STEVEN MADDEN, LTD.

Stock Split Frequently Asked Questions

On September 17, 2018, Steven Madden, Ltd. (the “Company”) announced that its Board of Directors had authorized a three-for-two stock split of the Company’s common stock. The split is structured in the form of a stock dividend payable on October 11, 2018 to stockholders of record on October 1, 2018 (the “Record Date”). What follows are answers to frequently asked questions:

What is a three-for-two stock split?

All stockholders at the close of business on the Record Date will receive one (1) additional share, in the form of a stock dividend, for every two (2) shares of the Company’s common stock owned.

What is the difference between a three-for-two stock split and a stock dividend?

They are effectively the same to the stockholders. In both cases, stockholders will own one and one-half times as many shares after the split as they did prior to the split.

Why is the Company splitting the stock?

The Company’s Board of Directors made a decision to split the stock in order to, among other things, make the shares more accessible to a broader range of investors and increase liquidity in the trading of the Company’s common stock.

Did the stockholders vote to approve the stock split?

Stockholder approval was not needed because the split was in the form of a stock dividend, and the number of shares outstanding after the split is still below the maximum number of shares of common stock authorized for issuance pursuant to the Company’s certificate of incorporation. Only the authorization of the Board of Directors is necessary.

How does a three-for-two stock split work?

As a consequence of a three-for-two split, stockholders will receive one (1) additional share of the Company’s common stock for every two (2) shares they currently own. Therefore, each stockholder will own one and one-half times as many shares after the split as prior to the split. Correspondingly, the price of each share after the split will be roughly two-thirds of the pre-split share price, though the total value of the holdings immediately after the split will be the same as before the split. Each stockholder’s investment value remains the same until the Company’s stock price moves up or down. For example, a stockholder who owns 100 shares of the Company’s common stock at a market price of $60 per share as of the Record Date has a total investment value of $6,000. After the split, this stockholder will own 150 shares of the
Company’s common stock valued at approximately $40 per share for a total investment value of $6,000.

**Do I need to pay anything for these new shares?**

No. There is no cost to you associated with the stock split.

**What are the tax consequences for this split?**

The Company has been advised that, under current law, for U.S. federal income tax purposes, the receipt of new shares in this stock split distribution will not be taxable as income to U.S. residents. However, you will need to adjust your tax basis to reflect this split in determining gain or loss if you sell any of your shares. Your tax basis for each original pre-split share will be allocated evenly among the original shares and the new shares. For example, if prior to the dividend you own 100 shares with a basis of $60 per share, one-third of the basis in each of those shares would be allocated equally among the new shares, resulting in a basis of $40 per share for each of the 150 shares owned after the split. If you are a stockholder who owns several blocks of the Company’s common stock acquired at different times, the allocation must be done on a block-to-block basis. Your holding period for each new share will be the same as the holding period for the corresponding original shares. **This summary is provided for your general information; however, it does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of stockholders or your personal circumstances. You should consult your personal tax advisor about the individual tax consequences of any transaction you undertake with your shares in the Company, including, without limitation, the calculation of your tax basis as a result of this split and the tax consequences of any distribution.**

**What are the key dates relating to the Company's stock split?**

- **October 1, 2018 - the Record Date:** This date determines which stockholders are entitled to receive additional shares as a result of the stock split.

- **October 11, 2018 - the Distribution Date:** This is the date when the Company’s transfer agent will adjust stockholders’ holdings to reflect the stock split.

- **October 12, 2018 - the Ex-Distribution Date:** This is the date when the Company’s common stock will begin trading at its new split-adjusted price on the Nasdaq Global Select Market.

**Does the stock split change my percentage ownership in the Company?**

No, the stock split does not change your proportionate interest in the Company as all stockholders will receive one additional share for every two shares held as of the Record Date.
Can I trade shares between the Announcement Date (September 17, 2018) and the Record Date?

Yes.

Can I trade shares between the Record Date and the distribution date of October 11, 2018 (the “Distribution Date”)?

