

February 27, 2007



# **CORRECTING and REPLACING GRAPHIC SKECHERS Sues Asics for Trade Libel, Unfair Competition and Tortious Interference with Business Relationships**

## **Seeks Injunction, Disgorgement of Profits and \$100 Million In Punitive Damages**

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

Please replace the image with the accompanying corrected graphic.

The release reads:

**SKECHERS Sues Asics for Trade Libel, Unfair Competition and Tortious Interference with Business Relationships**

**Seeks Injunction, Disgorgement of Profits and \$100 Million In Punitive Damages**

SKECHERS USA, Inc. (NYSE:SKX), a global leader in lifestyle footwear, announced today that it has filed a lawsuit against Asics Corporation and Asics America Corporation (collectively "Asics") for trade libel, unfair competition and tortious interference with prospective economic advantage and economic business relations. Skechers seeks injunctive relief enjoining Asics from engaging in further unlawful acts, disgorgement of Asics' profits, attorneys' fees and \$100 million in punitive damages. Skechers also seeks a declaration that none of its designs infringe upon Asics' trademarks. The suit was filed in the United States District Court for the Central District of California on February 26, 2007.

"We believe that Asics has engaged in a campaign of unfair competition and trade libel against Skechers by improperly issuing press releases and filing a lawsuit to disseminate false public information about Skechers," says Philip G. Paccione, General Counsel of Skechers. "We also believe that these false statements were made with malice as they contradict sworn testimony of Asics' executives. These falsehoods threaten Skechers' reputation of being hip, cutting edge and original in its shoe designs, and they will interfere with customer relationships."

Skechers' lawsuit is in response to an Asics' lawsuit and press release asserting that certain Skechers designs infringed Asics' trademark.

Paccione continued: "It is obvious to the footwear trade as well as to the average consumer that the designs are different. Furthermore, no consumer will be confused by the Skechers' styles considering how prominently and frequently Skechers marks its packaging and footwear with the globally recognized SKECHERS trademark and logo. In light of this, Asics' campaign is nothing more than an attempt to monopolize the use of common footwear

design elements and undermine legitimate competition by issuing false public statements that intimidate trade customers."

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 10 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 Canadian and European subsidiaries. Please visit [www.skechers.com](http://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 our 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 our 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; the ability to obtain additional capital to fund operations, finance growth and service debt obligations; the ability to attract and retain qualified personnel; compliance with recent corporate governance legislation including the Sarbanes-Oxley Act of 2002; 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 annual report on Form 10-K for the year ended December 31, 2005 and in the Company's Form 10-Q for the quarter ended September 30, 2006. 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 our 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.