



Fourth Quarter and Full Year 2025 Earnings

(Unaudited Results)
February 10, 2026



Forward-Looking Statements / Presentation Information

This presentation contains a number of forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and include statements regarding Mattel's guidance and goals for future periods and other future events. The use of words such as "anticipates," "expects," "intends," "plans," "projects," "looks forward," "confident that," "believes," and "targeted," among others, generally identify forward-looking statements. These forward-looking statements are based on currently available operating, financial, economic, and other information and assumptions, and are subject to a number of significant risks and uncertainties. A variety of factors or combination of factors, many of which are beyond Mattel's control, may cause actual future results or outcomes, or the timing of those results or outcomes, to differ materially from those contained in any forward-looking statements. Specific factors that might cause such a difference include, but are not limited to: (i) Mattel's ability to design, develop, produce, manufacture, source, ship, and distribute products in a timely and cost-effective manner; (ii) sufficient interest in and demand for the products and entertainment Mattel offers by retail customers and consumers to profitably recover Mattel's costs; (iii) downturns in economic conditions affecting Mattel's markets which can negatively impact retail customers and consumers, and which can result in lower employment levels and lower consumer disposable income and spending, including lower spending on purchases of Mattel's products; (iv) other factors which can lower discretionary consumer spending, such as higher costs for fuel and food, drops in the value of homes or other consumer assets, and high levels of consumer debt; (v) potential difficulties or delays Mattel may experience in implementing cost savings and efficiency enhancing initiatives; (vi) other economic and public health conditions or regulatory changes in the markets in which Mattel and its customers and suppliers operate, which could create delays or increase Mattel's costs, such as higher commodity prices, labor costs or transportation costs, or outbreaks of disease; (vii) the effect of inflation on Mattel's business, including cost inflation in supply chain inputs and increased labor costs, as well as pricing actions taken in an effort to mitigate the effects of inflation; (viii) currency fluctuations, including movements in foreign exchange rates, which can lower Mattel's net revenues and earnings, and significantly impact Mattel's costs; (ix) the concentration of Mattel's customers, potentially increasing the negative impact to Mattel of difficulties experienced by any of Mattel's customers, such as bankruptcies or liquidations or a general lack of success, or changes in their purchasing or selling patterns; (x) the inventory policies of Mattel's retail customers, as well as the concentration of Mattel's revenues in the second half of the year, which coupled with reliance by retailers on quick response inventory management techniques, increases the risk of underproduction, overproduction, and shipping delays; (xi) legal, reputational, and financial risks related to security breaches or cyberattacks; (xii) work disruptions, including as a result of supply chain disruption such as plant or port closures, which may impact Mattel's ability to manufacture or deliver product in a timely and cost-effective manner; (xiii) the impact of competition on revenues, margins, and other aspects of Mattel's business, including the ability to offer products that consumers choose to buy instead of competitive products, the ability to secure, maintain, and renew popular licenses from licensors of entertainment properties, and the ability to attract and retain talented employees and adapt to evolving workplace models; (xiv) the risk of product recalls or product liability suits and costs associated with product safety regulations; (xv) tariffs, trade restrictions, or trade barriers, which depending on the effective date and duration of such measures, changes in the amount, scope, and nature of such measures in the future, any countermeasures that the target countries may take, and any mitigating actions that may become available, could increase Mattel's product costs and other costs of doing business, and other changes in laws or regulations in the United States and/or in other major markets, such as China, in which Mattel operates, including, without limitation, with respect to taxes, trade policies, product safety, or sustainability, which may also increase Mattel's product costs and other costs of doing business, and in each case reduce Mattel's earnings and liquidity; (xvi) business disruptions or other unforeseen impacts due to economic instability, political instability, civil unrest, armed hostilities (including the impact of the Russia-Ukraine war and geopolitical developments in the Middle East) or terrorist activities, natural and man-made disasters, pandemics or other public health crises, or other catastrophic events; (xvii) failure to realize the planned benefits from any investments or acquisitions made by Mattel; (xviii) the impact of other market conditions or third-party actions or approvals, including those that result in any significant failure, inadequacy, or interruption from vendors or outsourcers, which could reduce demand for Mattel's products, delay or increase the cost of implementation of Mattel's programs, or alter Mattel's actions and reduce actual results; (xix) changes in financing markets or the inability of Mattel to obtain financing on attractive terms; (xx) the impact of litigation, arbitration, or regulatory decisions or settlement actions; (xxi) Mattel's ability to navigate regulatory frameworks in connection with new areas of investment, product development, or other business activities, such as artificial intelligence, non-fungible tokens, and cryptocurrency; (xxii) an inability to remediate the material weakness in Mattel's internal control over financial reporting, or additional material weaknesses or other deficiencies in the future or the failure to maintain an effective system of internal control; and (xxiii) other risks and uncertainties as may be described in Mattel's filings with the Securities and Exchange Commission, including the "Risk Factors" section of Mattel's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and Quarterly Report on Form 10-Q for the three months ended March 31, 2025, and subsequent periodic filings, as well as in Mattel's other public statements. Mattel does not update forward-looking statements and expressly disclaims any obligation to do so, except as required by law.

The financial results included herein represent the most current information available to management and are preliminary until Mattel's Form 10-K is filed with the SEC. Actual results may differ from these preliminary results.

To supplement our financial results presented in accordance with generally accepted accounting principles in the United States ("GAAP"), Mattel presents certain non-GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission. The non-GAAP financial measures that Mattel uses in this presentation may include Adjusted Gross Profit, Adjusted Gross Margin, Adjusted Other Selling and Administrative Expenses, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted Earnings Per Share, earnings before interest expense, taxes, depreciation and amortization ("EBITDA"), Adjusted EBITDA, Free Cash Flow, Free Cash Flow Conversion (Free Cash Flow/Adjusted EBITDA), Leverage Ratio (Total Debt/Adjusted EBITDA), Net Debt, Adjusted Tax Rate, and constant currency. Mattel uses these measures to analyze its continuing operations and to monitor, assess and identify meaningful trends in its operating and financial performance, and each is discussed below. Mattel believes that the disclosure of non-GAAP financial measures provides useful supplemental information to investors to be able to better evaluate ongoing business performance and certain components of Mattel's results. These measures are not, and should not be viewed as, substitutes for GAAP financial measures and may not be comparable to similarly-titled measures used by other companies. Reconciliations of the non-GAAP financial measures to the most directly comparable GAAP financial measures are attached to this presentation as an appendix. In addition, Mattel presents changes in gross billings, a key performance indicator, as a metric for comparing its aggregate, categorical, brand, and geographic results to highlight significant trends in Mattel's business. Changes in gross billings are discussed because, while Mattel records the details of sales adjustments in its financial accounting systems at the time of sale, such sales adjustments are generally not associated with categories, brands, and individual products.



CEO Overview

Gross Billings grew 6% in Q4, 7% in North America, and 4% internationally; grew less than anticipated in the U.S. in December, impacting FY results relative to expectations

POS positive in all regions, including U.S., and grew ~3% overall for both Q4 and FY

Supply chain excelled in volatile environment and our teams effectively managed owned inventory to finish well positioned for 2026

Vehicles strong growth continued, Challenger grew, Dolls and ITPS declined, in FY

Hot Wheels and Uno continued to perform strongly; Barbie trends improved in Q4, but down for FY; Mattel Brick Shop successfully launched

Gained market share in Vehicles, Dolls, Action Figures, and Traditional Games in 2025

Ended with >\$1.2B of cash, after repurchasing \$600M of shares; acquired >\$1.2B of shares in the last 3 years, representing approximately 18% of shares outstanding

New \$1.5B share repurchase program authorized and expected to be completed by end of 2028

2025 marked by uncertainty in U.S. trade dynamics that affected retailer ordering patterns; challenge specific to U.S., international business performed in line with expectations

Digital Games Strategy

Agreement to acquire full ownership of Mattel163 mobile games studio

Strong studio with four games based on Mattel IP; ~20M monthly active users and >550M downloads worldwide

Aligned with strategy to capture full value of IP in high-margin, highly accretive entertainment verticals

Meaningfully advances Mattel's digital games business

- Significant development, publishing, and digital customer acquisition expertise
- Scale benefits in performance marketing and cross promotion; greater synergy with brand marketing

Attractive deal structure and valuation: \$318M valuation; more than half of \$159M purchase price funded from Mattel share of JV's cash

Expect acquisition to close by end of Q1; accretive strategically and financially



Vision is to extend physical play to the virtual world by creating digital experiences and games based on Mattel IP that drive sustained engagement for fans of all ages

