

MATTEL INC /DE/  
Form 424B2  
March 05, 2008  
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**Filed Pursuant to Rule 424(b)(2)  
Registration No. 333-134740**

**Prospectus Supplement**

**March 4, 2008**

**(To Prospectus dated June 5, 2006)**

**\$350,000,000**

**5.625% Notes due 2013**

Mattel will pay interest on the Notes on March 15 and September 15 of each year, beginning September 15, 2008. The Notes will mature on March 15, 2013. The Notes are redeemable, in whole or in part, at any time or from time to time under a make-whole redemption provision described in this prospectus supplement. If a change in control triggering event as described herein occurs, unless we have exercised our option to redeem the Notes, we will be required to offer to repurchase the Notes at the price described in this prospectus supplement. The Notes will be issued only in minimum denominations of \$2,000 and integral multiples of \$1,000.

The Notes will be Mattel's senior unsecured obligations and will rank equally with Mattel's existing and future senior unsecured indebtedness.

The Notes will not be listed on any securities exchange. Currently, there is no public market for the Notes.

**Investing in the Notes involves risk. See Risk Factors beginning on page S-8 of this prospectus supplement.**

	Per Note	Total
Public offering price(1)	99.795%	\$ 349,282,500
Underwriting discount	0.600%	\$ 2,100,000
Proceeds (before expenses) to Mattel(1)	99.195%	\$ 347,182,500

(1) Plus accrued interest, if any, from March 7, 2008, if settlement occurs after that date.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Notes or determined that this prospectus supplement or the accompanying prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

The underwriters expect to deliver the Notes to purchasers through the book-entry delivery system of The Depository Trust Company for the accounts of its participants, including Clearstream and the Euroclear System, on or about March 7, 2008, against payment in immediately available funds.

#### CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Maximum offering price per unit	Maximum aggregate offering price	Amount of registration fee (1)
5.625% Notes due 2013	\$350,000,000	99.795%	\$349,282,500	\$13,727

(1) Calculated pursuant to Rule 457(o) and (r) under the Securities Act of 1933.

#### *Joint Book-Running Managers*

**Banc of America Securities LLC**

**RBS Greenwich Capital**

#### *Co-Managers*

**BNP PARIBAS**

**Citi**

**SOCIETE GENERALE**

**Banca IMI**

**Barclays Capital**

**CALYON**

**Wachovia Securities**

**Wells Fargo Securities**

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You should rely only on the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with information that is different. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale of these securities is not permitted. This document may only be used where it is legal to sell these securities. You should assume that the information in this prospectus supplement and the accompanying prospectus is accurate only as of the date on the cover page of this prospectus supplement and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference.

Unless the context requires otherwise or unless otherwise indicated, references to **Mattel** and to **we**, **us**, or **our** refer collectively to **Mattel, Inc.** and its subsidiaries.

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first is this prospectus supplement, which describes the specific terms of this offering. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. This prospectus supplement also adds to, updates, and changes information contained in the accompanying prospectus. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. The accompanying prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or SEC, using a shelf registration statement. Under the shelf registration process, from time to time, we may offer and sell debt securities, warrants or other rights, stock purchase contracts, units, common stock, preferred stock or depositary shares, or any combination thereof, in one or more offerings.

It is important that you read and consider all of the information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in

**Incorporation by Reference** on page iii of this prospectus supplement and **Where You Can Find More Information** on page 2 of the accompanying prospectus.

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**INCORPORATION BY REFERENCE**

The SEC allows us to incorporate by reference information into this prospectus supplement and the accompanying prospectus. This means that we can disclose important information to you by referring you to another document that Mattel has filed separately with the SEC that contains that information. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus. Information that Mattel files with the SEC after the date of this prospectus supplement will automatically modify and supersede the information included or incorporated by reference in this prospectus supplement and the accompanying prospectus to the extent that the subsequently filed information modifies or supersedes the existing information. We incorporate by reference:

our Annual Report on Form 10-K for the fiscal year ended December 31, 2007; and

any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (as amended, the Exchange Act ) until we sell all of the securities offered by the prospectus supplement.

You may request a copy of any of these filings at no cost by writing to or telephoning us at the following address and telephone number:

Mattel, Inc.

Attention: Secretary

333 Continental Boulevard

El Segundo, CA 90245-5012

(310) 252-2000

In addition, these filings are available on our website at <http://www.mattel.com>. Our website does not form a part of this prospectus supplement or the accompanying prospectus.

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**SUMMARY**

*The information below is a summary of the more detailed information included elsewhere in or incorporated by reference in this prospectus supplement. You should read carefully the following summary in conjunction with the more detailed information contained in this prospectus supplement, including the Risk Factors section beginning on page S-8, the accompanying prospectus and the information incorporated by reference. This summary is not complete and does not contain all of the information you should consider before purchasing the Notes. You should carefully read the Risk Factors section beginning on page S-8 of this prospectus supplement to determine whether an investment in the Notes is appropriate for you.*

**Mattel, Inc.**

**General**

Mattel, Inc. designs, manufactures, and markets a broad variety of toy products worldwide through sales to its customers and directly to consumers. Mattel's vision is to provide the world's premier toy brands today and tomorrow. Management has set six key company strategies: (i) improve execution of the existing toy business; (ii) globalize the brands; (iii) extend the brands into new areas; (iv) catch new trends, create new brands, and enter new categories; (v) develop people; and (vi) improve productivity, simplify processes, and maintain customer service levels.

Mattel believes its products are among the most widely recognized toy products in the world. Mattel's portfolio of brands and products are grouped in the following categories:

*Mattel Girls & Boys Brands* including Barbie® fashion dolls and accessories ( Barbie® ), Polly Pocket®, Little Mommy®, Disney Classics, Pixel Chix®, and High School Musical (collectively Other Girls Brands ), Hot Wheels® Matchbox®, and Tyco® R/C vehicles and playsets (collectively Wheels ), and CARBADA® products, and games and puzzles (collectively Entertainment ).

*Fisher-Price Brands* including Fisher-Price®, Little People®, BabyGear, and View-Master® (collectively Core Fisher-Price® ), Sesame Street®, Dora the Explorer, Winnie the Pooh, Go-Diego-Go!, and See N Say® (collectively Fisher-Price® Friends ), and Power Wheels®.

*American Girl Brands* including Just Like You®, the historical collection and Bitty Baby®. American Girl Brands products are sold directly to consumers, and its children's publications are also sold to certain retailers.

Mattel's reportable segments are separately managed business units and are divided on a geographic basis between domestic and international.

