



MATTEL REPORTS THIRD QUARTER 2022 FINANCIAL RESULTS

Third Quarter 2022 Highlights Versus Prior Year

- Net Sales of \$1,756 million, flat as reported, and up 3% in constant currency
 - Gross Margin of 48.2%, an increase of 40 basis points; Adjusted Gross Margin of 48.3%, an increase of 50 basis points
 - Operating Income of \$391 million, up 1%, an increase of \$2 million; Adjusted Operating Income of \$398 million, down 1%, a decrease of \$3 million
 - Net Income of \$290 million compared to \$795 million; prior year included a non-cash benefit of \$492 million resulting from the release of valuation allowances on deferred tax assets
 - EPS of \$0.80 compared to \$2.24 per share; Adjusted EPS of \$0.82 compared to \$0.84 per share
 - Adjusted EBITDA of \$473 million, up 2%, an increase of \$10 million
 - Company updates 2022 full year guidance
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EL SEGUNDO, Calif., Oct. 25, 2022 – Mattel, Inc. (NASDAQ: MAT) today reported third quarter financial results.

Ynon Kreiz, Chairman and CEO of Mattel, said: “This was a good quarter for Mattel, with the ninth consecutive quarter of Net Sales growth in constant currency. We believe our fundamentals are strong and our world-class leadership team and global organization are executing with excellence. Our results reflect the resilience of our diversified portfolio and the success in executing our strategy, despite the challenging macro-economic environment. We look forward to the all-important holiday season, and believe we are on track to achieve another growth year for the company.”

Anthony DiSilvestro, CFO of Mattel, said: “We are pleased with our performance this quarter and the year-to-date results. We are improving our leverage ratio, and consistent with our capital allocation priorities, are making progress towards achieving investment-grade credit ratings. We believe we are well-positioned to continue our growth trajectory.”

Financial Overview

For the third quarter, Net Sales were flat as reported, and up 3% in constant currency, versus

the prior year. Reported Operating Income was \$391 million, an increase of \$2 million, and Adjusted Operating Income was \$398 million, a decline of \$3 million. Reported Earnings Per Share were \$0.80, compared to \$2.24 per share, and Adjusted Earnings Per Share were \$0.82, a decline of \$0.02 per share. Prior year results included a net benefit of approximately \$492 million, or approximately \$1.39 per share, resulting from the release of valuation allowances on deferred tax assets.

For the first nine months of the year, Net Sales were up 10% as reported, and 13% in constant currency, versus the prior year. Reported Operating Income was \$597 million, an increase of \$124 million, and Adjusted Operating Income was \$609 million, an increase of \$111 million. Reported Earnings Per Share were \$1.05, a decline of \$0.86, and Adjusted Earnings Per Share were \$1.08, an improvement of \$0.30 per share.

Net Sales in the North America segment declined 3% as reported and in constant currency, versus the prior year's third quarter.

Gross Billings in the North America segment declined 4% as reported and in constant currency, due primarily to declines in Infant, Toddler, and Preschool (including Fisher-Price® and Thomas & Friends™), Action Figures, Building Sets, Games, and Other (primarily Games and Other), and Dolls (including Barbie®), partially offset by growth in Vehicles (including Hot Wheels®).

Net Sales in the International segment increased 5% as reported, and 13% in constant currency.

Gross Billings in the International segment increased 4% as reported, and 13% in constant currency. The increase in Gross Billings as reported was driven primarily by growth in Vehicles (including Hot Wheels), and Action Figures, Building Sets, Games, and Other (including Lightyear and Jurassic World), partially offset by Dolls (including Spirit™ and Barbie) and Infant, Toddler, and Preschool (including Fisher-Price and Thomas & Friends). The increase in Gross Billings in constant currency was driven primarily by growth in Vehicles (including Hot Wheels), Action Figures, Building Sets, Games, and Other (including Jurassic World and Lightyear), Dolls (including Barbie), and Infant, Toddler, and Preschool (including Fisher-Price and Thomas & Friends).

Net Sales in the American Girl® segment decreased 6% as reported and in constant currency. Gross Billings in the American Girl segment decreased 5% as reported and in constant currency.

Reported Gross Margin increased to 48.2%, versus 47.8% in the prior year, and Adjusted Gross Margin increased to 48.3%, versus 47.8%. The increase in Reported and Adjusted Gross Margin was primarily driven by pricing and savings from the Optimizing for Growth program, partially offset by input cost inflation and increased royalty expense.

Reported Other Selling and Administrative Expenses declined \$8 million, to \$328 million. Adjusted Other Selling and Administrative Expenses declined \$1 million, to \$323 million. The decline in Reported and Adjusted Other Selling and Administrative Expenses was primarily driven by lower incentive compensation and savings from the Optimizing for Growth program, partially offset by market-related pay increases.