Teenage Mutant Ninja Turtles



Awarded global multi-year rights for full range of products starting in 2027

Global phenomenon for more than 40 years

Significantly expands our Action Figures category

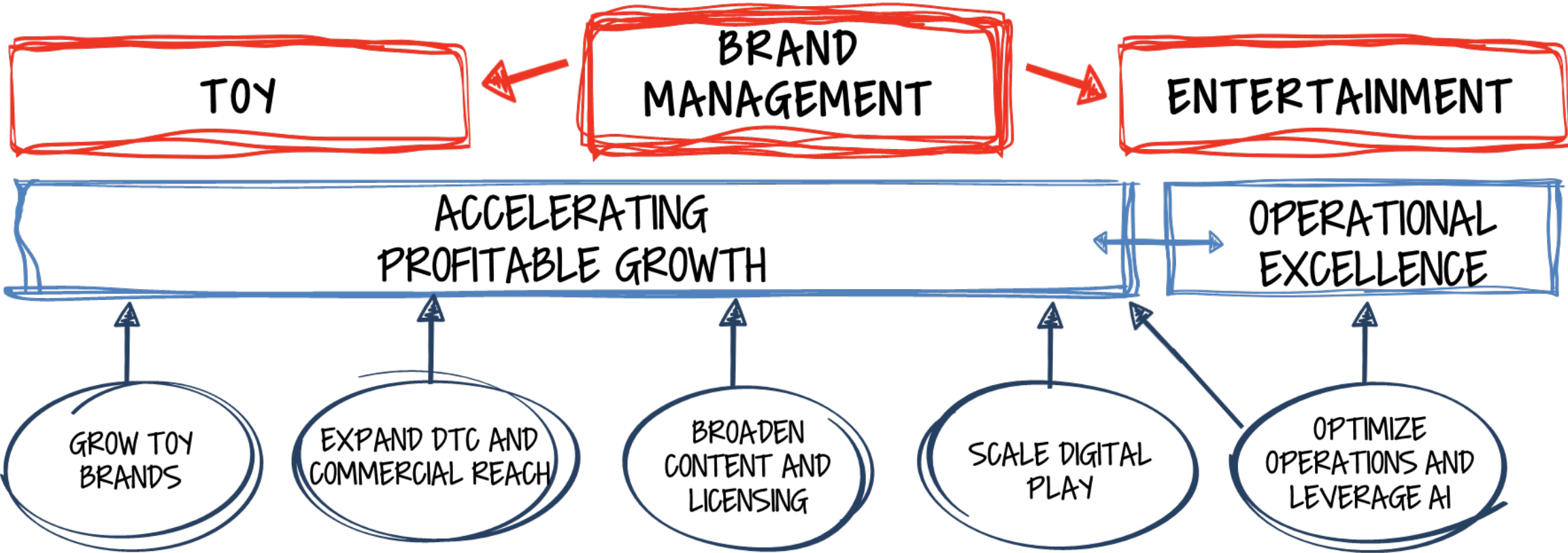
Two worldwide theatrical releases in 2027 and 2028



**Reinforces leadership position as partner of choice
to major entertainment companies and IP owners**

Mattel's New Brand-Centric Strategy

Grow IP-Driven Play and Family Entertainment Business



Our mission is to create innovative products and experiences that inspire fans, entertain audiences, and develop children through play

2026 Expectations

Implementing evolved brand-centric strategy

Vehicles as well as Challenger to grow strongly, Dolls comparable, ITPS to decline

Improving trends for Barbie with new line architecture and innovation; expect return to growth in 2027

Reinforcing leadership position as partner of choice (KPop Demon Hunters, Toy Story 5, DC's Supergirl)

Mattel Creations to perform strongly; in-line with strategy to expand consumer demographics

Two Mattel movie releases: Masters of the Universe June 5th and Matchbox October 9th

Digital play momentum: release of first two self-published digital games and addition of Mattel163



Expect Mattel growth to be driven by innovation in toys, major partnerships with leading IP owners, and acceleration of entertainment offering

Strategic Investments to Accelerate Organic Growth

Making targeted, strategic investments in 2026; capital deployment within capital light framework in scalable, highly accretive, growth areas to create long-term value

\$110M

Scale Business Opportunities

New capabilities and technology, including digital games, first-party data, DTC, and breakthrough toy innovation, AI, and infrastructure

\$40M

Digital Performance Marketing

Primarily user acquisition for two self-published launches; ROI is measurable and adjustable based on specific targets and results

Investments in aggregate are expected to be high-ROI and self-funding in 2027 and beyond through accelerated growth and profitability; will impact bottom line in 2026

2027 Expectations

Top and bottom-line growth

Revenue

+ Mid-to-High
 Single Digit Growth
(constant currency)

Adj. Operating Income

+ Double-Digit
 Growth

Growth driven by brand-centric strategy and organization, new partnerships, and 2026 strategic investments

CFO Overview

Gross Billings grew 6% in Q4; POS was positive across every region; U.S. Gross Billings in December ended up growing less than anticipated, impacting FY results relative to expectations

Trade-related uncertainty led U.S. retailers to shift orders from Q2 and Q3 into Q4, adopting a more just-in-time approach despite positive POS trends in Q2 and Q3

Entering Q4, U.S. POS continued to grow and retailer orders accelerated significantly; while POS in the U.S. ended positive for the quarter, December finished lower than anticipated

Actions taken to manage owned inventory and support retail partners impacted margins and profitability

Global POS up ~3% in Q4 and the FY

Dynamics specific to U.S. market; International business grew in line with expectations in Q4

Q4 2025 Gross Billings by Category



Gross Billings grew 6%

Dolls Comparable

Barbie comparable
American Girl grew for 5th consecutive quarter

Vehicles +16%

Impressive strength continued
Hot Wheels grew double digits
Matchbox and Disney and Pixar’s Cars performed well

Infant, Toddler, and Preschool -10%

Due to strategic exits and Preschool Entertainment
Fisher-Price declined modestly

Challenger +14%

Driven by Jurassic, Minecraft, and WWE
Building Sets driven by Mattel Brick Shop
Games grew, UNO’s 10th consecutive quarter of growth

Vehicles and Challenger categories drove growth

FY 2025 Gross Billings by Category



Gross Billings comparable

Dolls -7%

Primarily due to Barbie, and Polly Pocket, partially offset by Wicked

Barbie impacted by softer overall category trends and non-core segment headwinds

Vehicles +10%

Hot Wheels double digits growth, 8th consecutive record year

Portfolio Vehicles momentum

Infant, Toddler, and Preschool -18%

Primarily due to Fisher-Price and Baby Gear and Power Wheels

Challenger +13%

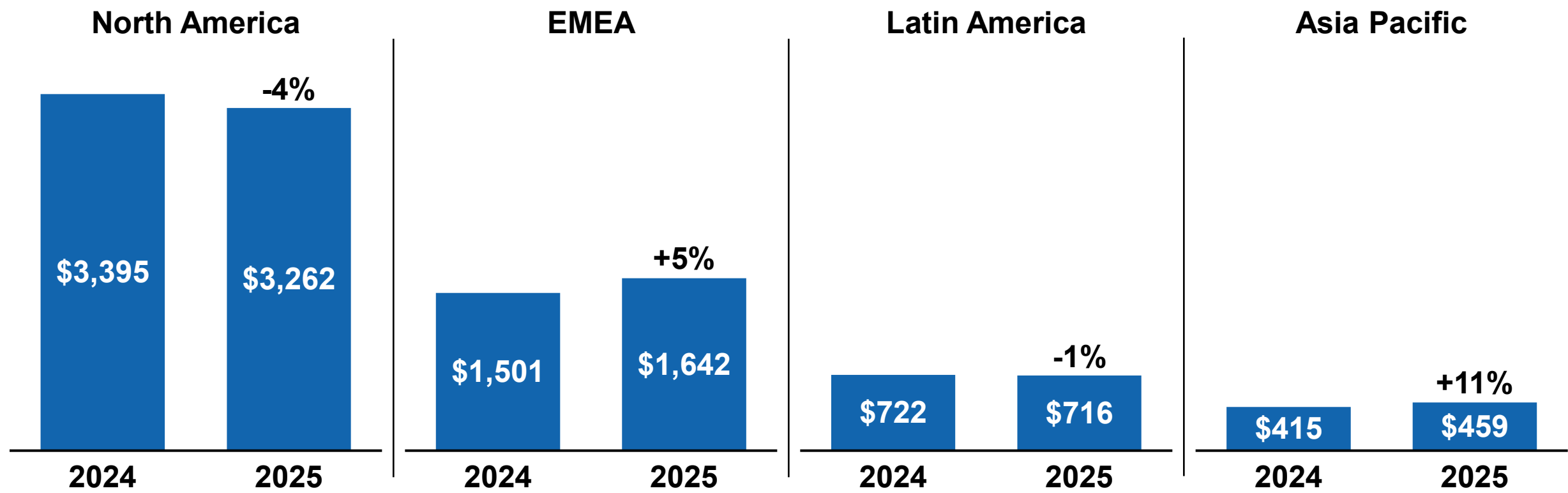
Action Figures benefited from Jurassic, Minecraft, and WWE

