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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): JUNE 1, 1999

THE MEN'S WEARHOUSE, INC.
(Exact name of registrant as specified in charter)

<TABLE>
<CAPTION>

TEXAS	000-20036	74-1790172
<S>	<C>	<C>
(State of Incorporation)	(Commission File No.)	(I.R.S. Employer Identification No.)

</TABLE>

5803 GLENMONT DRIVE
HOUSTON, TEXAS 77081
(Address of Principal Executive Offices) (Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (713) 592-7200

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ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS.

On June 1, 1999, The Men's Wearhouse, Inc., a Texas corporation (the "Company"), effected the acquisition of K&G Men's Center, Inc., a Georgia corporation ("K&G"), through the merger (the "Merger") of TMW Combination Company, a Georgia corporation and wholly owned subsidiary of the Company ("Combination Company"), with and into K&G, which resulted in K&G becoming a wholly owned subsidiary of the Company. The Merger was effected pursuant to an Agreement and Plan of Merger (as amended, the "Merger Agreement") dated March 3, 1999, by and between the Company, Combination Company and K&G. Based on an exchange ratio of .43 of a share of the Company's common stock, par value $.01 per share ("Company Common Stock"), for each share of K&G's common stock, par value $.01 per share, the shareholders of K&G will receive approximately 4.4 million shares of Company Common Stock in exchange for all of the outstanding capital stock of K&G. There is no assumption of any significant debt of K&G. The number of shares issued in the Merger was based on arms-length negotiations between the parties. The Merger will be accounted for as a pooling of interests.

In accordance with the terms of the Merger Agreement, upon effectiveness of the Merger the board of directors of the Company increased the number of directors by one and elected Stephen H. Greenspan as a director to serve until the next annual meeting of the shareholders of the Company. The Company's board of directors has also included Mr. Greenspan in its nominees for election at the 1999 Annual Meeting of Shareholders of the Company. In addition, Mr. Greenspan entered into an amended and restated employment agreement with K&G whereby K&G agreed to employ Mr. Greenspan as Chief Executive Officer. A copy of the amended and restated employment agreement is filed as Exhibit 10.1 and is hereby incorporated herein by reference.

K&G is a superstore retailer of a complete line of men's apparel and accessories and presently operates 34 stores in 16 states. The Company intends to continue to operate the business of K&G and to integrate K&G's operations with the Company's existing men's retail operations.

In connection with the closing of the K&G transaction, the Company's management is evaluating K&G's and the Company's operations with regard to duplicate facilities within existing markets. The Company expects to close approximately five stores as a result of this process and to replace SuitMax signage in connection with adopting K&G's store branding. Management estimates that the cost of these store closing and the write-off of abandoned signage will be approximately $3 million before income taxes.

A copy of the press release announcing the closing of the Merger is filed as Exhibit 99.1 and is hereby incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial statements of business acquired.

The following financial statements of K&G Men's Center, Inc. are included in Appendix A hereto and filed herewith:

Report of Independent Public Accountants

Consolidated Balance Sheets as of February 1, 1998 and January 31, 1999

Consolidated Statements of Operations for the fiscal years ended February 2, 1997, February 1, 1998 and January 31, 1999

Consolidated Statements of Shareholders' Equity for the fiscal years ended February 2, 1997, February 1, 1998 and January 31, 1999

Consolidated Statements of Cash Flows for the fiscal years ended February 2, 1997, February 1, 1998 and January 31, 1999

Notes to Consolidated Financial Statements

(b) Pro forma financial information.

The following pro forma financial information is included in Appendix B hereto and filed herewith:

Pro Forma Combined Financial Statements - Basis of Presentation

Pro Forma Combined Balance Sheet at January 30, 1999

Pro Forma Combined Statements of Earnings:

For the Year Ended January 30, 1999
For the Year Ended January 31, 1998
For the Year Ended February 1, 1997

Notes to Pro Forma Combined Financial Statements

(c) Exhibits.

2.1 - Agreement and Plan of Merger dated March 3, 1999, by and between The Men's Wearhouse, Inc., TMW Combination Company and K&G Men's Center, Inc. (incorporated by reference from Exhibit 2.2 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1999).

2.2 - Amendment No. 1 to Agreement and Plan of Merger dated March 30, 1999, by and between The Men's Wearhouse, Inc., TMW Combination Company and K&G Men's Center, Inc. (incorporated by reference from Exhibit 2.3 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1999).

10.1 - Amended and Restated Employment Agreement dated as of June 1, 1999, by and between K&G Men's Center, Inc. and Stephen H. Greenspan.

23.1 - Consent of Arthur Andersen LLP.

99.1 - Press Release of the Company dated June 1, 1999, announcing the closing of the Merger.

SIGNATURES

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

THE MEN'S WEARHOUSE, INC.

Dated: June 11, 1999

/s/ GARY G. CKODRE

Gary G. Ckodre
Vice President - Finance

Appendix A

K&G Men's Center, Inc. and Subsidiaries
Consolidated Financial Statements

K&G MEN'S CENTER, INC. AND SUBSIDIARIES
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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and Shareholders of K&G Men's Center, Inc.:

We have audited the accompanying consolidated balance sheets of K&G Men's Center, Inc. (a Georgia corporation) and subsidiaries as of February 1, 1998 and January 31, 1999 and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the three years in the period ended January 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of K&G Men's Center, Inc. and subsidiaries as of February 1, 1998 and January 31, 1999 and the results of their operations and their cash flows for each of the three years in the period ended January 31, 1999 in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

Atlanta, Georgia
March 17, 1999

K&G MEN'S CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

<TABLE>

<CAPTION>

	FEBRUARY 1, 1998	JANUARY 31, 1999
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 3,631,000	$ 11,361,000
Marketable securities	17,678,000	6,025,000
Accounts receivable	1,435,000	1,460,000
Merchandise inventory	20,948,000	30,771,000
Other assets	869,000	1,570,000
Total current assets	44,561,000	51,187,000
PROPERTY AND EQUIPMENT:		
Furniture and fixtures	1,646,000	2,779,000
Computer equipment	645,000	1,177,000
Leasehold improvements	2,388,000	4,147,000
	4,679,000	8,103,000
Less accumulated depreciation	(1,752,000)	(2,517,000)
Property and equipment, net	2,927,000	5,586,000
OTHER ASSETS, net	443,000	457,000
Total assets	$ 47,931,000	$ 57,230,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 5,432,000	$ 4,873,000
Sales taxes payable	863,000	968,000
Accrued expenses	1,880,000	2,517,000
Income taxes payable	1,361,000	1,470,000
Total current liabilities	9,536,000	9,828,000
NOTES PAYABLE	205,000	205,000
COMMITMENTS AND CONTINGENCIES (Note 6)		
MINORITY INTEREST	373,000	400,000
SHAREHOLDERS' EQUITY:		
Preferred Stock, $.01 par value; 2,000,000 shares authorized and unissued	0	0
Common Stock, $.01 par value; 40,000,000 shares authorized, 10,127,482 and 10,252,844 shares issued and outstanding, respectively	101,000	103,000
Additional paid-in capital	25,182,000	27,931,000
Retained earnings	12,534,000	18,763,000
Total shareholders' equity	37,817,000	46,797,000
Total liabilities and shareholders' equity	$ 47,931,000	$ 57,230,000

</TABLE>

The accompanying notes are an integral part of these consolidated balance sheets.