For the first nine months of the year, Cash Flows Used for Operating Activities were \$275 million, an increase of \$19 million, versus the prior year, primarily due to higher working capital usage, partially offset by higher net income, excluding the impact of non-cash items. Cash Flows Used for Investing Activities were \$97 million, an increase of \$26 million, primarily due to

the impact of lower proceeds from the disposal of assets and a business in the prior year and higher capital expenditures. Cash Flows Used by Financing Activities and Other were \$10 million, a decline of \$276 million, primarily due to the cash used for repayment and refinancing of long-term borrowings during the first nine months of 2021, partially offset by proceeds from short term borrowings in the prior year.

Gross Billings by Categories

For the third quarter, worldwide Gross Billings for Dolls were \$697 million, down 3% as reported, and flat in constant currency, versus the prior year, primarily due to declines in Barbie and Spirit, partially offset by growth in Monster High, Karma's World, and Polly Pocket.

Worldwide Gross Billings for Infant, Toddler, and Preschool were \$370 million, down 9% as reported, and 6% in constant currency, primarily due to a decline in Fisher-Price and Thomas & Friends.

Worldwide Gross Billings for Vehicles were \$438 million, up 12% as reported, and 17% in constant currency, primarily driven by growth in Hot Wheels and Matchbox.

Worldwide Gross Billings for Action Figures, Building Sets, Games, and Other were \$443 million, down 1% as reported, but up 3% in constant currency. The decrease in Gross Billings as reported is primarily due to a decline in Plush and Games, partially offset by growth in Action Figures (including Lightyear and Jurassic World) and Building Sets. The increase in Gross Billings in constant currency is driven by growth in Action Figures (including Lightyear and Jurassic World), partially offset by a decline in Plush and Games.

2022 Guidance and 2023 Goals

Mattel's updated full year 2022 guidance is:

(in millions, except EPS and percentages)	Current FY2022 Guidance	Prior FY2022 Guidance	FY2021
Net Sales	+8 - 10% (Constant Currency)	+8 - 10% (Constant Currency)	\$5,458
Net Sales Currency Translation	(3 - 4%)	(2 - 3%)	
Adjusted Gross Margin	~ 47%	47 - 48%	48.2%
Adjusted EBITDA	\$1,050 - \$1,100	\$1,100 - \$1,125	\$1,007
Adjusted EPS	\$1.32 - \$1.42	\$1.42 - \$1.48	\$1.30
Adjusted Tax Rate	26 - 28%	26 - 28%	25%
Capital Expenditures	\$175 - \$200	\$175 - \$200	\$151

With respect to Mattel's previously stated 2023 goals, given the increased volatility in the market as well as the revised 2022 outlook, the company is re-evaluating its expectations and will provide annual guidance for 2023 on its 2022 fourth quarter and full year earnings call. The company expects to achieve top and bottom-line growth in 2023.

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 EBITDA, Adjusted

EPS, and Adjusted Tax Rate 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.

The company is operating in a challenging macro-economic environment with higher volatility, including inflation, that may impact consumer demand. Mattel's guidance takes into account what the company is aware of today but remains subject to further volatility and any unexpected disruption, including fluctuations in foreign exchange rates, inflation, changes in global economic conditions and consumer demand, labor market fluctuations, and other macro-economic risks and uncertainties.

Conference Call and Live Webcast

At 5:00 p.m. (Eastern Standard Time) today, Mattel will host a conference call with investors and financial analysts to discuss its third quarter financial results. The conference call will be webcast on Mattel's Investor Relations website, <https://investors.mattel.com>. To listen to the live call, log on to the website at least 10 minutes early to register, download, and install any necessary audio software. An archive of the webcast will be available on Mattel's Investor Relations website for 12 months and may be accessed beginning approximately three hours after the completion of the live call.

Cautionary Note Regarding Forward-Looking Statements

Mattel cautions the reader that this press release contains a number of forward-looking statements, which are statements that relate to the future and are, by their nature, uncertain. 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," "look 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, many of which are beyond Mattel's control, could cause actual future results to differ materially from those projected in the forward-looking statements, and are currently, and in the future may be, amplified by the COVID-19 pandemic. Specific factors that might cause such a difference include, but are not limited to: (i) potential impacts of and uncertainty regarding the COVID-19 pandemic (and actions taken in response to it by governments, businesses, and individuals) on Mattel's business operations, financial results and financial position and on the global economy, including its impact on Mattel's sales; (ii) Mattel's ability to design, develop, produce, manufacture, source, ship, and distribute products on a timely and cost-effective basis; (iii) sufficient interest in and demand for the products and entertainment Mattel offers by retail customers and consumers to profitably recover Mattel's costs; (iv) 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; (v) 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; (vi) potential difficulties or delays Mattel may experience in implementing cost savings and

efficiency enhancing initiatives; (vii) 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; (viii) inflation and 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) 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, tariffs, trade policies, or product safety, which may increase Mattel's product costs and other costs of doing business, and 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 war in Ukraine), natural and manmade disasters, 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 non-fungible tokens and cryptocurrency; (xxii) uncertainty from the expected discontinuance of the London Interbank Offer Rate and transition to any other interest rate benchmark; 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, 2021 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.

Presentation Information / Non-GAAP Financial Measures

The financial results included herein represent the most current information available to management and are preliminary until Mattel's Form 10-Q 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 earnings release may include Adjusted Gross Profit, Adjusted Gross Margin, Adjusted Other Selling and Administrative Expenses, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted Earnings (Loss) 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.

