

SKECHERS U.S.A., INC.

CODE OF BUSINESS CONDUCT AND ETHICS

INTRODUCTION

SKECHERS U.S.A., INC. (“SKECHERS” or the “Company”) is committed to the highest standards of legal and ethical conduct. This Code of Business Conduct and Ethics sets forth the Company’s policies with respect to the way we conduct ourselves individually and operate our business. The provisions of this Code are designed to promote honest and ethical conduct among our employees, officers and directors.

In the course of performing our various roles in SKECHERS, each of us will encounter ethical questions in different forms and under a variety of circumstances. Ethical issues may arise in our dealings with fellow employees of SKECHERS, with customers, or with other parties such as government entities or members of our community. Our employees should not be content with simply obeying the letter of the law, but must also strive to conduct themselves in an honest and ethical manner. This Code provides rules and guidelines to assist our employees, directors and officers in taking the proper actions when faced with an ethical dilemma. In addition, employees should consult the Company’s Employee Handbook, which addresses a variety of areas relevant to our business activities.

The reputation of SKECHERS is our greatest asset and its value relies on the character of its employees. In order to protect this asset, SKECHERS will not tolerate unethical behavior by employees, officers or directors. Those who violate the standards in this Code will be subject to

disciplinary action. If you are concerned about taking an action that may violate the Code or are aware of a violation by another employee, an officer or a director, follow the guidelines set forth in this Code and, where necessary, consult with your supervisor, the Human Resources Department or Legal Department.

This Code applies equally to all employees, officers and directors of SKECHERS. Unless otherwise indicated, all references to employees contained in this Code should be understood as referring to officers and directors as well.

A. SPECIAL OBLIGATIONS OF DIRECTORS AND SENIOR OFFICERS

Directors and the Company's Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, principal accounting officer or controller or persons performing similar functions (together "Senior Officers") have a leadership responsibility and should strive to create a culture of high ethical standards, to encourage commitment to legal compliance, to maintain a work environment that encourages Company employees to raise concerns and to assure prompt attention to employee compliance concerns.

B. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Company policy requires that SKECHERS, as well as all employees, officers and directors of the Company, comply fully with both the spirit and the letter of all laws, rules and regulations. Whenever an applicable law, rule or regulation is unclear or seems to conflict with either another law or any provision of this Code, all employees, officers and directors are urged to seek clarification from their supervisor, the Human Resources Department or the Legal Department, as appropriate. See below for contact information. Beyond mere compliance with

the law, we should always conduct our business with the highest standards of honesty and integrity – wherever we operate.

C. CONFLICTS OF INTEREST

It is the policy of SKECHERS to require that our employees devote their best efforts, full loyalties and interests to SKECHERS. Employees are expected to use good judgment, adhere to high ethical standards and avoid situations that create an actual or potential conflict between the employee's personal interests and the interests of SKECHERS. A conflict of interest exists when an employee's private interest interferes in any way with the interest of the Company as a whole or when the employee's loyalties or actions are divided between SKECHERS' interests and those of another, such as a competitor, supplier or customer. Both the fact and the appearance of a conflict of interest should be avoided. Employees unsure as to whether a certain transaction, activity or relationship constitutes a conflict of interest should discuss it with their immediate Supervisor and the Vice President of Human Resources or the General Counsel.

Examples of conflicts include, but are not limited to:

- Receiving improper personal benefits as a result of an employee's position in the Company (this also applies to improper personal benefits received by such person's family);
- Receiving loans, or guarantees of obligations, from a competitor, customer, supplier or someone seeking to do business with SKECHERS;
- Performing services for a competitor, supplier, customer or someone doing or seeking to do business with SKECHERS outside the scope of your job description;
- Engaging in self-employment in competition with the Company;
- Selling SKECHERS products for resale to family or others with whom the employee shares economic interest;

- Revealing confidential business information without proper authorization;
- Using proprietary or confidential business information for personal gain or to the Company's detriment;
- Owning a material or financial interest in a business that competes with, is doing business with, or is seeking to do business with SKECHERS, other than an ownership interest in publicly traded securities;
- Selling SKECHERS products acquired through employee purchase programs to vendors or anyone else for profit;
- Personally selling SKECHERS products to anyone whose interest is not consistent with SKECHERS strategies, i.e., off price vendors or wholesalers;
- Acquiring any interest or asset of any kind for the purpose of selling or leasing it to the Company;
- Except for charities approved by executive management, committing the Company to give its financial or other support to any outside activity or organization; or
- Committing the Company to purchase goods/services from a relative without full disclosure of family relationships and authorization from the next higher level of management above the buyer/decision maker.