Yes. Shares trading under the symbol SHOO will continue to trade at the pre-split price in the “regular way” market. Sellers at the “regular way” price are not entitled to the split shares they would have received by virtue of their status as stockholders on the Record Date because sellers receive full value for the shares they sell. Sellers transfer the split shares to their buyers by means of “due bills.” If you buy stock at the “regular way” price, you are normally entitled to receive the stock split shares. From the Record Date through the Distribution Date, the Company’s common stock will trade only at the “regular way” price. The Company’s common stock will trade at the post-split price on October 12, 2018, the first business day after the stock split share distribution.

For further information on “regular way” trading, you should contact your broker.

How and when will I receive my stock split shares?

You will receive your stock split shares on or about the Distribution Date in one of two ways:

1. If your shares of the Company’s common stock are currently held in a brokerage account, your additional shares will be sent directly to your broker and deposited to your brokerage account. Please contact your broker directly for an account statement reflecting the additional shares credited to your account as a result of the stock split, or with any questions regarding your brokerage account. Your new stock split shares will not actually appear in your brokerage account until on or about October 12, 2018.

2. If you are a registered holder of the Company’s common stock you will receive your additional shares in book-entry form. This means that your shares will be credited to an account registered in your name on the books of the Company, which are maintained by its transfer agent. The Company’s transfer agent will send you a Direct Registration Statement (“DRS”) indicating the number of additional shares you received resulting from the stock split. The DRS is confirmation of your receipt of additional shares.

What happens if I am entitled to receive a fraction of a share as a result of the stock split?

No fractional shares will be issued in connection with the stock split. Stockholders will receive cash in lieu of any fractional share of the Company’s common stock that they otherwise would have received in connection with the stock split. The price paid for the fractional shares will be based on the closing price of the Company’s common stock on the Record Date as reported by the Nasdaq Global Select Market, as adjusted for the stock split, and paid on or about the Distribution Date to stockholders of record as of the Record Date.
How and when will I receive my cash in lieu of a fractional share of the Company’s common stock following the stock split?

If you are entitled to receive a cash payment in lieu of a fractional share, you will receive cash on or about the Distribution Date in one of two ways:

1. If your shares of the Company’s common stock are currently held in a brokerage account, payment for the fractional share will be deposited directly into your account with the broker that holds your shares. You should contact your broker for more information.

2. If you hold a physical stock certificate for your shares or if your shares are held in book-entry form, the Company’s transfer agent will mail you a check for the payment of your fractional share.

Book-entry form of registered ownership allows you to own shares without having paper stock certificates in your possession. You are the owner of record and enjoy the same stockholder benefits as you would if you maintained stock certificates.

If I currently hold stock certificates, should I continue to hold them?

The stock certificates that you currently hold are still valid and should not be destroyed or exchanged. Those certificates continue to represent the same number of shares as shown on their face and should be kept in a secure place.

Where will my DRS be mailed?

If you are a registered stockholder, a DRS will be mailed to the address that the Company’s transfer agent has on file. To verify the accuracy of your address, you can contact the Company’s transfer agent by toll-free telephone at 1-800-937-5449, by email at help@astfinancial.com, online at www.astfinancial.com or by mail to American Stock Transfer & Trust Company, 6201 15th Avenue, Brooklyn, New York 11219, Attention: Shareholder Relations.

How can I update my mailing address?

If you are a registered stockholder, you can update your address by contacting the Company’s transfer agent by email at help@astfinancial.com, online at www.astfinancial.com or by mail to the Company’s transfer agent at 6201 15th Avenue, Brooklyn, New York 11219, Attention: Shareholder Relations.

What happens if I lose my Direct Registration Statement?

Unlike stock certificates, the DRS is not a negotiable document, so there is no replacement fee. You can request replacement statements at any time by contacting the Company’s transfer agent by toll-free telephone at 1-800-937-5449, by email at help@astfinancial.com, online at
www.astfinancial.com or by mail to the Company’s transfer agent at 6201 15th Avenue, Brooklyn, New York 11219, Attention: Shareholder Relations.

Has the Company ever split the stock before?

Yes. This is the fifth stock split for the Company. The Company’s common stock split on May 26, 2006, April 30, 2010, May 31, 2011 and October 1, 2013. Each of the prior stock splits was a three-for-two stock split as well.