

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15 (d) of
The Securities Act of 1934

Date of Report: February 8, 1994

MATTEL, INC.

(Exact name of Registrant as specified in its charter)

Delaware

001-05647

95-1567322

(State or other jurisdiction
of incorporation)

(Commission
File No.)

(I.R.S. Employer
Identification No.)

333 Continental Boulevard, El Segundo, California

90245-5012

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code

(310) 524-4600

N/A

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

Information to be included in the Report

Item 5. Other Events

Mattel, Inc. hereby incorporates by reference herein its press release dated February 8, 1994, regarding its 1993 fourth quarter results of operations, a copy of which is included as Exhibit 99 hereto.

Item 7. Financial Statements and Exhibits

(a) Financial statements of businesses acquired: None

(b) Pro forma financial information: None

(c) Exhibits:

(99) Press Release dated February 8, 1994.

SIGNATURE

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

MATTEL, INC.

By: /s/ Robert Normile

Robert Normile
Assistant General Counsel
and Assistant Secretary

Date: As of February 8, 1994

MATTEL REPORTS RECORD 1993 RESULTS;
INTEGRATION PLANS FOR MERGER WITH FISHER-PRICE ON TARGET

LOS ANGELES, Feb. 8 -- Mattel, Inc. today reported that 1993 net income for Mattel, consolidated with Fisher-Price, was \$117 million on net sales of \$2.7 billion. Consolidated after-tax earnings for the year were at the record level of \$226 million before a pre-tax charge of \$115 million (\$90.4 million after-tax) related to the merger of Mattel and Fisher-Price, and extraordinary after-tax charges totaling \$18.7 million related primarily to the prepayment of high-cost Fisher-Price debt.

"Considered separately, Mattel produced a fifth consecutive year of record sales and earnings," John W. Amerman, chairman and chief executive officer, said. "Mattel sales totaled \$2.0 billion, and earnings were \$1.40 per share, in excess of the \$1.36 per share target established at the beginning of the year (after adjusting for the five-for-four split that was effective on January 7, 1994).

"The excellence of our 1993 performance, in a year of worldwide recession, is seen in several ways," Amerman said. "Our worldwide toy volume increase in local currency was 15 percent. In addition, Mattel's gross profit, operating profit and net income -- both in the absolute and relative to sales -- were at record levels."

For the consolidated company, 1993 fourth quarter income -- before one-time merger-related charges and costs associated with prepayment of \$100 million in Fisher-Price debt -- reached a record \$62.4 million, an increase of 26 percent over the year-ago quarter. Net sales for the quarter were a record \$754 million, an increase of 4 percent from the 1992 quarter.

Amerman said that fourth quarter increases were achieved in both sales and earnings for each of Mattel's domestic, international and Fisher-Price business units. "The dedication of Mattel and retailers during the fourth quarter to achieve a clean worldwide sell-through will be beneficial for 1994 results", he said.

"In addition, the decisive action we have taken to integrate Fisher-Price and Mattel over the past two months will result in substantial operating efficiencies, savings and expansion opportunities," Amerman said. "Even though we continue to deal with a strengthening of the U.S. dollar and a cautious attitude by retailers worldwide, we believe the merger of Mattel and Fisher-Price results in an even brighter outlook for the company in 1994 and beyond."

Mattel, Inc. is a worldwide leader in the design, manufacture and marketing of children's toys. The company's principal brands of Barbie, Fisher-Price, Disney and Hot Wheels together account for 80 percent of total sales. With headquarters in El Segundo, California, Mattel has offices and facilities in 31 foreign countries and sells its products in more than 140 nations throughout the world.