This earnings release and our earnings slide presentation are available on Mattel’s Investor Relations website, <https://investors.mattel.com/>, under the subheading “Financial Information – Quarterly Earnings.”

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, the impact of the inclined sleeper product recalls, and the impact of sale of assets, 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, the impact of the inclined sleeper product recalls, and the impact of sale of assets, 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 (Loss) Per Share

Adjusted Earnings (Loss) Per Share represents Mattel's reported Diluted Earnings (Loss) Per Common Share, adjusted to exclude severance and restructuring expenses, the impact of the inclined sleeper product recalls, the impact of sale of assets/business, loss on debt extinguishment, and releases of valuation allowances, which are not part of Mattel's core business. The aggregate tax effect of the adjustments is calculated by tax effecting the adjustments by the current effective tax rate and dividing by the reported weighted-average number of common shares. Adjusted Earnings (Loss) 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 (Loss) 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 (Loss), 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, the impact of the inclined sleeper product recalls, and the impact of sale of assets/business, 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 syndicated facility agreement governing its senior secured revolving credit facilities. Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as measures of discretionary cash available to invest 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.

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 cash 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 for Income Taxes represents Reported Income Before Income Taxes, adjusted to exclude severance and restructuring expenses, the impact of inclined sleeper product recalls, the impact of sale of assets/business, and loss on debt extinguishment. The Adjusted Provision for Income Taxes represents Reported (Benefit) for Income Taxes, adjusted to exclude the impact of releases of valuation allowance 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.

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 such 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.

About Mattel

Mattel is a leading global toy company and owner of one of the strongest catalogs of children's and family entertainment franchises in the world. We create innovative products and

experiences that inspire, entertain, and develop children through play. We engage consumers through our portfolio of iconic brands, including Barbie®, Hot Wheels®, Fisher-Price®, American Girl®, Thomas & Friends™, UNO®, Masters of the Universe®, and MEGA®, as well as other popular intellectual properties that we own or license in partnership with global entertainment companies. Our offerings include film and television content, gaming and digital experiences, music, and live events. Founded in 1945, we operate in 35 locations and our products are available in more than 150 countries in collaboration with the world's leading retail and ecommerce companies. Mattel is proud to be a trusted partner in empowering children to explore the wonder of childhood and reach their full potential. Visit us online at [mattel.com](https://www.mattel.com).

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CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)¹

(In millions, except per share and percentage information)	For the Three Months Ended September 30,						For the Nine Months Ended September 30,					
	2022		2021		% Change as Reported	% Change in Constant Currency	2022		2021		% Change as Reported	% Change in Constant Currency
	\$ Amt	% Net Sales	\$ Amt	% Net Sales			\$ Amt	% Net Sales	\$ Amt	% Net Sales		
Net Sales	\$1,755.8		\$1,762.3		— %	3%	\$4,032.8		\$3,662.9		10 %	13%
Cost of Sales	908.9	51.8 %	919.8	52.2 %	-1 %		2,154.1	53.4 %	1,920.5	52.4 %	12 %	
Gross Profit	846.9	48.2 %	842.5	47.8 %	1 %	4%	1,878.7	46.6 %	1,742.4	47.6 %	8 %	10%
Advertising and Promotion Expenses	127.6	7.3 %	117.6	6.7 %	8 %		291.5	7.2 %	280.1	7.6 %	4 %	
Other Selling and Administrative Expenses	327.9	18.7 %	335.8	19.1 %	-2 %		990.6	24.6 %	990.2	27.0 %	— %	
Operating Income	391.4	22.3 %	389.1	22.1 %	1 %	4%	596.5	14.8 %	472.1	12.9 %	26 %	29%
Interest Expense	33.9	1.9 %	52.1	3.0 %	-35 %		99.7	2.5 %	220.7	6.0 %	-55 %	
Interest (Income)	(1.9)	-0.1 %	(0.8)	— %	153 %		(5.1)	-0.1 %	(2.2)	-0.1 %	135 %	
Other Non-Operating (Income) Expense, Net	(4.3)		3.9				12.0		3.3			
Income Before Income Taxes	363.7	20.7 %	333.9	18.9 %	9 %	11%	489.9	12.1 %	250.2	6.8 %	96 %	91%
Provision (Benefit) for Income Taxes	80.0		(456.8)				130.5		(415.8)			
(Income) from Equity Method Investments	(6.2)		(4.5)				(18.4)		(11.1)			
Net Income	\$ 289.9	16.5 %	\$ 795.1	45.1 %	-64 %		\$ 377.8	9.4 %	\$ 677.2	18.5 %	-44 %	
Net Income Per Common Share - Basic	\$ 0.82		\$ 2.27				\$ 1.07		\$ 1.94			
Weighted-Average Number of Common Shares	354.5		350.4				353.4		349.6			
Net Income Per Common Share - Diluted	\$ 0.80		\$ 2.24				\$ 1.05		\$ 1.91			
Weighted-Average Number of Common and Potential Common Shares	360.2		354.2				359.7		354.3			

¹ Amounts may not sum due to rounding.