***Domestic Segment***

The Domestic segment develops toys that it markets and sells through the Mattel Girls & Boys Brands US, Fisher-Price Brands US, and American Girl Brands segments.

In the Mattel Girls & Boys Brands US segment, Barbie® includes brands such as Barbie® fashion dolls and accessories and Barbie® Collector, and Polly Pocket®, Pixel Chix®, Little Mommy®, High School Musical, and Disney Classics are included within Other Girls Brands. Wheels is comprised of Hot Wheels®, Matchbox®, and Tyco® R/C vehicles and playsets. Entertainment includes CARS and Radica® products, as well as games and puzzles.

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In 2008, Mattel expects to introduce new products, including continuing to leverage content within its core brands. For Mattel Girls Brands, new product introductions include full-length animated launches of *Barbie®: Mariposa* in spring 2008, and *Barbie and the Diamond Castle* and *Barbie® in a Christmas Carol* in fall 2008. Polly Pocket® will be expanding its products in 2008 with Polly Pop N Swap products. New Wheels products will include innovative Trick Tracks sets for Hot Wheels®, and Power Scouts powered toys for Matchbox®. Mattel will introduce new products for Entertainment properties such as Warner Bros. Pictures' upcoming *Batman The Dark Knight* and *Speed Racer* movies, and DreamWorks Animation's movie, *Kung Fu Panda*. Mattel will also expand on the success of its Disney Pixar CARS products. New games and puzzles products will include Scene It? Seinfeld, Apples to Apples® game properties, and the expansion of Radica's 20Q Girl Tech®, and U.B. FUNKEYS products.

The Fisher-Price Brands US segment includes Fisher-Price®, Little People®, BabyGear, View-Master®, Sesame Street®, Dora the Explorer, Go-Diego-Go!, Mickey Mouse Clubhouse, Winnie the Pooh, My Friends Tigger & Pooh, Handy Manny, See N Say®, and Power Wheels®. New product introductions for 2008 are expected to include Smart Bounce & Spin Pony, Little People® Learn About Town, GeoAir High Flyin Airport, Kid-Tough® DVD Player, Power Wheels® A.T. Rex, Elmo Live, Dora Designer Dollhouse, Dora Prance & Fly Pegasus, Handy Manny 2-in-1 Transforming Tool Truck, Go-Diego-Go! Dinosaur Rescue Mountain, and the Mickey Motors Raceway.

The American Girl Brands segment is a direct marketer, children's publisher, and retailer best known for its flagship line of historical dolls, books, and accessories, as well as the Just Like You® and Bitty Baby® brands. American Girl Brands also publishes best-selling Advice & Activity books and the award-winning *American Girl®* magazine. In January 2008, American Girl® introduced Mia, the newest Girl of the Year® doll. In addition, American Girl®, along with HBO Films and Picturehouse, is releasing its first feature film, *Kit Kittredge®: An American Girl®* based on one of the most popular historical characters. New product introductions for 2008 are expected to include six new Bitty Twins® dolls. American Girl Brands products are sold only in the U.S. and Canada.

## ***International Segment***

Products marketed by the International segment are generally the same as those developed and marketed by the Domestic segment, with the exception of American Girl Brands, although some are developed or adapted for particular international markets. Mattel's products are sold directly to retailers and wholesalers in most European, Latin American, and Asian countries, and in Australia, Canada, and New Zealand, and through agents and distributors in those countries where Mattel has no direct presence.

Mattel's International segment revenue represented 49% of worldwide consolidated gross sales in 2007.

## **Manufacturing and Materials**

Mattel manufactures toy products for all segments in both company-owned facilities and through third-party manufacturers. Products are also purchased from unrelated entities that design, develop, and manufacture those products. To provide greater flexibility in the manufacture and delivery of its products, and as part of a continuing effort to reduce manufacturing costs, Mattel has concentrated production of most of its core products in company-owned facilities and generally uses third-party manufacturers for the production of non-core products.

## **Product Design and Development**

Through its product design and development group, Mattel regularly refreshes, redesigns, and extends existing toy product lines and develops innovative new toy product lines for all segments. Mattel believes its

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success is dependent on its ability to continue this activity effectively. Product design and development activities are principally conducted by a group of professional designers and engineers employed by Mattel. During 2007, 2006, and 2005, Mattel spent \$189.4 million, \$173.5 million, and \$182.0 million, respectively, in connection with the design and development of products, exclusive of royalty payments.

Additionally, independent toy designers and developers bring concepts and products to Mattel and are generally paid a royalty on the net selling price of products licensed to Mattel. These independent toy designers may also create different products for other toy companies.

## **Advertising and Marketing**

Mattel supports its product lines with extensive advertising and consumer promotions. Advertising takes place at varying levels throughout the year and peaks during the traditional holiday season. Advertising includes television and radio commercials, and magazine and newspaper advertisements. Promotions include in-store displays, sweepstakes, merchandising materials, and major events focusing on products and tie-ins with various consumer products companies.

## **Sales**

Mattel's products are sold throughout the world. Products within the Domestic segment are sold directly to retailers, including discount and free-standing toy stores, chain stores, department stores, other retail outlets and, to a limited extent, wholesalers by Mattel Girls & Boys Brands US and Fisher-Price Brands US. Mattel also operates several small retail outlets, generally near or at its corporate headquarters and distribution centers as a service to its employees and as an outlet for its products. American Girl Brands products are sold directly to consumers and its children's publications are also sold to certain retailers. Mattel has five retail stores, American Girl Place<sup>®</sup> in Chicago, Illinois, New York, New York, and Los Angeles, California, and American Girl Boutique and Bistro in Atlanta, Georgia, and Dallas, Texas, each of which features children's products from the American Girl Brands segment. The American Girl Boutique and Bistr<sup>®</sup> opened in Atlanta, Georgia in August 2007 and Dallas, Texas in November 2007. American Girl Brands also has a retail outlet in Oshkosh, Wisconsin that serves as an outlet for excess product. Products within the International segment are sold directly to retailers and wholesalers in most European, Latin American, and Asian countries, and in Australia, Canada, and New Zealand, and through agents and distributors in those countries where Mattel has no direct presence. Mattel also has retail outlets in Latin America and Europe as an outlet for its products. Additionally, Mattel sells certain of its products online through its website.

During 2007, Mattel's three largest customers (Wal-Mart at \$1.1 billion, Toys 'R Us at \$0.7 billion, and Target at \$0.6 billion) accounted for approximately 41% of worldwide consolidated net sales in the aggregate.

