

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): MARCH 29, 2007

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 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On March 29, 2007, Movado Group, Inc. issued a press release announcing its results for the fourth quarter and fiscal year ended January 31, 2007. The press release is attached hereto as Exhibit 99.1 and is incorporated by reference into this item. The information in this Current Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, except as shall be expressly set forth by specific reference in any such filing.

ITEM 7.01. REGULATION FD DISCLOSURE.

On March 29, 2007, Movado Group, Inc. issued a press release announcing its Board of Directors had approved an increase in the Company's quarterly dividend to \$0.08 per share. The increased dividend rate will be effective commencing with the regular quarterly dividend payable on April 30, 2007 to shareholders of record as of April 16, 2007. The press release is attached hereto as Exhibit 99.2 and is incorporated by reference into this item. The information in this Current Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into

any registration statement or other document pursuant to the Securities Act of 1933, except as shall be expressly set forth by specific reference in any such filing.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

EXHIBIT NO. -----	DESCRIPTION -----
99.1	Press Release of Movado Group, Inc. dated March 29, 2007 announcing results for the fourth quarter and fiscal year ended January 31, 2007
99.2	Press release of Movado Group, Inc. dated March 29, 2007 announcing 33% Quarterly Dividend Increase

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: March 29, 2007

MOVADO GROUP, INC.

By: /s/ Timothy F. Michno  
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Name: Timothy F. Michno  
Title: General Counsel

EXHIBIT INDEX

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[GRAPHIC OMITTED]

[LOGO - MOVADO GROUP INC.]

CONTACT: Investor Relations  
Suzanne Rosenberg  
Vice President, Corporate Communications  
201-267-8000

Financial Dynamics  
Leigh Parrish/Melissa Merrill  
212-850-5600

FOR IMMEDIATE RELEASE

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MOVADO GROUP, INC. POSTS RECORD NET SALES AND NET INCOME  
IN FISCAL 2007

- FY07 REPORTED OPERATING INCOME INCREASES 9% -
- FY07 ADJUSTED OPERATING INCOME INCREASES 18% -

PARAMUS, NJ - MARCH 29, 2007 - MOVADO GROUP, INC. (NYSE: MOV), today announced results for the fourth quarter and fiscal year ended January 31, 2007.

FOURTH QUARTER FISCAL 2007

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- o Net sales were \$142.3 million compared to \$126.1 million last year. Net sales for the quarter included \$4.4 million of excess discontinued product.
- o Comparable store sales at the Company's Movado boutiques decreased 1.8% versus a 14.4% increase in the year-ago period.
- o Gross profit was \$86.9 million, or 61.1% of sales, compared to \$77.3 million, or 61.3% of sales last year. Excluding excess discontinued product sales, adjusted gross profit was \$86.9 million, or 63.1% of sales, an improvement of 180 basis points over the year-ago period.
- o Operating profit was \$15.0 million compared to \$14.6 million in the fourth quarter of fiscal 2006. Adjusting for an unusual item recorded in fiscal 2006, operating profit in fiscal 2007 increased 8.7% from \$13.8 million in fiscal 2006. (SEE ATTACHED TABLE FOR A RECONCILIATION OF GAAP TO NON-GAAP MEASURES.)
- o Other income of \$1.0 million includes the benefit from sales of non-financial assets. No other income was recorded in the year-ago period.
- o Net interest income was \$0.1 million versus net interest expense of \$1.2 million last year:
  - o Interest expense for the quarter was \$0.9 million compared to \$1.5 million in the year-ago period.
  - o Interest income for the quarter was \$1.0 million compared to \$0.3 million last year.
- o Income tax expense of \$1.8 million reflects an effective tax rate of 11.4% in the fourth quarter compared to income tax expense of \$10.4 million, or a 77.9% tax rate, recorded last year. The favorable tax rate benefited fourth quarter diluted earnings per share by \$0.08 and reflects the continued utilization of a Swiss net operating loss carryforward (NOL) acquired with the Ebel brand in fiscal 2005. Year-ago income tax expense included a \$7.5 million charge related to \$148.5 million of foreign earnings repatriated under the American Jobs Creation Act.
- o On a reported basis, net income and earnings per diluted share were \$14.0 million and \$0.52, respectively, versus net income of \$3.0 million and earnings per diluted share of \$0.11 in the year-ago period.
- o Adjusting for unusual items recorded in fiscal 2007 and fiscal 2006, fourth quarter net income increased 15.2% to \$11.4 million in fiscal 2007 from \$9.9 million in fiscal 2006, and adjusted earnings per diluted share increased 10.5% to \$0.42 in fiscal 2007 from \$0.38 in fiscal 2006. (SEE ATTACHED TABLE FOR A RECONCILIATION OF GAAP TO NON-GAAP MEASURES.)