In connection with the Company's business, employees may receive gifts or other personal benefits from others that currently do business or seek to do business with SKECHERS. In some cases, it may be reasonable for employees to accept gifts, meals and entertainment, such as tickets to concerts or sporting events, in connection with business dealings, educational programs, or efforts to market the Company and its products and otherwise in connection with the normal and ordinary course of doing business. Any employee who during a fiscal year receives

- (1) any individual gift or personal benefit in excess of \$250, or
 - (2) gifts or personal benefits from a single person or entity that total in excess of \$500,
- must report that fact to the Legal Department, which will examine the gifts and personal benefits

and determine their appropriateness. Meals and entertainment that have a clear business objective and that are not primarily for the purpose of soliciting the Company's business need not be reported. Notwithstanding the foregoing, in no event should any gift or personal benefit be accepted if it could potentially adversely affect the Company or in any way interfere with its interests.

If an employee feels that he or she has, or may in the future have, an interest that is in conflict with the interests of SKECHERS, the employee should bring this to the attention of the Vice President of Human Resources or the General Counsel. Executive officers and directors should bring the possible conflict to the attention of the Board, which may make a determination that a particular transaction or relationship will not result in an impermissible conflict of interest covered by this policy.

Failure to adhere to this guideline, including failure to disclose any conflicts, may result in disciplinary action, up to and including termination of employment.

D. CORPORATE OPPORTUNITIES

Employees, officers and directors owe a duty to SKECHERS to advance its legitimate interests when the opportunity to do so arises. Employees, officers and directors are prohibited from taking for themselves personally opportunities that are discovered through the use of Company property, Company information or their position in SKECHERS. Furthermore, employees may not use Company property, information or influence or their position in SKECHERS for improper personal gain. Finally, employees have a duty to advance the Company's legitimate interests when the opportunity to do so arises. Consequently, employees are not permitted to compete with the Company.

E. CONFIDENTIALITY

All employees are expected and required to maintain the confidentiality of any Confidential Information obtained through employment with SKECHERS, except when disclosure is authorized or legally mandated. Employees will be required to execute a Confidentiality and Inventions Agreement with the Company in accordance with the Company's business needs.

“Confidential Information” means all information not generally made available to the public that is disclosed or made available by the Company or a customer of the Company to an employee including, without limitation, trade secrets, know-how, raw material properties and specifications, formulations, discoveries, ideas, concepts, techniques, designs, specifications, technical information, drawings, data, customer and supplier lists, information regarding customers, buyers and suppliers, distribution techniques, production processes, research and development projects, marketing plans, financial information, the Company's legal business and financial structure and operations, and other confidential and proprietary information. Such Confidential Information constitutes valuable trade secrets of the Company or its customers, and the Company's business and success depend upon the use and protection of the Confidential Information because the Confidential Information is not generally or publicly known and thus has commercial value. Any disclosure or unauthorized use of such Confidential Information will cause irreparable harm and loss to the Company.

Accordingly, all Confidential Information is the sole and exclusive property of the Company or its customers, as applicable, and shall be held in the strictest confidence by all employees. Employees shall not copy Confidential Information or any portion thereof without

the Company's prior written consent. Employees shall immediately deliver to the Company upon written notice given to the employee by the Company (or automatically upon termination of employment, if earlier) all Confidential Information, including without limitation all records, items, books, documents, notes, physical evidence, computer records and other materials and all reproductions and copies of the foregoing in any form or medium.

Any employee who breaches the Company's Confidentiality Policy or who discloses Confidential Information may be subject to disciplinary action, up to and including termination of employment. An employee should immediately give the Company notice of any information that comes to his or her attention that leads the employee to suspect that any person is improperly using any portion of the Company's Confidential Information.

This Confidentiality Policy continues to apply even after the employee's termination or resignation for any reason.