## **Licenses and Distribution Agreements**

Mattel has license agreements with third parties that permit Mattel to utilize the trademark, characters, or inventions of the licensor in products that Mattel sells. A number of these licenses relate to product lines that are significant to Mattel's business and operations.

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Mattel has entered into agreements to license entertainment properties from, among others, Disney Enterprises, Inc. (including Disney characters such as Disney Princesses, CARS from Pixar, High School Musical, Winnie the Pooh, and all Disney films and television properties for use in Mattel's DVD board games, such as Scene It? sold in North America), Viacom International, Inc. relating to its Nickelodeon properties (including Dora the Explorer, Go-Diego-Go!, and SpongeBob SquarePants), Warner Bros. Consumer Products (including Batman, Superman, Justice League, and Speed Racer), and Sesame Workshop (relating to its Sesame Street® properties including Elmo).

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Mattel also licenses a number of its trademarks, characters, and other property rights to others for use in connection with the sale of non-toy products that do not compete with Mattel's products. Mattel distributes some third-party finished products that are independently designed and manufactured.

**Trademarks, Copyrights and Patents**

Most of Mattel's products are sold under trademarks, trade names, and copyrights, and a number of those products incorporate patented devices or designs. Trade names and trademarks are significant assets of Mattel in that they provide product recognition and acceptance worldwide.

Mattel customarily seeks patent, trademark, or copyright protection covering its products, and it owns or has applications pending for U.S. and foreign patents covering many of its products. A number of these trademarks and copyrights relate to product lines that are significant to Mattel's business and operations. Mattel believes its rights to these properties are adequately protected, but there can be no assurance that its rights can be successfully asserted in the future or will not be invalidated, circumvented, or challenged.

**Employees**

The total number of persons employed by Mattel and its subsidiaries at any one time varies because of the seasonal nature of its manufacturing operations. At December 31, 2007, Mattel's total number of employees was approximately 31,000.

Mattel was incorporated in California in 1948 and reincorporated in Delaware in 1968. Our executive offices are located at 333 Continental Boulevard, El Segundo, CA 90245-5012. Our telephone number at those offices is (310) 252-2000.

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**The Offering**

The summary below describes the principal terms of the Notes. Some of the terms and conditions described below are subject to important limitations and exceptions. See Supplemental Description of the Notes for a more detailed description of the terms and conditions of the Notes.

Issuer	Mattel, Inc.
Securities Offered	\$350,000,000 aggregate principal amount of 5.625% Notes due March 15, 2013.
Interest on the Notes	Interest on the Notes is payable semi-annually on March 15 and September 15 of each year, commencing September 15, 2008, at the rate of 5.625% per year.
Further Issuances	We will have the right to issue additional Notes in the future. Any additional Notes will have the same terms (other than the original issuance date and, under certain circumstances, the initial interest payment date) as the Notes offered by this prospectus supplement, but may be offered at a different offering price than the Notes offered by this prospectus supplement. If issued, any additional Notes will become part of the same series as the Notes offered by this prospectus supplement.
Optional Redemption	Mattel may redeem all or part of the Notes at any time or from time to time at its option at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest to the redemption date and (2) a make-whole amount based on the yield of a comparable U.S. Treasury security plus 0.50%. See Supplemental Description of the Notes Optional Redemption.
Repurchase at the Option of Holders Upon a Change of Control Triggering Event	If a Change of Control Triggering Event (as defined below) occurs with respect to Mattel, unless we have exercised our right to redeem the Notes, Mattel will be required to offer to repurchase all of the Notes at a price equal to 101% of the principal amount thereof together with accrued and unpaid interest, as described more fully under Supplemental Description of the Notes Offer to Repurchase, in this prospectus supplement.
Covenants	The indenture governing the Notes contains certain covenants. See Description of Debt Securities We May Offer Other Covenants in the accompanying prospectus.
Ranking	The Notes will be senior unsecured obligations of Mattel, ranking equally in right of payment with other senior unsecured indebtedness of Mattel from time to time outstanding.

The indenture pursuant to which the Notes are issued does not limit the amount of debt that Mattel or any of its subsidiaries may incur.



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Use of Proceeds	The net proceeds, after the underwriting discount and our estimated expenses, to Mattel from the sale of the Notes offered hereby will be approximately \$346.5 million, which we will use for general corporate purposes. See Use of Proceeds.
Form and Denomination	We will issue the Notes in the form of one or more fully registered global notes registered in the name of the nominee of The Depository Trust Company, or DTC. Beneficial interests in the Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Clearstream Banking, societe anonyme and Euroclear Bank, S.A./N.Y., as operator of the Euroclear System, will hold interests on behalf of their participants through their respective U.S. depositories, which in turn will hold such interests in accounts as participants of DTC. Except in the limited circumstances described in this prospectus supplement and in the accompanying prospectus, owners of beneficial interests in the Notes will not be entitled to have Notes registered in their names, will not receive or be entitled to receive Notes in definitive form and will not be considered holders of Notes under the indenture. The Notes will be issued only in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.
Trustee, Registrar and Paying Agent	The Bank of New York Trust Company, N.A. (successor in interest to J.P. Morgan Trust Company, N.A.)
Governing Law	New York

*You should carefully consider the information set forth under Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2007 and in this prospectus supplement beginning at page S-8 before deciding to invest in the Notes.*

For additional information regarding the Notes, see Supplemental Description of the Notes.



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The summary consolidated financial data presented below as of and for the fiscal years ended December 31, 2007, 2006, 2005, 2004 and 2003 is derived from our audited financial statements. You should read this information in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes incorporated herein by reference from our Annual Report on Form 10-K for the fiscal year ended December 31, 2007 incorporated herein by reference.

