

FOR IMMEDIATE RELEASE

**4KIDS ENTERTAINMENT AWARDS MATTEL
YU-GI-OH! MASTER TOY LICENSE**

Already a \$2 Billion Brand in Japan

EL SEGUNDO, Calif., December 12, 2001 – Mattel, Inc. (NYSE: MAT) and 4Kids Entertainment, Inc. (NYSE: KDE) today announced a multi-year, worldwide licensing agreement, with the exception of Asia, naming the world's leading toy manufacturer the master toy licensee for YU-GI-OH!, a hot new multi-media import from Japan. The announcement was made jointly by Matt Bousquette, president of the Boys/Entertainment division at Mattel and Al Kahn, Chairman and CEO of 4Kids Entertainment.

The master toy license grants exclusive manufacturing and marketing rights for action figures and accessories, board games, puzzles, vehicles, playsets, activity sets, role playing products, youth electronics and ViewMaster products. The first YU-GI-OH! product line will be available in 2002.

“4Kids Entertainment has an impressive history of bringing Japanese pop-culture trends to the U.S. and turning them into established franchises,” said Bousquette. “As partners with 4Kids Entertainment we are committed to developing a long-term global brand that brings the YU-GI-OH! characters to life in creative and innovative ways for kids,” said Bousquette.

- more -

Mattel/Yu-Gi-Oh!
2-2-2-2-2

“We are very pleased to announce this partnership with Mattel, well-known around the world for being the preeminent marketer and producer of kids toys. YU-GI-OH! has already proven itself to be a strong property in Japan and we know that Mattel will create and bring to the retail market quality YU-GI-OH! products in 2002,” said Kahn.

YU-GI-OH! made its debut on the *Kids' WB!*'s Saturday morning schedule September 29, leading as the #1-rated broadcast program in its 11:30AM ET/10:30AM PT period – and has achieved significant growth over last year's time period programming. Season-to-date, YU-GI-OH! ranks among the top 10 broadcast programs in the key demographics -- Kids 2-11, Kids 6-11, Boys 2-11 and Boys 6-11.

YU-GI-OH! is based on a comic book series which follows the adventures of Yugi, a high school student. Yugi's grandfather, gives him an ancient Egyptian puzzle called the “Millennium Puzzle” and when Yugi pieces the puzzle together he unexpectedly receives a powerful alter ego, and becomes the “Game King.” Every week Yugi battles opponents with virtual reality monster rivals and the “Game King” takes over to protect him and his friends.

- more -

Mattel/Yu-Gi-Oh!
3-3-3-3-3

About 4Kids Entertainment, Inc.

Headquartered in New York City with international offices in London, 4Kids Entertainment is a global provider of children's entertainment and merchandise licensing. 4Kids, through its wholly owned subsidiaries, provides domestic and international merchandise licensing and product development, television, film, music and home video production and distribution, media buying and planning and website development. For further information, please visit the company's Web site at <http://www.4kidsent.com>.

About Mattel's Boys/Entertainment division

The Boys and Entertainment division at Mattel boasts a portfolio of global brands that include some of the most popular powerhouse products in the toy industry. The division is comprised of three major businesses: Wheels, Entertainment licensed toys, and Games. Mattel, Inc. is a worldwide leader in the design, manufacture and marketing of family products. With headquarters in El Segundo, California, Mattel has offices and facilities in 36 countries and sells its products in more than 150 nations around the world.

This press release contains forward-looking statements. Due to the fact that the Company faces competition from toy companies, motion picture studios and other licensing companies, and the uncertainty of public response to the Company's properties, actual results or outcomes may differ materially from any such forward looking statements.

#

MEDIA CONTACTS:

(For Mattel, Inc.)

Sara Rosales

(310) 252-5397

(For 4Kids Entertainment)

SSA Public Relations

New York: Robin Lawson

(212) 679-4750

Los Angeles: Steve Syatt

(818) 501-0700