Mattel Brick Shop performed well, becoming key part of our offering

Vehicles and Challenger categories collectively both grew double digits

FY 2025 Gross Billings by Region

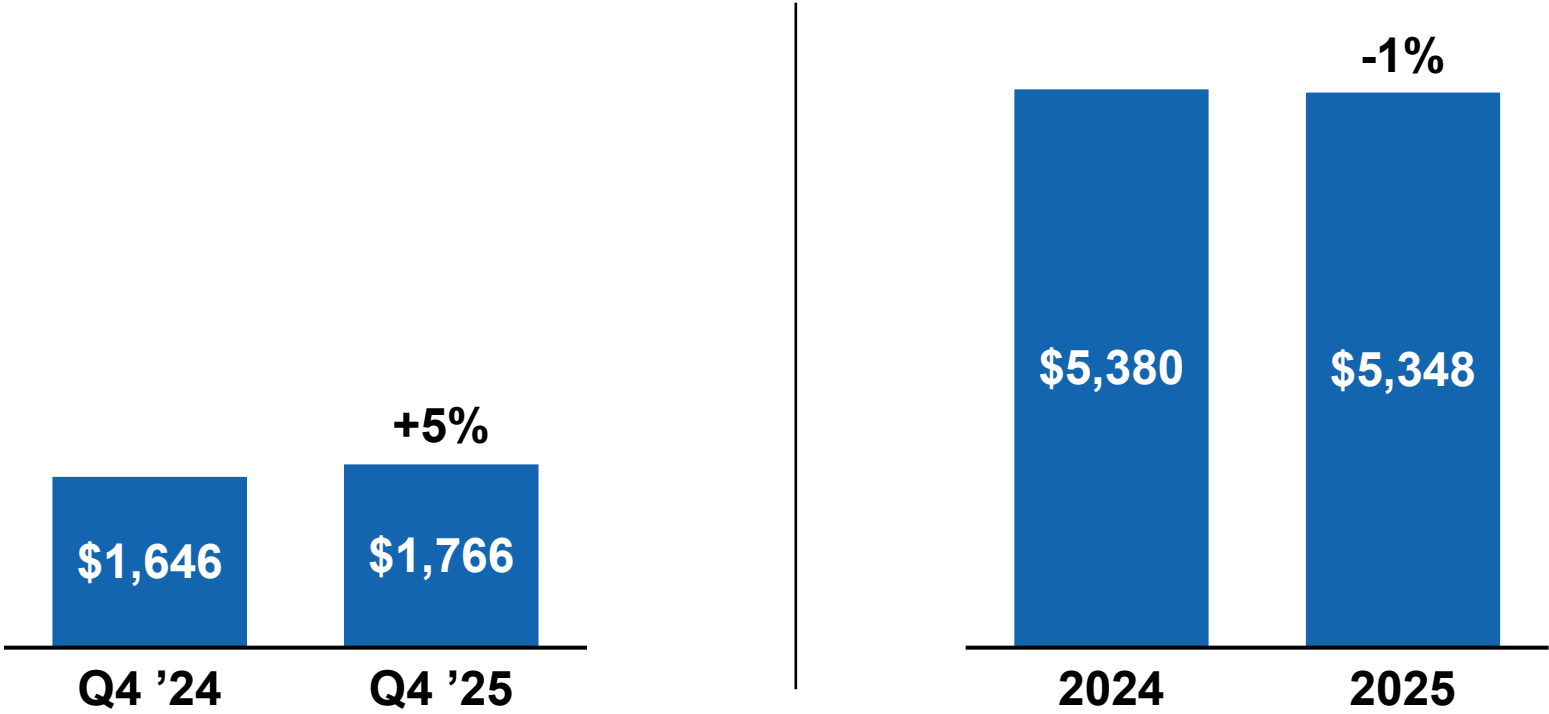
North America declined due to the U.S.; International grew 4%



Trade-related dynamics specific to the U.S.; International performed well overall

Q4 and FY 2025 Net Sales

Net Sales up 7% as reported and 5% in constant currency in Q4

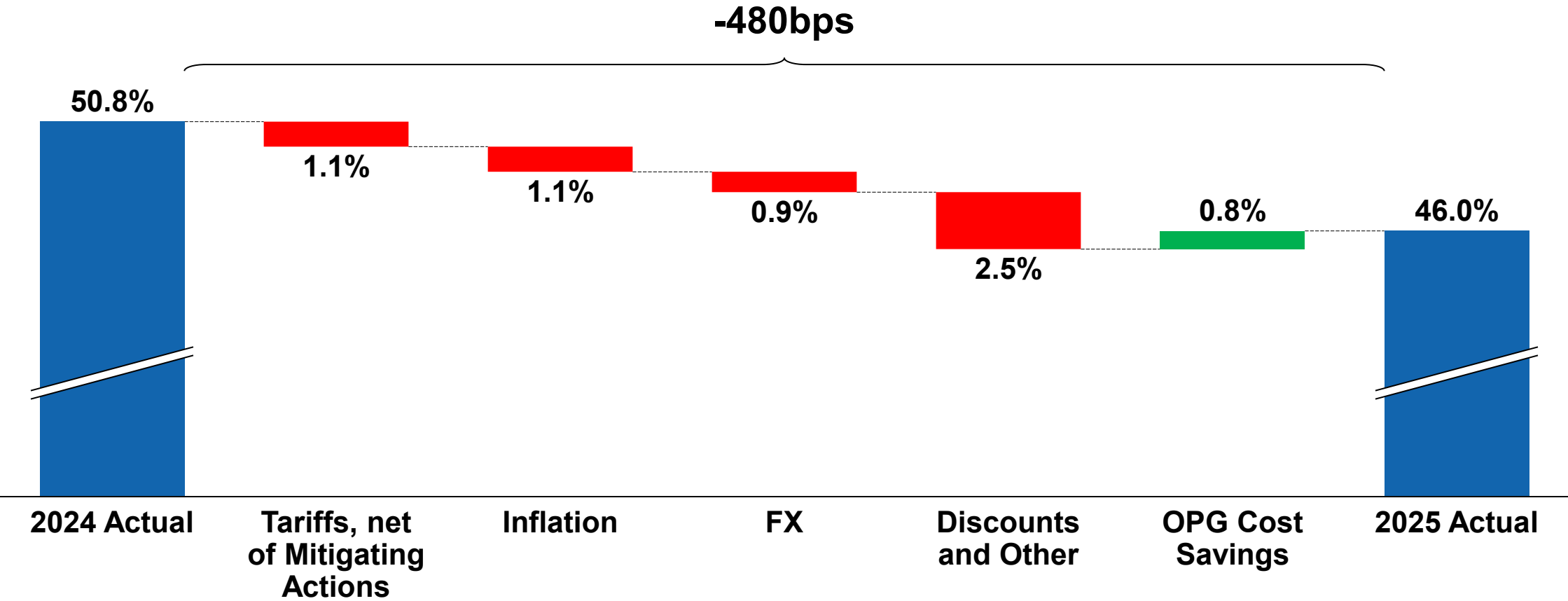


Net Sales down modestly in 2025

Q4 2025 Actual vs. Prior Year – Adjusted Gross Margin



Timing lag between mitigating actions and recognition of tariff costs in the P&L

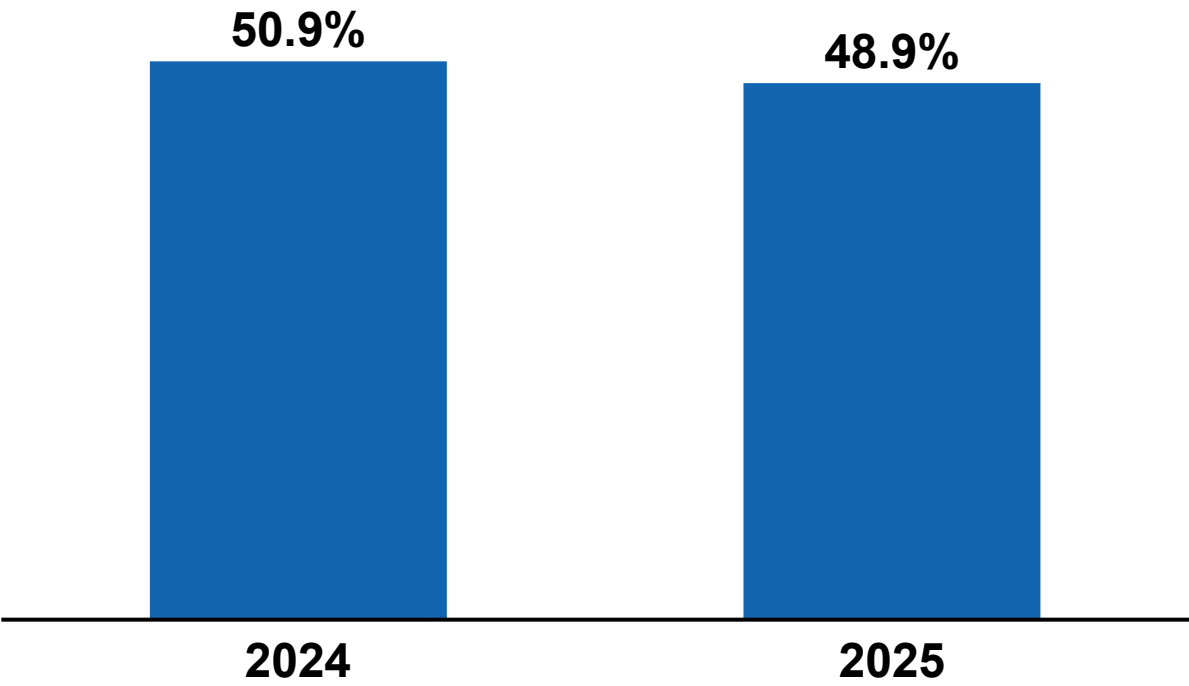


Steps taken in the U.S. in December to manage owned inventory, including an increase in promotional activity, impacted margins

Amounts may not sum due to rounding. For Adjusted Gross Margin, please see Appendix – Reconciliation of Non-GAAP Financial Measures and Glossary of Non-GAAP Financial Measures & Key Performance Indicator.