CONDENSED CONSOLIDATED BALANCE SHEETS¹

	September 30,		December 31,
	2022	2021	2021
(In millions)	(Unaudited)		
Assets			
Cash and Equivalents	\$ 349.0	\$ 148.5	\$ 731.4
Accounts Receivable, Net	1,381.5	1,437.9	1,072.7
Inventories	1,083.8	854.5	777.2
Prepaid Expenses and Other Current Assets	268.9	274.3	293.3
Total Current Assets	3,083.2	2,715.2	2,874.5
Property, Plant, and Equipment, Net	444.4	455.9	456.0
Right-of-Use Assets, Net	323.5	325.9	325.5
Goodwill	1,371.0	1,389.7	1,390.2
Other Noncurrent Assets	1,246.1	1,376.4	1,347.7
Total Assets	\$ 6,468.2	\$ 6,263.0	\$ 6,393.9
Liabilities and Stockholders' Equity			
Short-Term Borrowings	\$ —	\$ 128.0	\$ —
Current Portion of Long-Term Debt	250.0	—	—
Accounts Payable and Accrued Liabilities	1,275.7	1,457.2	1,570.7
Income Taxes Payable	50.4	101.6	27.5
Total Current Liabilities	1,576.1	1,686.8	1,598.3
Long-Term Debt	2,324.5	2,569.8	2,571.0
Noncurrent Lease Liabilities	279.5	288.2	283.6
Other Noncurrent Liabilities	320.6	404.5	372.2
Stockholders' Equity	1,967.5	1,313.7	1,568.8
Total Liabilities and Stockholders' Equity	\$ 6,468.2	\$ 6,263.0	\$ 6,393.9

SUPPLEMENTAL BALANCE SHEET AND CASH FLOW DATA (Unaudited)¹

	September 30,	
	2022	2021
Key Balance Sheet Data:		
Accounts Receivable, Net Days of Sales Outstanding (DSO)	71	73
Condensed Cash Flow Data:		
(In millions)	For the Nine Months Ended September 30,	
	2022	2021
Cash Flows Used for Operating Activities	\$ (275)	\$ (256)
Cash Flows Used for Investing Activities	(97)	(71)
Cash Flows Used for Financing Activities and Other	(10)	(286)
Decrease in Cash and Equivalents	\$ (382)	\$ (614)

¹ Amounts may not sum due to rounding.

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

(In millions, except percentage information)	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	2022	2021	Change	2022	2021	Change
Gross Profit						
Gross Profit, As Reported	\$ 846.9	\$ 842.5		\$ 1,878.7	\$ 1,742.4	
<i>Gross Margin</i>	48.2 %	47.8 %	40 bps	46.6 %	47.6 %	-100 bps
<i>Adjustments:</i>						
Severance and Restructuring Expenses	1.4	0.1		9.8	1.9	
Gross Profit, As Adjusted	\$ 848.2	\$ 842.7		\$ 1,888.5	\$ 1,744.3	
<i>Adjusted Gross Margin</i>	48.3 %	47.8 %	50 bps	46.8 %	47.6 %	-80 bps
Other Selling and Administrative Expenses						
Other Selling and Administrative Expenses, As Reported	\$ 327.9	\$ 335.8	-2%	\$ 990.6	\$ 990.2	—%
<i>% of Net Sales</i>	18.7 %	19.1 %	-40 bps	24.6 %	27.0 %	-240 bps
<i>Adjustments:</i>						
Severance and Restructuring Expenses	(4.5)	(9.2)		(17.1)	(25.7)	
Inclined Sleeper Product Recalls ²	(0.7)	(2.8)		(1.2)	(14.9)	
Sale of Assets ³	—	—		15.2	15.8	
Other Selling and Administrative Expenses, As Adjusted	\$ 322.7	\$ 323.8	—%	\$ 987.5	\$ 965.4	2%
<i>% of Net Sales</i>	18.4 %	18.4 %	0 bps	24.5 %	26.4 %	-190 bps
Operating Income						
Operating Income, As Reported	\$ 391.4	\$ 389.1	1%	\$ 596.5	\$ 472.1	26%
<i>Operating Income Margin</i>	22.3 %	22.1 %	20 bps	14.8 %	12.9 %	190 bps
<i>Adjustments:</i>						
Severance and Restructuring Expenses	5.9	9.3		26.9	27.6	
Inclined Sleeper Product Recalls ²	0.7	2.8		1.2	14.9	
Sale of Assets ³	—	—		(15.2)	(15.8)	
Operating Income, As Adjusted	\$ 397.9	\$ 401.2	-1%	\$ 609.5	\$ 498.8	22%
<i>Adjusted Operating Income Margin</i>	22.7 %	22.8 %	-10 bps	15.1 %	13.6 %	150 bps

¹ Amounts may not sum due to rounding.

² For the three and nine months ended September 30, 2022 and 2021, represents expenses related to inclined sleeper product recall litigation.

