Mattel 2016

setting the foundation for **growth**

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FORWARD-LOOKING STATEMENTS

Mattel is including this Cautionary Statement pursuant to the Private Securities Litigation Reform Act of 1995 (the "Act"). Certain statements made during today's presentation may include forward-looking statements within the meaning of the Act relating to the future performance (including, without limitation, future revenues, strategies, prospects, goals, and all other statements that do not relate strictly to historical or current facts) of Mattel and its subisidiaries' overall businesses, brands and product lines. These statements are based on currently available operating, financial, economic and other information and they are subject to a number of significant risks and uncertainties. A forward looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. A variety of factors (e.g., consumer preferences, product mix, global economic conditions) many of which are beyond our control, could cause actual future results to differ materially from those projected in the forward-looking statements. Some of these factors are described in the "Risk Factors" section of Mattel's 2014 Annual Report on Form 10-K, in other filings Mattel makes with the SEC from time to time, as well as in Mattel's other public statements. Mattel does not update forward-looking statements and expressly disclaims any obligation to do so.

Information required by Securities and Exchange Commission Regulation G regarding non-GAAP financial measures included in this presentation will be available at the time of this presentation on the "Investors" section of http://corporate.mattel.com/, under the sub-heading "Financial Information – Earnings Release" in the Exhibits to Mattel, Inc.'s press release dated February 1, 2016.

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2016 NEW YORK TOYFAIR

Chris Sinclair

Chairman & CEO

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SPECIAL LIVE WEBCAST Q&A

With Sell-side Analysts
Tuesday, February 16th
8:30 a.m. EST

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2015

Our **challenges** have largely been around culture, people and execution… and all are **fixable.**

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2016

Mattel's strengths remain its **brands**, its **global scale**, and its **financial discipline**.

Mattel's greatest asset is its **people**.

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2015 **STABILIZED**

2016 **EXECUTION**

2017 & BEYOND **GROWTH**

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2015 **STABILIZED**

2016 **EXECUTION**

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STABILIZED | 2015 IN REVIEW

FOCUS

- Culture
- New Talent
- Accountability
- Prioritize Spending

DEFINED STRATEGIC PRIORITIES

1. Exploit the franchise strength of our core brands
2. Re-establish toy leadership
3. Achieve excellence in our commercial organization
4. Strengthen our Global Supply Chain
5. Continuously drive cost improvement
6. Rapidly expand in emerging markets

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set the foundation

for sustained growth and profitability

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2015 **CULTURE & PEOPLE**

EMBRACE brand building, creativity and innovation

ORGANIZE the company to **DRIVE** against this culture

AREAS OF FOCUS

- 50% Change to Leadership Team
- Chief Operating Officer Position
- Reorganized Company Resources
- Brought in Outside Expertise and Leadership
- Empowered Management / Aligned Incentives
- Re-engineered Performance Management Systems

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2015 **STRATEGIC PRIORITIES**

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1 CORE BRANDS

CORE BRAND MOMENTUM

Hot Wheels
Q4 GLOBAL SHIPPING ↑ 28%
Q4 NA SHIPPING ↑ 43%

Thomas & Friends
Q4 GLOBAL SHIPPING ↑ 29%
Q4 NA SHIPPING ↑ 25%

Fisher-Price (excl. Thomas)
Q4 GLOBAL SHIPPING ↑ 11%
Q4 NA SHIPPING ↑ 15%

Barbie
Q4 GLOBAL SHIPPING ↑ 8%
Q4 NA SHIPPING ↑ 24%

Monster High

American Girl

Source: Mattel Financials, Excl Forex

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2015 STRATEGIC PRIORITIES

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TOY LEADERSHIP

REINVIGORATED RELATIONSHIPS

core licensors and inventor community

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TOY LEADERSHIP

Disney

WB

nick

WWE

DreamWorks

Microsoft

UNIVERSAL

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2015 **STRATEGIC PRIORITIES**

1. Exploit the franchise strength of our core brands
2. Re-establish toy leadership
3. **Achieve excellence in our commercial organization**
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3 COMMERCIAL ORGANIZATION

CUSTOMER SUPPORT

MERCHANDISING

PRICING



NORTH AMERICA MOMENTUM

Q4 NA SHIPPING ↑ 5%

ASIA MOMENTUM

Q4 CHINA SHIPPING ↑ 34%

Q4 ASIA SHIPPING ↑ 16%

EUROPE

Q4 RUSSIA SHIPPING ↑ 32%

LATIN AMERICA

Q4 MEXICO SHIPPING ↑ 15%

Source: Mattel Financials, Excl Forex

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3 COMMERCIAL ORGANIZATION



Walmart Save money. Live better.