FY 2025 Adjusted Gross Margin Comparison

Adjusted Gross Margin decreased 200bps, primarily due to tariffs and inflation, partially offset by tariff mitigating actions and OPG savings

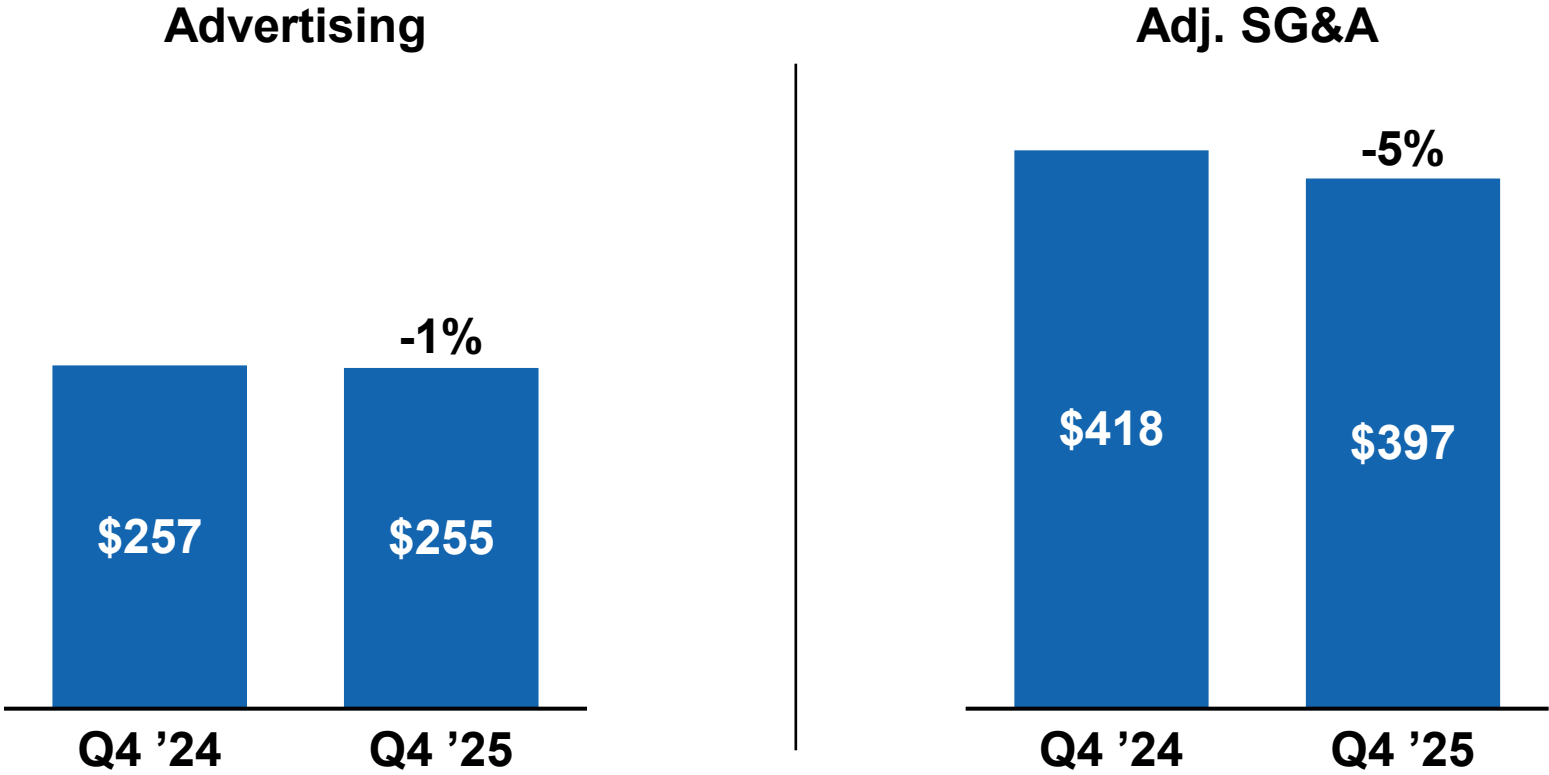


Mitigating actions fully offset tariff costs on full-year basis

For Adjusted Gross Margin, please see Appendix – Reconciliation of Non-GAAP Financial Measures and Glossary of Non-GAAP Financial Measures & Key Performance Indicator.

Q4 2025 Advertising and Adjusted SG&A

Q4 Advertising and Adjusted SG&A decreased

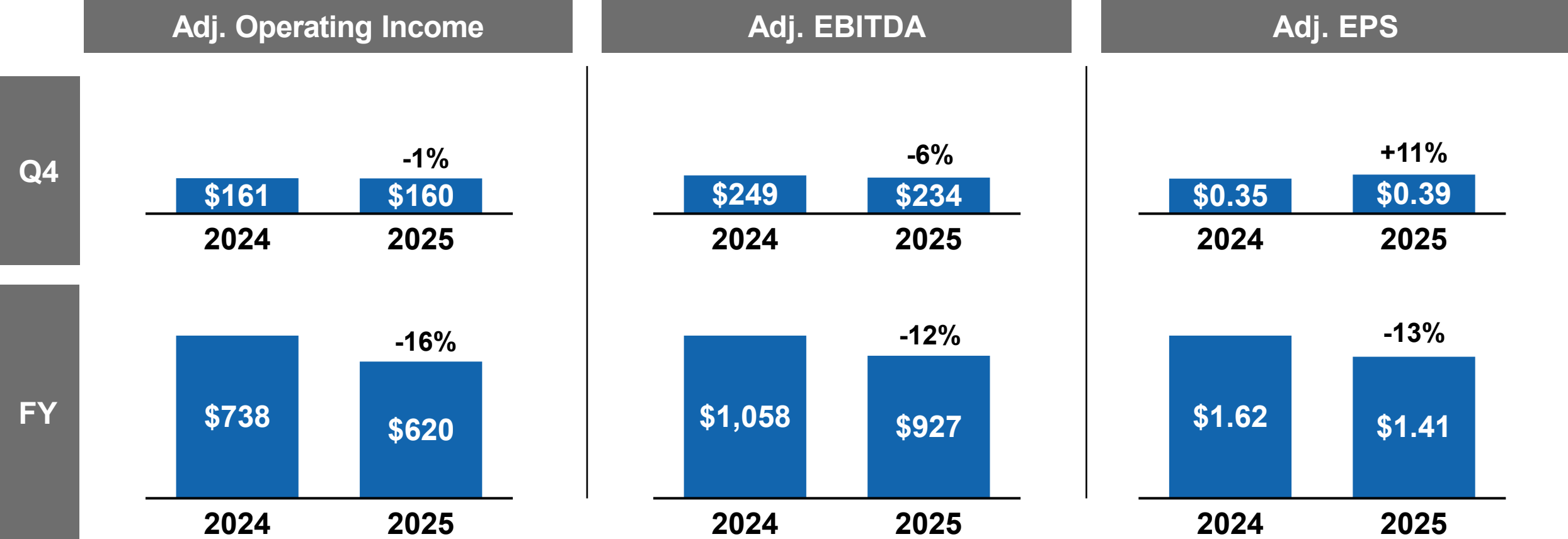


Effectively managing cost structure

Q4 and FY 2025 Adjusted Profit Metrics



Key metrics as compared to the prior year period



Lower Net Sales and Adjusted Gross Margin negatively impacted Adjusted Profit Metrics

In \$M, except earnings per share. Percentages shown as reported. For Adjusted Gross Margin, Adjusted Operating Income, Adjusted EBITDA, and Adjusted EPS, please see Appendix – Reconciliation of Non-GAAP Financial Measures and Glossary of Non-GAAP Financial Measures & Key Performance Indicator

FY 2025 Free Cash Flow

Free Cash Flow declined, primarily due to lower Net Income

	FY 2025	FY 2024
Cash from Operations	\$593	\$801
Capital Expenditures	(\$182)	(\$203)
Free Cash Flow	\$411	\$598

Repurchased \$600M shares in 2025; since resuming repurchases in 2023, now repurchased >\$1.2B of shares, reducing shares outstanding by approximately 18%

