MOVADO GROUP INC.

Movado Group, Inc. Enters Global License Agreement With HUGO BOSS

December 16, 2004

PARAMUS, N.J., Dec. 16 /PRNewswire-FirstCall/ -- Movado Group, Inc. (NYSE: MOV), today announced it has entered into a long-term worldwide licensing agreement with HUGO BOSS, a leading global fashion group, to design, produce and market a collection of watches under the BOSS and HUGO brand names. The agreement is effective as of March 21, 2005, and financial terms of the agreement were not disclosed.

The agreement grants Movado the exclusive rights to manufacture and distribute a full collection of fashion watches. The collection will be sold through select wholesale distribution outlets in Europe, the United States and Asia, as well as HUGO BOSS retail locations. As of the effective date, Movado Group will be responsible for the worldwide distribution of existing BOSS watch collections. While limited new product introductions will take place in 2005, major new product launches have been planned for spring 2006 at the Annual Watch & Jewelry Fair held in Basel, Switzerland. From a financial standpoint, Movado Group expects the results of the HUGO BOSS watch business to be immaterial during the Company's fiscal year ending January 31, 2006.

Rick Cote, Executive Vice President and Chief Operating Officer of Movado Group, commented, "We look forward to our new relationship with HUGO BOSS and believe this will prove to be a very beneficial venture for both companies. The HUGO BOSS watch collection will feature compelling identifiable designs combined with high quality craftsmanship. The collection will focus on the high end of the fashion watch category."

"Our strategy is to cooperate with licensing partners that lead their markets and work successfully with powerful brands," said Dr. Bruno Salzer, CEO and Chairman of HUGO BOSS AG, of the decision. "In Movado Group, we feel sure we have found a partner capable of further extending our position in the superior fashion watch segment."

Mr. Cote concluded, "The HUGO BOSS partnership is a great addition to our portfolio of brands and we are very excited about the growth opportunities it presents. Moreover, the business fits squarely within our selective licensing strategy. HUGO BOSS is not only a brand with demonstrated staying power but it also complements our business from a strategic, operational and geographic perspective."

Movado Group, Inc. designs, manufactures, and distributes Movado, Ebel, Concord, ESQ, Coach and Tommy Hilfiger watches worldwide, and operates Movado boutiques and Company stores in the United States.

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company has tried, whenever possible, to identify these forward-looking statements using words such as "expects," "anticipates," "believes," "targets," "goals," "projects," "intends," "plans," "seeks," "estimates," "projects," "may," "will," "should" and similar expressions. Similarly, statements in this press release that describe the Company's business strategy, outlook, objectives, plans, intentions or goals are also forward-looking statements. Accordingly, such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the Company's actual results, performance or achievements and levels of future dividends to differ materially from those expressed in, or implied by, these statements. These risks and uncertainties may include, but are not limited to: the Company's ability to successfully introduce and sell new products, the Company's ability to successfully integrate the operations of Ebel without disruption to its other business activities, changes in consumer demand for the Company's products, risks relating to the retail industry, import restrictions, competition, seasonality and the other factors discussed in the Company's Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. These statements reflect the Company's current beliefs and are based upon information currently available to it. Be advised that developments subsequent to this press release are likely to cause these statements to become outdated with the passage of time.

SOURCE Movado Group, Inc. -0- 12/16/2004 /CONTACT: Rick Cote, Executive Vice President and Chief Operating Officer, +1-201-267-8000, or Investor Relations, Suzanne Michalek, Director of Corporate Communications, +1-201-267-8000, both of Movado Group, Inc., or Investor Relations, Melissa Myron, or Press, Melissa Merrill, +1-212-850-5600, both of Financial Dynamics, for Movado Group, Inc./ /Web site: http://www.movadogroupinc.com / (MOV)