FISCAL 2007 RESULTS

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- o Net sales increased 13.2% to \$532.9 million versus \$470.9 million last year. Net sales for the year included \$16.6 million of excess discontinued product.
- o Comparable store sales increased 2.3% at the Company's Movado boutiques

versus an 8.5% increase last year.

- o Gross profit was \$322.9 million, or 60.6% of sales, compared to \$286.3 million, or 60.8% of sales last year. Excluding excess discontinued product sales, adjusted gross profit was \$322.9 million, or 62.5% of sales, an improvement of 170 basis points over the year-ago period.
- o Operating profit increased 8.9% to \$52.3 million compared to \$48.0 million in fiscal 2006. Adjusting for unusual items recorded in fiscal 2007 and fiscal 2006, operating profit in fiscal 2007 increased 18.0% to \$56.1 million from \$47.5 million in fiscal 2006. (SEE ATTACHED TABLE FOR A RECONCILIATION OF GAAP TO NON-GAAP MEASURES.)
- o Other income was \$1.3 million compared to \$1.0 million last year and included the previously mentioned benefit from sales of non-financial assets. Other income of \$1.0 million recorded in fiscal 2006 included two unusual items recorded in the third quarter of fiscal 2006: a gain of \$2.6 million generated from the sale of a building acquired with Ebel, which more than offset a loss of \$1.6 million associated with the accounting for foreign currency hedge derivatives.
- o Net interest expense was \$0.5 million versus net interest expense of \$4.1 million last year:
  - o Interest expense for fiscal 2007 was \$3.8 million compared to \$4.6 million in the year-ago period.
  - o Interest income for fiscal 2007 was \$3.3 million compared to \$0.5 million last year.
- o Income tax expense of \$2.9 million reflects an effective tax rate of 5.4% compared to income tax expense of \$18.3 million, or a 40.8% tax rate, recorded last year. The favorable tax rate reflects the further utilization of the Swiss NOL acquired with the Ebel brand in fiscal 2005. Year-ago income tax expense includes the previously mentioned impact associated with the repatriation of foreign earnings under the American Jobs Creation Act.
- o On a reported basis, net income and earnings per diluted share were \$50.1 million and \$1.87, respectively, versus net income of \$26.6 million and earnings per diluted share of \$1.02 reported in fiscal 2006.
- o Fiscal 2007 adjusted net income increased 26.1% to \$41.2 million from \$32.7 million in fiscal 2006, and adjusted earnings per diluted share increased 23.2% to \$1.54 in fiscal 2007 from \$1.25 in fiscal 2006. (SEE ATTACHED TABLE FOR A RECONCILIATION OF GAAP TO NON-GAAP MEASURES.)

Efraim Grinberg, President and Chief Executive Officer, stated, "Movado Group's continued success in fiscal 2007 demonstrates the distinctive positioning of our brands, the clarity of our strategy and the power of our business model. These outstanding results were achieved as we continued to support our existing brand portfolio and launch new business initiatives. Our Movado boutiques, while still a relatively small part of our overall business, experienced a challenging year and we are refocusing our product development and streamlining our costs in this important brand-building initiative."

Rick Cote, Executive Vice President and Chief Operating Officer, stated, "Our strong results reflect a demonstrated company-wide commitment to disciplined operational execution. Appropriate investments made in our brands and businesses continue to pay off in the form of brand image, margin expansion, and earnings growth. This is a strategy that we will continue to employ in fiscal 2008, as we optimize our current brand portfolio, growing both domestically and abroad."

"Continued improvement of our financial returns - namely expanding operating margin from the historic 10% level to the mid-teens - remains a top priority for our company and a key multi-year initiative," Mr. Cote stated. "In addition to gross margin expansion and increased scale, the implementation of a new enterprise resource planning system will be a key enabler toward enhancing our overall cost structure, improving our operating margin performance, and enhancing our customers' experience. We are bringing our organization to a whole new level of sophistication by reengineering our business processes and by harnessing technology to make a significant and sustainable impact on our global operations."