Balance Sheet Highlights

Balance Sheet is in a strong position

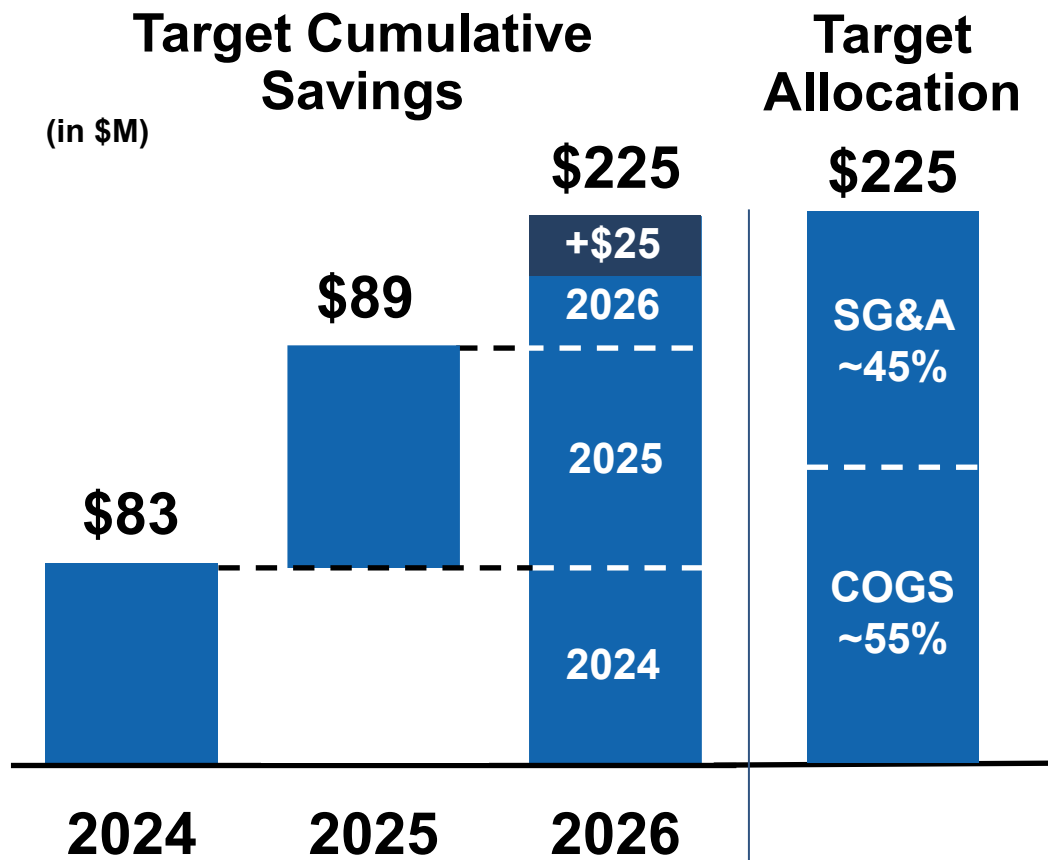
	Q4 2025	Q4 2024
Cash	\$1,243	\$1,388
Inventory	\$563	\$502
Long-term Debt	\$2,332	\$2,334
Leverage Ratio (Total Debt / Adj. EBITDA)	2.5x	2.2x

Maintained investment grade rating

In \$M. For Leverage Ratio, please see Appendix – Reconciliation of Non-GAAP Financial Measures and Glossary of Non-GAAP Financial Measures & Key Performance Indicator. Total Debt consists of Short-term Borrowings and Long-Term Debt, excluding Debt Issuance Costs and Debt Discount

Optimizing for Profitable Growth (OPG)

\$172M of savings achieved since launching program in 2024



\$24M of savings in Q4 and \$89M of savings in FY

Increasing 3-year program savings target from \$200M to \$225M by end of 2026

Tracking ahead of 3-year savings target, now expect to generate ~\$50M of savings in 2026

Capital Allocation Priorities

Executing on multi-year capital allocation priorities



Aim to drive long-term shareholder value

2026 Guidance

Expect Net Sales growth, including Mattel163 partial year contribution; Adjusted Operating Income includes \$150M of strategic investments

	FY2026 Guidance	FY2025 Actual
Net Sales	+3% to 6%	\$5,348
Adjusted Gross Margin	Approx. 50%	48.9%
Adjusted Operating Income	\$550 - \$600	\$620
Adjusted Tax Rate	Approx. 24%	20%
Adjusted EPS	\$1.18 - \$1.30	\$1.41

Targeting \$400M of share repurchases in 2026

2026 Category/Brand Expectations



Key drivers

Dolls

Expected to be comparable

New KPop Demon Hunters product will ship in spring

Barbie to see improving trends for the year

Vehicles

Expect another year of strong growth, driven by Hot Wheels

Matchbox film release October 9

Disney and Pixar’s Cars 20th anniversary

Infant, Toddler, and Preschool

Expected to decline

Smaller impact of strategic exits as lap PY exits

Thomas to benefit from fall relaunch

Challenger

Expected to grow, primarily driven by Action Figures - Masters of the Universe, Toy Story 5, DC, and WWE

Games driven by UNO; Building Sets to benefit from Mattel Brick Shop

Portfolio well positioned; expect to benefit from our scaled digital play strategy

Closing

“We achieved strong topline growth in the fourth quarter and consumer demand was positive in every region for both the quarter and full year, but December gross billings in the U.S. ended up growing less than expected. Our international business was positive for the year and we gained market share in key categories globally.

2026 will be an important year for Mattel as we implement our new brand-centric strategy to grow our IP-driven play and family entertainment business. We expect growth to be led by innovation in toys, major partnerships with leading IP owners, and an inflection in entertainment, with two movie releases and an expansion of digital games, amplified by the full acquisition of Mattel163 mobile games studio. We are making strategic investments that will impact the bottom line this year but are intended to accelerate growth in top and bottom lines in 2027 and beyond.”

- Ynon Kreiz, Chairman & CEO



Appendix



Consolidated Statements of Operations

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT I

CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)¹

	For the Three Months Ended December 31,						For the Year Ended December 31,					
	2025		2024		% Change as Reported	% Change in Constant Currency	2025		2024		% Change as Reported	% Change in Constant Currency
	\$ Amt	% Net Sales	\$ Amt	% Net Sales			\$ Amt	% Net Sales	\$ Amt	% Net Sales		
(In millions, except per share and percentage information)												
Net Sales	\$ 1,766.5		\$ 1,646.4		7%	5%	\$ 5,347.6		\$ 5,379.5		-1%	-1%
Cost of Sales	956.1	54.1%	810.9	49.3%	18%		2,742.0	51.3%	2,645.5	49.2%	4%	
Gross Profit	810.4	45.9%	835.5	50.7%	-3%	-4%	2,605.7	48.7%	2,734.1	50.8%	-5%	-5%
Advertising and Promotion Expenses	254.5	14.4%	257.2	15.6%	-1%		522.0	9.8%	507.3	9.4%	3%	
Other Selling and Administrative Expenses	414.8	23.5%	420.0	25.5%	-1%		1,537.2	28.7%	1,532.5	28.5%	—%	
Operating Income	141.1	8.0%	158.3	9.6%	-11%	-4%	546.4	10.2%	694.3	12.9%	-21%	-20%
Interest Expense	30.7	1.7%	29.4	1.8%	4%		118.7	2.2%	118.8	2.2%	—%	
Interest (Income)	(7.7)	-0.4%	(12.0)	-0.7%	-36%		(45.0)	-0.8%	(51.5)	-1.0%	-13%	
Other Non-Operating Expense (Income), Net	0.7		(4.3)				13.3		4.5			
Income Before Income Taxes	117.4	6.6%	145.2	8.8%	-19%	-17%	459.5	8.6%	622.5	11.6%	-26%	-27%
Provision from Income Taxes	17.2		10.9				89.8		105.6			
(Income) from Equity Method Investments	(6.1)		(6.5)				(27.9)		(24.9)			
Net Income	\$ 106.2	6.0%	\$ 140.9	8.6%	-25%		\$ 397.6	7.4%	\$ 541.8	10.1%	-27%	
Net Income Per Common Share - Basic	\$ 0.35		\$ 0.42				\$ 1.25		\$ 1.59			
Weighted-Average Number of Common Shares	305.9		333.6				318.2		340.4			
Net Income Per Common Share - Diluted	\$ 0.34		\$ 0.42				\$ 1.24		\$ 1.58			
Weighted-Average Number of Common and Potential Common Shares	309.7		336.4				321.8		343.3			

¹ Amounts may not sum due to rounding.

