

**PAYLESS BOARD APPROVES UP TO \$25 MILLION OF DIP FINANCING
FROM CERTAIN TERM LOAN LENDERS**

Financing Plan Subject to Court Approval, Scheduled for Early Next Week

TOPEKA, Kan., February 22, 2019 -- Payless ShoeSource ("Payless" or the "Company") today announced that the Payless Board of Directors has authorized the Company to seek court approval of up to \$25 million in debtor-in-possession ("DIP") financing, which will be provided by certain of the Company's existing lenders. The DIP financing, which also has the support of key parties-in-interest, has been submitted to the U.S. Bankruptcy Court for the Eastern District of Missouri for approval and will be on the Court's calendar for early next week.

Stephen Marotta, Chief Restructuring Officer of Payless, said, "After reviewing multiple proposals, we have chosen a financing plan that will enhance our ability to serve our customers and support suppliers worldwide. Once approved, the funds will be available to finance the cost of goods, shipping and freight in order to augment the ongoing liquidation sales. I'd like to thank our factory and supplier partners, who have worked to enable us to efficiently execute our store closing sales, and the vendors that delivered goods from ports in Asia."

Additional information regarding Payless' Chapter 11 filing is available at www.payless.com/restructure. Court filings and information about the claims process are available at <http://cases.primeclerk.com/pss>. Questions should be directed to the Company's claims agent, Prime Clerk, at +1 917-877-5967 (toll) or +1 844-339-4268 (U.S. / Canada toll-free), or by sending an email to psinfo@primeclerk.com.

Akin Gump Strauss Hauer & Feld LLP and Armstrong Teasdale LLP are serving as the Company's legal counsel and Cassels Brock & Blackwell LLP is serving as Payless Canada's counsel. Ankura Consulting Group is serving as the Company's restructuring advisor. PJ SOLOMON is serving as financial advisor to the Company. A&G Realty Partners is serving as real estate consultant to the Company.

About Payless

Founded in 1956, today Payless serves millions of customers through its extensive global network spanning 36 countries worldwide. Payless has 420 stores in Latin America, the U.S. Virgin Islands, Guam and Saipan, and 370 international franchisee stores across the Middle East, India, Indonesia, Indochina, Philippines and Africa.

Contact:

Lauren Jeffords
Payless
785.430.8581
corporate.communications@payless.com

Paul Caminiti/Hugh Burns/Delia Cannan/Molly Curry
Reevemark
212.433.4600
payless@reevemark.com