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MATTEL, INC. AND SUBSIDIARIES

CONSOLIDATED RESULTS OF OPERATIONS

(In thousands, except per share amounts)	FOR THE THREE MONTHS ENDED		FOR THE YEAR ENDED	
	DEC. 31, 1993 (a)	DEC. 31, 1992 (a)	DEC. 31, 1993 (a)	DEC. 31, 1992 (a)
Net Sales	\$ 753,914	\$ 727,006	\$ 2,704,448	\$ 2,563,525
Cost of sales	369,365	369,361	1,343,470	1,293,759
Gross Profit	384,549	357,645	1,360,978	1,269,766

Advertising and promotion expenses	135,427	137,322	426,698	403,417
Other selling and administrative expenses	131,363	131,482	508,105	501,604
Integration/restructuring costs (b)	115,000	-	115,000	-
Other expense (income), net	2,158	(719)	11,915	13,084
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Operating Profit	601	89,560	299,260	351,661
Interest expense	17,563	19,330	62,614	68,716
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Income (Loss) Before Income Taxes	(16,962)	70,230	236,646	282,945
Provision for income taxes	11,033	20,619	100,735	98,104
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Income (Loss) Before Extraordinary Item and Cumulative Effect of Changes in Accounting Principles	(27,995)	49,611	135,911	184,841
Extraordinary item - debt retirement (c)	(14,681)	-	(14,681)	-
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Income (Loss) Before Cumulative Effect of Changes in Accounting Principles	(42,676)	49,611	121,230	184,841
Cumulative effect of changes in accounting principles (d)	-	-	(4,022)	-
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Net Income (Loss)	\$ (42,676)	\$ 49,611	\$ 117,208	\$ 184,841
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Income (Loss) Per Share-Primary (e)				
Income (loss) before extraordinary item and cumulative effect of changes in accounting principles	\$ (0.17)	\$ 0.28	\$ 0.77	\$ 1.04
Extraordinary item - debt retirement	(0.09)	-	(0.09)	-
Cumulative effect of changes in accounting principles	-	-	(0.02)	-
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Net Income (Loss) Per Share-Primary (f)	\$ (0.26)	\$ 0.28	\$ 0.66	\$ 1.04
	=====	=====	=====	=====
Average Number of Common and Common Equivalent Shares Outstanding - Primary	170,647	172,648	171,182	173,406
	=====	=====	=====	=====
Income (Loss) Per Share-Fully Diluted (e)				
Income (loss) before extraordinary item and cumulative effect of changes in accounting principles	\$ (0.17)	\$ 0.27	\$ 0.75	\$ 1.02
Extraordinary item - debt retirement	(0.09)	-	(0.08)	-
Cumulative effect of changes in accounting principles	-	-	(0.02)	-
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Net Income (Loss) Per Share-Fully Diluted (g)	\$ (0.26)	\$ 0.27	\$ 0.65	\$ 1.02
	=====	=====	=====	=====
Average Number of Common and Common Equivalent Shares Outstanding-Fully Diluted	169,640	182,228	180,849	183,258
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MATTEL, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)	DEC. 31, 1993 (a)	DEC. 31, 1992 (a)
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Assets		
Cash, cash equivalents and marketable securities	\$ 523,581	\$ 327,807
Accounts receivable, net	580,313	538,444
Inventories	219,993	238,895
Prepaid expenses	146,863	86,097
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Total current assets	1,470,750	1,191,243
Property, plant and equipment, net	326,877	324,145
Other assets	202,450	197,287
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Total Assets	\$ 2,000,077	\$ 1,712,675
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Liabilities and Shareholders' Equity		
Notes payable to banks	\$ -	\$ 13,401
Current portion of long-term liabilities (h)	104,862	8,914
Accounts payable and accrued liabilities	573,224	437,087
Income taxes payable	105,243	69,987
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Total current liabilities	783,329	529,389
Long-term debt	254,159	288,226
Other long-term liabilities	70,827	49,157
Convertible debt	73,953	97,547
Shareholders' equity	817,809	748,356
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Total Liabilities and Shareholders' Equity	\$ 2,000,077	\$ 1,712,675
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Footnotes to Condensed Consolidated Financial Statements

