

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): November 1, 2006

STEVEN MADDEN, LTD.
(Exact name of registrant as specified in its charter)

Delaware 000-23702 13-3588231

(State or other jurisdiction of incorporation) (Registration Number) (IRS Employer Identification No.)

52-16 Barnett Avenue, Long Island City, New York 11104

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (718) 446-1800

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On November 1, 2006, Steven Madden, Ltd. (the "Company") issued a press release announcing its financial results as of and for the quarter ended September 30, 2006. A copy of the Company's press release announcing these financial results is attached as Exhibit 99.1 hereto, and is incorporated by reference into this report.

The information included in this Current Report on Form 8-K (including Exhibits 99.1 hereto) that is furnished pursuant to this Item 2.02 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section or Sections 11 and 12(a) (2) of the Securities Act of 1933, as amended. The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference into such filing.

ITEM 8.01 OTHER EVENTS

On November 1, 2006, the Company issued a press release announcing that its Board of Directors had declared a special cash dividend of \$1.00 per share to all stockholders of record as of November 13, 2006, to be payable on November 22, 2006. A copy of that press release is furnished as Exhibit 99.2 to this report.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

99.1 Press Release dated November 1, 2006 regarding the Company's announcement of its financial results as of and for the quarter ended September 30, 2006.

99.2 Press Release dated November 1, 2006 regarding the Company's

announcement of a special cash dividend.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, Steven Madden, Ltd. has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STEVEN MADDEN, LTD.

By: /s/ JAMIESON A. KARSON

Name: Jamieson A. Karson
Title: Chief Executive Officer

Date: November 1, 2006

EXHIBIT INDEX

DOC. NO.	DOCUMENT DESCRIPTION
Exhibit 99.1	Press Release dated November 1, 2006 regarding the Company's announcement of its financial results as of and for the quarter ended September 30, 2006.
Exhibit 99.2	Press Release dated November 1, 2006 regarding the Company's announcement of a special cash dividend.

Company Contact: Ed Rosenfeld
Senior Vice President, Strategic Planning
& Finance
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(718) 446-1800

Investor Relations: Cara O'Brien/Melissa Myron
Financial Dynamics
(212) 850-5600

FOR IMMEDIATE RELEASE
- - - - -

STEVEN MADDEN, LTD. ANNOUNCES FISCAL 2006 THIRD QUARTER RESULTS

- Third Quarter Net Sales Increase 23.2% -
- Third Quarter Operating Margin Improves 870 Basis Points -
- Third Quarter Diluted EPS is \$0.57 versus \$0.26 Last Year -

LONG ISLAND CITY, N.Y. - November 1, 2006 - Steven Madden, Ltd. (NASDAQ: SHOO), a leading designer and marketer of fashion footwear and accessories for women, men and children, today announced financial results for the third quarter and nine months ended September 30, 2006.

Net sales for the third quarter increased 23.2% to \$123.2 million from \$100.1 million last year. Gross margin increased significantly to 41.4% from 35.2% in the comparable period last year, reflecting margin improvement in both the wholesale and retail divisions. Operating expenses were 26.8% of sales compared to 28.5% of sales last year due to the Company's ability to leverage costs against the increased sales base.

Third quarter operating income grew to \$21.9 million, or 17.7% of sales, compared to \$9.0 million, or 9.0% of sales, last year. Net income increased to \$12.6 million, or \$0.57 per diluted share, versus \$5.5 million, or \$0.26 per diluted share, in the third quarter of fiscal 2005.

Revenues from the wholesale business were up 29.2% to \$91.8 million from \$71.0 million last year. The Company recorded particular strength in the Steve Madden Women's and Steven by Steve Madden divisions, and also benefited from sales contributions from the recently acquired Daniel M. Friedman & Associates and the recently launched SM New York division. Strong consumer demand for the Company's products helped drive a 790 basis point improvement in wholesale gross margin, which increased to 37.9% from 30.0% last year.