K&G MEN'S CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	FISCAL YEARS ENDED		
	FEBRUARY 2, 1997	FEBRUARY 1, 1998	JANUARY 31, 1999
NET SALES	$ 88,104,000	$ 112,795,000	$139,234,000
COST OF SALES, including occupancy costs	67,344,000	86,513,000	107,081,000
GROSS PROFIT	20,760,000	26,282,000	32,153,000
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES	13,752,000	16,675,000	22,617,000
OPERATING INCOME	7,008,000	9,607,000	9,536,000

OTHER INCOME (EXPENSE):			
Interest expense	(43,000)	(29,000)	(29,000)
Other income, net	735,000	1,166,000	1,061,000
INCOME BEFORE INCOME TAXES AND MINORITY INTEREST IN EARNINGS OF AFFILIATES	7,700,000	10,744,000	10,568,000
PROVISION FOR INCOME TAXES	2,991,000	4,189,000	4,137,000
INCOME BEFORE MINORITY INTEREST IN EARNINGS OF AFFILIATES	4,709,000	6,555,000	6,431,000
MINORITY INTEREST IN EARNINGS OF AFFILIATES	(125,000)	(172,000)	(202,000)
NET INCOME	$ 4,584,000	$ 6,383,000	$ 6,229,000
BASIC EARNINGS PER SHARE	$0.47	$0.63	$0.61
DILUTED EARNINGS PER SHARE	$0.47	$0.63	$0.61
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	9,682,320	10,117,555	10,207,338
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING ASSUMING DILUTION	9,786,925	10,210,911	10,207,338

</TABLE>

The accompanying notes are an integral part of these consolidated statements.

K&G MEN'S CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

<TABLE>
<CAPTION>

	COMMON STOCK		ADDITIONAL		
	SHARES	AMOUNT	PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL
<S>	<C>	<C>	<C>	<C>	<C>
BALANCE, January 28, 1996	6,168,487	$ 62,000	$ 997,000	$ 1,584,000	$ 2,643,000
Initial public offering, net of expenses	1,691,250	17,000	10,115,000	0	10,132,000
Conversion of Redeemable Common Stock, Series B and Common Stock Series A to Common Stock	1,706,513	17,000	6,475,000	(17,000)	6,475,000
Issuance of Common Stock, net of expenses	538,275	5,000	7,441,000	0	7,446,000
Net income	0	0	0	4,584,000	4,584,000
BALANCE, February 2, 1997	10,104,525	101,000	25,028,000	6,151,000	31,280,000
Issuance of stock for stock option exercise	22,957	0	154,000	0	154,000
Net income	0	0	0	6,383,000	6,383,000
BALANCE, February 1, 1998	10,127,482	101,000	25,182,000	12,534,000	37,817,000
Issuance of Common Stock, net of expenses	88,263	1,000	1,563,000	0	1,564,000
Tax effect of stock option exercise	0	0	924,000	0	924,000
Issuance of stock for stock option exercise	37,099	1,000	262,000	0	263,000
Net income	0	0	0	6,229,000	6,229,000
BALANCE, January 31, 1999	10,252,844	$ 103,000	$ 27,931,000	$ 18,763,000	$ 46,797,000

</TABLE>

The accompanying notes are an integral part of these consolidated statements.

K&G MEN'S CENTER, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	FISCAL YEARS ENDED		
	FEBRUARY 2, 1997	FEBRUARY 1, 1998	JANUARY 31, 1999

<S> <C> <C> <C>

CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 4,584,000	$ 6,383,000	$ 6,229,000
Adjustments to reconcile net income to net cash provided by operating activities:			
Minority interest in earnings of affiliates	125,000	172,000	202,000
Depreciation and amortization	409,000	479,000	781,000
Deferred income tax provision (benefit)	0	8,000	(71,000)
Changes in assets and liabilities:			
Accounts receivable	(272,000)	(436,000)	(25,000)
Merchandise inventory	(4,691,000)	(5,109,000)	(9,823,000)
Other assets, net	252,000	(105,000)	(647,000)
Accounts payable	2,216,000	(1,978,000)	(559,000)
Sales taxes payable	157,000	103,000	105,000
Accrued expenses	321,000	340,000	637,000
Income taxes payable	255,000	487,000	1,033,000
Total adjustments	(1,228,000)	(6,039,000)	(8,367,000)
Net cash (used in) provided by operating activities	3,356,000	344,000	(2,138,000)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Additions to property and equipment	(1,128,000)	(1,261,000)	(3,424,000)
Purchase of marketable securities	(15,794,000)	(17,658,000)	(18,045,000)
Sale of marketable securities	0	15,774,000	29,698,000
Other assets	(21,000)	(48,000)	(11,000)
Net cash provided by (used in) investing activities	(16,943,000)	(3,193,000)	8,218,000
CASH FLOWS FROM FINANCING ACTIVITIES:			
Distributions to minority investors	(55,000)	(114,000)	(176,000)
Issuance of common stock	17,578,000	154,000	1,826,000
Net cash provided by financing activities	17,523,000	40,000	1,650,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,936,000	(2,809,000)	7,730,000
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,504,000	6,440,000	3,631,000
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 6,440,000	$ 3,631,000	$ 11,361,000
SUPPLEMENTAL DISCLOSURE OF CASH PAID FOR:			
Interest	$ 23,000	$ 20,000	$ 20,000
Income taxes	$ 2,819,000	$ 3,839,000	$ 3,183,000

</TABLE>

The accompanying notes are an integral part of these consolidated statements.

K&G MEN'S CENTER, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION

K&G Men's Center, Inc. (the "Company" or "K&G") is a superstore retailer of a complete line of men's apparel and accessories. As of January 31, 1999, the Company operated 33 stores.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the operations of K&G and certain entities which are affiliated by virtue of K&G's effective control and ownership of at least 50% of each. All significant intercompany accounts and transactions have been eliminated. Certain information regarding each of the subsidiary entities is as follows:

T&C Liquidators, Inc.

A Texas corporation operating five stores in Texas and two stores in Colorado; K&G owns 100%.

K&G of Indiana, Inc.

A Georgia corporation operating one store in Indiana; K&G owns 67%.

K&G Associates of New Jersey, Inc.

A New Jersey corporation operating one store in New Jersey; K&G owns 100%.

K&G of Ohio, Inc.

A Georgia corporation operating one store in Ohio; K&G owns 60%.

GARES Cigar, LLC

A limited liability corporation which operates one cigar humidor in an Atlanta superstore; K&G owns 70%.

Fiscal Year

The Company's fiscal year covers a 52- or 53-week period which ends on the Sunday closest to January 31. Fiscal year 1996 ended on February 2, 1997, fiscal year 1997 ended on February 1, 1998, and fiscal year 1998 ended on January 31, 1999. Fiscal year 1996 was a 53-week period, fiscal year 1997 was a 52-week period, and fiscal year 1998 was a 52-week period.

Cash and Cash Equivalents

The Company considers cash on deposit and investments with original maturities of three months or less to be cash equivalents.

Marketable Securities

Marketable securities consist primarily of federal agency discount notes. These securities have been categorized as "held-to-maturity" (Note 3).

Inventory

Inventory is stated at the lower of cost or market determined using the first-in, first-out ("FIFO") method. FIFO cost is determined using the retail inventory method.

Cost of Sales

Cost of sales includes the cost of merchandise sold, occupancy costs, and certain purchasing and merchandise handling costs.

Revenue Recognition

Revenue from retail sales is recognized at the time of sale.

Store Pre-opening Expenses

Cost associated with the opening of new stores is expensed when the store is opened.

Property and Equipment

Property and equipment are stated at cost. Depreciation of leasehold improvements is provided using the straight-line method over the related lease term, which is less than the estimated useful lives of the assets. Other property and equipment are depreciated using the straight-line method over their estimated useful lives of five to ten years.

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Earnings Per Share

Effective February 3, 1997, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings Per Share", which established new standards for computing and presenting earnings per share ("EPS") information. The adoption of SFAS 128 did not have a material effect on the Company's currently reported or previously reported earnings per share.

Basic earnings per share was computed by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per share for fiscal years 1998, 1997 and 1996 were determined on the assumption that the weighted average outstanding stock options granted under the Company's plans (the Company's only potentially dilutive shares) of 0, 93,356 and 104,605 shares, respectively, had been exercised.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates made by management primarily relate to inventory allowances and certain accrued liabilities.