³ For the nine months ended September 30, 2022 and 2021, Mattel recorded a gain on sale of assets of \$15.2 million and \$15.8 million, respectively, in other selling and administrative expenses.

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

<u>(In millions, except per share and percentage information)</u>	<u>For the Three Months Ended September 30,</u>			<u>For the Nine Months Ended September 30,</u>		
	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>2022</u>	<u>2021</u>	<u>Change</u>
Earnings Per Share						
Net Income Per Common Share, As Reported	\$ 0.80	\$ 2.24	-64%	\$ 1.05	\$ 1.91	-45%
<i>Adjustments:</i>						
Severance and Restructuring Expenses	0.02	0.03		0.07	0.08	
Inclined Sleeper Product Recalls ²	—	0.01		—	0.04	
Sale of Assets/Business ³	—	—		(0.04)	(0.06)	
Loss on Debt Extinguishment	—	0.05		—	0.29	
Valuation Allowance Releases ⁴	—	(1.39)		—	(1.39)	
Tax Effect of Adjustments ⁵	(0.01)	(0.10)		(0.01)	(0.10)	
Net Income Per Common Share, As Adjusted	<u>\$ 0.82</u>	<u>\$ 0.84</u>	-2%	<u>\$ 1.08</u>	<u>\$ 0.78</u>	38%
EBITDA and Adjusted EBITDA						
Net Income, As Reported	\$ 289.9	\$ 795.1	-64%	\$ 377.8	\$ 677.2	-44%
<i>Adjustments:</i>						
Interest Expense	33.9	52.1		99.7	220.7	
Provision (Benefit) for Income Taxes	80.0	(456.8)		130.5	(415.8)	
Depreciation	36.8	36.1		108.4	108.8	
Amortization	9.3	9.5		28.3	28.6	
EBITDA	449.8	436.0		744.8	619.5	
<i>Adjustments:</i>						
Share-Based Compensation	18.1	16.2		55.9	46.5	
Severance and Restructuring Expenses	4.9	8.3		23.7	24.9	
Inclined Sleeper Product Recalls ²	0.7	2.8		1.2	14.9	
Sale of Assets/Business ³	—	—		(15.2)	(19.7)	
Adjusted EBITDA	<u>\$ 473.4</u>	<u>\$ 463.3</u>	2%	<u>\$ 810.6</u>	<u>\$ 686.0</u>	18%
Free Cash Flow						
Net Cash Flows Used for Operating Activities				\$ (274.8)	\$ (255.9)	
Capital Expenditures				(127.3)	(115.2)	
Free Cash Flow				<u>\$ (402.1)</u>	<u>\$ (371.1)</u>	

¹ Amounts may not sum due to rounding.

² For the three and nine months ended September 30, 2022 and 2021, represents expenses related to inclined sleeper product recall litigation.

³ For the nine months ended September 30, 2022, Mattel recorded a gain on sale of assets of \$15.2 million, in other selling and administrative expenses. For the nine months ended September 30, 2021, Mattel recorded a gain on sale of assets of \$15.8 million, in other selling and administrative expenses, and a gain on sale of business of \$3.9 million in other non-operating expense, net.

⁴ For the three and nine months ended September 30, 2021, the amount includes a net benefit of approximately \$492 million related to the release of valuation allowances against deferred tax assets of the U.S. and certain International affiliates.

⁵ During the first half 2021, adjustments for the U.S. and certain International affiliates were not tax effected because of the valuation allowance on deferred tax assets, which were released during the three months ended September 30, 2021. For the three months ended September 30, 2021, the tax effect of adjustments includes an \$0.08 impact related to adjustments not previously tax effected during the first half of 2021 and a \$0.02 impact related to adjustments during the three months ended September 30, 2021. The aggregate tax effect of the adjustments is calculated by tax effecting the adjustments by the current effective tax rate, and dividing by the reported weighted average number of common and potential common shares.

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

(In millions, except percentage and pts information)	For the Three Months Ended September 30,		
	2022	2021	Change
Tax Rate			
Income Before Income Taxes, As Reported	\$ 363.7	\$ 333.9	
<i>Adjustments:</i>			
Severance and Restructuring Expenses	5.9	9.3	
Inclined Sleeper Product Recalls ²	0.7	2.8	
Loss on Debt Extinguishment	—	18.5	
Income Before Income Taxes, As Adjusted	\$ 370.3	\$ 364.5	
Provision (Benefit) for Income Taxes, As Reported	\$ 80.0	\$ (456.8)	
<i>Adjustments:</i>			
Valuation Allowance Releases ³	—	492.2	
Tax Effect of Adjustments ⁴	1.8	35.7	
Provision for Income Taxes, As Adjusted	\$ 81.8	\$ 71.1	
Tax Rate, As Reported	22%	-137%	159 pts
Tax Rate, As Adjusted	22%	20%	2 pts
September 30,			
Net Debt			
Long-Term Debt	\$ 2,324.5	\$ 2,569.8	
Current Portion of Long-Term Debt	250.0	—	
Short-Term Borrowings	—	128.0	
<i>Adjustments</i>			
Cash and Equivalents	(349.0)	(148.5)	
Net Debt	\$ 2,225.5	\$ 2,549.3	

¹ Amounts may not sum due to rounding.