Retail revenues rose 8.4% to \$31.5 million compared to \$29.1 million last year. The Company generated a 10.5% same store sales increase, on top of a 12.3% increase last year. Retail gross margin increased to 51.7% from 48.1% last year, a 360 basis point improvement. During the third quarter, the Company opened one and closed one retail store, ending the quarter with 95 locations.

For the first nine months of fiscal 2006, net sales increased 27.0% to \$361.1 million from \$284.4 million last year. Net income grew to \$36.2 million, or \$1.64 per diluted share, compared to \$11.8 million, or \$0.57 per diluted share, in the first nine months of fiscal 2005.

"Our design team, led by Steve, continued to deliver compelling, trend-right product that fueled consumer demand and solidified the strength of our brands in the marketplace. As a result, we delivered strong sales growth in our wholesale and retail businesses as well as substantial margin improvement, which resulted in record bottom-line results in the third quarter," stated Jamieson Karson, Chairman and Chief Executive Officer. "We also continued to diversify our business and build a platform for future growth. Specifically, we signed a license agreement for a collection of Steve Madden and Steven by Steve Madden dresses, and our subsidiary, Daniel M. Friedman & Associates, entered

into a licensing agreement to manufacture and distribute handbags and belts under the Tracy Reese brand. We also continued to work on developing and growing new wholesale divisions such as SM New York and Natural Comfort."

Arvind Dharia, Chief Financial Officer, commented, "We continue to maintain a pristine balance sheet, ending the quarter with \$112.5 million in cash, cash equivalents, and marketable securities, no debt, and \$221.3 million in stockholders' equity."

Company Outlook
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Based upon results to-date, the Company is increasing its outlook for the year and now anticipates fiscal 2006 net sales will increase approximately 25% to 26% over fiscal 2005. With respect to the bottom line, the Company currently expects that earnings per diluted share will range between \$2.05 and \$2.10.

Based on current visibility, the Company is estimating 2007 net sales will increase in the mid-single digits on a percentage basis over 2006 and earnings per diluted share will range between \$2.20 and \$2.30.

Mr. Karson stated, "As we announced in a separate press release today, our Board of Directors has approved a special one-time dividend of \$1.00 per share. We are very pleased with our ability to return value directly to our shareholders while at the same time delivering record operating results and investing in future growth."

"We remain focused on executing the fundamentals that have driven our business thus far," Mr. Karson concluded. "We will continue our evolution into a global lifestyle branded company by developing our existing license agreements as well as seeking strategic new opportunities to leverage our strong brands. Most importantly, we will remain focused on delivering the trend-right footwear that is the core of our success."

Conference Call Information

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Interested shareholders are invited to listen to the third quarter earnings conference call scheduled for today, Wednesday, November 1, 2006, at 10 a.m. Eastern Time. The call will be broadcast live over the Internet and can be accessed by logging onto <http://www.stevemadden.com>. An online archive of the broadcast will be available within one hour of the conclusion of the call and will be accessible until November 15, 2006. Additionally, a replay of the call can be accessed by dialing 877-519-4471, passcode 8040947. A replay will be available one hour after the completion of the call until November 8, 2006.

Steven Madden, Ltd. designs and markets fashion-forward footwear and accessories for women, men and children. The shoes and accessories are sold through company-owned retail stores, department stores, apparel and footwear specialty stores, and online at www.stevemadden.com. The Company has several licenses for its brands, including dresses, watches, outerwear, eyewear, girls apparel, and hosiery and owns and operates 96 retail stores, including its online store. The Company is also the licensee for Candie's Footwear and UNIONBAY Men's Footwear, and through its wholly-owned subsidiary, Daniel M. Friedman & Associates, is the licensee for Betsey Johnson handbags and belts, Ellen Tracy belts, and Tracy Reese handbags and belts.

Statements in this press release that are not statements of historical or current fact constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other unknown factors that could cause the actual results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. In addition to statements which explicitly describe such risks and uncertainties readers are urged to consider statements labeled with the terms "believes", "belief", "expects", "intends", "anticipates" or "plans" to be uncertain and forward-looking. The forward looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in the Company's reports and registration statements filed with the Securities and Exchange Commission.