Condensed Consolidated Balance Sheets

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT II

CONDENSED CONSOLIDATED BALANCE SHEETS¹

(In millions)

Assets

Cash and Equivalents
Accounts Receivable, Net
Inventories
Prepaid Expenses and Other Current Assets
Total Current Assets
Property, Plant, and Equipment, Net
Right-of-Use Assets, Net
Goodwill
Other Noncurrent Assets
Total Assets

Liabilities and Stockholders' Equity

Accounts Payable and Accrued Liabilities
Income Taxes Payable
Total Current Liabilities
Long-Term Debt
Noncurrent Lease Liabilities
Other Noncurrent Liabilities
Stockholders' Equity
Total Liabilities and Stockholders' Equity

December 31,	
2025	2024
(Unaudited)	
\$ 1,242.9	\$ 1,387.9
1,097.6	1,003.2
563.1	501.7
227.1	234.1
3,130.8	3,126.9
590.0	516.0
319.5	326.4
1,390.2	1,381.7
1,209.9	1,193.0
\$ 6,640.4	\$ 6,544.1
\$ 1,428.3	\$ 1,277.7
29.9	38.0
1,458.2	1,315.7
2,331.7	2,334.4
268.4	278.2
349.1	351.7
2,233.0	2,264.1
\$ 6,640.4	\$ 6,544.1

¹ Amounts may not sum due to rounding.

Supplemental Balance Sheet and Cash Flow Data

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT II

SUPPLEMENTAL BALANCE SHEET AND CASH FLOW DATA (Unaudited)¹

Key Balance Sheet Data:

Accounts Receivable, Net Days of Sales Outstanding (DSO)

December 31,	
2025	2024
56	55

(In millions)

Condensed Cash Flow Data:

Cash Flows Provided by Operating Activities
 Cash Flows (Used for) Investing Activities
 Cash Flows (Used for) Financing Activities and Other
 (Decrease) Increase in Cash and Equivalents

For the Year Ended December 31,	
2025	2024
\$ 593.3	\$ 800.6
(154.9)	(189.0)
(583.3)	(485.0)
<u>\$ (145.0)</u>	<u>\$ 126.5</u>

¹ Amounts may not sum due to rounding.

Reconciliation of Non-GAAP Financial Measures

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT III

SUPPLEMENTAL FINANCIAL INFORMATION (Unaudited)¹
RECONCILIATION OF GAAP AND NON-GAAP FINANCIAL MEASURES

(In millions, except percentage information)	For the Three Months Ended December 31,			For the Year Ended December 31,		
	2025	2024	Change	2025	2024	Change
Gross Profit						
Gross Profit, As Reported	\$ 810.4	\$ 835.5		\$ 2,605.7	\$ 2,734.1	
Gross Margin	45.9 %	50.7 %	-480 bps	48.7 %	50.8 %	-210 bps
Adjustments:						
Severance and Restructuring Expenses	1.7	1.3		7.8	4.3	
Gross Profit, As Adjusted	\$ 812.0	\$ 836.7		\$ 2,613.5	\$ 2,738.3	
Adjusted Gross Margin	46.0 %	50.8 %	-480 bps	48.9 %	50.9 %	-200 bps
Other Selling and Administrative Expenses						
Other Selling and Administrative Expenses, As Reported	\$ 414.8	\$ 420.0	-1%	\$ 1,537.2	\$ 1,532.5	—%
% of Net Sales	23.5 %	25.5 %	-200 bps	28.7 %	28.5 %	20 bps
Adjustments:						
Severance and Restructuring Expenses	(15.2)	—		(39.1)	(43.8)	
Inclined Sleeper Product Recalls	(2.5)	(1.7)		(26.7)	4.1	
Other Selling and Administrative Expenses, As Adjusted	\$ 397.1	\$ 418.3	-5%	\$ 1,471.5	\$ 1,492.7	-1%
% of Net Sales	22.5 %	25.4 %	-290 bps	27.5 %	27.7 %	-20 bps
Operating Income						
Operating Income, As Reported	\$ 141.1	\$ 158.3	-11%	\$ 546.4	\$ 694.3	-21%
Operating Income Margin	8.0 %	9.6 %	-160 bps	10.2 %	12.9 %	-270 bps
Adjustments:						
Severance and Restructuring Expenses	16.9	1.3		46.9	48.1	
Inclined Sleeper Product Recalls	2.5	1.7		26.7	(4.1)	
Operating Income, As Adjusted	\$ 160.4	\$ 161.3	-1%	\$ 620.0	\$ 738.3	-16%
Adjusted Operating Income Margin	9.1 %	9.8 %	-70 bps	11.6 %	13.7 %	-210 bps

¹ Amounts may not sum due to rounding.

Reconciliation of Non-GAAP Financial Measures

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT III

SUPPLEMENTAL FINANCIAL INFORMATION (Unaudited)¹
RECONCILIATION OF GAAP AND NON-GAAP FINANCIAL MEASURES

(In millions, except per share and percentage information)	For the Three Months Ended December 31,			For the Year Ended December 31,		
	2025	2024	Change	2025	2024	Change
Earnings Per Share						
Net Income Per Common Share, As Reported	\$ 0.34	\$ 0.42	-19%	\$ 1.24	\$ 1.58	-22%
Adjustments:						
Severance and Restructuring Expenses	0.05	—		0.15	0.14	
Inclined Sleeper Product Recalls	0.01	0.01		0.08	(0.01)	
Changes to Deferred Tax Assets	—	(0.07)		—	(0.06)	
Tax Effect of Adjustments ²	(0.01)	—		(0.05)	(0.03)	
Net Income Per Common Share, As Adjusted	<u>\$ 0.39</u>	<u>\$ 0.35</u>	11%	<u>\$ 1.41</u>	<u>\$ 1.62</u>	-13%
EBITDA and Adjusted EBITDA						
Net Income, As Reported	\$ 106.2	\$ 140.9	-25%	\$ 397.6	\$ 541.8	-27%
Adjustments:						
Interest Expense	30.7	29.4		118.7	118.8	
Provision from Income Taxes	17.2	10.9		89.8	105.6	
Depreciation	34.1	35.0		136.5	136.6	
Amortization	8.0	7.8		31.5	31.3	
EBITDA	<u>196.1</u>	<u>223.9</u>		<u>774.0</u>	<u>934.2</u>	
Adjustments:						
Share-Based Compensation	18.8	22.0		79.7	79.4	
Severance and Restructuring Expenses	16.9	1.3		46.9	48.1	
Inclined Sleeper Product Recalls	2.5	1.7		26.7	(4.1)	
Adjusted EBITDA	<u>\$ 234.2</u>	<u>\$ 248.9</u>	-6%	<u>\$ 927.3</u>	<u>\$ 1,057.6</u>	-12%
Free Cash Flow						
Net Cash Flows Provided by Operating Activities				\$ 593.3	\$ 800.6	
Capital Expenditures				(182.0)	(202.6)	
Free Cash Flow				<u>\$ 411.3</u>	<u>\$ 597.9</u>	

¹ Amounts may not sum due to rounding.

² The aggregate tax effect of adjustments was determined using the effective tax rates on a jurisdictional basis of the respective adjustments, and dividing by the reported weighted average number of common and potential common shares.

Reconciliation of Non-GAAP Financial Measures

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT III

SUPPLEMENTAL FINANCIAL INFORMATION (Unaudited)¹
RECONCILIATION OF GAAP AND NON-GAAP FINANCIAL MEASURES

(In millions, except percentage and pts information)	For the Year Ended December 31,		
	2025	2024	Change
<u>Tax Rate</u>			
Income Before Income Taxes, As Reported	\$ 459.5	\$ 622.5	
Adjustments:			
Severance and Restructuring Expenses	46.9	48.1	
Inclined Sleeper Product Recalls	26.7	(4.1)	
Income Before Income Taxes, As Adjusted	<u>\$ 533.1</u>	<u>\$ 666.5</u>	
Provision for Income Taxes, As Reported	\$ 89.8	\$ 105.6	
Adjustments:			
Changes to Deferred Tax Assets	—	21.1	
Tax Effect of Adjustments ²	16.2	10.2	
Provision for Income Taxes, As Adjusted	<u>\$ 106.0</u>	<u>\$ 136.9</u>	
Tax Rate, As Reported	20%	17%	3 pts
Tax Rate, As Adjusted	20%	21%	-1 pt
	December 31,		
	2025	2024	
<u>Net Debt</u>			
Long-Term Debt	\$ 2,331.7	\$ 2,334.4	
Adjustments:			
Cash and Equivalents	(1,242.9)	(1,387.9)	
Net Debt	<u>\$ 1,088.7</u>	<u>\$ 946.4</u>	

¹ Amounts may not sum due to rounding.

² Tax effect of adjustments was determined using the effective tax rates on a jurisdictional basis of the respective adjustments.