² For the three months ended September 30, 2022 and 2021, represents expenses related to inclined sleeper product recall litigation.

³ For the three months ended September 30, 2021, the amount includes a net benefit of approximately \$492 million related to the release of valuation allowances against deferred tax assets of the U.S. and certain International affiliates.

⁴ During the first half 2021, adjustments for the U.S. and certain International affiliates were not tax effected because of the valuation allowance on deferred tax assets, which were released during the three months ended September 30, 2021. For the three months ended September 30, 2021, the tax effect of adjustments includes an approximately \$28 million impact related to adjustments not previously tax effected during the first half of 2021 and an approximately \$8 million impact related to adjustments during the three months ended September 30, 2021. The aggregate tax effect of the adjustments is calculated by tax effecting the adjustments by the current effective tax rate.

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

(In millions, except percentage and pts information)	For the Trailing Twelve Months Ended September 30,		
	2022	2021	Change
Leverage Ratio (Total Debt/Adjusted EBITDA)			
<i>Total Debt</i>			
Long-Term Debt	\$ 2,324.5	\$ 2,569.8	
Current Portion of Long-Term Debt	250.0	—	
Short-Term Borrowings	—	128.0	
<i>Adjustments:</i>			
Debt Issuance Costs and Debt Discount	25.5	30.2	
Total Debt	\$ 2,600.0	\$ 2,728.0	
<i>EBITDA and Adjusted EBITDA</i>			
Net Income, As Reported	\$ 603.6	\$ 806.2	-25%
<i>Adjustments:</i>			
Interest Expense	133.0	270.0	
Provision (Benefit) for Income Taxes	126.0	(397.1)	
Depreciation	145.9	143.3	
Amortization	37.8	38.0	
EBITDA	1,046.2	860.5	
<i>Adjustments:</i>			
Share-Based Compensation	69.5	66.7	
Severance and Restructuring Expenses	29.5	29.5	
Inclined Sleeper Product Recalls	1.4	21.9	
Sale of Assets/Business	(15.2)	(19.7)	
Adjusted EBITDA	\$ 1,131.5	\$ 958.8	18%
Total Debt / Net Income	4.3x	3.4x	
Leverage Ratio (Total Debt / Adjusted EBITDA)	2.3x	2.8x	
Free Cash Flow			
Net Cash Flows Provided by Operating Activities	\$ 466.6	\$ 471.8	-1%
Capital Expenditures	(163.5)	(151.6)	
Free Cash Flow	\$ 303.1	\$ 320.3	-5%
Net Cash Flows Provided by Operating Activities / Net Income	77%	59%	18 pts
Free Cash Flow Conversion (Free Cash Flow/Adjusted EBITDA)	27%	33%	(6) pts

¹ Amounts may not sum due to rounding.

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

	For the Year Ended December 31,
	2021
(In millions, except percentage and per share information)	
Gross Profit	
Gross Profit, As Reported	\$ 2,626.7
<i>Gross Margin</i>	48.1 %
<i>Adjustments:</i>	
Severance and Restructuring Expenses	2.9
Gross Profit, As Adjusted	<u>\$ 2,629.5</u>
<i>Adjusted Gross Margin</i>	48.2 %
Earnings Per Share	
Net Income Per Common Share, As Reported	\$ 2.53
<i>Adjustments:</i>	
Severance and Restructuring Expenses	0.10
Inclined Sleeper Product Recalls ²	0.04
Sale of Assets/Business ³	(0.06)
Loss on Debt Extinguishment	0.28
Valuation Allowance Releases ⁴	(1.51)
Tax Effect of Adjustments ⁵	(0.08)
Net Income per Common Share, As Adjusted	<u>\$ 1.30</u>
EBITDA and Adjusted EBITDA	
Net Income, As Reported	\$ 903.0
<i>Adjustments:</i>	
Interest Expense	253.9
(Benefit) for Income Taxes	(420.4)
Depreciation	146.3
Amortization	38.0
EBITDA	920.9
<i>Adjustments:</i>	
Share-Based Compensation	60.1
Severance and Restructuring Expenses	30.7
Inclined Sleeper Product Recalls ²	15.1
Sale of Assets/Business ³	(19.7)
Adjusted EBITDA	<u>\$ 1,007.0</u>

¹ Amounts may not sum due to rounding.

² For the year ended December 31, 2021, represents expenses related to inclined sleeper product recall litigation.

³ For the year ended December 31, 2021, Mattel recorded a gain on sale of assets of \$15.8 million in other selling and administrative expenses, and a gain on sale of business of \$3.9 million in other non-operating expense, net.

⁴ For the year ended December 31, 2021, the amount includes a net benefit of approximately \$541 million, related to the release of valuation allowances against deferred tax assets of the U.S. and certain International affiliates.

⁵ The aggregate tax effect of the adjustments is calculated by tax effecting the adjustments by the current effective tax rate, and dividing by the reported weighted average number of common and potential common shares.