Mr. Grinberg concluded, "Fiscal 2008 marks the 60th anniversary of the iconic Movado Museum dial - 60 years of modern design. Throughout the year we will celebrate Movado brand's history and incorporate its rich heritage in our products, our marketing, our boutiques and through special events. Supporting the arts and revolutionizing design, Movado will continue to strengthen its position as the market leader in the accessible luxury category in North America. New initiatives are in place across all of our brands and we look forward to the exciting products we plan to introduce at the Basel Watch Fair, including the debut of our new LACOSTE watch collection."

On a GAAP basis, Movado Group projects fiscal 2008 diluted earnings per share of approximately \$1.72 based on an approximate 25% tax rate, versus fiscal 2007 GAAP diluted earnings per share of \$1.87 reported on a 5.4% tax rate. The Company's fiscal 2008 EPS projection represents a 12% increase from fiscal 2007 adjusted EPS of \$1.54, and is based on a projected 2.5% increase in diluted shares. Fiscal 2008 net sales are projected to range between \$550 million and \$560 million.

The Company's management will host a conference call today, March 29, 2007 at 10:00 a.m. Eastern Time to discuss its fourth quarter and year-end financial results. A live broadcast of the call will be available on the Company's website: [www.movadogroup.com](http://www.movadogroup.com). This call will be archived online within one hour of the completion of the conference call.

- more -

Movado Group, Inc. designs, manufactures, and distributes Movado, Ebel, Concord, ESQ, Coach, Tommy Hilfiger, HUGO BOSS, Juicy Couture and LACOSTE watches worldwide, and operates Movado boutiques and company stores in the United States.

IN THIS RELEASE, THE COMPANY PRESENTS CERTAIN ADJUSTED FINANCIAL MEASURES THAT ARE NOT CALCULATED ACCORDING TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN THE UNITED STATES ("GAAP"). THESE NON-GAAP FINANCIAL MEASURES ARE DESIGNED TO COMPLEMENT THE GAAP FINANCIAL INFORMATION PRESENTED IN THIS RELEASE BECAUSE MANAGEMENT BELIEVES THEY PRESENT INFORMATION REGARDING THE COMPANY THAT MANAGEMENT BELIEVES IS USEFUL TO INVESTORS. THE NON-GAAP FINANCIAL MEASURES PRESENTED SHOULD NOT BE CONSIDERED IN ISOLATION FROM OR AS A SUBSTITUTE FOR THE COMPARABLE GAAP FINANCIAL MEASURE.

THE COMPANY IS PRESENTING NET SALES EXCLUDING EXCESS DISCONTINUED PRODUCT SALES (AND GROSS PROFIT EXCLUDING SUCH SALES) BECAUSE THE COMPANY BELIEVES THAT IT IS USEFUL TO INVESTORS TO ELIMINATE THE EFFECT OF THESE UNUSUAL SALES IN ORDER TO IMPROVE THE COMPARABILITY OF THE COMPANY'S RESULTS FOR THE PERIODS PRESENTED.

THE COMPANY PRESENTS ADJUSTED OPERATING PROFIT, WHICH IS OPERATING PROFIT EXCLUDING A NON-CASH CHARGE TO ACCOUNTS RECEIVABLE RESERVE DUE TO A CHANGE IN ESTIMATE; A ONE-TIME BENEFIT RECORDED FOR AN OUT-OF-PERIOD ADJUSTMENT RELATED TO FOREIGN CURRENCY; AND, THE REVERSAL OF A PREVIOUSLY RECORDED LIABILITY. THE COMPANY EXCLUDES THE CHARGE TO ACCOUNTS RECEIVABLE RESERVE BECAUSE IT IS A NON-CASH, NON-RECURRING CHARGE. THE COMPANY EXCLUDES THE OUT-OF-PERIOD ADJUSTMENT RELATED TO FOREIGN CURRENCY BECAUSE IT DOES NOT RELATE TO THE PERIODS BEING PRESENTED. THE COMPANY EXCLUDES THE REVERSAL OF A PREVIOUSLY RECORDED LIABILITY BECAUSE IT IS AN UNUSUAL ITEM. MANAGEMENT BELIEVES THAT PRESENTING ADJUSTED OPERATING PROFIT IS USEFUL TO INVESTORS BECAUSE THE EXCLUSION OF NON-RECURRING, NON-CASH CHARGES AND OUT-OF-PERIOD ADJUSTMENTS ENHANCES THE COMPARABILITY OF FISCAL 2007 OPERATING RESULTS WITH FISCAL 2006 OPERATING RESULTS AND GIVES A BETTER INDICATION OF THE GROWTH IN THE COMPANY'S OPERATING PERFORMANCE THAT OCCURRED BETWEEN THE PERIODS COMPARED.

