



## Skullcandy® Consumer's Choice for Second Consecutive Year

### Number 1 Brand by Units, Among Fastest Growing Brands in Wireless Market Share in 2015

PARK CITY, Utah – March 8, 2016 – Skullcandy, Inc. (NASDAQ:SKUL), the performance and lifestyle audio brand founded at the intersection of innovation and creative culture, is reported as the most popular brand by units sold for the second consecutive year. According to The NPD Group, the leading market research company, Skullcandy® was the number one selling brand by units of total headphones and in-ear headphones for 2015. Skullcandy's total quantity sold increased nearly 12%<sup>[1]</sup>.

Other highlights for the year reported by NPD for Skullcandy include the following sales in units sold for the US market in 2015:

- Skullcandy had the #1 selling overall headphone<sup>[1]</sup>
- Skullcandy had #1 and #2 selling "in-ear" headphones<sup>[2]</sup>
- Skullcandy had two of the top five selling overall total headphones<sup>[1]</sup>

"To be the number one choice for the consumer remains an incredible honor for our brand and shows the results of our dedication to consumer-centric innovation year over year" said Skullcandy President and Chief Executive Officer, Hoby Darling. "We saw a remarkable market demand shift to wireless in 2015, and a need emerge for high-quality Bluetooth™ audio experiences. Our in-house product and R&D capabilities have allowed us to accelerate innovation in our product line and over-deliver on premium audio and overall quality. As a result, we made a significant impact on the wireless market in 2015."

Wireless highlights for the year reported by NPD for Skullcandy include the following sales data for the US market in 2015:

- Skullcandy had the second highest gain in overall wireless market share by dollars<sup>[3]</sup>
- Skullcandy had the #1 selling over-ear wireless headphone under \$100<sup>[4]</sup>
- Skullcandy had 22% market share gain for over-ear wireless headphones under \$100<sup>[5]</sup>

To build on the successful wireless product innovations of 2015, starting in April, Skullcandy will launch six new wireless earphones and headphones in 2016.

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**About Skullcandy®**

Founded at the intersection of music, sports, technology, and creative culture, Skullcandy® creates world-class audio and gaming products for the risk takers, innovators, and pioneers who inspire us all to live life at full volume. From new innovations in the science of sound and human potential, to collaborations with up-and-coming musicians and athletes, Skullcandy lives by its mission to inspire life at full volume through forward-thinking technologies and ideas, and leading-edge design and materialization. Skullcandy designs, markets, and distributes audio and gaming headphones and other accessory-related products under the Skullcandy and 2XL® brands. The Company's products are sold and distributed through a variety of channels around the world from its global locations in Park City, London, Tokyo, Zurich, Mexico City, and Shanghai, as well as through partners in some of the most important cultural and sports hubs in the world. The Company's website can be found at <http://www.skullcandy.com>.

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<sup>[1]</sup>Source: The NPD Group/Retail Tracking Service, Stereo Headphones, Units, January – December 2015

<sup>[2]</sup>Source: The NPD Group/Retail Tracking Service, Stereo Headphones (In ear), Units, January – December 2015

<sup>[3]</sup>Source: The NPD Group/Retail Tracking Service, Stereo Headphones (Wireless Capability), Dollars, January 2014 – December 2015

<sup>[4]</sup>Source: The NPD Group/Retail Tracking Service, Stereo Headphones (Wireless Capability, Around the Ear, <\$100 Price Band), Dollars, January 2015 – December 2015

<sup>[5]</sup>Source: The NPD Group/Retail Tracking Service, Stereo Headphones (Wireless Capability, Around the Ear, <\$100 Price Band), Dollars, January 2014 – December 2015