Effect of New Accounting Standards

In 1997, the Financial Accounting Standards Board ("FASB") issued SFAS No. 130, "Reporting Comprehensive Income," which establishes standards for the reporting of comprehensive income in a company's financial statements. Comprehensive income includes all changes in a company's equity during the period that result from transactions and other economic events other than transactions with its stockholders. SFAS No. 130 was effective for the Company for its fiscal year beginning February 2, 1998. For the Company, comprehensive income equals net income.

In June 1997, the FASB issued SFAS No. 131, "Disclosures About Segments of an Enterprise and Related Information," which requires that an enterprise disclose certain information about operating segments. SFAS No. 131 was effective for the Company for its fiscal year beginning February 2, 1998. SFAS No. 131 did not require additional disclosure or revision of prior disclosures. The Company considers its entire business as one operating segment for purposes of SFAS No. 131.

Advertising

Advertising costs are expensed as incurred. Advertising expenditures were $3.5 million, $4.2 million, and $5.8 million in fiscal 1996, 1997, and 1998, respectively.

3. MARKETABLE SECURITIES:

Following is a summary of "held-to-maturity" marketable securities:

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	February 1, 1998	January 31, 1999
<S>	<C>	<C>
Georgia state tax exempt agency notes	$17,678,000	$6,025,000

</TABLE>

Maturities of marketable securities range from 3 to 12 months. The fair value of these securities approximates their cost.

4. DEBT

Following is a summary of notes payable:

<TABLE>
<CAPTION>

	February 1, 1998	January 31, 1999
<S>	<C>	<C>
Note payable to shareholder of subsidiary on demand after January 30, 2000; fixed interest rate of 12%	$ 25,000	$ 25,000
Note payable to shareholder of subsidiary on demand after January 30, 2000; fixed interest rate of 6%	180,000	180,000
	$ 205,000	$ 205,000

</TABLE>

In July 1995, the Company entered into a revolving line-of-credit agreement with a bank (the "Credit Agreement"). The Credit Agreement provides for borrowings up to $5,000,000 through June 30, 2000 to be used for working capital and store expansions. No amounts were outstanding under the Credit Agreement at January 31, 1999. Interest is due monthly either at the bank's prime rate minus 1% or at LIBOR plus 1.5%, at the Company's option. The commitment fee on the unused amount of the Credit Agreement is .125% per annum.

In addition to the Credit Agreement, the Company has a $3 million and a $5 million letter-of-credit facility for inventory purchases. As of January 31, 1999, letters-of-credit totaling approximately $3.8 million were issued and outstanding against these facilities.

5. INCOME TAXES

The Company accounts for income taxes using SFAS No. 109, "Accounting for Income Taxes," which requires the use of the asset and liability approach.

The provisions for income taxes consist of the following:

<TABLE>
<CAPTION>

	FISCAL YEARS ENDED		
	FEBRUARY 2, 1997	FEBRUARY 1, 1998	JANUARY 31, 1999
<S>	<C>	<C>	<C>
Current	$2,991,000	$ 4,181,000	$ 4,208,000
Deferred	0	8,000	(71,000)

Provision for income taxes	$2,991,000	$ 4,189,000	$ 4,137,000

Reconciliations of the statutory federal income tax rate to the Company's effective tax rates are as follows:

	Fiscal Years Ended		
	February 2, 1997	February 1, 1998	January 31, 1999
Statutory federal income tax rate	34.0%	34.0%	34.0%
State income taxes, net of federal benefit	4.8	5.0	5.2
Effective income tax rate	38.8%	39.0%	39.2%

Significant components of the Company's deferred tax assets and liabilities as of February 1, 1998 and January 31, 1999 are summarized as follows:

	FEBRUARY 1, 1998	JANUARY 31, 1999
Current deferred tax assets (liabilities):		
Inventory	$ 112,000	$ 179,000
Prepaid rent	(99,000)	(144,000)
Accrued expenses and other	178,000	210,000
Current deferred tax asset, net	191,000	245,000
Noncurrent deferred tax asset:		
Property and equipment	141,000	158,000
Net deferred tax asset	$ 332,000	$ 403,000

Deferred tax assets and liabilities, net, are included in other current assets and other assets in the accompanying balance sheets. The Company has not recorded a valuation allowance against the deferred tax assets at February 1, 1998 or January 31, 1999.

6. COMMITMENTS AND CONTINGENCIES

The Company leases its retail locations and general offices under operating leases. Lease terms range from one to ten years. Certain leases call for an annual contingent payment based on gross sales at the location above a minimum level.

Minimum future lease payments under noncancelable operating leases are as follows:

Fiscal year ending:	
1999	$ 3,774,000
2000	3,582,000
2001	3,066,000
2002	2,372,000
2003	1,499,000
Thereafter	3,577,000
	$17,870,000

The minimum future lease payments include $1,862,000 associated with two retail locations, the Company's headquarters building and warehouse space, all of which are leased from related parties (Note 9).

Rent expense for the years ended February 2, 1997, February 1, 1998, and January 31, 1999 was $1,990,000, $2,721,000, and $4,163,000, respectively, composed of $1,907,000, $2,673,000, and $4,140,000, respectively, in minimum rents and $83,000, $48,000, and $23,000, respectively, of contingent rent expense.

As previously reported, on June 4, 1998, a former employee of the Company filed a complaint in California Superior Court against the Company and an officer and director of the Company relating to the plaintiff's employment relationship with the Company. The several causes of action stated in the complaint relate primarily to an alleged employment agreement between the plaintiff and the Company and the Company's alleged breach thereof. The plaintiff is seeking approximately $10 million plus punitive damages. While the

Company believes that is has valid defenses to the plaintiff's claims, in light of the costs of continuing to defend the litigation, the proposed merger with The Men's Wearhouse, Inc. (Note 11) and other considerations, management is investigating whether it might be in the Company's best interests to bring the matter to conclusion. Accordingly, the Company has entered into settlement negotiations with the plaintiff, but no definitive agreement has been reached with regard to a settlement of plaintiff's claims. No assurance can be given regarding the ultimate resolution of this dispute, or the risk or range of possible loss to the Company, if any, resulting from such resolution. The Company has Employment Practices Liability coverage; the insurer has asserted certain reservations of rights with respect to this matter.

The Company is also a party to other various ongoing employment related claims and pending litigation. The Company believes that it has a valid defense to these claims and intends to vigorously defend them. The Company does not believe that the ultimate outcome of these proceedings will materially affect the Company's results of operations or financial condition. No assurance can be given, however, regarding a range of possible loss to the Company, if any, that will result from these matters.

7. REDEEMABLE COMMON STOCK, SERIES B

On May 10, 1995, the Company and certain private investors (the "Investors"), including certain executive officers of the Company, entered into an investment agreement, a registration rights agreement, and a shareholders' agreement (collectively, the "Agreements"). Under the terms and provisions of the Agreements, the Company raised gross proceeds of $6,501,000 through a private placement sale of 1,706,513 shares of Series B to the Investors. All shares of the Series B were automatically converted to Common Stock, at the conversion rate then in effect, upon the closing of a public offering of the Company's initial public offering discussed in Note 10.

The holders of the Series B were entitled to receive dividends, accruing on a daily basis, at a rate of $.191 per share per annum. As of January 28, 1996, the Company had accrued $230,000 dividends payable on the Series B. These dividends were classified as accrued expenses in the fiscal year 1995 consolidated financial statements, as the Company was required to pay the dividends quarterly commencing the first quarter of fiscal 1996. At the consummation of the Company's initial public offering (Note 10), the Company paid all accrued dividends on the Series B.

