



KATE SPADE & COMPANY

**FOSSIL GROUP AND KATE SPADE & COMPANY ANNOUNCE
GLOBAL LICENSING AGREEMENT FOR KATE SPADE NEW YORK WATCHES**

New York & Richardson, TX – February 17, 2015 – Fossil Group, Inc. (NASDAQ: FOSL) and Kate Spade & Company (NYSE: KATE) today announced the companies have signed a global licensing agreement for the design, development and distribution of kate spade new york watches through 2025.

Through the partnership, Fossil Group assumes the existing watch business successfully built under the kate spade new york brand and will begin distributing the assortment through its extensive global network. Fossil Group will launch the first collection of watches designed, developed and distributed in collaboration with kate spade new york, a global lifestyle brand, in 2016. Product will be available in kate spade new york stores as well as key retailers globally.

Kosta Kartsois, chief executive officer of Fossil Group, commented: “We are excited to partner with kate spade new york, a unique brand experiencing explosive growth that has substantial long-term potential. The brand has a distinctive voice, fits perfectly within our portfolio, and we look forward to a meaningful relationship for years to come.”

Craig A. Leavitt, chief executive officer of Kate Spade & Company, commented: “It is clear that Fossil Group shares our passion for creative design and quality craftsmanship, and we are confident they are the right partner as we expand this important elastic category. Our agreement supports Kate Spade & Company’s long-term growth strategy of pursuing a partnered approach to product category expansion to drive licensing revenue and expand margins. We look forward to building a strong partnership as we benefit from Fossil Group’s significant experience in scalable watch production and their extensive global distribution.”

Forward-Looking Statements

This press release contains forward-looking statements about Kate Spade & Company and Fossil Group. You should not place undue reliance on such statements because they are subject to numerous uncertainties and factors relating to the operations and business environment of each company, all of which are difficult to predict and many of which are beyond such company’s control. Forward-looking statements include information concerning each company’s possible or assumed future results of operations, including descriptions of its business strategy. These statements often include words such as “may,” “will,” “should,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate” or similar expressions. The forward-looking statements contained in this press release are based on assumptions that each company has made in light of management’s experience in the industry as well as its perceptions of historical trends, current conditions, expected future developments and other factors that it believes are appropriate under the circumstances. You should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties and assumptions. Although each company believes that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect its actual financial results or results of operations and could cause actual results to differ materially from those in these forward-looking statements. Please refer to both companies respective annual and most recent quarterly filings with the U.S. Securities and Exchange Commission for a complete list of risk factors.

About Kate Spade & Company

Kate Spade & Company (NYSE: KATE) designs and markets accessories and apparel under two global, multichannel lifestyle brands: kate spade new york and Jack Spade. With collections spanning demographics, genders and geographies, the brands are intended to accent customers' interesting lives and inspire adventure at each turn. The Company also owns the Adelington Design Group, a private brand jewelry design and development group that markets brands through department stores and serves jcpenny via exclusive supplier agreements for the Liz Claiborne and Monet jewelry lines. The Company also has a license for the Liz Claiborne New York brand, available at QVC, and Lizwear, which is distributed through the club store channel. Visit www.katespadeandcompany.com for more information.

About Fossil Group, Inc.

Fossil Group, Inc. is a global design, marketing and distribution company that specializes in consumer lifestyle and fashion accessories. The Company's principal offerings include an extensive line of men's and women's fashion watches and jewelry sold under a diverse portfolio of proprietary and licensed brands, handbags, small leather goods, accessories and apparel. The Company's products are sold to department stores, specialty retail stores and specialty watch and jewelry stores in the U.S. and in approximately 150 countries worldwide through approximately 25 Company-owned foreign sales subsidiaries and a network of over 60 independent distributors. The Company also distributes its products in over 590 Company-owned and operated retail stores, through its international e-commerce websites and through the Company's U.S. e-commerce website at www.fossil.com. Certain press release and SEC filing information concerning the Company is also available at www.fossilgroup.com.

Investor Relations:	Eric M. Cerny FOSSIL GROUP, Inc. (855) 336-7745	Allison Malkin ICR, Inc. (203) 682-8225
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Priya Trivedi
Kate Spade & Company
(201) 295-6110

Public Relations:	Ann Jane Draper FOSSIL GROUP, Inc. (214) 498-4966	Emily Garbaccio Kate Spade & Company (212) 739-6552
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