



2280 North Greenville Avenue, Richardson, TX 75082

Contact: Mike Kovar
Chief Financial Officer
Fossil, Inc.
(972) 699-6811

Investor Relations: Allison Malkin
Integrated Corporate Relations
(203) 682-8200

FOSSIL ANNOUNCES \$750 MILLION SHARE REPURCHASE PROGRAM

Richardson, TX. August 30, 2010 -- Fossil, Inc. (Nasdaq GS: FOSL) (the "Company") today announced that its Board of Directors has approved a stock repurchase program. Under the program, the Company is authorized to repurchase up to \$750 million of its outstanding shares of common stock from time to time, depending on market conditions, share price and other factors. The authorization expires on December 31, 2013 and repurchases may be made on the open market, in block trades or otherwise. The program may be suspended or discontinued at any time.

"We are pleased to be able to initiate this share repurchase program while maintaining operational flexibility to invest appropriately in our global business to meet our strategic goal of doubling the size of the Company over the next five years," said Mike Kovar, Executive Vice-President and Chief Financial Officer. "We believe utilizing our strong balance sheet, including \$435 million in cash and cash equivalents at end of the second quarter of fiscal 2010, and future cash flows will be sufficient to fund this program as well as future investments to support the Company's long-term growth objectives."

As of August 9, 2010, Fossil had approximately 67,122,724 common shares outstanding.

Safe Harbor

Certain statements contained herein that are not historical facts constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and involve a number of risks and uncertainties. The actual results of the future events described in such forward-looking statements could differ materially from those stated in such forward-looking statements. Among the factors that could cause actual results to differ materially are changes in economic trends and financial performance, changes in consumer demands, tastes and fashion trends, lower levels of consumer spending resulting from a general economic downturn, shifts in market demand resulting in inventory risks, changes in foreign currency rates, and the outcome of current and possible future litigation, as well as the risks and uncertainties set forth in the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 2010 and its Form 10-Q reports filed with the Securities and Exchange Commission (the "SEC").

About Fossil

Fossil is a global design, marketing and distribution company that specializes in consumer fashion accessories. The Company's principal offerings include an extensive line of men's and women's fashion watches and jewelry sold under proprietary and licensed brands, handbags, small leather goods, belts, sunglasses, cold weather products, footwear, and apparel. In the watch and jewelry product category, the Company's offerings include a diverse portfolio of globally recognized proprietary and licensed brand names under which its products are marketed. The Company's extensive range of accessories products, brands, distribution channels and price points allows it to target style-conscious consumers across a wide age spectrum on a global basis. The Company's products are sold to department stores, specialty retail stores, and specialty watch and jewelry stores in the U.S. and in over 100 countries worldwide through 23 company-owned foreign sales subsidiaries and a network of over 60 independent distributors. The Company also distributes its products in 354 company owned and operated retail stores and through international e-commerce websites and the Company's U.S. e-commerce website at www.fossil.com, where certain product, press release and SEC filing information concerning the Company is also available.

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