September 19, 2014

SKECHERS Announces Preliminary Settlement of Derivative Litigation

MANHATTAN BEACH, Calif.--(BUSINESS WIRE)-- SKECHERS U.S.A., Inc. (NYSE:SKX), a global leader in footwear, today announced the preliminary court approval on September 16, 2014 of the settlement of a pending shareholder derivative action, entitled *Basaraba v. Greenberg, et al.*, Case No. CV-13-05061-PSG (SHx) (C.D. Cal.). The settlement is subject to final court approval. The summary notice reads as follows:

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

GLORIA BASARABA, Derivatively on	Case No. 13-CV-05061-PSG (SHx)
Behalf of Nominal Defendant SKECHERS	**SUMMARY NOTICE OF PROPOSED**
U.S.A., INC.,	**SETTLEMENT OF DERIVATIVE**
Plaintiff,	**ACTION**
v.	
ROBERT GREENBERG, MICHAEL	
GREENBERG, JEFFREY GREENBERG,	
DAVID WEINBERG, RICHARD SISKIND,	Courtroom: 880
GEYER KOSINSKI, MORTON ERLICH,	Judge: Hon. Philip S. Gutierrez
RICHARD A.RAPPAPORT, and THOMAS	
WALSH,	Complaint Filed: September 5, 2013
Defendants,	Trial Date: N/A
-and- SKECHERS U.S.A., INC.,	
Nominal Defendant.	

NOTICE OF PROPOSED SETTLEMENT OF DERIVATIVE ACTION

TO: ANY OWNER OF SKECHERS U.S.A., INC.'S ("SKECHERS") COMMON STOCK

YOU ARE HEREBY NOTIFIED that pursuant to an Order of the United States District Court for the Central District of California, Western Division, a hearing will be held on November 10, 2014, at 1:30p.m., before the Honorable Philip S. Gutierrez, United States District Judge, United States Courthouse, Courtroom 880, Edward R. Roybal Federal Building, 255 East Temple Street, Los Angeles, CA, 90012, for the purpose of determining whether the Proposed Settlement in the above captioned derivative action (the "Derivative Action") should be approved as fair, reasonable and adequate, and whether a judgment dismissing the Derivative Action should be entered. Plaintiff is a Skechers shareholder who filed certain claims against the nine members of Skechers' Board of Directors and a former Skechers employee on behalf and in the right of Skechers. In connection with the Settlement, Skechers has agreed to adopt certain corporate governance procedures, and Defendants are being released from liability to Skechers. While continuing to deny all allegations of wrongdoing or liability whatsoever, Individual Defendants have agreed to the Settlement to eliminate the expense, risks, and uncertain outcome of the litigation. As part of the Settlement, Plaintiff will request payment of up to $350,000 for Plaintiff's Counsels' fees and expenses and Plaintiff's incentive award. Plaintiff's requests are subject to the Court's approval and will be paid by Defendants directly or through their insurer the amount approved by the Court.

IF YOU ARE A CURRENT OWNER OF SKECHERS COMMON STOCK YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THE DERIVATIVE ACTION.

A more detailed form of notice describing the Settlement is available on the websites of Hynes Keller & Hernandez, LLC, www.hkh-lawfirm.com, and Faruqi & Faruqi, LLP, www.faruqilaw.com.

You can object to the Settlement if you dislike any part of it, or if you disagree with Plaintiff's Counsel's request for attorneys' fees and expenses or Plaintiff's request for an incentive award. The Court will consider your views. To object, you must file with the Court and send to the parties' counsel a signed letter or other written submission saying that you object to the Settlement in *Basaraba v. Greenberg, et al*., Case NO. CV-13-05061-PSG (SHx). Be sure to include: (i) your name, address, email address, and telephone number; (ii) how many Skechers shares you owned as of January 1, 2008, whether you still own those shares, and the initial purchase date of your shares; (iii) a detailed description of your specific objections to any matter before the Court, and all the grounds for your objections to the Settlement, including any documents you wish the Court to consider; and (iv) your most recent brokerage account statement evidencing current ownership of your Skechers shares and account statements evidencing continuing ownership from January 1, 2008, through the date of the Settlement Hearing. If you want to appear at the Settlement Hearing, you must also state your intention to appear and provide the names of all witnesses, if any, you wish to present at the hearing, along with a statement of the matters on which such witnesses will testify and a summary of their proposed testimony. The objection and any supporting papers must be filed with the Court, by hand, mail, or overnight delivery, and received by Plaintiff's Counsel and Individual Defendants' and Skechers' Counsel, by hand, mail, overnight delivery, fax, or email, at the addresses provided below no later than October 27, 2014.

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CLERK OF THE COURT
UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION
255 East Temple Street
Los Angeles, CA 90012

PLEASE DO NOT CONTACT THE COURT OR THE CLERK OF THE COURT REGARDING THIS NOTICE.

About SKECHERS U.S.A., Inc.

SKECHERS U.S.A., 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 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 www.skechers.com, and follow us on Facebook (www.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, the Company's future growth, financial results and operations, its development of new products, future demand for its products and growth opportunities, 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; entry into 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 Form 10-Q for the quarter ended June 30, 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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Source: SKECHERS U.S.A., Inc.