	For the Year Ended December 31,				
	2007	2006	2005	2004	2003
	(In thousands, except percentage information)				
<b>Operating Results:</b>					
Net sales (a)	\$ 5,970,090	\$ 5,650,156	\$ 5,179,016	\$ 5,102,786	\$ 4,960,100
Gross profit	2,777,300	2,611,793	2,372,868	2,410,725	2,429,483
% of net sales	46.5%	46.2%	45.8%	47.2%	49.0%
Operating income	730,078	728,818	664,529	730,817	785,710
% of net sales	12.2%	12.9%	12.8%	14.3%	15.8%
Income before income taxes	703,398	683,756	652,049	696,254	740,854
Provision for income taxes (b)	103,405	90,829	235,030	123,531	203,222
Net income	\$ 599,993	\$ 592,927	\$ 417,019	\$ 572,723	\$ 537,632
	2007	2006	At December 31, 2005	2004	2003
	(In thousands)				
<b>Financial Position:</b>					
Total assets	\$ 4,805,455	\$ 4,955,884	\$ 4,372,313	\$ 4,756,492	\$ 4,510,950
Noncurrent liabilities	928,284	940,390	807,395	643,509	826,983
Stockholders' equity	2,306,742	2,432,974	2,101,733	2,385,812	2,216,221

- (a) Effective October 1, 2003, close out sales previously classified as a reduction of cost of sales are now classified as net sales in Mattel's consolidated statements of operations. Close out sales during 2003 totaled \$57.3 million. Close out sales for the fourth quarter of 2003, totaling \$19.2 million, were included in reported net sales. This change in classification had no impact on gross profit, operating income, net income, net income per common share, balance sheets, or cash flows.
- (b) The provision for income taxes in 2007 was positively impacted by net tax benefits related to prior years of \$42.0 million related to reassessments of tax exposures based on the status of current audits in various jurisdictions around the world, including settlements, partially offset by enacted tax law changes. The provision for income taxes in 2006 was positively impacted by the Tax Increase Prevention and Reconciliation Act passed in May 2006, and income tax benefits of \$63.0 million related to tax settlements and refunds of ongoing audits with foreign and state tax authorities. The provision for income taxes in 2005 was negatively impacted by incremental tax expense of \$107.0 million, resulting from Mattel's decision to repatriate \$2.4 billion in previously unremitted foreign earnings under the American Jobs Creation Act, partially offset by \$38.6 million of tax benefits primarily relating to tax settlements reached with various tax authorities and reassessments of tax exposures based on the status of current audits in various jurisdictions around the world. The provision for income taxes in 2004 was positively impacted by \$65.1 million of tax benefits related to an audit settlement with the U.S. Internal Revenue Service.

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**RISK FACTORS**

*Before purchasing these Notes, you should consider carefully the information under the heading "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2007, which is incorporated by reference in this prospectus supplement, and the following factors, each of which could materially adversely affect our operating results and financial condition as well as the other information included in this prospectus supplement, and the accompanying prospectus and incorporated by reference herein and in the accompanying prospectus. Each of the risks described in our Form 10-K and below could result in a decrease in the value of the Notes and your investment therein. Although we have tried to discuss key factors, please be aware that other risks may prove to be important in the future. New risks may emerge at any time, and we cannot predict those risks or estimate the extent to which they may affect our financial performance. The information contained, and incorporated by reference, in this prospectus supplement and in the accompanying prospectus includes forward-looking statements that involve risks and uncertainties, and we refer you to "Disclosure Regarding Forward-Looking Statements" in the accompanying prospectus.*

**An active trading market for the Notes may not develop or, if developed, be maintained.**

We do not intend to list the Notes on any securities exchange. We cannot assure you that an active trading market will develop or be maintained for the Notes. If an active trading market does develop for the Notes, the Notes may trade at a discount from their initial offering price depending on prevailing interest rates, the market for similar securities, our financial performance and other factors. In addition, there may be a limited number of buyers when you decide to sell your Notes. This may affect the price, if any, offered for your Notes or your ability to sell your Notes when desired or at all.

**The indenture governing the Notes does not restrict the amount of additional debt Mattel may incur or prohibit Mattel from entering into a highly leveraged transaction.**

The indenture governing the Notes does not restrict the amount of unsecured indebtedness that Mattel or its subsidiaries may incur or their ability to enter into a highly leveraged transaction or another transaction that is not in the best interests of their respective creditors, including holders of the Notes. The incurrence of additional debt by Mattel or its subsidiaries may have important consequences for you as a holder of the Notes, including making it more difficult for Mattel to satisfy its obligations with respect to the Notes, a loss in the trading value of your Notes and a risk that the credit rating of the Notes is lowered or withdrawn.

**A significant amount of our assets are held at, and our operations are conducted through, our subsidiaries, which results in structural subordination and may affect our ability to fund our operations and make payments on our debt.**

A significant amount of our assets are held at, and our operations are conducted through, our subsidiaries. As a result, our cash flow and our ability to service our debt, including the Notes, is dependent upon the earnings of our subsidiaries and the distribution of earnings, loans or other payments by our subsidiaries to us. Our subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due on our debt or to provide us with funds for our payment obligations, whether by dividends, distributions, loans or other payments. In addition, any payment of dividends, distributions, loans or advances to us by our subsidiaries could be subject to statutory or contractual restrictions. Payments to us by our subsidiaries will also be contingent upon our subsidiaries' earnings and business considerations. Our right to receive any assets of any of our subsidiaries upon their liquidation or reorganization, and therefore the right of the holders of our debt (including the Notes) to participate in those assets, would be effectively subordinated to the claims of those subsidiaries' creditors, including trade creditors. In addition, even if we were a creditor of any of our subsidiaries, our rights as a creditor would be effectively subordinate to any security interest in our subsidiaries and any indebtedness of our subsidiaries senior to that held by us.



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**We may not have sufficient cash to purchase the Notes, if required, upon a change of control triggering event.**

We will be required to make an offer to purchase all of the Notes upon the occurrence of a change of control triggering event, as described in this prospectus supplement. We may not have sufficient cash funds to purchase the Notes under such circumstances. Future debt agreements may prohibit us from repaying the purchase price. If we are prohibited from purchasing the Notes, we could seek consent from our lenders to purchase the Notes. If we are unable to obtain their consent, we could attempt to refinance the Notes. If we were unable to purchase the Notes upon the occurrence of a change of control triggering event, it would result in an event of default under the indenture governing the Notes.

**The indenture for the Notes does not restrict Mattel's ability to be acquired by highly leveraged buyers and has limited restrictions on other important events.**

The indenture governing the Notes does not restrict an acquisition by a highly leveraged buyer or prohibit the buyer from incurring additional debt including significant amounts of secured debt. Any such secured debt of a buyer would be senior to the rights of holders of the Notes to the extent of the value of the assets pledged as security by such buyer. This might reduce the cash available to us, or to anyone who may acquire us, and impair our ability, or the ability of anyone who may acquire us, to make payments on the Notes.

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The net proceeds, after the underwriting discount and our estimated expenses, to Mattel from the sale of the Notes offered hereby are expected to be approximately \$346.5 million. We will use the net proceeds for general corporate purposes.

**CAPITALIZATION**

The following table shows our consolidated capitalization at December 31, 2007 (1) on an actual basis and (2) as adjusted to reflect the issuance and sale of the Notes. This table should be read in conjunction with our consolidated financial statements and related notes contained in our Annual Report on Form 10-K for the year ended December 31, 2007 incorporated by reference in this prospectus supplement and the accompanying prospectus. See [Incorporation by Reference](#) on page iii of this prospectus supplement.

