

**Fisher-Price and Microsoft Team Up in Product Development*****Tots of the 21st Century Will Be Savvy to the Latest in Technology***

**EAST AURORA, NY (February 8, 2000)** – Fisher-Price, Inc., a subsidiary of Mattel, Inc. (NYSE: MAT) today announced that it is working with Microsoft Corporation (NASDAQ: MFST) on the joint development of technology-based infant and preschool toys.

The first product resulting from the collaboration, the IntelliTable™, will debut at the upcoming International Toy Fair in New York City next week. The IntelliTable, a progressive early learning toy, will allow toddlers and preschoolers to be exposed to computer applications away from the computer. Developed with Microsoft® Smart Technology, the stand-alone table features three detachable play and learn rings. In the center of each ring is a light-up panel that graphically reinforces the learning in a fun, interactive way. These interactive rings provide three distinct learning activities: basic early learning skills, music and educational games. Every touch of a button on the rings yields a brand new experience, encouraging children to discover new challenges. The Smart Technology provides toddlers and preschoolers with a self-directed way to learn, allowing children to find new challenges at their own pace, as they grow. The IntelliTable is expected to reach store shelves by July 2000.

Neil Friedman, President of Fisher-Price Brands, said, "Microsoft and Fisher-Price bring unique strengths to this partnership. Fisher-Price understands preschoolers and play patterns like no other children's brand, and Microsoft can bring the right developmental, interactive technology for specific applications that benefit toddlers and preschoolers."

Fisher-Price and Microsoft began working together to create the IntelliTable product concept last spring. The objective was to thoughtfully integrate interactive technology into toddler and preschooler play patterns. That is, to ensure that the technology truly provided a stimulus for inspiring a child to want to learn more, versus simple "push button/response" interaction. Microsoft contributed expertise in software and internal electronic components that engage the child as never before to create a truly interactive learning experience. Fisher-Price brings an unparalleled understanding of childhood development and expertise in the development of toys, as well as full responsibility for the marketing and production of the products.

"Smart toys with carefully created, rich content and interactions are the way of the future," said Erik Strommen, Ph.D., Lead Researcher and Designer in Microsoft's Interactive Toy Group, "products like the IntelliTable provide toddlers and preschoolers with opportunities to learn and play with technology that no other toy can offer."

Marilyn Wilson-Hadid, Vice President New Business Development for Fisher-Price, said "Research on the product prototype has shown that parents value the powerful combination of Fisher-Price's childhood development expertise and Microsoft's technology leadership. For today's parents, the IntelliTable seems to represent the 'best of the best' in toys that will enhance their child's development and prepare them well for the future."

Fisher-Price, Inc. located in East Aurora, New York, is the leading brand of infant and preschool toys in the world. The Fisher-Price brand includes some of the most popular and widely recognized character brands - - from Bear in the Big Blue House™, Blues' Clues™ and Disney, to Muppets, Sesame Street® and Winnie the Pooh. Some of the Company's most popular "classic" brands include Little People®, Magna Doodle®, Power Wheels® and View-Master®. The Company was founded in 1930 and is a wholly-owned subsidiary of Mattel, Inc. The Company's web site can be found at [www.fisherprice.com](http://www.fisherprice.com).

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