Reconciliation of Non-GAAP Financial Measures

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT III

SUPPLEMENTAL FINANCIAL INFORMATION (Unaudited)¹
RECONCILIATION OF GAAP AND NON-GAAP FINANCIAL MEASURES

(In millions, except percentage and pts information)	For the Year Ended December 31,		
	2025	2024	Change
<u>Leverage Ratio (Total Debt/Adjusted EBITDA)</u>			
<i>Total Debt</i>			
Long-Term Debt	\$ 2,331.7	\$ 2,334.4	
Adjustments:			
Debt Issuance Costs and Debt Discount	18.3	15.6	
Total Debt	<u>\$ 2,350.0</u>	<u>\$ 2,350.0</u>	
<u>EBITDA and Adjusted EBITDA</u>			
Net Income, As Reported	\$ 397.6	\$ 541.8	-27%
Adjustments:			
Interest Expense	118.7	118.8	
Provision for Income Taxes	89.8	105.6	
Depreciation	136.5	136.6	
Amortization	31.5	31.3	
EBITDA	<u>774.0</u>	<u>934.2</u>	
Adjustments:			
Share-Based Compensation	79.7	79.4	
Severance and Restructuring Expenses	46.9	48.1	
Inclined Sleeper Product Recalls	26.7	(4.1)	
Adjusted EBITDA	<u>\$ 927.3</u>	<u>\$ 1,057.6</u>	-12%
Total Debt / Net Income	5.9x	4.3x	
Leverage Ratio (Total Debt / Adjusted EBITDA)	2.5x	2.2x	
<u>Free Cash Flow</u>			
Net Cash Flows Provided by Operating Activities	\$ 593.3	\$ 800.6	-26%
Capital Expenditures	(182.0)	(202.6)	
Free Cash Flow	<u>\$ 411.3</u>	<u>\$ 597.9</u>	-31%
Net Cash Flows Provided by Operating Activities / Net Income	149%	148%	1 pt
Free Cash Flow Conversion (Free Cash Flow/Adjusted EBITDA)	44%	57%	-13 pts

¹ Amounts may not sum due to rounding.

Worldwide Net Sales and Gross Billings

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT IV

WORLDWIDE NET SALES AND GROSS BILLINGS¹ (Unaudited)²

	For the Three Months Ended December 31,				For the Year Ended December 31,			
	2025	2024	% Change as Reported	% Change in Constant Currency	2025	2024	% Change as Reported	% Change in Constant Currency
(In millions, except percentage information)								
Worldwide Net Sales:								
Net Sales	\$ 1,766.5	\$ 1,646.4	7%	5%	\$ 5,347.6	\$ 5,379.5	-1%	-1%
Worldwide Gross Billings by Categories:								
Dolls	\$ 750.3	\$ 734.9	2%	—%	\$ 2,056.1	\$ 2,200.5	-7%	-7%
Infant, Toddler, and Preschool	254.0	276.2	-8	-10	786.3	951.3	-17	-18
Vehicles	652.4	543.8	20	16	1,994.6	1,791.2	11	10
Action Figures, Building Sets, Games, and Other	380.9	327.1	16	14	1,242.1	1,090.4	14	13
Gross Billings	<u>\$ 2,037.6</u>	<u>\$ 1,881.9</u>	8%	6%	<u>\$ 6,079.1</u>	<u>\$ 6,033.3</u>	1%	—%
Supplemental Gross Billings Disclosure								
Worldwide Gross Billings by Top 3 Power Brands:								
Barbie	\$ 415.7	\$ 406.0	2%	—%	\$ 1,204.1	\$ 1,350.1	-11%	-12%
Hot Wheels	576.4	481.4	20	16	1,749.7	1,575.0	11	10
Fisher-Price	208.9	206.1	1	-1	622.3	700.8	-11	-12
Other	836.6	788.5	6	4	2,503.0	2,407.4	4	3
Gross Billings	<u>\$ 2,037.6</u>	<u>\$ 1,881.9</u>	8%	6%	<u>\$ 6,079.1</u>	<u>\$ 6,033.3</u>	1%	—%

¹ Gross billings represent amounts invoiced to customers and do not include the impact of sales adjustments, such as trade discounts and other allowances. Mattel presents changes in gross billings as a metric for comparing its aggregate, categorical, brand, and geographic results to highlight significant trends in Mattel's business.

² Amounts may not sum due to rounding.

Net Sales and Gross Billings by Segment

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT V

NET SALES AND GROSS BILLINGS¹ BY SEGMENT (Unaudited)²

	For the Three Months Ended December 31,				For the Year Ended December 31,			
	2025	2024	% Change as Reported	% Change in Constant Currency	2025	2024	% Change as Reported	% Change in Constant Currency
(In millions, except percentage information)								
North America Net Sales:								
Net Sales	\$ 1,020.8	\$ 975.5	5%	5%	\$ 3,001.1	\$ 3,168.1	-5%	-5%
North America Gross Billings by Categories:								
Dolls	\$ 466.7	\$ 441.9	6%	6%	\$ 1,201.4	\$ 1,280.1	-6%	-6%
Infant, Toddler, and Preschool	156.1	163.2	-4	-4	463.2	583.3	-21	-21
Vehicles	293.5	255.2	15	15	894.4	860.6	4	4
Action Figures, Building Sets, Games, and Other	212.5	196.8	8	8	703.2	670.6	5	5
Gross Billings	<u>\$ 1,128.8</u>	<u>\$ 1,057.0</u>	7%	7%	<u>\$ 3,262.2</u>	<u>\$ 3,394.6</u>	-4%	-4%
Supplemental Gross Billings Disclosure								
North America Gross Billings by Top 3 Power Brands:								
Barbie	\$ 232.5	\$ 217.4	7%	7%	\$ 650.8	\$ 734.9	-11%	-11%
Hot Wheels	251.9	220.3	14	14	760.6	741.3	3	3
Fisher-Price	129.6	120.7	7	7	369.8	421.3	-12	-12
Other	514.9	498.6	3	3	1,481.0	1,497.0	-1	-1
Gross Billings	<u>\$ 1,128.8</u>	<u>\$ 1,057.0</u>	7%	7%	<u>\$ 3,262.2</u>	<u>\$ 3,394.6</u>	-4%	-4%

¹ Gross billings represent amounts invoiced to customers and do not include the impact of sales adjustments, such as trade discounts and other allowances. Mattel presents changes in gross billings as a metric for comparing its aggregate, categorical, brand, and geographic results to highlight significant trends in Mattel's business.

² Amounts may not sum due to rounding.

Net Sales and Gross Billings by Segment

MATTEL, INC. AND SUBSIDIARIES

EXHIBIT VI

NET SALES AND GROSS BILLINGS¹ BY SEGMENT (Unaudited)²

	For the Three Months Ended December 31,				For the Year Ended December 31,			
	2025	2024	% Change as Reported	% Change in Constant Currency	2025	2024	% Change as Reported	% Change in Constant Currency
(In millions, except percentage information)								
International Net Sales by Geographic Area:								
EMEA	\$ 443.5	\$ 402.6	10%	3%	\$ 1,342.1	\$ 1,240.4	8%	4%
Latin America	179.0	153.4	17	8	602.5	608.2	-1	-1
Asia Pacific	123.1	114.9	7	8	401.9	362.8	11	12
Net Sales	<u>\$ 745.6</u>	<u>\$ 670.9</u>	11%	5%	<u>\$ 2,346.6</u>	<u>\$ 2,211.5</u>	6%	4%
International Gross Billings by Geographic Area:								
EMEA	\$ 554.3	\$ 503.1	10%	3%	\$ 1,642.3	\$ 1,501.4	9%	5%
Latin America	213.3	190.7	12	4	715.7	722.1	-1	-1
Asia Pacific	141.2	131.1	8	8	458.8	415.3	10	11
Gross Billings	<u>\$ 908.8</u>	<u>\$ 824.9</u>	10%	4%	<u>\$ 2,816.8</u>	<u>\$ 2,638.7</u>	7%	4%
International Gross Billings by Categories:								
Dolls	\$ 283.6	\$ 293.0	-3%	-9%	\$ 854.7	\$ 920.4	-7%	-9%
Infant, Toddler, and Preschool	97.9	113.0	-13	-18	323.1	368.0	-12	-14
Vehicles	358.9	288.6	24	18	1,100.2	930.5	18	16
Action Figures, Building Sets, Games, and Other	168.4	130.3	29	22	538.8	419.8	28	25
Gross Billings	<u>\$ 908.8</u>	<u>\$ 824.9</u>	10%	4%	<u>\$ 2,816.8</u>	<u>\$ 2,638.7</u>	7%	4%
Supplemental Gross Billings Disclosure								
International Gross Billings by Top 3 Power Brands:								
Barbie	\$ 183.3	\$ 188.5	-3%	-8%	\$ 553.3	\$ 615.2	-10%	-12%
Hot Wheels	324.4	261.1	24	17	989.0	833.7	19	16
Fisher-Price	79.3	85.4	-7	-13	252.5	279.5	-10	-11
Other	321.7	289.8	11	5	1,022.0	910.3	12	10
Gross Billings	<u>\$ 908.8</u>	<u>\$ 824.9</u>	10%	4%	<u>\$ 2,816.8</u>	<u>\$ 2,638.7</u>	7%	4%

¹ Gross billings represent amounts invoiced to customers and do not include the impact of sales adjustments, such as trade discounts and other allowances. Mattel presents changes in gross billings as a metric for comparing its aggregate, categorical, brand, and geographic results to highlight significant trends in Mattel's business.