8. EMPLOYMENT AGREEMENTS

The Company has entered into employment agreements with three executive officers. The agreements have terms ranging from two to five years and require aggregate annual compensation of $399,000, plus certain benefits. In March 1998, the Company entered into an employment agreement with a fourth executive officer. This agreement has a three year term and requires annual compensation, plus certain benefits, of $150,000 in year one, $165,000 in year two and $181,000 in year three. These agreements contain certain noncompete provisions and provide for severance pay if the executives are terminated by the Company other than for cause, as defined.

9. RELATED PARTIES

Significant related-party transactions include the following:

- Historically, the Company purchased a portion of its inventory from a company which is owned by certain of the Company's shareholders. Pursuant to this arrangement, the Company purchased inventory in the amounts of $29,000, $114,000, and $0 in fiscal 1996, fiscal 1997, and fiscal 1998, respectively.

- The Company leases two retail locations, its corporate headquarters building, and warehouse space from corporations owned by certain of the Company's shareholders (Note 6). Rent expense of $243,000, $262,000, and $262,000 relating to these leases is included in cost of sales in the accompanying statements of operations in fiscal 1996, fiscal 1997, and fiscal 1998, respectively.

10. SHAREHOLDERS' EQUITY

Stock Dividends

In March 1997, the Board of Directors approved a 3 for 2 split of the Company's common stock effected in the form of a stock dividend, payable on April 25, 1997. Accordingly, all previously reported share and per share data included in the consolidated financial statements and notes have been retroactively adjusted for all periods presented.

Public Offerings

The Company effected its initial public offering on January 24, 1996, (before fiscal 1995 year-end) and the transaction closed on January 30, 1996, (after fiscal 1995 year-end). The transaction was not reflected in the Company's financial statements for fiscal year end 1995. As reflected in the Company's financial statements for the year ended February 2, 1997, this transaction resulted in the conversion of the Company's outstanding redeemable Common Stock, Series B and Common Stock, Series A into Common Stock $.01 par value. The Company issued an additional 1,691,250 shares of its common stock at $6.67 per

share and raised approximately $10,132,000 after expenses of the offering.

The Company effected a second public offering of its Common Stock on November 11, 1996, and the transaction closed on November 15, 1996. Pursuant to this offering, the Company issued an additional 538,275 shares of its common stock at $14.83 per share and raised approximately $7,446,000 after expenses of the offering.

The Company effected a third public offering of its Common Stock on June 25, 1998, and the transaction closed on July 14, 1998. Pursuant to this offering, the Company issued an additional 88,263 shares of its common stock at $21.50 per share and raised approximately $1,564,000 after expenses of the offering.

Stock Options

The Company currently has two stock option plans: The K&G Men's Center, Inc. Plan for Employees ("Employees' Plan") and the K&G Men's Center, Inc. Director Stock Option Plan ("Director Plan"). The Employees' Plan permits the issuance of stock options to selected employees of the Company. The Employees' Plan reserves 1,100,000 shares of common stock for grant and provides that the term of each award be determined by the compensation committee of the Board of Directors. The Director Plan reserves 112,500 shares of common stock for grant.

Under the terms of both plans, options granted may be either nonqualified or incentive stock options. With regard to the incentive stock options, the exercise price, determined by the committee, may not be less than the fair market value of a share on the grant date.

Information regarding the stock option plans is summarized as follows:

<TABLE>
<CAPTION>

<S>	OUTSTANDING OPTIONS <C>	WEIGHTED AVERAGE EXERCISE PRICE <C>
Outstanding at January 29, 1996	180,000	$ 6.67
Granted	6,000	11.83
Exercised	-	-
Cancelled	(2,100)	6.67
Outstanding at February 2, 1997	183,900	6.84
Granted	305,250	19.66
Exercised	(22,957)	6.67
Cancelled	(19,000)	10.13
Outstanding at February 1, 1998	447,193	15.47
Granted	251,339	14.76
Exercised	(37,099)	7.09
Cancelled	(116,523)	19.38
Outstanding at January 31, 1999	544,910	$ 14.86

</TABLE>

<TABLE>
<CAPTION>

	OUTSTANDING OPTIONS			EXERCISABLE OPTIONS	
RANGE OF EXERCISE PRICES <S>	OPTIONS OUTSTANDING AT JANUARY 31, 1999 <C>	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE (YEARS) <C>	WEIGHTED AVERAGE EXERCISE PRICE <C>	OPTIONS EXERCISABLE AT JANUARY 31, 1999 <C>	WEIGHTED AVERAGE EXERCISE PRICE <C>
$ 6.67 to $11.83	233,523	8.6	$ 8.23	68,345	$6.67
16.63 to 18.67	14,850	8.1	18.45	0	0
19.13 to 20.75	296,537	8.4	19.85	0	0
	544,910			68,345	

</TABLE>

In March 1999, subsequent to fiscal year end January 31, 1999, the Company entered into a rescission agreement with certain optionees who had been granted stock options in November 1998. A total of 127,539 shares, with an exercise price of $9.50, were cancelled. At the time of the rescission, none of the option shares were vested, and the market price of the Company's common stock was below the exercise price.

In March 1995, certain shareholders of the Company granted an executive officer of the Company options to purchase, in aggregate, 354,373 shares of the common stock from such shareholders. The options are exercisable at $2.54 per share and are fully vested. As of January 31, 1999, 254,373 of these options remain unexercised. The options expire ten years from the date of grant. In management's opinion, the exercise price of these options reasonably approximates the fair value of the common stock at the grant date.

SFAS No. 123, "Accounting for Stock Based Compensation," encourages, but does not require, companies to record compensation cost for stock-based employee compensation plans at fair value. The Company has elected to adopt the disclosure-only provision of SFAS No. 123, and to continue to follow its current method of accounting for stock-based compensation, utilizing the approach outlined in APB No. 25, "Accounting for Stock Issued to Employees," and related interpretations. As such, no compensation cost has been recorded for options granted under the Employees' Plan or for the options granted to the executive officer by certain shareholders. Had compensation cost for options granted under the Employees' Plan, Director Plan and to the executive officer been determined based on the fair value at the grant dates consistent with the provisions of SFAS No. 123, the Company's net income and earnings per share would have been the pro forma amounts below:

	AS REPORTED	PRO FORMA
Fiscal 1998:		
Net income	$6,229,000	$5,491,000
Basic earnings per share	$0.61	$0.54
Diluted earnings per share	$0.61	$0.54
Fiscal 1997:		
Net income	$6,383,000	$5,826,000
Basic earnings per share	$0.63	$0.58
Diluted earnings per share	$0.63	$0.57
Fiscal 1996:		
Net income	$4,584,000	$4,482,000
Basic earnings per share	$0.47	$0.46
Diluted earnings per share	$0.47	$0.46

The fair value of the options granted under the Employees' Plan in fiscal years 1998, 1997 and 1996 on their respective grant dates and the related pro forma amounts were calculated using the Black-Scholes option pricing model with the following assumptions: expected volatility of 60%, 35% and 36% for 1998, 1997 and 1996, respectively, no dividend yield; forfeiture rate of 7% for options granted to employees and 10% for options granted to non-employee directors for 1998, and 3% for 1997 and 1996, risk free interest rate of 5.62% ,6.34% and 5.34% for 1998, 1997 and 1996, respectively; and an expected life equal to the vesting period of the individual option grants. The fair value of the options granted to certain executive officers and the related pro forma amounts were calculated using the minimum value method with the following assumptions: no dividend yield; forfeiture rate of 0%; risk free interest rate of 6.69%; and expected life of four years. The table above does not include the 127,539 options rescinded subsequent to year end.