ADJUSTED NET INCOME IS CALCULATED BY EXCLUDING CERTAIN NON-OPERATIONAL AND UNUSUAL ITEMS FROM NET INCOME, SUCH AS A NON-CASH CHARGE TO ACCOUNTS RECEIVABLE RESERVE DUE TO A CHANGE IN ESTIMATE; A ONE-TIME BENEFIT RECORDED FOR AN OUT-OF-PERIOD ADJUSTMENT RELATED TO FOREIGN CURRENCY; A NON-RECURRING GAIN ON THE SALE OF ASSETS; A LOSS ON DISCONTINUED CURRENCY HEDGE DERIVATIVES; THE UTILIZATION OF AN ACQUIRED EBEL TAX NET OPERATING LOSS CARRYFORWARD; AND, THE TAX EXPENSE ASSOCIATED WITH THE REPATRIATED FOREIGN EARNINGS UNDER THE AMERICAN JOBS CREATION ACT OF 2004. MANAGEMENT BELIEVES THAT PRESENTING ADJUSTED NET INCOME (AND ADJUSTED NET INCOME PER SHARE) IS USEFUL TO INVESTORS BECAUSE THE EXCLUSION OF NON-OPERATIONAL AND UNUSUAL ITEMS PROVIDES INVESTORS WITH ADDITIONAL INFORMATION REGARDING THE COMPANY'S OPERATING RESULTS AND PERFORMANCE BECAUSE CHANGES IN THE COMPANY'S OPERATIONS MAY BE MASKED BY THOSE UNUSUAL ITEMS. PRESENTATION OF ADJUSTED NET INCOME PROVIDES INVESTORS WITH ANOTHER MEASURE WITH WHICH TO COMPARE THE COMPANY'S FISCAL 2007 OPERATING RESULTS AND ITS FISCAL 2006 OPERATING RESULTS.

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," "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 FASHION AND RETAIL INDUSTRY, IMPORT RESTRICTIONS, COMPETITION, SEASONALITY, COMMODITY PRICE AND EXCHANGE RATE FLUCTUATIONS, CHANGES IN LOCAL OR GLOBAL ECONOMIC CONDITIONS, 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.

(Tables to follow)

MOVADO GROUP, INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(IN THOUSANDS, EXCEPT PER SHARE DATA)  
(UNAUDITED)

	THREE MONTHS ENDED JANUARY 31,		TWELVE MONTHS ENDED JANUARY 31,	
	2007	2006	2007	2006
Net sales	\$ 142,261	\$ 126,123	\$ 532,865	\$ 470,941
Cost of sales	55,322	48,798	209,922	184,621
Gross profit	86,939	77,325	322,943	286,320
Selling, general and administrative expenses	71,907	62,721	270,624	238,283
Operating profit	15,032	14,604	52,319	48,037
Other income, net	973	--	1,347	1,008
Interest expense	(936)	(1,486)	(3,785)	(4,574)
Interest income	1,020	277	3,280	465
Income before income taxes	16,089	13,395	53,161	44,936
Income tax	1,841	10,434	2,890	18,319
Minority interest	199	--	133	--
Net income	14,049	\$ 2,961	\$ 50,138	\$ 26,617
Net income per diluted share	\$ 0.52	\$ 0.11	\$ 1.87	\$ 1.02
Shares used in per share computation	27,012	26,263	26,794	26,180



MOVADO GROUP, INC.  
RECONCILIATION TABLES  
(IN THOUSANDS, EXCEPT PER SHARE DATA)  
(UNAUDITED)

	THREE MONTHS ENDED JANUARY 31,		TWELVE MONTHS ENDED JANUARY 31,	
	2007	2006	2007	2006
Operating Profit (GAAP)	\$ 15,032	\$ 14,604	\$ 52,319	\$ 48,037
A/R Reserve Adjustment (1)	--	--	6,000	--
Out-of-Period FX Adjustment (2)	--	--	(2,211)	--
Previously Recorded Liability Adjustment (3)	--	(771)	--	(507)
Adjusted Operating Profit (Non-GAAP)	\$ 15,032	\$ 13,833	\$ 56,108	\$ 47,530