Toys"R"Us

TARGET

Argos

amazon.com

kmart

KOHL'S

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GLOBAL SUPPLY CHAIN 4



IMPROVING QUALITY

IMPROVING CUSTOMER SERVICE AND ON-TIME DELIVERY

MANAGING SAFETY

REDUCING COSTS

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5 COST IMPROVEMENT



more manageable
COST STUCTURE

fund
MARKETING & SALES INITIATIVES

process
SIMPLIFICATION & BENCHMARKING

Shift to
CONTINUOUS COST IMPROVMENT

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2015 **STRATEGIC PRIORITIES**

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EMERGING MARKETS



Source: Mattel Financials, Excl Forex

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2015

SOLID PROGRESS

much stronger
foundation
to build on

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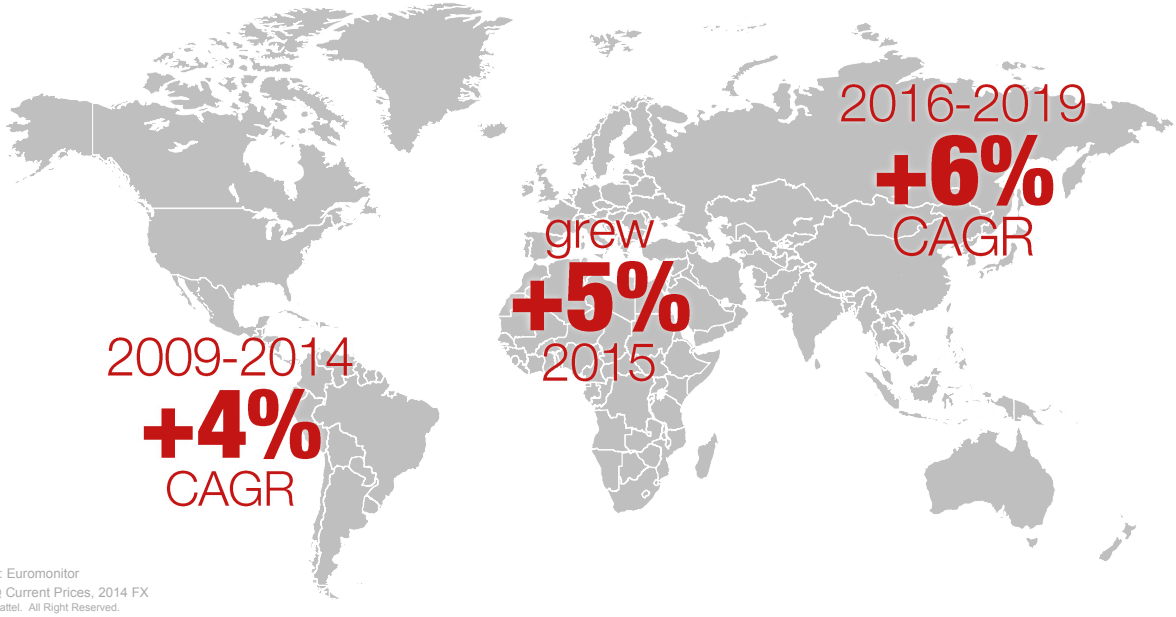
2016

OPTIMISM

going forward

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INDUSTRY **OPTIMISM**

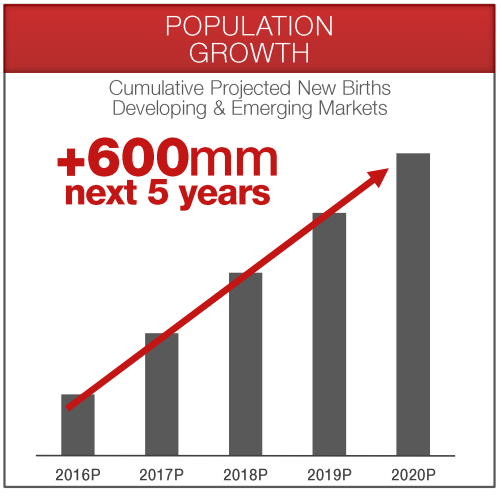


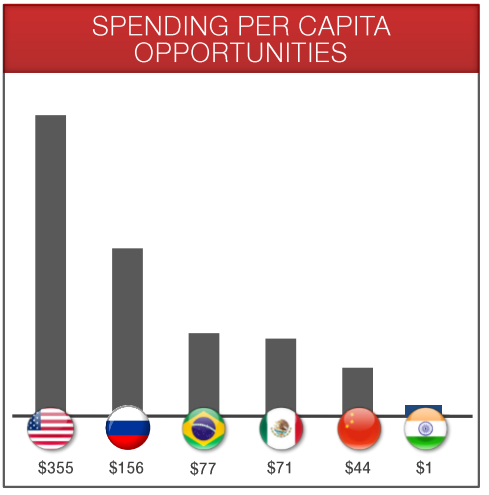
Source: Euromonitor
Data @ Current Prices, 2014 FX