11. SUBSEQUENT EVENTS

The Company entered into an Agreement and Plan of Merger with The Men's Wearhouse, Inc. ("Men's Wearhouse") on March 3, 1999. Under this agreement, shareholders of the Company would receive, subject to certain adjustments, approximately 4.1 to 4.4 million shares of The Men's Wearhouse common stock. The agreement provides that each share of the Company will be converted into .4 of a share of Men's Wearhouse common stock if the price of Men's Wearhouse common stock is $32.50 or above for a 15 trading day period ending on the third trading day before the closing of the transaction. If the price is $27.50 or less, then each share will be converted into .43 of a share of Men's Wearhouse common stock. The conversion rate will vary between .4 and .43 if the stock price is between $32.50 and $27.50 per share. The merger is subject to customary terms and conditions, including the receipt of all required regulatory approvals. Although there can be no assurance that the merger will close, the Company currently anticipates that the merger will be consummated shortly after the receipt of such regulatory approvals, the satisfaction of the remaining conditions set forth in the Merger Agreement, and the approval of the transaction by the Company's shareholders.

Appendix B

The Men's Wearhouse, Inc. and Subsidiaries
Pro Forma Combined Financial Statements

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

PRO FORMA COMBINED FINANCIAL STATEMENTS
BASIS OF PRESENTATION
(UNAUDITED, IN THOUSANDS)

The unaudited pro forma combined financial statements of The Men's Wearhouse, Inc. ("TMW") give effect to (a) the February 10, 1999 combination on a pooling-of-interests basis of TMW with Moores Retail Group Inc. ("Moores") and (b) the combination of TMW and K&G Men's Center, Inc. ("K&G") under the pooling-of-interests method of accounting. The unaudited pro forma combined financial statements should be read in conjunction with the historical consolidated financial statements and the notes thereto of TMW, which are included in TMW's Annual Report on Form 10-K for the fiscal year ended January 30, 1999, and K&G, which are included herein. The unaudited pro forma combined balance sheet as of January 30, 1999 first assumes that the February 10, 1999 combination of TMW and Moores was consummated on January 30, 1999 and combines the TMW and Moores consolidated balance sheets as of January 30, 1999 ("TMW/Moores Pro Forma"), then assumes that the combination of TMW and K&G was consummated on January 30, 1999 and combines the TMW/Moores Pro Forma January 30, 1999 and K&G January 31, 1999 consolidated balance sheets. The unaudited pro forma combined balance sheet includes adjustments which give effect to events that are directly attributable to the transactions.

TMW/Moores Pro Forma. With respect to the February 10, 1999 combination of TMW with Moores, the unaudited pro forma combined statements of earnings assume that the combination was consummated at the beginning of fiscal 1997 and combine the historical results of TMW and Moores for fiscal 1997 and 1998. The historical results of Moores for fiscal 1996 have not been combined with TMW's fiscal 1996 historical results as Moores commenced operations on December 23, 1996 and its reported net loss of $96 for the 40 day period from December 23, 1996 to January 31, 1997 is not significant. Nonrecurring charges totaling $5,261, net of a $291 tax benefit, which resulted directly from the combination and will be included in TMW's fiscal 1999 results of operations have been excluded from the unaudited pro forma combined statements of earnings. In addition, an extraordinary charge of $2,913, net of a $1,355 tax benefit, relating to the refinancing of the February 10, 1999 outstanding debt of Moores has not been reflected. The effects of these nonrecurring and extraordinary charges have, however, been reflected in the pro forma adjustments to retained earnings for TMW/Moores Pro Forma in the pro forma combined balance sheet.

The historical consolidated financial statements of Moores included in the pro forma combined balance sheet and statements of earnings are stated in United States dollars and have been prepared in accordance with generally accepted accounting principles in the United States. The exchange rates used in translating the historical Canadian currency financial statements of Moores reflect the current exchange rate as of the balance sheet date and the weighted average exchange rates for the periods presented in the statements of earnings. The cumulative translation adjustments are reported as a separate component of shareholders' equity. The historical statements of earnings for Moores included in the pro forma combined statements of earnings do not reflect earnings per share data since Moores, as a privately owned company, has not reported such data. The TMW/Moores Pro Forma earnings per share in the pro forma combined statements of earnings reflect the 2.5 million shares of TMW common stock that TMW will ultimately issue to the former shareholders and option holders of Moores as a result of the February 10, 1999 combination of TMW and Moores.

TMW/K&G Pro Forma Combined. With respect to the combination of TMW and K&G, the unaudited pro forma combined statements of earnings assume that the combination was consummated at the beginning of fiscal 1996 and have been prepared by combining the historical results of K&G with the historical results of TMW for fiscal 1996 and with the TMW/Moores pro forma combined results for fiscal 1997 and 1998. Nonrecurring charges totaling $1,675, net of a $325 tax benefit, which result directly from the transaction and which are expected to be included in the results of operations of TMW within the twelve months succeeding the transaction have been excluded from the unaudited pro forma combined statements of earnings. The effect of these nonrecurring charges has, however, been reflected in the pro forma adjustments to retained earnings for TMW/K&G Pro Forma Combined in the pro forma combined balance sheet.

The preparation of unaudited pro forma combined financial statements requires management to make estimates and assumptions based on information currently available. The pro forma adjustments made in connection with the development of the pro forma information are preliminary and have been made solely for purposes of developing such pro forma information for illustrative purposes necessary to comply with the disclosure requirements of the Securities and Exchange Commission. The unaudited pro forma combined financial statements do not purport to be indicative of the results of operations for future periods or the combined financial positions or the results that actually would have been realized had the entities been a single entity during the periods presented.

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

PRO FORMA COMBINED BALANCE SHEET
JANUARY 30, 1999
(UNAUDITED -- IN THOUSANDS)

<TABLE>
<CAPTION>

ASSETS

<S>	AS REPORTED TMW	AS REPORTED MOORES	PRO FORMA ADJUSTMENTS	TMW/MOORES PRO FORMA	AS REPORTED K&G	PRO FORMA ADJUSTMENTS	TMW/K&G PRO FORMA COMBINED
	<C>	<C>	<C>	<C>	<C>	<C>	<C>
CURRENT ASSETS:							
Cash	$ 19,651			$ 19,651	$11,361		$ 31,012
Inventories	236,105	$35,841		271,946	30,771		302,717
Marketable securities				--	6,025		6,025
Other current assets	14,740	2,108	784(5)(6)	17,632	3,030	325(1)	20,987
Total current assets	270,496	37,949	784	309,229	51,187	325	360,741
PROPERTY AND EQUIPMENT, net	107,889	10,296		118,185	5,586		123,771
OTHER ASSETS, net	25,347	25,869	(5,081)(5)(6)	46,135	457		46,592
Total assets	$403,732	$74,114	$(4,297)	$473,549	$57,230	$ 325	$531,104
LIABILITIES AND SHAREHOLDERS' EQUITY							
CURRENT LIABILITIES:							
Accounts payable and accrued liabilities	$ 89,316	$10,952	$ 569(5)	$100,837	$ 8,358	$ 2,000(1)	$111,195
Short-term borrowings		7,568	(7,568)(6)	--			--
Current portion of long-term debt		3,644	(1,160)(6)	2,484			2,484
Income taxes payable	7,125	575		7,700	1,470		9,170
Total current liabilities	96,441	22,739	(8,159)	111,021	9,828	2,000	122,849
LONG-TERM DEBT		44,665	11,661(5)(6)	56,326	205		56,531
OTHER LIABILITIES	9,073	270	(904)(6)	8,439			8,439
Total liabilities	105,514	67,674	2,598	175,786	10,033	2,000	187,819
MINORITY INTEREST					400		400
SHAREHOLDERS' EQUITY:							
Common stock	349	1,708	(1,683)(7)	374	103	(59)(3)	418
Capital in excess of par	148,446		2,920(5)(7)	151,366	27,931	59(3)	179,356
Retained earnings	150,418	4,965	(8,132)(5)(6)	147,251	18,763	(1,675)(1)	164,339
	299,213	6,673	(6,895)	298,991	46,797	(1,675)	344,113
Currency translation adjustment		(233)		(233)			(233)
Treasury stock, at cost	(995)			(995)			(995)
Total shareholders' equity	298,218	6,440	(6,895)	297,763	46,797	(1,675)	342,885
Total liabilities and shareholders' equity	$403,732	$74,114	$(4,297)	$473,549	$57,230	$ 325	$531,104

