.9 million, or $0.43 per diluted share, for the same three-month period in the prior year.

G-III's Chief Executive Officer, Morris Goldfarb, said, "This is now our fourth consecutive quarter of year-over-year increases inoperating results. Our fourth quarter and full year results are indicative of the strong licensed portfolio we have established, as wellas of the robust sales and solid improvements in profitability for our non-licensed products."

"Of particular significance, Mr. Goldfarb continued, was our strong increase in gross margins. Gross margins increased to 26.0%compared to 21.6% last year. This increase is directly related to the strength of our brands in both our licensed and non-licensedbusinesses."

Mr. Goldfarb concluded, "We are proud of our results and are optimistic about fiscal 2001. Effective April 2000, our licensingarrangement with Tommy Hilfiger will be ending. However, in the past few months we have added Cole Haan men's andwomen's outerwear and Jones New York men's outerwear to our roster of licensed brands. In fiscal 2001 we will continue tostrive to add new branded businesses that will further enhance our existing portfolio."

G-III Apparel Group is a leading manufacturer and distributor of leather and non-leather outerwear apparel. The Company hasfashion licenses with Kenneth Cole Productions, Nine West Group, Cole Haan, and Jones Apparel Group, a distribution agreementfor Caterpillar apparel and licensing agreements with the National Football League, National Hockey League, National BasketballAssociation, Major League Baseball and more than 20 universities nationwide.

Statements concerning the Company's business outlook for future economic performance; anticipated revenues, expenses or otherfinancial items; product introductions and plans and objectives related thereto; and statements concerning assumptions made orexpectations as to any future events, conditions, performance or other matters, are "forward-looking statements" as that term isdefined under the Federal Securities laws. Forward-looking statements are subject to risks, uncertainties and other factors whichcould 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 demandand tastes, seasonality, customer acceptance of new products, the impact of competitive products and pricing, dependence onexisting management, general economic conditions, as well as other risks detailed in the Company's filings with the Securities andExchange Commission.

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 1/31/00	Three Months Ended 1/31/99	Twelve Months Ended 1/31/00	Twelve Months Ended 1/31/99
Net sales	$ 33,372	$ 19,742	$ 149,632	$ 121,644
Cost of sales	25,303	17,850	110,710	95,393
Gross profit	8,069	1,892	38,922	26,251
Selling, general and administrative expenses	7,088	6,967	28,608	27,235
Unusual or non-recurring charge	(763)	--	737	--
Operating profit (loss)	1,744	(5,075)	9,577	(984)
Interest and financing charges, net	375	166	1,857	2,115
Income (loss) before minority interest	1,369	(5,241)	7,720	(3,099)
Minority interest	(122)	366	1,994	1,378
Income (loss) before income taxes	1,247	(4,875)	9,714	(1,721)
Income tax expense (benefit)	550	(1,789)	3,934	(541)
Net income (loss)	$ 697	$ (3,086)	5,780	$ (1,180)
Income (loss) per common share:				
Basic	$ 0.10	$ (0.47)	$ 0.86	$ (0.18)
Diluted	$ 0.10	$ (0.47)	$ 0.84	$ (0.18)
Weighted average shares outstanding:				
Basic	6,694,442	6,594,481	6,712,051	6,539,128
Diluted	6,972,205	6,594,481	6,848,433	6,539,128

Contact:

G-III Apparel Group, Ltd.
Investor Relations
Cheryl Schneider/John Blackwell
Press: David Nugent/Ellen Paz
212/850-5600
or
G-III Apparel Group, Ltd.
Wayne S. Miller, Chief Financial Officer
212/403-0500