

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): DECEMBER 12, 2005

MOVADO GROUP, INC.

(Exact Name of Registrant as Specified in Charter)

NEW YORK

(State or Other Jurisdiction of Incorporation)

1-16497

13-2595932

(Commission File Number)

(IRS Employer Identification Number)

650 FROM ROAD
PARAMUS, NEW JERSEY

07652

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code: (201) 267-8000

NOT APPLICABLE

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (SEE General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

BANK OF AMERICA LINE OF CREDIT AGREEMENT AND AMENDED AND RESTATED PROMISSORY NOTE.

On December 12, 2005, Movado Group, Inc. (the "Company") executed a line of credit letter agreement with Bank of America ("B of A") and an amended and restated promissory note in the principal amount of up to \$20,000,000 payable to B of A.

Pursuant to the line of credit letter agreement, B of A will consider requests for short-term loans and documentary letters of credit for the importation of merchandise inventory, the aggregate amount of which at any time outstanding shall not exceed \$20,000,000. The Company's obligations under the agreement are guaranteed by its subsidiaries, Movado Retail Group, Inc. and Movado LLC.

Pursuant to the amended and restated promissory note, the Company promised to pay to B of A \$20,000,000, or such lesser amount as may then be the unpaid balance of all loans made by B of A to the Company thereunder, in immediately available funds upon the maturity date of June 16, 2006. The Company has the right to prepay all or part of any outstanding amounts under the promissory note without penalty at any time prior to the maturity date. The amended and restated promissory note bears interest at an annual rate equal to either (i) a floating rate equal to the prime rate or (ii) such fixed rate as may be agreed upon by the Company and B of A for an interest period which is also then agreed upon. The amended and restated promissory note contains various representations and warranties and events of default that are customary for instruments of that type.

The line of credit letter agreement supersedes the line of credit letter agreement from B of A to the Company dated June 19, 2005, as amended, and the amended and restated promissory note supersedes the amended and restated promissory note dated June 19, 2005.

JP MORGAN CHASE PROMISSORY NOTE.

On December 13, 2005, the Company executed a promissory note in the principal amount of up to \$37,000,000 payable to JPMorgan Chase Bank, N.A. ("Chase")

Pursuant to the promissory note, the Company promised to pay to Chase \$37,000,000, or such lesser amount as may then be the unpaid balance of each loan made or letter of credit issued by Chase to the Company thereunder, upon the maturity date of July 31, 2006; provided that during the period between January 31, 2006 and the maturity date, the maximum principal amount of all loans made by Chase to the Company, and outstanding under the promissory note, shall not exceed \$2,000,000. The Company has the right to prepay all or part of any outstanding amounts under the promissory note without penalty at any time prior to the maturity date. The promissory note bears interest at an annual rate equal to either (i) a floating rate equal to the prime rate, (ii) a fixed rate

equal to an adjusted London Interbank Offered Rate plus 0.625% or (iii) a fixed rate equal to a rate of interest offered by Chase from time to time on any single commercial borrowing. The promissory note contains various events of default that are customary for instruments of that type. In addition, it is an event of default for any security interest or other encumbrance to be created or imposed on the Company's property, other than as permitted in the lien covenant of the Credit Agreement, dated as of December 15, 2005, among the Company, the lenders signatory thereto and Chase, as administrative agent, a copy of which will be filed by the Company as an exhibit to its next periodic report or registration statement under the Securities Act. Interested parties should read those agreements in their entirety.

ITEM 2.03. CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT OF A REGISTRANT.

See the discussion under Item 1.01 above, which discussion is incorporated by reference herein.

ITEM 8.01. OTHER EVENTS.

On December 15, 2005, the Company issued a press release which is attached hereto as Exhibit 99.1 and is incorporated by reference into this item.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

EXHIBIT NUMBER -----	DESCRIPTION -----
99.1	Press release of Movado Group, Inc. dated December 15, 2005.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report on Form 8-K to be signed on its behalf by the undersigned, hereunto duly authorized.

Dated: December 16, 2005

MOVADO GROUP, INC.

By: /s/ Timothy Michno

Name: Timothy Michno
Title: General Counsel

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
99.1	Press release of Movado Group, Inc. dated December 15, 2005.

[GRAPHIC OMITTED]
 [LOGO - MOVADO GROUP INC.]

Movado
 Ebel
 Concord
 ESQ SWISS
 Coach Watches
 Tommy Hilfiger Watches
 Hugo Boss Watches

APPROVED BY: Rick Cote
 Executive Vice President and
 Chief Operating Officer
 201-267-8000

CONTACT: Investor Relations
 Suzanne Michalek
 Director of Corporate Communications
 201-267-8000

Financial Dynamics
 Melissa Myron/Rachel Albert
 212-850-5600

FOR IMMEDIATE RELEASE

MOVADO GROUP, INC. BOARD APPROVES PLAN TO
 REPATRIATE APPROXIMATELY \$150 MILLION IN FOREIGN EARNINGS

PARAMUS, NJ - DECEMBER 15, 2005 -- MOVADO GROUP, INC. (NYSE: MOV) announced that it intends to repatriate approximately \$150 million in undistributed foreign earnings under the provisions of the American Jobs Creation Act (AJCA) of 2004. The Company anticipates repatriating approximately \$150 million depending upon year-end cash balances and the exchange rate at the time of repatriation. Assuming the Company repatriates \$150 million, a one-time charge will be recorded in the fourth quarter ending January 31, 2006 for the related tax expense, which is currently estimated to be \$8.0 million, or approximately \$0.31 per diluted share. The repatriation will consist of proceeds from existing off-shore year-end cash and proceeds drawn from the Company's new Swiss credit facility.

The repatriation provision of the AJCA requires that funds be invested in qualified investments in the United States. The investments include: advertising and marketing expenditures, infrastructure and capital investments, including retail store expansion and renovation, headquarters expansion, information technology replacements and upgrades, employee hiring and training, and compensation and benefits for non-executive employees.

Movado Group, Inc. designs, manufactures, and distributes Movado, Ebel, Concord, ESQ, Coach, Tommy Hilfiger and Hugo Boss 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 NEWLY ACQUIRED AND/OR LICENSED BRANDS 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.

