

October 30, 2017



SKECHERS Claims Shareholder Lawsuits Based on Two-Year Old Allegations Are Frivolous and Without Merit

- **The Company Plans to Defend Lawsuits Vigorously**
- **The Company Believes Timing was Intended to Distract Investors and the Industry from Record Third Quarter 2017 Earnings Announcement**

MANHATTAN BEACH, Calif.--(BUSINESS WIRE)-- SKECHERS USA, Inc. (NYSE:SKX), a global footwear leader, denies the allegations in the recent alleged shareholder class actions as frivolous and malicious, and plans on defending them vigorously.

On October 20, 2017, the Steamfitters Local 449 Pension Plan filed a securities class action—on behalf of itself and purportedly other shareholders who purchased SKECHERS stock during a five-month period in 2015—against the Company and certain of its officers, in the United States District Court for the Southern District of New York, case number 1:17-cv-08107. The lawsuit alleges that, between April 23 and October 22, 2015, the Company made materially false statements or omissions of material fact about the anticipated performance of its domestic wholesale business segment and asserts claims for unspecified damages, attorneys’ fees, and equitable relief based on alleged violations of federal securities laws. The lawsuit was filed against the Company and two of its officers by Labaton Sucharow LLP, but the Company has become aware of a copy-cat complaint and other plaintiffs’ lawyers posting internet “shareholder alerts” of “investigations.”

David Weinberg, SKECHERS chief financial officer, commented: “These lawsuits are frivolous, coming two years after the fact and immediately after we reported a new quarterly sales record for the third quarter of 2017. Further, the allegations are about the third quarter of 2015, which at the time was a quarterly net sales record for the Company, and both the earnings from operations and net earnings for the same period in 2015 were an impressive increase over the prior year. The lawsuit, at best, shows a complete misunderstanding of both our business and the footwear industry and, at worse and as the timing suggests, shows it was brought to distract investors, the industry, and consumers from our record third quarter 2017 earnings, announced one day before the lawsuit was filed. ([See referenced third quarter 2017 earnings announcement](#)). It is ironic that this lawsuit was filed the day after we announced three consecutive record quarters in 2017, which followed annual record net sales in 2016. Our record net sales in both 2016 and 2017, as well as that of 2015, are a testament to the power and continuing strength of our global brand. These lawsuits are without merit, and we will be vehemently defending the Company and our officers in court.”

SKECHERS is being represented in the lawsuit by Daniel Petrocelli, Seth Aronson, Jeffrey Barker, and Abby Rudzin of O’Melveny & Myers in New York and Los Angeles.

About SKECHERS USA, Inc.

SKECHERS USA, Inc., based in Manhattan Beach, California, designs, develops and

markets a diverse range of lifestyle footwear for men, women and children, as well as performance footwear for men and women. SKECHERS footwear is available in the United States and over 160 countries and territories worldwide via department and specialty stores, 2,438 SKECHERS Company-owned and third-party-owned retail stores, and the Company's e-commerce websites. The Company manages its international business through a network of global distributors, joint venture partners in Asia and the Middle East, and wholly-owned subsidiaries in Canada, Japan, throughout Europe and Latin America. For more information, please visit skechers.com and follow us on Facebook (facebook.com/SKECHERS) and Twitter (twitter.com/SKECHERSUSA).

This announcement contains forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, Skechers' future domestic and international growth, financial results and operations including expected net sales and earnings, its development of new products, future demand for its products, its planned domestic and international expansion, opening of new stores and additional expenditures, and advertising and marketing initiatives. Forward-looking statements 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 actual results to differ materially from those projected in forward-looking statements. Factors that might cause or contribute to such differences include international economic, political and market conditions including the uncertainty of sustained recovery in Europe; sustaining, managing and forecasting costs and proper inventory levels; losing any significant customers; decreased demand by industry retailers and cancellation of order commitments due to the lack of popularity of particular designs and/or categories of products; maintaining brand image and intense competition among sellers of footwear for consumers, especially in the highly competitive performance footwear market; anticipating, identifying, interpreting or forecasting changes in fashion trends, consumer demand for the products and the various market factors described above; sales levels during the spring, back-to-school and holiday selling seasons; and other factors referenced or incorporated by reference in Skechers' annual report on Form 10-K for the year ended December 31, 2016 and its quarterly report on Form 10-Q for the six months ended June 30, 2017. The risks included here are not exhaustive. Skechers operates in a very competitive and rapidly changing environment. New risks emerge from time to time and the companies cannot predict all such risk factors, nor can the companies assess the impact of all such risk factors on their respective businesses 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 future performance.

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