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INDUSTRY **OPTIMISM**





Source: Euromonitor

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2016 **EXECUTION**

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CORE BRAND MOMENTUM

2016 | EXECUTE

NEW AND INNOVATIVE
PRODUCTS

BETTER
MARKETING & PROMOTIONAL CAMPAIGNS

SHARPER
PRICING

CONTENT &
MEDIA DISTRIBUTION

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BUILDING OUT TOY BOX

2016 | EXECUTE

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BUILDING OUT TOY BOX

2016 | EXECUTE

MEGA®

TEENAGE MUTANT NINJA TURTLES™



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BUILDING OUT TOY BOX

2016 | EXECUTE

media® dhx

9story ENTERTAINMENT™

Bob the Builder · Fireman Sam · Little People · Polly Pocket · Barney · Angelina Ballerina

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TECHNOLOGY

2016 | EXECUTE





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COMMERCIAL TRANSFORMATION

2016 | EXECUTE

UNMATCHED **EXCELLENCE**

IMPROVING
AVAILABILITY

INCREASING
SPACE

INCREASING
SECONDARIES/ IMPULSE LOCATIONS

IMPROVING
MERCHANDISING/ IN-STORE ENGAGEMENT

INVESTING IN AND ACTIVATING
CONSUMER DATA















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E-COMMERCE

2016 | EXECUTE

amazon.com

Alibaba.com

天猫 TMALL.COM

JD.京东.COM

Walmart.com

TARGET.com

Argos

Tencent 腾讯

Toys"R"Us

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MATTEL®

IMPROVED PARTNERING AND EXECUTION

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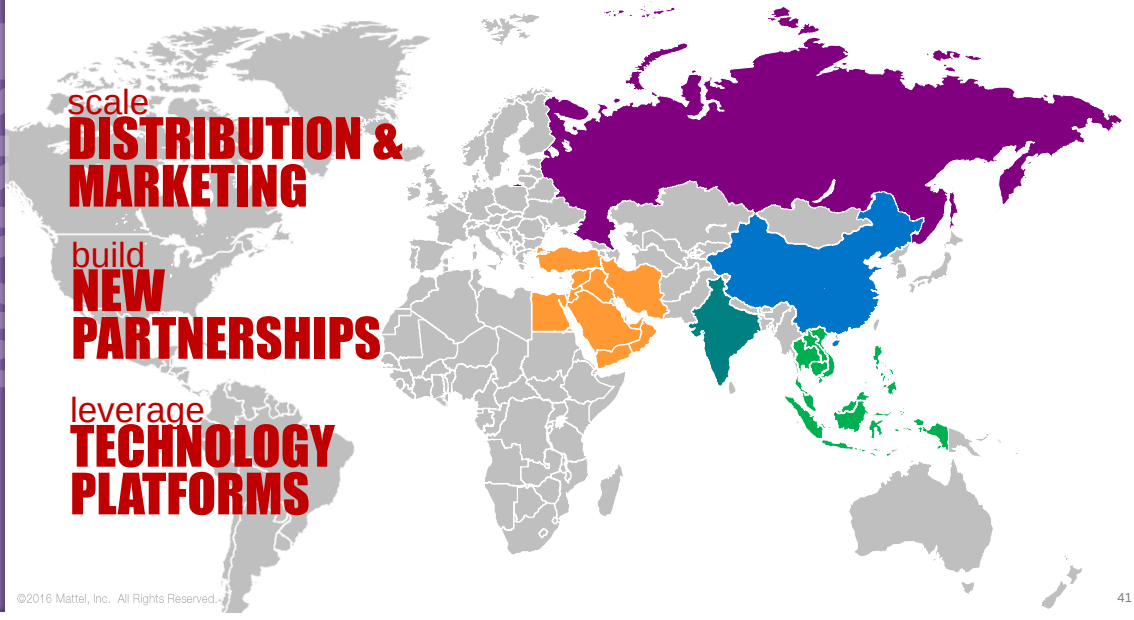
EMERGING MARKETS

2016 | EXECUTE

scale
DISTRIBUTION & MARKETING

build
NEW PARTNERSHIPS

leverage
TECHNOLOGY PLATFORMS



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FINANCIAL DISCIPLINE

2016 | EXECUTE

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COST
IMPROVEMENT

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FINANCIAL DISCIPLINE

2016 | **EXECUTE**

COST **REDUCTIONS**

GLOBAL SUPPLY CHAIN	SG&A
co-manufacturing	consolidating functions
productivity initiatives	outsourcing functions
purchasing leverage	streamlining functions
overhead reductions	outside services
material/packaging costs	

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MATTEL®

DELIVER
STABLE GROSS MARGINS

ACHIEVE
REAL SG&A REDUCTIONS

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