	THREE MONTHS ENDED JANUARY 31,		TWELVE MONTHS ENDED JANUARY 31,	
	2007	2006	2007	2006
Net Income (GAAP)	\$ 14,049	\$ 2,961	\$ 50,138	\$ 26,617
A/R Reserve Adjustment (1)	--	--	3,706	--
Out-of-Period FX Adjustment (2)	--	--	(1,729)	--
Previously Recorded Liability Adjustment (3)	--	(603)	--	(396)
Gain on Sale of Assets (4) (5)	(524)	--	(524)	(2,057)
Currency Loss (6)	--	--	--	1,002
NOL Utilization (7)	(2,158)	--	(10,385)	--
Repatriation Taxes (8)	--	7,506	--	7,506
Adjusted Net Income (Non-GAAP)	\$ 11,367	\$ 9,864	\$ 41,206	\$ 32,672
Number of shares outstanding	27,012	26,263	26,794	26,180
Adjusted Net Income per share (Non-GAAP)	\$ 0.42	\$ 0.38	\$ 1.54	\$ 1.25

- (1) Non-cash charge to accounts receivable reserve due to a change in estimate.
- (2) One-time benefit recorded for an out-of-period adjustment related to foreign currency.
- (3) One-time benefit recorded for reversal of a previously recorded liability.
- (4) Fiscal 2007 gain on sale of artwork.
- (5) Fiscal 2006 gain on sale of building acquired with Ebel.
- (6) Loss on discontinued foreign currency hedge derivatives.
- (7) Utilization of acquired Ebel tax net operating loss carryforwards.
- (8) Tax expense associated with the repatriated foreign earnings under the American Jobs Creation Act of 2004.

MOVADO GROUP, INC.  
CONSOLIDATED BALANCE SHEETS  
(in thousands)  
(Unaudited)

	JANUARY 31, 2007	JANUARY 31, 2006
	-----	-----
<b>ASSETS</b>		
Cash and cash equivalents	\$133,011	\$123,625
Trade receivables, net	111,417	109,852
Inventories	193,342	198,582
Other	35,109	26,319
	-----	-----
Total current assets	472,879	458,378
	-----	-----
Property, plant and equipment, net	56,823	52,168
Other assets	47,916	39,373
	-----	-----
	\$577,618	\$549,919
	=====	=====
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current portion of long-term debt	\$ 5,000	\$ 5,000
Accounts payable	32,901	33,120
Accrued liabilities	45,610	45,501
Deferred and current taxes payable	5,946	8,227
	-----	-----
Total current liabilities	89,457	91,848
	-----	-----
Long-term debt	75,196	104,955
Deferred and non-current income taxes	11,054	11,947
Other liabilities	23,087	19,491
Minority interest	443	--
Shareholders' equity	378,381	321,678
	-----	-----
	\$577,618	\$549,919
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[GRAPHIC OMITTED]

[LOGO - MOVADO GROUP INC.]

CONTACT: Investor Relations  
Suzanne Rosenberg  
Vice President, Corporate Communications  
201-267-8000

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FOR IMMEDIATE RELEASE

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MOVADO GROUP, INC. ANNOUNCES 33% QUARTERLY DIVIDEND INCREASE

PARAMUS, NJ - MARCH 29, 2007 -- MOVADO GROUP, INC. (NYSE: MOV), today announced its Board of Directors has approved an increase in the Company's quarterly dividend to \$0.08 per share. The increased dividend rate will be effective commencing with the regular quarterly dividend payable on April 30, 2007 to shareholders of record as of April 16, 2007. On an annualized basis, the new dividend rate would increase to \$0.32 per share from \$0.24 per share.

Efraim Grinberg, President and Chief Executive Officer, stated, "Our company has a powerful and diverse portfolio of brands that we believe will continue to grow globally. The 33% increase in our dividend marks the seventh consecutive year of increasing our quarterly dividend; underscores our company's strong cash flow and financial position; and demonstrates our on-going commitment to building value for our shareholders."

Movado Group, Inc. designs, manufactures, and distributes Movado, Ebel, Concord, ESQ, Coach, Tommy Hilfiger, HUGO BOSS, Juicy Couture and LACOSTE watches worldwide, and operates Movado boutiques and company stores in the United States.

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