	<b>December 31, 2007</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(In Millions)</b>	
Notes offered hereby	\$	\$ 350.0
Floating rate notes due 2009	100.0	100.0
6.125% notes due 2011	200.0	200.0
Medium-term notes due March 2008 to November 2013	300.0	300.0
	600.0	950.0
Less: current portion	(50.0)	(50.0)
Total long-term debt	550.0	900.0
Other noncurrent liabilities	378.3	378.3
Stockholders' equity	2,306.7	2,306.7
Total capitalization	\$ 3,235.0	\$ 3,585.0

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**SUPPLEMENTAL DESCRIPTION OF THE NOTES**

Please read the following information concerning the Notes in conjunction with the statements under "Description of the Debt Securities We May Offer" in the accompanying prospectus, which the following information supplements and, if there are any inconsistencies, supersedes. The following description is not complete. The Notes will be issued under the Indenture, dated as of February 15, 1996, related to our senior unsecured debt, that we have entered into with The Bank of New York Trust Company, N.A. as successor in interest to J.P. Morgan Trust Company, N.A. and Chemical Trust Company of California, as trustee. The Indenture is described in the accompanying prospectus and is filed as an exhibit to the registration statement under which the Notes are being offered and sold. As used in this section, references to "we", "us", or "our" do not include any current or future subsidiary of Mattel.

**General**

Mattel will offer \$350,000,000 aggregate principal amount of 5.625% Notes due March 15, 2013 under the Indenture.

The Notes will be senior unsecured obligations of Mattel, ranking equally in right of payment with other senior unsecured indebtedness of Mattel from time to time outstanding. The Indenture does not limit the amount of debt that Mattel or any of its subsidiaries may incur.

The Notes will not be subject to any mandatory redemption or sinking fund payments.

Unless previously repurchased or redeemed, the entire principal amount of the Notes will mature and become due and payable, together with any accrued and unpaid interest, on March 15, 2013.

The Notes will bear interest at the annual rate set forth on the cover page of this prospectus supplement beginning March 7, 2008. The interest will be paid semi-annually on March 15 and September 15 of each year, beginning on September 15, 2008. Interest will be paid on March 15 to the person in whose name the Note is registered at the close of business on the immediately preceding February 28 and on September 15 to the person in whose name the Note is registered at the close of business on the immediately preceding August 31. We will compute the amount of interest payable on the basis of a 360-day year of twelve 30-day months.

**Optional Redemption**

We may redeem all or part of the Notes at any time or from time to time at our option at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest to the redemption date or (2) the Make-Whole Amount (defined below) for the Notes being redeemed.

As used herein:

**Make-Whole Amount** means the sum, as determined by a Quotation Agent (defined below), of the present values of the principal amount of the Notes to be redeemed, together with scheduled payments of interest (exclusive of interest to the redemption date) from the redemption date to the stated maturity of the Notes discounted to the redemption date on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Adjusted Treasury Rate (defined below), plus accrued and unpaid interest on the principal amount of the Notes being redeemed to the redemption date.

**Adjusted Treasury Rate** means, with respect to any redemption date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15 (519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities,

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for the maturity corresponding to the Comparable Treasury Issue (defined below) (if no maturity is within three months before or after the remaining term of the Notes, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date, in each case calculated on the third business day preceding the redemption date, plus 0.50%.

**Comparable Treasury Issue** means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term from the redemption date to the stated maturity of the Notes that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.

**Comparable Treasury Price** means, with respect to any redemption date, if clause (ii) of the definition of Adjusted Treasury Rate is applicable, the average of three, or such lesser number as is obtained by the trustee, Reference Treasury Dealer Quotations for such redemption date.

**Quotation Agent** means one Reference Treasury Dealer selected by the Company.

**Reference Treasury Dealers** means Banc of America Securities LLC and Greenwich Capital Markets, Inc. and any successor thereto or any other primary United States Government securities dealers selected by us.

**Reference Treasury Dealer Quotations** means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by a Reference Treasury Dealer, of the bid and asking prices for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the trustee by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

If we are redeeming less than all the Notes at any time, the trustee will select the Notes to be redeemed using a method it considers fair and appropriate.

We will redeem the Notes in increments of \$1,000. We will cause notices of redemption to be mailed by first-class mail at least 30 but not more than 60 days before the redemption date to each holder of the Notes to be redeemed at its registered address.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount thereof to be redeemed. We will issue a Note in principal amount equal to the unredeemed portion of the original Note in the name of the holder thereof upon cancellation of the original Note. Notes called for redemption will become due on the date fixed for redemption. On or after the redemption date, interest will cease to accrue on the Notes or portions of them called for redemption.

**Offer to Repurchase**



If a Change of Control Triggering Event occurs, unless we have exercised our right to redeem the Notes as described under Optional Redemption, each holder of Notes will have the right to require us to purchase all or a portion of such holder's Notes pursuant to the offer described below (the Change of Control Offer), at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of purchase, subject to the rights of holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.

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Within 30 days following the date upon which the Change of Control Triggering Event occurred, or at our option, prior to any Change of Control but after the public announcement of the pending Change of Control, we will be required to send, by first class mail, a notice to each holder of Notes, with a copy to the trustee, which notice will govern the terms of the Change of Control Offer. Such notice will state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date such notice is mailed, other than as may be required by law (the Change of Control Payment Date). The notice, if mailed prior to the date of consummation of the Change of Control, will state that the Change of Control Offer is conditioned on the Change of Control being consummated on or prior to the Change of Control Payment Date. Holders of Notes electing to have Notes purchased pursuant to a Change of Control Offer will be required to surrender their Notes, with the form entitled Option of Holder to Elect Purchase on the reverse of the Note completed, to the paying agent at the address specified in the notice, or transfer their Notes to the paying agent by book-entry transfer pursuant to the applicable procedures of the paying agent, prior to the close of business on the third business day prior to the Change of Control Payment Date.

We will not be required to make a Change of Control Offer if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by us and such third party purchases all Notes properly tendered and not withdrawn under its offer.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition of all or substantially all of the assets of Mattel and its subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require Mattel to repurchase its Notes as a result of a sale, transfer, conveyance or other disposition of less than all of the assets of Mattel and its subsidiaries taken as a whole to another person may be uncertain.

