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# SKECHERS Expands European Distribution Centre

## 70,000 m<sup>2</sup> facility to support increased sales across Europe

LIÈGE, Belgium--(BUSINESS WIRE)-- [SKECHERS USA, Inc.](#) (NYSE:SKX), a global lifestyle and performance footwear company based in Manhattan Beach, California, USA, announces plans to expand its European Distribution Centre (EDC) in Belgium by an additional 25,000 m<sup>2</sup> to make the facility the largest company-operated DC in the Walloon Region at a total size of 70,000 m<sup>2</sup>.

"This expansion is a testament to the incredible growth that we've seen in our business throughout Europe and mirrored around the globe," began David Weinberg, chief operating officer and chief financial officer of SKECHERS. "We feel that the opportunity for continued growth in Europe remains high and we're excited to expand our EDC to meet the increasing demand for SKECHERS product."

[SKECHERS](#) reported its highest quarterly net sales in the Company's history during last week's second quarter 2014 conference call. Demand for the SKECHERS brand is at an all-time high across nearly every region where the Company distributes its product and Europe in particular has seen strong business with high double digit net sales increases in the second quarter and for the first six months of 2014 as compared to the same periods last year.

"Thanks to the success of our business in the region supported by the EDC, additional space is needed for future storage and operational requirements," began Sophie Houtmeyers, SKECHERS EDC Vice President of Distribution Operations. "This extension will give us more flexibility for the future. Combined with new automation technologies that we expect to completely install by the end of 2014, these investments will allow us to expand operations in the execution of our European logistics."

The SKECHERS EDC was inaugurated in 2002 over a surface area of 21,000 m<sup>2</sup>. At the time, it employed only three people and a number of temporary workers, depending on the periods of peak and off-peak activity. The continued growth of SKECHERS in the European market resulted in an extension of the building in 2009 with 23,000 m<sup>2</sup> of additional space. In 2013, the volume of goods was four times higher than in 2002 and employment increased up to 150 full-time equivalents.

The SKECHERS EDC receives goods arriving from China via the port of Antwerp. The goods are then stored at the EDC until they are redistributed to European markets. The customers of the EDC are third-party accounts, 31 company-owned and 19 franchisee-owned SKECHERS stores throughout Western Europe, e-commerce in Europe, as well as the Company's international distribution partners in the European region.

[SKECHERS](#) also operates a 170,000 m<sup>2</sup> LEED-Gold certified distribution center in Rancho

Belago, California that serves North and South America.

## **About SKECHERS USA, Inc.**

SKECHERS USA, Inc. (NYSE:SKX), 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 via department and specialty stores, Company-owned SKECHERS retail stores and its e-commerce website, and in over 100 countries and territories through the Company's international network of subsidiaries in Canada, Brazil, Chile, Japan, and across Europe, as well as through joint ventures in Asia and distributors around the world. For more information, please visit [skechers.com](http://skechers.com), and follow us on Facebook ([facebook.com/SKECHERS](https://facebook.com/SKECHERS)) and Twitter ([twitter.com/SKECHERSUSA](https://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, the Company's future growth, financial results and operations, its development of new products, future demand for its products and growth opportunities, and its planned opening of new stores, advertising and marketing initiatives, and the expansion and automation plans for the Company's European Distribution Center. 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 the resignation of the Company's former independent registered public accounting firm, and its withdrawal of its audit reports with respect to certain of the Company's historical financial statements; international, national and local general economic, political and market conditions including the ongoing global economic slowdown and market instability; consumer preferences and rapid changes in technology in the highly competitive performance footwear market; 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; 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 the Company's annual report on Form 10-K for the year ended December 31, 2013 and its quarterly report on Form 10-Q for the three months ended March 31, 2014. The risks included here are not exhaustive. The Company 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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