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

(In millions, except percentage information)	For the Year Ended December 31,	
	2021	
Tax Rate		
Income Before Income Taxes, As Reported	\$	470.8
<i>Adjustments:</i>		
Severance and Restructuring Expenses		34.4
Inclined Sleeper Product Recalls ²		15.1
Sale of Assets/Business ³		(19.7)
Loss on Debt Extinguishment		101.7
Income Before Income Taxes, As Adjusted	\$	<u>602.2</u>
(Benefit) for Income Taxes, As Reported	\$	(420.4)
<i>Adjustments:</i>		
Valuation Allowance Releases ⁴		540.8
Tax Effect of Adjustments		27.9
Provision for Income Taxes, As Adjusted	\$	<u>148.4</u>
Tax Rate, As Reported		<u>-89%</u>
Tax Rate, As Adjusted		<u>25%</u>

¹ Amounts may not sum due to rounding.

² For the year ended December 31, 2021, represents expenses related to inclined sleeper product recall litigation.

³ For the year ended December 31, 2021, Mattel recorded a gain on sale of assets of \$15.8 million in other selling and administrative expenses, and a gain on sale of business of \$3.9 million in other non-operating expense, net.

⁴ For the year ended December 31, 2021, the amount includes a net benefit of approximately \$541 million, related to the release of valuation allowances against deferred tax assets of the U.S. and certain International affiliates.

WORLDWIDE GROSS BILLINGS¹ (Unaudited)³
SUPPLEMENTAL KEY PERFORMANCE INDICATOR

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2022	2021	% Change as Reported	% Change in Constant Currency	2022	2021	% Change as Reported	% Change in Constant Currency
(In millions, except percentage information)								
Worldwide Gross Billings:								
Net Sales	\$1,755.8	\$1,762.3	—%	3%	\$4,032.8	\$3,662.9	10%	13%
Sales Adjustments ²	192.3	200.4			456.0	427.4		
Gross Billings	<u>\$1,948.0</u>	<u>\$1,962.7</u>	-1%	3%	<u>\$4,488.7</u>	<u>\$4,090.3</u>	10%	13%
Worldwide Gross Billings by Categories:								
Dolls	\$ 697.2	\$ 719.5	-3%	—%	\$1,494.6	\$1,495.5	—%	3%
Infant, Toddler, and Preschool	370.1	406.9	-9	-6	850.3	819.4	4	7
Vehicles	437.9	389.9	12	17	1,048.3	871.6	20	25
Action Figures, Building Sets, Games, and Other	442.9	446.4	-1	3	1,095.5	903.7	21	25
Gross Billings	<u>\$1,948.0</u>	<u>\$1,962.7</u>	-1%	3%	<u>\$4,488.7</u>	<u>\$4,090.3</u>	10%	13%
Supplemental Gross Billings Disclosure								
Worldwide Gross Billings by Top 3 Power Brands:								
Barbie	\$ 519.6	\$ 555.2	-6%	-3%	\$1,118.4	\$1,122.7	—%	3%
Hot Wheels	371.6	329.9	13	17	899.5	741.9	21	26
Fisher-Price and Thomas & Friends	348.1	383.7	-9	-7	787.9	763.0	3	6
Other	708.7	693.9	2	6	1,682.9	1,462.6	15	19
Gross Billings	<u>\$1,948.0</u>	<u>\$1,962.7</u>	-1%	3%	<u>\$4,488.7</u>	<u>\$4,090.3</u>	10%	13%

¹ 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.

² Sales adjustments are not allocated to individual products. As such, net sales are not presented on a categories or brand level.

³ Amounts may not sum due to rounding.

GROSS BILLINGS¹ BY SEGMENT (Unaudited)³
SUPPLEMENTAL KEY PERFORMANCE INDICATOR

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2022	2021	% Change as Reported	% Change in Constant Currency	2022	2021	% Change as Reported	% Change in Constant Currency
(In millions, except percentage information)								
North America Segment Gross Billings:								
Net Sales	\$1,002.1	\$1,037.0	-3%	-3%	\$2,330.8	\$2,077.5	12%	12%
Sales Adjustments ²	65.6	73.1			153.6	142.2		
Gross Billings	<u>\$1,067.8</u>	<u>\$1,110.1</u>	-4%	-4%	<u>\$2,484.4</u>	<u>\$2,219.7</u>	12%	12%
North America Gross Billings by Categories:								
Dolls	\$ 342.9	\$ 349.6	-2%	-2%	\$ 715.8	\$ 698.4	3%	3%
Infant, Toddler, and Preschool	239.8	271.8	-12	-12	549.6	520.2	6	6
Vehicles	226.3	216.7	4	5	550.7	457.8	20	20
Action Figures, Building Sets, Games, and Other	258.7	272.0	-5	-5	668.3	543.3	23	23
Gross Billings	<u>\$1,067.8</u>	<u>\$1,110.1</u>	-4%	-4%	<u>\$2,484.4</u>	<u>\$2,219.7</u>	12%	12%
Supplemental Gross Billings Disclosure								
North America Gross Billings by Top 3 Power Brands:								
Barbie	\$ 278.5	\$ 308.8	-10%	-10%	\$ 599.2	\$ 617.1	-3%	-3%
Hot Wheels	184.1	181.1	2	2	458.4	383.5	20	20
Fisher-Price and Thomas & Friends	223.5	252.4	-11	-11	506.9	476.1	6	7
Other	381.6	367.8	4	4	919.9	743.0	24	24
Gross Billings	<u>\$1,067.8</u>	<u>\$1,110.1</u>	-4%	-4%	<u>\$2,484.4</u>	<u>\$2,219.7</u>	12%	12%

¹ 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.

