

G-III Apparel Group, Ltd. Announces Record Third Quarter Fiscal 2000 Results

Net Sales Increase 21.8%-- Diluted Earnings Per Share Increase 53%

New York, December 2, 1999 G-III Apparel Group, Ltd.(Nasdaq: GIII) today announced operating results for the three and nine months ended October 31, 1999.

For the three-months ended October 31, 1999, net sales increased 21.8% to \$74.5 million compared to \$61.2 million during the same period last year. Net income increased 56.3% to a record \$6.9 million from \$4.4 million reported last year. Diluted earnings per share increased 53% to a record \$1.01 per diluted share compared to \$0.66 per diluted share reported during the same period last year.

On November 18, 1999, the Company announced it would be dissolving its BET Design Studio joint venture with Black Entertainment Television. During the three-month period ended October 31, 1999, the Company incurred approximately \$1.3 million of losses, net of minority interest, in connection with the Company's BET Design Studio compared to \$419,000 of such net losses during the same period last year. The current third quarter's joint venture losses include a provision of \$950,000, net of minority interest, which relates to the previously announced closing. Excluding the BET Design Studio results, the Company would have reported net income of \$7.7 million for the third quarter, a 64.6% increase over last year's comparable net income of \$4.7 million. Diluted earnings per share for the quarter would have increased 62.3% to \$1.12, compared to last year's \$0.69 per share.

For the nine-month period ended October 31, 1999, net sales increased 14.1% to \$116.3 million compared to \$101.9 million during the same period last year. The Company's net income increased 166.7% to \$5.1 million, compared to \$1.9 million reported during last year's nine-month period. Diluted earnings per share increased 177.8% to \$0.75, compared to \$0.27 reported during last year's nine-month period.

During the nine-month period this year, the Company incurred approximately \$2.1 million of losses, net of minority interest, in connection with the Company's BET Design Studio compared to \$1.0 million of such net losses during the same period last year. The current nine-month period joint venture losses include a provision of \$950,000, net of minority interest, which relates to the previously announced closing. Excluding the BET Design Studio results, the Company would have reported net income of \$6.4 million, a 152.8% increase over last year's comparable \$2.5 million. Diluted earnings per share for the nine-month period would have been \$0.93, a 158.3% increase compared to last year's \$0.36.

Morris Goldfarb, Chief Executive Officer of G-III commented, "This is our third consecutive quarter of year to year increases in operating results. Our record third quarter results are indicative of the strength of both our licensed and non-licensed businesses. We continued to experience improvements in both aspects of our business, both from a revenue and profitability standpoint."

Mr. Goldfarb concluded, "We are well-positioned to complete a profitable year and will strive to add new branded businesses in fiscal 2001 that will complement our existing strong portfolio and contribute to our profitability."

G-III Apparel Group is a leading manufacturer and distributor of leather and non-leather outerwear apparel. The Company has fashion licenses with Kenneth Cole Productions, NineWest Group and Tommy Hilfiger, a distribution agreement for Caterpillar apparel, and licensing agreements with the National Football League, National Hockey League, National Basketball Association, Major League Baseball and more than 20 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)
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	10/31/99	10/31/98	10/31/99	10/31/98
Net sales	\$ 74,544	\$ 61,210	\$116,260	\$101,902
Cost of sales	54,009	45,952	85,407	77,543
Gross profit	20,535	15,258	30,853	24,359
Selling, general and administrative expenses	9,361	7,196	23,020	20,268
Operating profit	11,174	8,062	7,833	4,091
Interest and financing charges, net	954	1,127	1,482	1,949
Income before minority interest and income taxes	10,220	6,935	6,351	2,142
Minority interest	1,303	419	2,116	1,012
Income before income taxes	11,523	7,354	8,467	3,154
Income tax expense	4,606	2,928	3,384	1,248
Net income	\$ 6,917	\$ 4,426	\$ 5,083	\$ 1,906
Basic net income per common share	\$ 1.03	\$.68	\$.76	\$.29

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Diluted net income per common share \$ 1.01 \$.66 \$.75 \$.27
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Weighted average shares outstanding:

Basic	6,717,921	6,526,386	6,717,921	6,520,676
Diluted	6,867,529	6,751,744	6,806,789	6,989,565

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