

Statement of Financial Condition

as of 12/31/08

ASSETS		
Consumer Loans	\$8,858,689	
Real Estate Loans	\$5,884,826	
Total Loans		\$14,743,515
(Less Allowance for Loan Losses)		\$(195,780)
Cash		\$310,803
Investments		\$9,390,115
Other Assets		\$286,955
TOTAL ASSETS		\$24,535,608
LIABILITIES & EQUITY		
Total Liabilities		\$46,101
Member Deposits	\$21,464,213	
Non-Member Deposits	\$-	
Total Deposits		\$21,464,213
Regular Reserve	\$311,658	
Undivided Earnings	\$2,713,636	
Total Reserves		\$3,025,294
TOTAL LIABILITIES & EQUITY		\$24,535,608

Income Statement

as of 12/31/08

OPERATING INCOME	
Income from Loans	\$1,101,224
Income from Investments	\$427,741
Income from Fees	\$59,244
Income from Miscellaneous	\$32,854
TOTAL OPERATING INCOME	\$1,621,063
OPERATING EXPENSES	
Operating Expenses	\$1,137,783
Dividend Expenses	\$416,047
Non-Operating Expenses	\$-
TOTAL OPERATING EXPENSES	\$1,553,830
TOTAL NET INCOME	\$67,233

On January 28, 2009 the National Credit Union Administration announced a stabilization plan designed to support the corporate credit union system facing unprecedented liquidity and capital strains due to extraordinary market disruptions and the current economic climate. Corporate credit unions provide investment and liquidity services to consumer-owned natural person credit unions. While the details of the stabilization plan are still being completed, Mattel's estimated cost in 2009 is \$152,121.



2008 Leadership Team



BOARD OF DIRECTORS

Lloyd Jones, *Chairman*
 Frank Canko, *Vice Chairman*
 Randy Hollis, *Secretary*
 Raime Quick, *Director*
 Dianne Douglas, *Director*
 George Benz, *Director*



SUPERVISORY COMMITTEE

Melina Fleming, *Committee Chairman*
 Joleen Jackson, *Committee Member*



ASSET AND LIABILITY COMMITTEE

Frank Canko, *Committee Chairman*
 Randy Hollis, *Committee Member*
 Jon Hernandez, *Committee Member*



MANAGEMENT AND STAFF

Jon Hernandez, *President*
 Joy Porter, *Operations Officer*
 Ana Hernandez, *Operations Officer*
 Jay Lee, *Technology & Compliance Officer*
 Kim Raiford, *Loan Officer*
 Sonia Lupercio, *EFT and Accounting Coordinator*
 Yesenia Enciso, *Collections & Loan Processor*
 Alicia Quintana, *Member Service Representative*
 Salina Yan, *Member Service Representative*
 Silvia Martinez, *Member Service Representative*
 Leigh Krol, *Member Service Representative (East Aurora, NY)*



Main Office

333 Continental Boulevard
 El Segundo, CA 90245

Fisher-Price Branch Office

(Exclusive to Fisher-Price Employees)
 636 Girard Avenue, 3rd Floor
 East Aurora, NY 14052



Your savings Federally insured to \$250,000 by the
 NCUA, a U.S. Government Agency.

Web

www.mattelfcu.org



2008 Annual Report



Strong roots. A promising future.



President's Message



2008 was a challenging year and to say these are tough economic times is quite an understatement. We at Mattel FCU positioned ourselves for the times we are facing. We believe in doing everything possible to grow our credit union by making sound business decisions and striving to best serve what's most important to us—our members.

This has paid off, and 2008 was a positive year for your credit union. We prudently managed our assets, proactively mitigated our risk exposure and did not participate in high risk mortgage lending practices. We enabled a loan modification policy to help homeowners lower their monthly mortgage payments and avoid foreclosure. We provided competitive financial products and services while maintaining our strong capital position (12.51% as of December 2008), which allowed us to continue our business as usual during the economic downturn.

We are confident of our continued success. Our team knows it's all about you, our members, and we are committed to remaining at the forefront of offering great products with that exceptional, home-style customer service we're known for.

We have upgraded to Check-21, making it faster and easier to process checks electronically. It protects the flow of checks between financial institutions and benefits you with faster check clearing and quicker fraud detection. We're also implementing a new graphical user interface data processing system in 2009, which will enhance capabilities and security and improve workflow.

We value our community and we do all we can to foster its growth. For instance, at our Annual Meeting this year, we are only giving away gift certificates from local companies to stimulate business, and we're having a food drive for the local food pantry. Plus, we'll be donating and serving in a mission for our team building event instead of our usual activities.

Finally, we're honored to assist Mattel, Inc. earn its 48th spot in Fortune 100's "Top 100 Companies To Work For" by providing convenient and competitive financial service benefits to its employees.

Thank you for your continued support and we wish you well in 2009.

Jon Hernandez
President

Chairman's Message



As Chairman of the Board of Mattel FCU, it is an honor to share the accomplishments of our credit union. Although 2008 was difficult for financial institutions nationwide, I'm happy to report the credit union remained steadfast and successful. With more than 57 years of financial knowledge, Mattel FCU stood strong and ended 2008 with \$24,535,608 million in assets.

Despite the 2008 economy, I'm proud to report the credit union continued to offer fair pricing to members through lower loan rates and favorable deposit rates. We experienced growth in membership, adding more than 229 members to our growing family.

In 2008, the government rolled out TARP (Troubled Asset Relief Program) to protect financial institutions by supplying them funding to defrost credit access and to shore up their bottom lines. While some banks succumbed to the economic crisis and accepted these funds, credit unions—including us—have not. We continue

to operate in a safe manner in the best interest of our members, and we're proud to remain strong, well capitalized and independent from the banking industry.

Cognizant of tough economic times and the value of continuing education, Mattel FCU continues to sponsor staff training in an effort to address challenges of economic change and drive innovation. We're striving to meet the stressed financial environment head on.

On behalf of the Board of Directors and Committees, I thank you for your membership in Mattel FCU. Without your support, our success would not be possible. I'd like to thank my fellow board members for volunteering to help Mattel FCU flourish. And to the management and staff, thank you for your hard work in making this a truly successful 2008.

Lloyd Jones, Chairman
Board of Directors

Supervisory Committee Report

The Supervisory Committee is composed of volunteer members appointed by the Board of Directors and provides critical oversight of the Credit Union operations. This is accomplished through policy evaluation, review of operational procedures, safeguarding members' interest and being continually aware of the overall state of operations.

In 2008, the Committee retained the services of Richards and Associates, a certified public accounting firm, to perform the annual audit. In their full opinion, Richards and Associates found Mattel FCU to be well managed and in sound financial condition for the year 2008.

I am also proud to say that Mattel FCU has maintained its 5-Star rating with the Bauer Financial Group, and is safe, secure and in compliance with all applicable laws and regulations. Members can continue to expect the same high level of service and feel assured their assets are safe as we move through 2009.

Melina Fleming, Chairman
Supervisory Committee

Core Values & Value Statements

Play with Passion

by serving our Mattel family with personal touch

Play Together

by partnering with Mattel and our Members to provide quality service

Play Fair

by acting with unwavering integrity in all aspects of our work

Play to Grow

by striving to make positive differences in the financial well being of our members while seeking continuous improvement

Mission Statement

To provide convenient quality financial services with a commitment to assist our members in reaching their financial goals

Vision Statement

To become the financial institution of choice for our Mattel family.

