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SKECHERS Set to Expand Its Distribution in China

Global Footwear Company Sets the Stage for Significant Growth in Asia through Joint Venture with Luen Thai Enterprises

MANHATTAN BEACH, Calif.--(BUSINESS WIRE)--

SKECHERS USA, Inc. (NYSE:SKX), a global leader in the lifestyle footwear industry, today announced that it is expanding its sales and distribution in China through a joint venture (known as SKECHERS China) with Luen Thai Enterprises, a conglomerate based in Hong Kong with investments in various industries in Asia, North America and the Pacific Region. Over the next three years, SKECHERS China expects to open more than 1200 points-of-sale for the brand across China.

In addition to SKECHERS footwear, SKECHERS China will design and market a collection of SKECHERS-branded men's and women's fashionable active and leisure wear. The apparel, which is expected to reach market in 2009, will be designed as an extension of the footwear and should further grow the brand in China.

"China's share of the global footwear market is estimated at close to \$9 billion for 2008 with this number increasing due to the growing middle class," stated Willie Tan, CEO of Luen Thai Enterprises and SKECHERS China. "SKECHERS is a famous global brand and there is a huge market segment in China waiting to be satisfied by SKECHERS' trendy lifestyle footwear products. We expect to reach \$10 to \$15 million of sales by year-end 2008."

"To SKECHERS, China is a country of giant potential -- 1.3 billion people, steady market growth and rapid retail growth," began Michael Greenberg, president of SKECHERS and chairman of SKECHERS China. "We see SKECHERS -- a proven brand in hundreds of markets around the world -- as ideal for China and ready to capitalize on the power of its population. And with Luen Thai Enterprises' forward-looking management team, experience in the fashion supply chain and retail operations expertise, we believe it is the right company to help grow our business in China."

Luen Thai Enterprises is a privately held company and employs more than 2,000 people. It is part of close to a \$1 billion group of companies that also includes footwear manufacturing, logistics, hotel, travel and tour operations, among others. Most of the businesses have been operating for more than 20 years. Luen Thai Enterprises is steadily bolstering its foundation in Mainland China. Its strong business network in the local retail industry and long heritage of doing business in the country is expected to complement SKECHERS China's growth plans.

The first shipments of SKECHERS product under the direction of SKECHERS China is planned for the Chinese New Year, February 2008. The offering will encompass all of the SKECHERS lines for men, women and kids -- including lifestyle sport, casual and molded footwear. The footwear will be supported by a marketing campaign that includes print, TV

and point-of-purchase materials and displays.

SKECHERS and Luen Thai Enterprises are both making a substantial investment in SKECHERS China to expand and maximize the growth of the brand. The joint venture will grow SKECHERS' existing flagship store base from three to 10 locations in Shanghai, Beijing, Shenzhen and Guangzhou by the end of 2009. The companies also plan to expand distribution to another 250 points-of-sale in the next two years, and more than double SKECHERS' dedicated stores in 2009.

Mr. Tan continued: "We believe SKECHERS' diverse offering of lifestyle footwear will be just what our target market is looking for and SKECHERS will be the leading lifestyle footwear brand in China."

ABOUT Luen Thai Enterprises

Based in Hong Kong, Luen Thai Enterprises is a conglomerate with businesses and investments in multiple industries including footwear manufacturing and supply-chain services, ocean and air cargo services, long-line fishing and distribution of fresh seafood products, real estate development, travel and tours, and wholesale distribution. Luen Thai Enterprises has business operations in China, Japan, the Philippines, the United States, Micronesia and the Pacific region. A sister company of Luen Thai Enterprises, Luen Thai Holdings Limited is one of the leading apparel manufacturing and supply chain service providers worldwide. The company produces more than 80 million pieces of apparel annually for men, women and children.

ABOUT SKECHERS USA, Inc.

SKECHERS USA, Inc., based in Manhattan Beach, California, designs, develops and markets a diverse range of footwear for men, women and children under the SKECHERS name, as well as under several uniquely branded names. SKECHERS footwear is available in the United States via department and specialty stores, company-owned SKECHERS retail stores and its e-commerce website, as well as in over 100 countries and territories through the company's global network of distributors and subsidiaries in Canada, Brazil, Asia, and across Europe. Please visit www.skechers.com or call the company's information line at 877-INFO-SKX.

This announcement may contain forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or simply state future results, performance or achievements of the Company, and can be identified by the use of forward looking language such as "believe," "anticipate," "expect," "estimate," "intend," "plan," "project," "will be," "will continue," "will result," "could," "may," "might," or any variations of such words with similar meanings. Any such statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially from those projected in forward-looking statements. Factors that might cause or contribute to such differences include international, national and local general economic, political and market conditions; intense competition among sellers of footwear for consumers; changes in fashion trends and consumer demands; popularity of particular designs and categories of products; the level of sales during the spring, back-to-school and holiday selling seasons; the ability to anticipate, identify, interpret or forecast changes in

fashion trends, consumer demand for the products and the various market factors described above; the ability of the Company to maintain its brand image; the ability to sustain, manage and forecast the Company's growth and inventories; the ability to secure and protect trademarks, patents and other intellectual property; the loss of any significant customers, decreased demand by industry retailers and cancellation of order commitments; potential disruptions in manufacturing related to overseas sourcing and concentration of production in China, including, without limitation, difficulties associated with political instability in China, the occurrence of a natural disaster or outbreak of a pandemic disease in China, or electrical shortages, labor shortages or work stoppages that may lead to higher production costs and/or production delays; changes in monetary controls and valuations of the Yuan by the Chinese government; increased costs of freight and transportation to meet delivery deadlines; violation of labor or other laws by the Company's independent contract manufacturers, suppliers or licensees; potential imposition of additional duties, tariffs or other trade restrictions; business disruptions resulting from natural disasters such as an earthquake due to the location of the Company's domestic warehouse, headquarters and a substantial number of retail stores in California; changes in business strategy or development plans; changes in economic conditions that could affect the Company's ability to open retail stores in new markets and/or the sales performance of the Company's existing stores; the ability to attract and retain qualified personnel; the disruption, expense and potential liability associated with existing or unanticipated future litigation; and other factors referenced or incorporated by reference in the Company's Form 10-K for the year ended December 31, 2006 and the Company's Form 10-Q for the quarter ended September 30, 2007. The risks included here are not exhaustive. We operate in a very competitive and rapidly changing environment. New risks emerge from time to time and we cannot predict all such risk factors, nor can we assess the impact of all such risk factors on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on forward-looking statements as a prediction of actual results. Moreover, reported results should not be considered an indication of the Company's future performance.

Source: SKECHERS USA, Inc.