(Tables to follow)

STEVEN MADDEN LTD

CONSOLIDATED STATEMENT OF OPERATIONS

(In thousands, except per share data) - Unaudited

Consolidated:	Three Months Ended		Nine Months Ended	
	Sep 30, 2006	Sep 30, 2005	Sep 30, 2006	Sep 30, 2005
Net Sales	\$ 123,240	\$ 100,067	\$ 361,055	\$ 284,361
Cost of Sales	72,217	64,805	209,194	184,137
Gross Profit	51,023	35,262	151,861	100,224
Commission and licensing fee income	3,850	2,217	10,437	5,241
Operating Expenses	32,999	28,478	100,654	86,067
Impairment of cost in Excess of Fair Value of net assets acquired	0	0		519
Income from Operations	21,874	9,001	61,644	18,879
Interest and other Income, Net	715	504	1,628	1,398
Income Before provision for Income Taxes	22,589	9,505	63,272	20,277
Provision for Income Tax	9,942	3,992	27,069	8,516
Net Income	\$ 12,647	\$ 5,513	\$ 36,203	\$ 11,761
Basic income per share	\$ 0.61	\$ 0.27	\$ 1.74	\$ 0.59
Diluted income per share	\$ 0.57	\$ 0.26	\$ 1.64	\$ 0.57
Weighted average common shares outstanding - Basic	20,880	20,255	20,850	19,908
Weighted average common shares outstanding - Diluted	22,136	21,068	22,028	20,664

BALANCE SHEET HIGHLIGHTS

	Sep 30, 2006 Consolidated (Unaudited)	Dec 2005 Consolidated	Sep 30, 2005 Consolidated (Unaudited)
Cash and cash equivalents	\$ 43,356	\$ 42,842	\$ 55,081
Investment Securities	69,100	66,249	43,919
Total Current Assets	202,561	140,972	146,558
Total Assets	264,779	211,728	203,868
Total Current Liabilities	39,984	26,906	21,204
Total Stockholder Equity	221,260	182,065	180,291

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FOR IMMEDIATE RELEASE
- - - - -

STEVEN MADDEN, LTD. ANNOUNCES SPECIAL ONE-TIME CASH DIVIDEND

LONG ISLAND CITY, N.Y. - November 1, 2006 - Steven Madden, Ltd. (NASDAQ: SHOO), a leading designer and marketer of fashion footwear and accessories for women, men and children, today announced that its Board of Directors has authorized a special one-time cash dividend of \$1.00 per outstanding share of common stock. The dividend will be paid on November 22, 2006 to shareholders of record at the close of business on November 13, 2006.

Combined with the \$8.3 million of share repurchases so far in 2006, this one-time dividend will increase the amount of capital the Company has returned to shareholders this year to approximately \$29.3 million, which is in addition to the approximately \$21.5 million the Company returned to shareholders in 2005.

"With this special one-time dividend, we will have substantially exceeded the promise we made last November to return at least \$15 million to shareholders over the next 15 months. Our strong operating performance allowed us to provide this special dividend to our shareholders even while reinvesting in the business and funding our initiatives for future growth," stated Jamieson Karson, Chairman and Chief Executive Officer of Steven Madden, Ltd. "We are very pleased to be able to provide this additional return to our shareholders and look forward to continuing to drive growth as well as return significant value to our shareholders."

The Company separately announced today financial results for its third quarter of fiscal 2006.

Steven Madden, Ltd. designs and markets fashion-forward footwear and accessories for women, men and children. The shoes and accessories are sold through company-owned retail stores, department stores, apparel and footwear specialty stores, and online at www.stevemadden.com. The Company has several licenses for its brands, including dresses, watches, outerwear, eyewear, girls apparel, and hosiery and owns and operates 96 retail stores, including its online store. The Company is also the licensee for Candie's Footwear and UNIONBAY Men's Footwear, and through its wholly-owned subsidiary, Daniel M. Friedman & Associates, is the licensee for Betsey Johnson handbags and belts, Ellen Tracy belts, and Tracy Reese handbags and belts.

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