</TABLE>

See Notes to Pro Forma Combined Financial Statements

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

PRO FORMA COMBINED STATEMENT OF EARNINGS
FOR THE YEAR ENDED JANUARY 30, 1999
(UNAUDITED -- IN THOUSANDS, EXCEPT PER SHARE DATA)

<TABLE>
<CAPTION>

<S>	AS REPORTED TMW	AS REPORTED MOORES	PRO FORMA ADJUSTMENTS	TMW/MOORES PRO FORMA	AS REPORTED K&G	PRO FORMA ADJUSTMENTS	TMW/K&G PRO FORMA COMBINED
	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Net sales	$ 767,922	$130,675	--	$898,597	$139,234	--	$1,037,831
Cost of goods sold, including buying and occupancy costs	468,187	81,483	--	549,670	107,081	$ 3,699(2)	660,450
Gross margin	299,735	49,192	--	348,927	32,153	(3,699)	377,381
Selling, general and administrative expenses	228,053	35,163	--	263,216	22,617	(3,699)(2)	282,134
Operating income	71,682	14,029	--	85,711	9,536	--	95,247
Other income			--	--	1,061	--	1,061
Interest expense, net	(2,032)	(6,993)	--	(9,025)	(29)	--	(9,054)
Earnings before income taxes	69,650	7,036	--	76,686	10,568	--	87,254
Provision for income taxes	(28,730)	(4,043)		(32,773)	(4,137)		(36,910)
Earnings before minority interest	40,920	2,993	--	43,913	6,431	--	50,344
Minority interest				--	(202)	--	(202)
Net earnings before							

extraordinary item......	$ 40,920	$ 2,993	--	$ 43,913	$ 6,229	--	$ 50,142
EXCHANGE RATIO OF 0.43:							
Net earnings before extraordinary item per share:							
Basic...................	$ 1.21			$ 1.21	$ 0.61		$ 1.23
Diluted.................	1.17			1.17	0.61		1.19
Weighted average shares outstanding:							
Basic...................	33,849		2,500(7)	36,349	10,207	(5,818)(4)	40,738
Diluted.................	36,075		2,500(7)	38,575	10,207	(5,818)(4)	42,964

</TABLE>

See Notes to Pro Forma Combined Financial Statements

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

PRO FORMA COMBINED STATEMENT OF EARNINGS
FOR THE YEAR ENDED JANUARY 31, 1998
(UNAUDITED -- IN THOUSANDS, EXCEPT PER SHARE DATA)

<TABLE>
<CAPTION>

	AS REPORTED						TMW/K&G
	TMW	MOORES	PRO FORMA ADJUSTMENTS	TMW/MOORES PRO FORMA	AS REPORTED K&G	PRO FORMA ADJUSTMENTS	PRO FORMA COMBINED
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Net sales..................	$631,110	$131,414	--	$762,524	$112,795	--	$875,319
Cost of goods sold, including buying and occupancy costs..........	388,517	82,751	--	471,268	86,513	$ 2,719(2)	560,500
Gross margin..............	242,593	48,663	--	291,256	26,282	(2,719)	314,819
Selling, general and administrative expenses................	191,063	35,296		226,359	16,675	(2,719)(2)	240,315
Operating income...........	51,530	13,367	--	64,897	9,607	--	74,504
Other income..............				--	1,166		1,166
Interest expense, net......	(2,366)	(7,234)		(9,600)	(29)		(9,629)
Earnings before income tax......................	49,164	6,133	--	55,297	10,744	--	66,041
Provision for income taxes....................	(20,281)	(4,065)		(24,346)	(4,189)		(28,535)
Earnings before minority interest................	28,883	2,068	--	30,951	6,555	--	37,506
Minority interest..........				--	(172)	--	(172)
Net earnings before extraordinary item.......	$ 28,883	$ 2,068	--	$ 30,951	$ 6,383	$ --	$ 37,334
EXCHANGE RATIO OF 0.43:							
Net earnings before extraordinary item per share:							
Basic....................	$ 0.89			$ 0.89	$ 0.63		$ 0.95
Diluted..................	0.87			0.87	0.63		0.93
Weighted average shares outstanding:							
Basic....................	32,343		2,500(7)	34,843	10,118	(5,767)(4)	39,194
Diluted..................	35,384		2,500(7)	37,884	10,211	(5,820)(4)	42,275

</TABLE>

See Notes to Pro Forma Combined Financial Statements

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

PRO FORMA COMBINED STATEMENT OF EARNINGS
FOR THE YEAR ENDED FEBRUARY 1, 1997
(UNAUDITED -- IN THOUSANDS, EXCEPT PER SHARE DATA)

<TABLE>
<CAPTION>

	AS REPORTED			TMW/K&G
	TMW	K&G	PRO FORMA ADJUSTMENTS	PRO FORMA COMBINED
<S>	<C>	<C>	<C>	<C>
Net sales..	$483,547	$88,104		$571,651
Cost of goods sold, including buying and occupancy costs..	295,181	67,344	$ 2,218(2)	364,743
Gross margin.....................................	188,366	20,760	(2,218)	206,908
Selling, general and administrative expenses......	150,232	13,752	(2,218)(2)	161,766

Operating income	38,134	7,008	--	45,142
Other income		735		735
Interest expense, net	(2,146)	(43)		(2,189)
Earnings before income taxes	35,988	7,700	--	43,688
Provision for income taxes	(14,845)	(2,991)		(17,836)
Earnings before minority interest	21,143	4,709	--	25,852
Minority interest		(125)		(125)
Net earnings before extraordinary item	$ 21,143	$ 4,584	--	$ 25,727
EXCHANGE RATIO OF 0.43:				
Net earnings before extraordinary item per share:				
Basic	$ 0.67	$ 0.47		$ 0.72
Diluted	0.67	0.47		0.72
Weighted average shares outstanding:				
Basic	31,354	9,682	(5,519)(4)	35,517
Diluted	34,101	9,787	(5,579)(4)	38,309

</TABLE>

See Notes to Pro Forma Combined Financial Statements.

THE MEN'S WEARHOUSE, INC. AND SUBSIDIARIES

NOTES TO PRO FORMA COMBINED FINANCIAL STATEMENTS
(UNAUDITED, IN THOUSANDS)

The pro forma combined financial statements as of January 30, 1999 and for the years ended January 30, 1999, January 31, 1998 and February 1, 1997 include the following adjustments to reflect the combination of TMW and K&G as a pooling-of-interests:

1. To record the estimated transaction costs to complete the combination of TMW and K&G under pooling-of-interests accounting. The costs, which primarily relate to investment banking fees, professional fees and contract termination payments, are currently estimated to be approximately $1,675, net of a tax benefit of $325, and are reflected as a reduction in retained earnings in the accompanying balance sheet. These costs are not reflected in the pro forma combined statements of earnings.

2. To reclassify certain K&G buying and occupancy expenses to cost of sales to conform with classifications used by TMW.

3. To adjust common stock and capital in excess of par value to reflect the issuance of 4.4 million shares of TMW common stock to K&G shareholders based on an Exchange Ratio of 0.43.

4. Pro forma basic earnings per share is computed based on the weighted average number of common shares outstanding. Pro forma diluted earnings per share is computed based on the weighted average number of common shares plus the dilutive impact of options and convertible securities for each period after giving effect to the combination on a pooling-of-interests basis. Pro forma shares and earnings per share data is presented to reflect the issuance of TMW common stock based on the Exchange Ratio of 0.43.