F. INSIDER TRADING

Employees, officers and directors will frequently become aware of confidential non-public information concerning SKECHERS and the parties with which SKECHERS does business. The Company prohibits employees from using such confidential information for personal financial gain, such as for purposes of stock trading, or for any other purpose other than the conduct of our business. Employees must maintain the confidentiality of such information and may not make disclosures to third parties, including members of the employee's family. All non-public information about SKECHERS should be treated as confidential information. To use non-public information for personal financial benefit or to "tip" others who may make stock trades on the basis of this information is not only unethical but also illegal. This policy also

applies to trading in the securities of any other company, including our customers or suppliers, if employees have material, non-public information about that company which the employee obtained in the course of their employment by SKECHERS. In addition to possible legal sanctions, any employee, officer or director found to be in violation of the Company's insider trading policy will face decisive disciplinary action. Employees are encouraged to contact the Company's Legal Department with any questions concerning this policy.

G. PROTECTION AND PROPER USE OF COMPANY ASSETS

All Company assets should be used for legitimate business purposes and all employees, officers and directors must make all reasonable efforts to protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability and must therefore be avoided. The suspected occurrence of fraud or theft should be immediately reported to the appropriate person in accordance with the procedures set forth in this Code.

An employee's obligation to protect the Company's assets extends to the Company's proprietary information. Proprietary information includes intellectual property such as patents, trademarks, copyrights and trade secrets. An employee who uses or distributes such proprietary information without the Company's authorization will be subject to disciplinary measures as well as potential legal sanctions.

H. FAIR DEALING

Although the success of our Company depends on our ability to outperform our competitors, SKECHERS is committed to achieving success by fair and ethical means. We seek

to maintain a reputation for fair dealing among our competitors and the public alike. In light of this aim, SKECHERS prohibits employees from engaging in any unethical or illegal business practices. An exhaustive list of unethical practices cannot be provided. Rather, employees must rely on good judgment and common sense and, when in doubt, seek the advice of their supervisor, the Human Resources Department, or the Legal Department. Suffice it to say that each employee should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees, and not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair business practice.

I. SPECIAL DISCLOSURE OBLIGATIONS OF SENIOR OFFICERS

The Company's policy is to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws, rules and regulations in all reports and documents the Company files with, or submits to, the Securities and Exchange Commission and in all other public communications made by or on behalf of SKECHERS. Accordingly, each Senior Officer has the following specific responsibilities with respect to the Company's financial reporting and public disclosures:

- Each Senior Officer shall seek to ensure that the Company's financial statements and other disclosures comply with all applicable laws, rules and regulations.
- Each Senior Officer shall promptly bring to the attention of the Company's Disclosure Committee and its Audit Committee any material information of which he or she becomes aware that affects the disclosures previously made by the Company in its public filings.
- Each Senior Officer shall promptly bring to the attention of the Company's Disclosure Committee and its Audit Committee any information he or she may have concerning (1) significant deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data, and (2) any fraud, whether or not

material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures or internal controls.

- Each Senior Officer shall promptly bring to the attention of the Company's General Counsel and its Audit Committee any information he or she may have concerning any employee's effort to improperly influence, coerce, manipulate or mislead any independent public accountant or internal auditor engaged to audit or review any of the Company's financial statements or books and records.
- Each Senior Officer shall promptly bring to the attention of the Company's General Counsel and its Audit Committee any information he or she may have concerning any violation of this Code by any member of management or other employees who have a significant role in the Company's financial reporting, disclosures or internal controls.
- Each Senior Officer shall promptly bring to the attention of the Company's General Counsel and its Audit Committee any information he or she may have concerning evidence of a material violation of the securities or other laws, rules or regulations applicable to the Company and the operation of its business, by the Company or any agent thereof.

J. WAIVERS

The Company expects all employees, officers and directors to comply with the provisions of this Code. Any waiver of a provision of this Code for employees may be made by the General Counsel. Any waiver of a provision of this Code for executive officers, Senior Officers or directors may be made only by the Board of Directors or a Board committee. All waivers must be promptly disclosed as and to the extent required by applicable law and regulations.

K. COMPLIANCE GUIDELINES AND RESOURCES

In some situations, our employees may not be certain how to proceed in compliance with this Code. This uncertainty may concern the ethical nature of the employee's own acts or the employee's duty to report the unethical acts of another. When faced with this uncertainty, the employee should carefully analyze the situation and make use of company resources when

determining the proper course of action. SKECHERS also encourages employees to talk to their supervisors, or other personnel identified below, when in doubt about the best course of action.