Below Investment Grade Rating Event means the Notes are rated below an Investment Grade Rating by each of the Rating Agencies (as defined below) on the 60th day following the occurrence of a Change of Control (which date shall be extended if the rating of the Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies on such 60th day, such extension to last until the date on which the Rating Agency considering such possible downgrade either (x) rates the Notes below an Investment Grade Rating or (y) publicly announces that it is no longer considering the Notes for possible downgrade; provided, that no such extension shall occur if any of the Rating Agencies rates the Notes with an Investment Grade Rating that is not subject to review for possible downgrade on such 60th day).

Change of Control means the occurrence of any of the following:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or more series of related transactions, of all or substantially all of our assets and the assets of our subsidiaries, taken as a whole, to any person, other than to Mattel or one of its subsidiaries;

(2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of our outstanding Voting Stock or other Voting Stock into which our Voting Stock is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares;

(3) we consolidate with, or merge with or into, any person, or any person consolidates with, or merges with or into, us, in any such event pursuant to a transaction in which any of our outstanding Voting Stock or the Voting Stock of such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of our Voting Stock outstanding immediately prior to such

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transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving person or any direct or indirect parent company of the surviving person immediately after giving effect to such transaction;

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(4) the first day on which a majority of the members of the board of directors of Mattel cease to be Continuing Directors; or

(5) the adoption of a plan relating to the liquidation or dissolution of Mattel.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control under clause (2) above if (i) we become a direct or indirect wholly-owned subsidiary of a holding company and (ii)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of our Voting Stock immediately prior to that transaction or (B) immediately following that transaction no person (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company. The term person, as used in this definition, has the meaning given thereto in Section 13(d)(3) of the Exchange Act.

Change of Control Triggering Event means the occurrence of both a Change of Control and a Below Investment Grade Rating Event.

Continuing Director means, as of any date of determination, any member of the Board of Directors of Mattel who:

(1) was a member of such Board of Directors on the date of the issuance of the Notes; or

(2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election (either by a specific vote or by approval of Mattel's proxy statement in which such member was named as a nominee for election as a director, without objection to such nomination).

Fitch means Fitch, Inc. and its successors.

Investment Grade Rating means a rating equal to or higher than BBB- (or the equivalent) by Fitch, Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or, in each case, if such Rating Agency ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of our control, the equivalent investment grade credit rating by the replacement agency selected by us in accordance with the procedures described below.

Moody's means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors.

Rating Agencies means (1) each of Fitch, Moody's and S&P; and (2) if any of Fitch, Moody's or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization, within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act, selected by us (as certified by a resolution of our Board of Directors) as a replacement agency for Fitch, Moody's or S&P, or all of them, as the case may be.

S&P means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., and its successors.

Voting Stock means, with respect to any specified person as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

### **Forms and Denominations**

The Notes will be issued as one or more global securities in the name of a nominee of the Depository Trust Company and will be available only in book-entry form. See Legal Ownership and Book-Entry Issuance Book-Entry Owners in the accompanying prospectus. The Notes are available for purchase in minimum denominations of \$2,000 and integral multiples of \$1,000.

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### **Additional Notes**

We may, without the consent of the holders of the Notes, create and issue additional Notes ranking equally with the Notes offered by this prospectus supplement in all respects, including having the same CUSIP number, so that such additional Notes would be consolidated and form a single series with the Notes of such series offered hereby and would have the same terms as to status, redemption or otherwise as the Notes offered hereby. No additional Notes may be issued if an Event of Default (as defined in the Indenture) has occurred and is continuing with respect to the Notes.

### **Book-Entry Delivery and Settlement**

#### *Global Notes*

We will issue the Notes in the form of one or more global notes in definitive, fully registered, book-entry form. The global notes will be deposited with or on behalf of DTC and registered in the name of Cede & Co., as nominee of DTC.

#### *DTC, Clearstream and Euroclear*

Beneficial interests in the global notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors may hold interests in the global notes through either DTC (in the United States), Clearstream Banking, societe anonyme, Luxembourg, which we refer to as Clearstream, or Euroclear Bank S.A./ N.V., as operator of the Euroclear System, which we refer to as Euroclear, in Europe, either directly if they are participants in such systems or indirectly through organizations that are participants in such systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their U.S. depositaries, which in turn will hold such interests in customers' securities accounts in the U.S. depositaries' names on the books of DTC.

DTC has advised us as follows:

DTC is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered under Section 17A of the Exchange Act.

DTC holds securities that its participants deposit with DTC and facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates.

Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organizations.

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DTC is owned by a number of its direct participants and by The New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc.

Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly.

The rules applicable to DTC and its direct and indirect participants are on file with the SEC.

Clearstream has advised us that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its customers and facilitates the clearance and settlement of securities transactions between its customers through electronic book-entry changes in accounts of its customers, thereby

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eliminating the need for physical movement of certificates. Clearstream provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Section. Clearstream customers are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and other organizations and may include the underwriters. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream customer either directly or indirectly.

Euroclear has advised us that it was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. (the Euroclear Operator), under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation (the Cooperative). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers, and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

The Euroclear Operator has advised us that it is licensed by the Belgian Banking and Finance Commission to carry out banking activities on a global basis. As a Belgian bank, it is regulated and examined by the Belgian Banking and Finance Commission.

We have provided the descriptions of the operations and procedures of DTC, Clearstream and Euroclear in this prospectus supplement solely as a matter of convenience. These operations and procedures are solely within the control of those organizations and are subject to change by them from time to time. None of us, the underwriters or the trustee takes any responsibility for these operations or procedures, and you are urged to contact DTC, Clearstream and Euroclear or their participants directly to discuss these matters.

We expect that under procedures established by DTC:

upon deposit of the global notes with DTC or its custodian, DTC will credit on its internal system the accounts of direct participants designated by the underwriters with portions of the principal amounts of the global notes; and

ownership of the Notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC or its nominee, with respect to interests of direct participants, and the records of direct and indirect participants, with respect to interests of persons other than participants.

The laws of some jurisdictions may require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer interests in the Notes represented by a global note to those persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in Notes represented by a global note to pledge or transfer those interests to persons or entities that do not participate in DTC's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.



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So long as DTC or its nominee is the registered owner of a global note, DTC or that nominee will be considered the sole owner or holder of the Notes represented by that global note for all purposes under the

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Indenture and under the Notes. Except as provided below, owners of beneficial interests in a global note will not be entitled to have Notes represented by that global note registered in their names, will not receive or be entitled to receive physical delivery of certificated Notes and will not be considered the owners or holders thereof under the Indenture or under the Notes for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee. Accordingly, each holder owning a beneficial interest in a global note must rely on the procedures of DTC and, if that holder is not a direct or indirect participant, on the procedures of the participant through which that holder owns its interest, to exercise any rights of a holder of Notes under the Indenture or a global note.