- (a) Consolidated results for all periods are restated for the merger with Fisher-Price, Inc.
- (b) Represents a nonrecurring charge for transaction and restructuring costs of the Fisher-Price merger. The related tax benefit of \$24.6 million is included in the provision for income taxes.
- (c) Represents the prepayment penalty and write-off of unamortized issuance costs related to the repurchase of Fisher-Price senior notes.
- (d) A \$14.6 million net credit to earnings from Mattel's 1/1/93 adoption of FAS Nos. 109 and 106 was more than offset by an \$18.6 million net-of-tax charge related to Fisher-Price's adoption of FAS No. 106.
- (e) Share and per share data for all periods presented reflect the retroactive effect of shares issued pursuant to the Fisher-Price merger and a subsequent 5/4 stock split.
- (f) Primary income per share for the year, before the \$0.53 per share effect of the merger-related nonrecurring charge of \$90.4 million after taxes, was \$1.19 per share.
- (g) Fully diluted income per share for the year, before the \$0.50 per share effect of the merger-related nonrecurring charge of \$90.4 million after taxes, was \$1.15 per share.
- (h) At 12/31/93, includes \$100 million principal amount of Fisher-Price senior notes prepaid in January 1994.

MATTEL, INC. AND SUBSIDIARIES, PRE-MERGER, POST-SPLIT

CONSOLIDATED RESULTS OF OPERATIONS

(In thousands, except per share amounts)	FOR THE THREE MONTHS ENDED		FOR THE YEAR ENDED	
	DEC. 31, 1993 (i)	DEC. 31, 1992 (i)	DEC. 31, 1993 (i)	DEC. 31, 1992 (i)
Net Sales	\$ 546,825	\$ 521,495	\$ 1,996,766	\$ 1,873,364
Cost of sales	259,484	260,635	960,501	926,184
Gross Profit	287,341	260,860	1,036,265	947,180
Advertising and promotion expenses	105,877	105,136	328,672	304,015
Other selling and administrative expenses	97,910	93,301	371,385	362,338
Other expense (income), net	1,722	(1,674)	9,401	9,833
Operating Profit	81,832	64,097	326,807	270,994
Interest expense	14,267	16,046	49,624	55,046
Income Before Income Taxes	67,565	48,051	277,183	215,948
Provision for income taxes	22,700	12,400	96,100	72,000
Income Before Cumulative Effect of Changes in Accounting Principles	44,865	35,651	181,083	143,948
Cumulative effect of changes in accounting principles (j)	-	-	14,590	-
Net Income	\$ 44,865	\$ 35,651	\$ 195,673	\$ 143,948
Income Per Share - Primary (k)				
Income before cumulative effect of changes in accounting principles	\$ 0.36	\$ 0.28	\$ 1.46	\$ 1.14
Cumulative effect of changes in accounting principles	-	-	0.12	-
Net Income Per Share - Primary	\$ 0.36	\$ 0.28	\$ 1.58	\$ 1.14
Average Number of Common and Common Equivalent Shares Outstanding - Primary	120,517	121,365	120,615	121,682
Income Per Share - Fully Diluted (k)				
Income before cumulative effect of changes in accounting principles	\$ 0.35	\$ 0.27	\$ 1.40	\$ 1.10
Cumulative effect of changes in accounting principles	-	-	0.11	-
Net Income Per Share - Fully Diluted	\$ 0.35	\$ 0.27	\$ 1.51	\$ 1.10
Average Number of Common and Common Equivalent Shares Outstanding-Fully Diluted	129,033	130,795	129,931	131,257

(i) Consolidated results exclude Fisher-Price and all merger-related transactions.

(j) The net effect on earnings from Mattel's 1/1/93 adoption of FAS Nos. 109 and 106 was an increase of \$16 million and a decrease of \$1.4 million net of taxes, respectively.

(k) Share and per share data for all periods reflect the retroactive effect of a 5/4 stock split issued to shareholders of record as of December 1993.