² Amounts may not sum due to rounding.



Glossary of Non-GAAP Financial Measures & Key Performance Indicator

NON-GAAP FINANCIAL MEASURES

To supplement our financial results presented in accordance with generally accepted accounting principles in the United States (“GAAP”), Mattel presents certain non-GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission. The non-GAAP financial measures that Mattel uses in this earnings release include Adjusted Gross Profit, Adjusted Gross Margin, Adjusted Other Selling and Administrative Expenses, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted Earnings Per Share, earnings before interest expense, taxes, depreciation and amortization (“EBITDA”), Adjusted EBITDA, Free Cash Flow, Free Cash Flow Conversion (Free Cash Flow / Adjusted EBITDA), Leverage Ratio (Total Debt / Adjusted EBITDA), Net Debt, Adjusted Tax Rate, and constant currency. Mattel uses these measures to analyze its continuing operations and to monitor, assess, and identify meaningful trends in its operating and financial performance, and each is discussed below. Mattel believes that the disclosure of non-GAAP financial measures provides useful supplemental information to investors to be able to better evaluate ongoing business performance and certain components of Mattel’s results. These measures are not, and should not be viewed as, substitutes for GAAP financial measures and may not be comparable to similarly titled measures used by other companies. Reconciliations of the non-GAAP financial measures to the most directly comparable GAAP financial measures are attached to this earnings release as exhibits and to our earnings slide presentation as an appendix.

Adjusted Gross Profit and Adjusted Gross Margin

Adjusted Gross Profit and Adjusted Gross Margin represent reported Gross Profit and reported Gross Margin, respectively, adjusted to exclude severance and restructuring expenses. Adjusted Gross Margin represents Mattel’s Adjusted Gross Profit, as a percentage of Net Sales. Adjusted Gross Profit and Adjusted Gross Margin are presented to provide additional perspective on underlying trends in Mattel’s core Gross Profit and Gross Margin, which Mattel believes is useful supplemental information for investors to be able to gauge and compare Mattel’s current business performance from one period to another.

Adjusted Other Selling and Administrative Expenses

Adjusted Other Selling and Administrative Expenses represents Mattel’s reported Other Selling and Administrative Expenses, adjusted to exclude severance and restructuring expenses and the impact of the inclined sleeper product recalls, which are not part of Mattel’s core business. Adjusted Other Selling and Administrative Expenses is presented to provide additional perspective on underlying trends in Mattel’s core other selling and administrative expenses, which Mattel believes is useful supplemental information for investors to be able to gauge and compare Mattel’s current business performance from one period to another.

Adjusted Operating Income and Adjusted Operating Income Margin

Adjusted Operating Income and Adjusted Operating Income Margin represent reported Operating Income and reported Operating Income Margin, respectively, adjusted to exclude severance and restructuring expenses and the impact of the inclined sleeper product recalls, which are not part of Mattel’s core business. Adjusted Operating Income Margin represents Mattel’s Adjusted Operating Income, as a percentage of Net Sales. Adjusted Operating Income and Adjusted Operating Income Margin are presented to provide additional perspective on underlying trends in Mattel’s core operating results, which Mattel believes is useful supplemental information for investors to be able to gauge and compare Mattel’s current business performance from one period to another.

Adjusted Earnings Per Share

Adjusted Earnings Per Share represents Mattel’s reported Diluted Earnings Per Common Share, adjusted to exclude severance and restructuring expenses, the impact of the inclined sleeper product recalls, and the impact of changes to certain deferred tax assets and related valuation allowances, which are not part of Mattel’s core business. The aggregate tax effect of the adjustments was determined using the effective tax rates on a jurisdictional basis of the respective adjustments and dividing by the reported weighted-average number of common shares. Adjusted Earnings Per Share is presented to provide additional perspective on underlying trends in Mattel’s core business. Mattel believes it is useful supplemental information for investors to gauge and compare Mattel’s current earnings results from one period to another. Adjusted Earnings Per Share is a performance measure and should not be used as a measure of liquidity.

EBITDA and Adjusted EBITDA

EBITDA represents Mattel’s Net Income, adjusted to exclude the impact of interest expense, taxes, depreciation, and amortization. Adjusted EBITDA represents EBITDA adjusted to exclude share-based compensation, severance and restructuring expenses and the impact of the inclined sleeper product recalls, which are not part of Mattel’s core business. Mattel believes EBITDA and Adjusted EBITDA are useful supplemental information for investors to gauge and compare Mattel’s business performance to other companies in its industry with similar capital structures. The presentation of Adjusted EBITDA differs from how Mattel calculates EBITDA for purposes of covenant compliance under the indentures governing its high yield senior notes and the revolving credit agreement governing its revolving credit facility. Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as measures of discretionary cash available to in the growth of Mattel’s business. As a result, Mattel relies primarily on its GAAP results and uses EBITDA and Adjusted EBITDA only supplementally.



Glossary of Non-GAAP Financial Measures & Key Performance Indicator

NON-GAAP FINANCIAL MEASURES

Free Cash Flow and Free Cash Flow Conversion

Free Cash Flow represents Mattel's net cash flows from operating activities less capital expenditures. Free Cash Flow Conversion represents Mattel's free cash flow divided by Adjusted EBITDA. Mattel believes Free Cash Flow and Free Cash Flow Conversion are useful supplemental information for investors to gauge Mattel's liquidity and performance and to compare Mattel's business performance to other companies in our industry. Free Cash Flow does not represent cash available to Mattel for discretionary expenditures.

Leverage Ratio (Total Debt / Adjusted EBITDA)

The leverage ratio is calculated by dividing Total Debt by Adjusted EBITDA. Total Debt represents the aggregate of Mattel's current portion of long-term debt, short-term borrowings, and long-term debt, excluding the impact of debt issuance costs and debt discount. Mattel believes the leverage ratio is useful supplemental information for investors to gauge trends in Mattel's business and to compare Mattel's business performance to other companies in its industry.

Net Debt

Net Debt represents the aggregate of Mattel's current portion of long-term debt, short-term borrowings, and long-term debt, less cash and equivalents. Mattel believes Net Debt is useful supplemental information for investors to monitor Mattel's liquidity and evaluate its balance sheet.

Adjusted Tax Rate

The Adjusted Tax Rate is calculated by dividing Adjusted Provision for Income Taxes by Adjusted Income Before Income Taxes. Adjusted Income Before Income Taxes represents reported Income Before Income Taxes, adjusted to exclude severance and restructuring expenses and the impact of inclined sleeper product recalls. The Adjusted Provision for Income Taxes represents reported Provision for Income Taxes, adjusted to exclude the impact of changes to certain deferred tax assets and related valuation allowances and the aggregate tax effect of adjustments. Mattel believes the adjusted tax rate provides useful supplemental information for investors to gauge and compare the impact of tax expense on Mattel's earnings results from one period to another.

Constant Currency

Percentage changes in results expressed in constant currency are presented excluding the impact from changes in currency exchange rates. To present this information, Mattel calculates constant currency information by translating current period and prior period results for entities reporting in currencies other than the US dollar using consistent exchange rates. The constant currency exchange rates are determined by Mattel at the beginning of each year and are applied consistently during the year. They are generally different from the actual exchange rates in effect during the current or prior period due to volatility in actual foreign exchange rates. Mattel considers whether any changes to the constant currency rates are appropriate at the beginning of each year. The exchange rates used for these constant currency calculations are generally based on prior year actual exchange rates. The difference between the current period and prior period results using the consistent exchange rates reflects the changes in the underlying performance results, excluding the impact from changes in currency exchange rates. Mattel analyzes constant currency results to provide additional perspective on changes in underlying trends in Mattel's operating performance. Mattel believes that the disclosure of the percentage change in constant currency is useful supplemental information for investors to be able to gauge Mattel's current business performance and the longer-term strength of its overall business since foreign currency changes could potentially mask underlying sales trends. The disclosure of the percentage change in constant currency enhances investor's ability to compare financial results from one period to another.

2026 Guidance

A reconciliation of Mattel's non-GAAP financial measures on a forward-looking basis, including Net Sales on a constant currency basis, Adjusted Gross Margin, Adjusted Operating Income, Adjusted Tax Rate, Adjusted EPS, and Free Cash Flow is not available without unreasonable effort. Mattel is unable to predict with sufficient certainty items that would be excluded from the corresponding GAAP measures, including the effect of foreign currency exchange rate fluctuations, unusual gains and losses or charges, and severance and restructuring charges, due to the unpredictable nature of such items, which may have a significant impact on Mattel's GAAP measures.

KEY PERFORMANCE INDICATOR

Gross Billings

Gross Billings represent amounts invoiced to customers. It does not include the impact of sales adjustments, such as trade discounts and other allowances. Mattel presents changes in gross billings as a metric for comparing its aggregate, categorical, brand, and geographic results to highlight significant trends in Mattel's business. Changes in Gross Billings are discussed because, while Mattel records the details of sales adjustments in its financial accounting systems at the time of sale, such sales adjustments are generally not associated with categories, brands, and individual products.