Neither we nor the trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of Notes by DTC, Clearstream or Euroclear, or for maintaining, supervising or reviewing any records of those organizations relating to the Notes.

Payments on the Notes represented by the global notes will be made to DTC or its nominee, as the case may be, as the registered owner thereof. We expect that DTC or its nominee, upon receipt of any payment on the Notes represented by a global note, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the global note as shown in the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the global note held through such participants will be governed by standing instructions and customary practice as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. The participants will be responsible for those payments.

Distributions on the Notes held beneficially through Clearstream will be credited to cash accounts of its customers in accordance with its rules and procedures, to the extent received by the U.S. depository for Clearstream.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the Terms and Conditions). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

Distributions on the Notes held beneficially through Euroclear will be credited to the cash accounts of its participants in accordance with the Terms and Conditions, to the extent received by the U.S. depository for Euroclear.

### *Clearance and Settlement Procedures*

Initial settlement for the Notes will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds. Secondary market trading between Clearstream customers and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear, as applicable, and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream customers or Euroclear participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the

relevant European international clearing system by the U.S. depositary; however, such cross-market transactions will require delivery of instructions to the relevant

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European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to the U.S. depository to take action to effect final settlement on its behalf by delivering or receiving the Notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream customers and Euroclear participants may not deliver instructions directly to their U.S. depositories.

Because of time-zone differences, credits of the Notes received in Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in the Notes settled during such processing will be reported to the relevant Clearstream customers or Euroclear participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of the Notes by or through a Clearstream customer or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures to facilitate transfers of the Notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be changed or discontinued at any time.

*Certificated Notes*

We will issue certificated Notes to each person that DTC identifies as the beneficial owner of the Notes represented by a global note upon surrender by DTC of the global note if:

DTC notifies us that it is no longer willing or able to act as a depository for such global note or ceases to be a clearing agency registered under the Exchange Act, and we have not appointed a successor depository within 90 days of that notice or becoming aware that DTC is no longer so registered;

an Event of Default has occurred and is continuing, and DTC requests the issuance of certificated Notes; or

we determine not to have the Notes represented by a global note.

Neither we nor the trustee will be liable for any delay by DTC, its nominee or any direct or indirect participant in identifying the beneficial owners of the Notes. We and the trustee may conclusively rely on, and will be protected in relying on, instructions from DTC or its nominee for all purposes, including with respect to the registration and delivery, and the respective principal amounts, of the certificated Notes to be issued.

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We are offering the notes described in this prospectus supplement through a number of underwriters. Banc of America Securities LLC and Greenwich Capital Markets, Inc. are the representatives of the underwriters. We have entered into a firm commitment underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, the aggregate principal amount of Notes listed next to its name in the following table:

<b>Underwriter</b>	<b>Principal Amount of Notes</b>
Banc of America Securities LLC	\$ 140,000,000
Greenwich Capital Markets, Inc. .	140,000,000
Barclays Capital Inc.	10,500,000
BNP Paribas Securities Corp.	10,500,000
Citigroup Global Markets Inc.	10,500,000
SG Americas Securities, LLC	10,500,000
Banca IMI S.p.A.	7,000,000
Calyon Securities (USA) Inc.	7,000,000
Wachovia Capital Markets, LLC	7,000,000
Wells Fargo Securities, LLC	7,000,000
<b>Total</b>	<b>\$ 350,000,000</b>

The underwriting agreement is subject to a number of terms and conditions and provides that the underwriters must buy all of the Notes if they buy any of them. The underwriters will sell the Notes to the public when and if the underwriters buy the Notes from us.

The underwriters have advised us that they propose initially to offer the Notes to the public for cash at the public offering price set forth on the cover of this prospectus supplement, and to certain dealers at such price less a concession not in excess of 0.350% of the principal amount of the Notes. The underwriters may allow, and such dealers may reallow, a concession not in excess of 0.250% of the principal amount of the Notes to certain other dealers. After the initial public offering of the Notes, the public offering price and other selling terms may be changed.

The following table shows the underwriting discount that we are to pay to the underwriters in connection with this offering.

	<b>Paid by Mattel</b>
Per Note	0.600%
Total	\$ 2,100,000

We estimate that our share of the total expenses of the offering, excluding underwriting discounts, will be approximately \$726,000.

We have agreed to indemnify the underwriters against, or contribute to payments that the underwriters may be required to make in respect of, certain liabilities, including liabilities under the Securities Act of 1933.

The Notes are a new issue of securities with no established trading market. The Notes will not be listed on any securities exchange or on any automated dealer quotation system. The underwriters may make a market in the Notes after completion of the offering, but will not be obligated to do so and may discontinue any market-making activities at any time without notice. No assurance can be given as to the liquidity of the trading market

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for the Notes or that an active public market for the Notes will develop. If an active public market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected.

In connection with the offering of the Notes, the representatives may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Specifically, the representatives may overallocate in connection with the offering, creating a short position. In addition, the representatives may bid for, and purchase, the Notes in the open market to cover short positions or to stabilize the price of the Notes. Any of these activities may stabilize or maintain the market price of the Notes above independent market levels, but no representation is made hereby of the magnitude of any effect that the transactions described above may have on the market price of the Notes. The representatives will not be required to engage in these activities, and may engage in these activities, and may end any of these activities, at any time without notice.

The representatives also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased Notes sold by or for the account of such underwriter in stabilizing or short covering transactions.

The underwriters and certain of their affiliates have provided from time to time, and may provide in the future, investment and commercial banking and financial advisory services to us and our affiliates in the ordinary course of business, for which they have received and may continue to receive customary fees and commissions. Affiliates of the underwriters are agents and/or lenders under our revolving credit facility.

## **Selling Restrictions**

Each of the underwriters, severally and not jointly, has represented and agreed that it has not and will not offer, sell, or deliver any of the Notes, directly or indirectly, or distribute this prospectus supplement or the attached prospectus or any other offering material relating to the Notes, in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations and that will not impose any obligations on us except as set forth in the underwriting agreement.