² Sales adjustments are not allocated to individual products. As such, net sales are not presented on a categories or brand level.

³ Amounts may not sum due to rounding.

GROSS BILLINGS¹ BY SEGMENT (Unaudited)³
SUPPLEMENTAL KEY PERFORMANCE INDICATOR

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2022	2021	% Change as Reported	% Change in Constant Currency	2022	2021	% Change as Reported	% Change in Constant Currency
(In millions, except percentage information)								
International Segment Gross Billings:								
Net Sales	\$ 704.6	\$ 673.3	5%	13%	\$ 1,584.9	\$ 1,447.5	9%	18%
Sales Adjustments ²	124.9	125.7			299.0	281.6		
Gross Billings	<u>\$ 829.5</u>	<u>\$ 799.0</u>	4%	13%	<u>\$ 1,883.9</u>	<u>\$ 1,729.1</u>	9%	17%
International Gross Billings by Geographic Area:								
EMEA								
Net Sales	\$ 410.2	\$ 420.8	-3%	9%	\$ 958.8	\$ 905.8	6%	17%
Sales Adjustments ²	76.5	83.8			196.4	189.3		
Gross Billings	<u>\$ 486.7</u>	<u>\$ 504.7</u>	-4%	8%	<u>\$ 1,155.3</u>	<u>\$ 1,095.2</u>	5%	17%
Latin America								
Net Sales	\$ 221.8	\$ 180.8	23%	24%	\$ 418.5	\$ 329.6	27%	28%
Sales Adjustments ²	35.6	30.8			66.7	56.2		
Gross Billings	<u>\$ 257.4</u>	<u>\$ 211.6</u>	22%	23%	<u>\$ 485.2</u>	<u>\$ 385.8</u>	26%	27%
Asia Pacific								
Net Sales	\$ 72.6	\$ 71.7	1%	9%	\$ 207.5	\$ 212.2	-2%	4%
Sales Adjustments ²	12.8	11.0			35.9	36.0		
Gross Billings	<u>\$ 85.4</u>	<u>\$ 82.7</u>	3%	11%	<u>\$ 243.4</u>	<u>\$ 248.2</u>	-2%	4%
International Gross Billings by Categories:								
Dolls	\$ 303.5	\$ 316.4	-4%	4%	\$ 658.3	\$ 655.8	—%	9%
Infant, Toddler, and Preschool	130.3	135.1	-4	5	300.6	299.2	—	8
Vehicles	211.6	173.2	22	32	497.6	413.7	20	30
Action Figures, Building Sets, Games, and Other	184.2	174.4	6	15	427.3	360.4	19	28
Gross Billings	<u>\$ 829.5</u>	<u>\$ 799.0</u>	4%	13%	<u>\$ 1,883.9</u>	<u>\$ 1,729.1</u>	9%	17%
Supplemental Gross Billings Disclosure								
International Gross Billings by Top 3 Power Brands:								
Barbie	\$ 241.1	\$ 246.4	-2%	6%	\$ 519.3	\$ 505.6	3%	11%
Hot Wheels	187.5	148.8	26	36	441.1	358.4	23	33
Fisher-Price and Thomas & Friends	124.6	131.3	-5	3	281.0	286.9	-2	5
Other	276.3	272.5	1	10	642.5	578.2	11	20
Gross Billings	<u>\$ 829.5</u>	<u>\$ 799.0</u>	4%	13%	<u>\$ 1,883.9</u>	<u>\$ 1,729.1</u>	9%	17%

¹ 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.

² Sales adjustments are not allocated to individual products. As such, net sales are not presented on a categories or brand level.

³ Amounts may not sum due to rounding.

GROSS BILLINGS¹ BY SEGMENT (Unaudited)³
SUPPLEMENTAL KEY PERFORMANCE INDICATOR

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2022	2021	% Change as Reported	% Change in Constant Currency	2022	2021	% Change as Reported	% Change in Constant Currency
(In millions, except percentage information)								
American Girl Segment Gross Billings:								
Net Sales	\$ 49.0	\$ 52.0	-6%	-6%	\$ 117.1	\$ 137.8	-15%	-15%
Sales Adjustments ²	1.7	1.6			3.3	3.6		
Gross Billings	<u>\$ 50.7</u>	<u>\$ 53.6</u>	-5%	-5%	<u>\$ 120.5</u>	<u>\$ 141.4</u>	-15%	-15%

¹ 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.

² Sales adjustments are not allocated to individual products.

³ Amounts may not sum due to rounding.