1. Gather all the facts. Do not take any action that may violate the Code until you have gathered all the facts that are required to make a well-informed decision and, if necessary, you have consulted with your supervisor, the Human Resources Department or the Legal Department.
2. Is the action illegal or contrary to policy? If the action is illegal or contrary to the provision of this Code, you should not carry out the act. If you believe that the Code has been violated by an employee, an officer or a director, you must promptly report the violation in accordance with the procedures set forth in this Code.
3. Discuss the problem with your supervisor. It is your supervisor's duty to assist employees in complying with this Code. Feel free to discuss a situation that raises ethical issues with your supervisor if you have any questions. You will suffer no retaliation for seeking such guidance.
4. Additional resources. The Vice President of Human Resources is available to speak with you about problematic situations if you do not feel comfortable approaching your direct supervisor. The Legal Department is also available to assist you in complying with those aspects of the Code that involve more complex issues, such as insider trading and conflicts of interest. If you are concerned about maintaining anonymity, you may send correspondence to the anonymous outside private mailbox address indicated in section M below.

L. REPORTING PROCEDURES

All employees have a duty to report any violations of this Code, as well as violations of any laws, rules, or regulations. SKECHERS does not permit retaliation of any kind against employees for good faith reports of violations of this Code.

Employee Violations

If you believe that the Code has been violated by an employee you must promptly report the violation to your direct supervisor, the Human Resources Department, the Legal Department or the Company's anonymous outside private mailbox. If a report is made to a supervisor, the supervisor must in turn report the violation to the Human Resources Department or the Legal Department.

Officer or Director Violations

All violations by an executive officer, a Senior Officer or director of SKECHERS must be reported directly to the General Counsel or the Company's anonymous outside private mailbox.

Accounting or Auditing Matters

Complaints involving the Company's accounting, internal accounting controls or auditing matters, or concerns regarding questionable accounting or auditing matters should be made in accordance with the Company's Whistleblower Policy.

Reports Regarding Other Matters

Any interested party with significant concerns may report those issues to the Presiding Non-Management Director of the Board of Directors. A copy of the report should also be forwarded to the General Counsel.

M. CONTACT INFORMATION

Reports and Questions may be made in person, by telephone or in writing by sending a description of the violation and the names of the parties involved to the appropriate personnel mentioned in the preceding section. The contact information is as follows:

Legal Department – General Counsel:

Philip G. Paccione
Telephone: 310-318-3100 ext. 4379
E-mail: philp@skechers.com
Address: SKECHERS U.S.A., Inc.
228 Manhattan Beach Boulevard
Manhattan Beach, CA 90266

Vice President of Human Resources:

Marcee Mackey
Telephone: 310-318-3100 ext. 4456
E-mail: marceem@skechers.com
Address: SKECHERS U.S.A., Inc.
228 Manhattan Beach Boulevard
Manhattan Beach, CA 90266

Presiding Non-Management Director:

Correspondence to Presiding Non-Management Director can be addressed to:

Presiding Non-Management Director
SKECHERS USA, Inc.
228 Manhattan Beach Boulevard
Manhattan Beach, CA 90266

Anonymous Outside Private Mail Box: Use this alternative if you are concerned about maintaining anonymity.

Special Reporting Division
SKECHERS U.S.A., Inc.
PMB #350
1601 North Sepulveda Boulevard
Manhattan Beach, CA 90266-5133

N. ACCOUNTABILITY AND DISCIPLINARY ACTION

Each officer, director and employee of SKECHERS will be held accountable for any violations of this Code. The penalty for a particular violation will be decided on a case-by-case basis and will depend on the nature and severity of the violation as well as the employee's history of non-compliance and cooperation in the disciplinary process. Significant penalties will be imposed for violations resulting from intentional or reckless behavior. Penalties may also be imposed when an employee fails to report a violation due to the employee's indifference, deliberate ignorance or reckless conduct. All violations of this Code will be treated seriously and will result in the prompt imposition of penalties which may include, among other things (1) an oral or written warning, (2) a reprimand, (3) suspension, (4) termination and/or (5) restitution.

O. NO RIGHTS CREATED

This Code is a statement of certain fundamental principles, policies and procedures that govern the Company's officers, directors and employees in the conduct of the Company's business. It is not intended to and does not create any rights in any employee, supplier, competitor, stockholder or any other person or entity.