### *European Economic Area*

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State ), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date ), it has not made and will not make an offer of Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

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- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than 43,000,000; and (3) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts; or
- (c) in any other circumstances which do not require us to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

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For purposes of this provision, the expression an offer of Notes to the public in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable you to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

*United Kingdom*

Each underwriter has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 (financial promotion) of the Financial Service and Markets Act 2000 (the FSMA )) received by it in connection with the issue or sale of the Notes in circumstances in which section 21(1) of the FSMA does not apply to Mattel; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from, or otherwise involving the United Kingdom.

**VALIDITY OF THE NOTES**

The validity of the Notes will be passed upon for us by Sullivan & Cromwell LLP, Los Angeles, California. The underwriters have been represented by Mayer Brown LLP, Chicago, Illinois.

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**PROSPECTUS**

**Debt Securities**

**Warrants or Other Rights**

**Stock Purchase Contracts**

**Units**

**Common Stock**

**Preferred Stock**

**Depository Shares**

Mattel, Inc. from time to time may offer to sell the securities listed above. The debt securities, warrants, rights, stock purchase contracts and preferred stock may be convertible into or exercisable or exchangeable for common or preferred stock or other securities of Mattel, Inc. or debt or equity securities of one or more other entities. Our common stock is quoted on the New York Stock Exchange (the NYSE ) and the Pacific Exchange (the PCX ) under the symbol MAT.

Mattel, Inc. may offer and sell these securities to or through one or more underwriters, dealers and/or agents on a continuous or delayed basis.

This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. The specific terms of any securities to be offered, and the specific manner in which they may be offered, will be described in a supplement to this prospectus.

**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

**This prospectus is dated June 5, 2006.**

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**ABOUT THIS PROSPECTUS**

This document is called a prospectus, and it provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement containing specific information about the terms of the securities being offered. That prospectus supplement may include a discussion of any risk factors or other special considerations that apply to those securities. The prospectus supplement may also add, update or change the information in this prospectus. If there is any inconsistency between the information in this prospectus and in a prospectus supplement, you should rely on the information in that prospectus supplement. You should read both this prospectus and any prospectus supplement together with additional information described under the heading **Where You Can Find More Information**.

Mattel, Inc., a Delaware corporation, also referred to in this document as Mattel, has filed a registration statement with the Securities and Exchange Commission, or the SEC, using a shelf registration process. Under this shelf process, Mattel may offer and sell any combination of the securities described in this prospectus, in one or more offerings.

Our SEC registration statement containing this prospectus, including exhibits, provides additional information about us and the securities offered under this prospectus. The registration statement can be read at the SEC's web site or at the SEC's offices. The SEC's web site and street addresses are provided under the heading **Where You Can Find More Information**.

When acquiring securities, you should rely only on the information provided in this prospectus and in the related prospectus supplement, including any information incorporated by reference. No one is authorized to provide you with information different from that which is contained, or deemed to be contained, in the prospectus and related prospectus supplement. We are not offering the securities in any state where the offer is prohibited. You should not assume that the information in this prospectus, any prospectus supplement or any document incorporated by reference is truthful or complete as of any date other than the date indicated on the cover page of these documents.

Unless otherwise specified or unless the context requires otherwise, all references in this prospectus to **Mattel**, **we**, **us**, **our** or similar references mean Mattel, Inc. and its subsidiaries.

Unless otherwise stated, currency amounts in this prospectus and any prospectus supplement are stated in United States dollars.

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**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file by visiting the SEC's public reference room in Washington, D.C. at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. In addition, our SEC filings are available to the public at the SEC's web site at <http://www.sec.gov>. However, information on this website does not constitute a part of this prospectus. You can also inspect reports, proxy statements and other information about us at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows us to incorporate by reference into this prospectus the information in documents we file with it. This means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus and should be read with the same care. When we update the information contained in documents that have been incorporated by reference by making future filings with the SEC, the information incorporated by reference in this prospectus is considered to be automatically updated and superseded. In other words, in the case of a conflict or inconsistency between information contained in this prospectus and information incorporated by reference into this prospectus, you should rely on the information contained in the document that was filed later.

We incorporate by reference the documents listed below and any documents we file with the SEC in the future under Section 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 (the Exchange Act) until our offering is completed:

Annual Report on Form 10-K for the year ended December 31, 2005.

Quarterly Report on Form 10-Q for the quarter ended March 31, 2006.

Current Reports on Form 8-K filed on March 17, 2006 and May 12, 2006.

The description of our common stock set forth in our Registration Statement on Form 8-A filed on March 24, 1997, as amended by our Current Report on Form 8-K filed on November 17, 1998, including any subsequently filed amendments and reports updating such description.

You may request a copy of these filings, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by writing to or telephoning us at the following address:

Mattel, Inc.

Attention: Secretary

333 Continental Boulevard

El Segundo, CA 90245-5012

Telephone : (310) 252-2000

In addition, these filings are available on our website at <http://www.mattel.com>. Our website does not constitute a part of this prospectus.

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**DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus, including information incorporated by reference, contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Mattel is including this Cautionary Statement to make applicable, and take advantage of, the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 for any such forward-looking statements. Forward-looking statements provide current expectations or forecasts of future events and include, among others:

Statements with respect to our beliefs, plans, objectives, goals, guidelines, expectations, anticipations, and future financial condition, results of operations and performance; and

Statements preceded by, followed by or that include the words may, will, could, should, would, believe, anticipate, estimate, intend, plan, aims, projects, continue, likely or similar expressions.

Except for historical matters, the matters discussed, or incorporated by reference, in this prospectus, and other statements or filings made by Mattel from time-to-time, may be forward-looking statements. These forward-looking statements are not guarantees of future performance, nor should they be relied upon as representing management's views as of any subsequent date. Forward-looking statements involve significant risks and uncertainties and actual results may differ materially from those presented, either expressed or implied, in this prospectus, including the information incorporated by reference. You should carefully consider those risks and uncertainties in reading this prospectus. Factors that might cause such differences include, but are not limited to, statements about:

sales and inventory levels;

brand and customer management programs;

increased competition;

initiatives to promote revenue growth;

globalization initiatives;

restructuring and financial realignment plans;

special charges and other non-recurring charges;

initiatives aimed at anticipated cost savings;

initiatives to invigorate the Barbie® brand, enhance innovation, improve the execution of the core business, leverage scale, extend brands, catch new trends, create new brands and enter new categories, develop people, improve productivity, simplify processes, maintain customer service levels and improve the supply chain;

operating efficiencies;

capital and investment framework (including statements about free cash flow, seasonal working capital, debt-to-total capital ratios, capital expenditures, strategic acquisitions, dividends and share repurchases);

cost pressures and increases;

advertising and promotion spending;

profitability; and

price increases, retail store openings and the impact of recent organizational changes.