The pro forma combined financial statements as of January 30, 1999 and for the years ended January 30, 1999 and January 31, 1998 include the following adjustments to reflect the February 10, 1999 combination of TMW and Moores as a pooling-of-interests and the concurrent debt refinancing:

5. To record the transaction costs incurred in the combination of TMW and Moores under pooling-of-interests accounting. The costs, which primarily relate to investment banking fees, professional fees, contract termination payments and unamortized stock option compensation expenses, totaled approximately $5,261, net of a tax benefit of $291, and are reflected as a reduction in retained earnings in the accompanying balance sheet. These costs are not reflected in the pro forma combined statements of earnings.

6. To adjust the pro forma combined balance sheet for the effects of refinancing approximately US $59 million of existing Moores debt as follows:

<TABLE>

<S>	<C>
Revolving debt refinanced with long-term debt	$ 7,568
Current portion of long-term debt refinanced with long-term debt	3,644
Prepayment penalty from early retirement of long-term debt	1,496
Addition to long-term debt	$12,708
Write off of Moores historical deferred financing costs, net of tax of $814	$ 1,958
Prepayment penalty from early retirement of long-term debt, net of tax of $541	955
Adjustment to retained earnings	$ 2,913

=======

</TABLE>

7. To adjust common stock and capital in excess of par value to reflect the issuance of 2.5 million shares of TMW common stock issuable to Moores shareholders and option holders upon exchange of certain exchangeable securities of Moores issued in the February 10, 1999 combination of TMW and Moores.

INDEX TO EXHIBITS

<TABLE>
<CAPTION>

Exhibit Number	Description
<S>	<C>
2.1	Agreement and Plan of Merger dated March 3, 1999, by and between The Men's Wearhouse, Inc., TMW Combination Company and K&G Men's Center, Inc. (incorporated by reference from Exhibit 2.2 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1999).
2.2	Amendment No. 1 to Agreement and Plan of Merger dated March 30, 1999, by and between The Men's Wearhouse, Inc., TMW Combination Company and K&G Men's Center, Inc. (incorporated by reference from Exhibit 2.3 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1999).
10.1	Amended and Restated Employment Agreement dated as of June 1, 1999, by and between K&G Men's Center, Inc. and Stephen H. Greenspan.
23.1	Consent of Arthur Andersen LLP.
99.1	Press Release of the Company dated June 1, 1999, announcing the closing of the Merger.

</TABLE>

EXHIBIT 10.1

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT is entered into as of June 1, 1999 (this "Employment Agreement"), between K&G MEN'S CENTER, INC., a Georgia corporation (the "Company"), and STEPHEN H. GREENSPAN ("Employee").

W I T N E S S E T H:

WHEREAS, the Company and Employee entered into an Employment Agreement dated as of May 10, 1995 (the "Existing Employment Agreement");

WHEREAS, the Company has entered into an Agreement and Plan of Merger dated as of March 3, 1999 (as amended by Amendment No. 1 to Agreement and Plan of Merger dated March 30, 1999, the "Merger Agreement"), by and between The Men's Wearhouse, Inc.("TMW"), TMW Combination Company and the Company;

WHEREAS, Employee is the beneficial owner of 1,250,899 shares of the Company's common stock, par value $.01 per share (the "Company Common Stock"), and will benefit from the transactions contemplated by the Merger Agreement;

WHEREAS, the Company would not consummate the transaction contemplated by the Merger Agreement if Employee did not enter into this Employment Agreement and agree to be bound by the terms hereof; and

WHEREAS, Employee is willing to accept such terms and conditions.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and intending to be legally bound hereby, the Company and Employee hereby agree that the terms of the Existing Employment Agreement shall be amended and restated as follows:

1. Employment.

(a) The Company hereby employs Employee as Chief Executive Officer, and in such capacity he shall have full authority to manage the operations of the Company. Included, without limitation, in that authority will be discretion over personnel, facilities, budgets, and other operational matters, subject to the review and approval by the Board of Directors of the Company of such material changes and transactions as are ordinarily beyond the authority of management.

(b) Employee shall faithfully and diligently discharge his duties hereunder and shall devote his full business time to the business and affairs of the Company, subject to allowed vacations and to reasonable periods of illness.

2. Term of Employment.

(a) Unless sooner terminated as provided in Section 4 hereof or due to the death or physical or mental disability of the Employee, Employee's employment shall be for an initial term commencing on the date of this Agreement and ending on the third anniversary of the date hereof (the "Initial Term"). Upon completion of the Initial Term, this Agreement shall renew automatically thereafter from year to year, unless and until terminated as provided in Section 4 hereof.

(b) The Employee shall be deemed to be physically or mentally incapacitated for purposes of this Agreement if by reason of any physical or mental incapacity he has been unable or it is deemed that he will be unable for

a period of at least one hundred and eighty (180) days to perform his duties and responsibilities hereunder in a reasonably satisfactory manner. In the event of any disagreement between Employee and the Company about whether he is physically or mentally incapacitated such as to permit the Company to terminate his employment pursuant to this paragraph, the question of such incapacity shall be submitted to an impartial and reputable physician selected by mutual agreement of Employee and the Company or, failing such agreement, selected by two physicians (one of which shall be selected by the Company and the other by Employee). The determination of the question of such incapacity by such physician(s) shall be final and binding on Employee and the Company for purposes of this Agreement. The Company shall pay the reasonable fees and expenses of such physician(s).

3. Compensation and Benefits.

(a) As compensation for his services hereunder, the Company shall pay to Employee a base salary of $250,000.00 per year, payable in bi-weekly or semi-monthly installments, during the Initial Term of this Agreement. Such base salary shall be reviewed at least annually by the Board of Directors of the Company to determine whatever increase may be merited.

(b) Employee shall be entitled to participate, on a comparable basis with other senior executives of the Company, in all employee benefit plans or programs of the Company in effect from time to time, including but not limited to any bonus or incentive compensation programs, stock option programs and medical, dental, life and disability programs. In addition, the Company shall reimburse Employee for all reasonable out-of-pocket expenses incurred by him while conducting Company business in accordance with policies adopted by the Company from time to time.

4. Termination.

(a) Notwithstanding the provisions of Section 2 hereof, the Company may terminate Employee's employment for "cause" (as defined in Section 4(b) below) by giving written notice to Employee and such notice shall specify the factual basis for such determination.

(b) For purposes of this Agreement, termination may be for "cause" in the event of the occurrence of (i) the commission by Employee of a willful or grossly negligent act which causes material harm to the Company, (ii) the conviction of Employee for the commission or

perpetration by Employee of any felony or any act of fraud, or (iii) habitual absenteeism, chronic alcoholism, or drug addiction; provided, however, that if such illness may reasonably be cured, Employee shall have a reasonable time, not exceeding sixty (60) days, to cure such illness after receiving notice thereof from the Company.

(c) In the event that Employee's employment is terminated by the Company on any basis other than for cause as defined in Section 4(b), the Company shall pay to Employee severance compensation in an amount equal to 100% of his then current annual base salary. Such severance compensation shall be paid during the one year period after termination in the same manner as his base salary had been paid immediately prior thereto. Such severance compensation is in consideration of Employee's commitment and availability and in further consideration of Employee's agreement to relinquish continuing compensation and benefits as provided in paragraph (e) below. In the event that Employee's employment is terminated by the Company for cause, the Company shall not pay the Employee any severance compensation.

(d) Except as expressly provided in paragraph (c) above or as provided under the express terms of any benefit plan under which Employee is a participant or as otherwise required by applicable law, and except that the Company shall pay his COBRA health benefits premium for a one (1) year period following any termination other than for cause as defined in Section 4(b) hereof, upon termination of Employee's employment, the Company shall have no further obligation to Employee for, and Employee waives and relinquishes, any

compensation or benefits except compensation for services performed prior to such termination. At the time of termination of employment, the Company and Employee shall enter into a mutually satisfactory form of release acknowledging such remaining obligations (including any obligations under any agreements between the Company and Employee still in effect) and discharging both parties, as well as the Company's officers, directors and employees with respect to their actions for or in behalf of the Company, from any other claims or obligations arising out of or in connection with Employee's employment by the Company, including the circumstances of such termination. For purposes hereof, compensation due to Employee under this Agreement for services performed prior to such termination shall be prorated to the date of termination and all compensation provided pursuant to Section 3 hereof shall be prorated through the last full week prior to the date of termination on the basis of available information.

5. Trade Secrets. Employee agrees to maintain in strict confidence, and not use or disclose except under the instruction of the Company, any information comprising a trade secret of the Company. Trade secrets are property rights protected by law and, for purposes of this Agreement, shall have the meaning provided under applicable law, including, in Georgia, Section 10-1-760, et seq. of the Official Code of Georgia Annotated.

6. Confidential Information. During his employment and for a period of two (2) years after his employment ends (regardless of the reason), Employee shall agree to maintain in strict confidence and except as necessary to perform his duties as an employee of the Company, not use or disclose any confidential business information. For this purpose, "confidential business information" means all non-public information of a competitively sensitive nature concerning the Company, including information (whether in writing or retained as mental impressions) concerning pricing, cost or profit factors; quality programs; annual and long-range business plans; marketing

plans and methods; customers or suppliers; contracts and bids; and personnel. This is in addition to the legal rights of the Company in any trade secrets.

7. Work Product. The Company, shall be the sole owner of Employee's work product. For this purpose, "work product" means all inventions, improvements, discoveries, documentation, programming, and technology (including all associated intellectual property rights) that Employee may create during the term of his employment (alone or with others, at work or elsewhere, during or after the normal workday) relating to the work Employee does, the business of the Company, or any research or development conducted by the Company.

8. Return of Information. Employee agrees that when his employment ends (regardless of the reason), he will provide the Company with all business records, contracts, calendars, telephone lists, rolodexes, computer files, and other materials in his possession relating to the Company, its business and its customers, including all copies thereof, whether in physical or electronic form.

9. Restrictions on Competition.

(a) For the longer of three years following any termination of his employment or five years from the date the merger is effected pursuant to the Merger Agreement, Employee shall not create, manage, or advise, or provide procurement or marketing services in support of any business primarily engaged in the retail sale, in a discount or "everyday low price" warehouse, outlet or retail chain format, of men's apparel (including men's footwear), which business is located in the contiguous United States.

(b) For the longer of three years following any termination of his employment or five years from the date the merger is effected pursuant to the Merger Agreement, Employee shall not solicit for hire, directly or by assisting others, any other employee of the Company anywhere in the United States.

10. Waiver of Amendment. Any waiver of any term or condition or any amendment of this Agreement shall be effective only if in writing and signed by the parties. The waiver by either party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach

by either party.

11. Set-Off. The Company agrees that it will not set-off against any payment obligations of the Company to Employee any claims which the Company may have against Employee, or suspend any payment because of such claims, unless and until such claims have been reduced to judgment or accepted by Employee in writing and liquidated as to amount. Employee agrees that he will not assert any claims which Employee may have against the Company, including any breach of this Agreement by Company, as a defense to enforcement of Employee's obligations hereunder.

12. Publicity. Following termination of Employee's employment, neither party will disparage or injure the reputation of the other party. This obligation will include, in Employee's case, refraining from negative statements about the Company's methods of doing business, the effectiveness of its business policies, and the quality of any of its products or personnel. In addition, neither party will make any statements regarding the other or regarding Employee's former employment with the Company to any member of the print or broadcast media except after mutual consultation.

13. Miscellaneous.

(a) The Company and Employee agree that venue for any dispute that may arise concerning this Agreement shall be in Fulton County, Georgia.

(b) This Agreement contains the entire agreement between the Company and Employee with respect to the subject matter hereof and thereof and supersede all prior arrangements or understandings with respect hereto or thereto.

(c) The descriptive headings of this Agreement are for convenience only and shall not control or affect the meaning or construction of any provision.

(d) Notwithstanding any other term or provision of this Agreement, all amounts payable to Employee by the Company hereunder shall be subject to the withholding of such sums relating to taxes as the Company may reasonably determine it is required to withhold pursuant to any applicable law or regulation.

(e) All notices pursuant to this Agreement shall be in writing and sufficient if delivered personally or sent by overnight courier or registered or certified mail, postage prepaid, addressed as follows:

If to the Company to:

K&G Men's Center, Inc.
1225 Chattahoochee Avenue, N.W.
Atlanta, Georgia 30318

If to Employee to:

Stephen H. Greenspan
74 Paces West Court
Atlanta, Georgia 30327

Either party may by written notice change the address to which notices to such party are to be delivered or mailed.

(f) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, the Company and Employee have executed this Amended

and Restated Employment Agreement under seal as of the day and year first above written.

COMPANY: K&G MEN'S CENTER, INC.

By:/s/ GARY G. CKODRE

Name: Gary G. Ckodre
Title: Chief Accounting Officer

EMPLOYEE: /s/ STEPHEN H. GREENSPAN

Stephen H. Greenspan

EXHIBIT 23.1

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the use of our report dated March 17, 1999 appearing on page F-2 of K&G Men's Center, Inc.'s Form 10-K for the year ended January 31, 1999 included in this Current Report on Form 8-K of The Men's Wearhouse, Inc.

/s/ ARTHUR ANDERSEN LLP

Atlanta, Georgia
June 10, 1999

EXHIBIT 99.1

WEDNESDAY JUNE 2, 8:09 AM EASTERN TIME

COMPANY PRESS RELEASE

MEN'S WEARHOUSE AND K&G MEN'S CENTER COMPLETE MERGER AGREEMENT

FREMONT, Calif.--(BUSINESS WIRE)--June 2, 1999--Men's Wearhouse, Inc. (Nasdaq/NMS:SUIT - news) and K&G Men's Center, Inc.(Nasdaq/NMS:MENS - news) said today that K&G shareholders voted to approve the proposed merger with Men's Wearhouse at K&G's shareholder meeting in Atlanta.

Under terms of the transaction, K&G shareholders will receive approximately 4.4 million shares of Men's Wearhouse common stock based on a conversion of .43 shares of Men's Wearhouse common stock for each share of K&G common stock. There is no assumption of any significant debt and Men's Wearhouse will account for this transaction as a pooling-of-interest.

"This transaction provides Men's Wearhouse a major presence in the opening price point category, a sector which is responsible for a significant portion of men's tailored apparel and sportswear sales," said David Edwab, president of Men's Wearhouse.

"We will record one-time charges related to the transaction and the closing of overlapping store locations when we release second quarter earnings; excluding such items we anticipate this transaction will be accretive to shareholders for all of fiscal 1999," he added.

Founded in 1973, Men's Wearhouse operates 550 stores in the U.S. and Canada and is one of North America's largest specialty retailers of men's tailored business attire. The stores carry a full selection of designer, brand name and private label suits, sport coats, furnishings and accessories. The company also operates the second largest manufacturing facility of men's suits and sport coats in Canada.

K&G Men's Center, Inc. is a superstore retailer of a complete line of men's apparel and accessories and presently operates 34 stores in 16 states. Men's Wearhouse reported sales of $767.9 million in fiscal 1998, which does not include revenues from the Moores stores, as the combination with Moores did not close until after the end of fiscal 1998. K&G reported sales of $139.2 million in fiscal 1998.

For more information on Men's Wearhouse, contact the company on the World Wide Web at www.menswearhouse.com.

This press release contains forward-looking information. The forward-looking statements are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include the company's intent to open new stores and future financial performance and may be significantly impacted by various factors, including unfavorable local, regional and national economic developments, severe weather conditions, aggressive advertising or

marketing activities of competitors and other factors described herein and in the company's annual report on Form 10-K for the year ended Jan. 30, 1999 filed with the Securities and Exchange Commission.

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Contact:

The Men's Wearhouse, Fremont
Neill Davis, 713/592-7200