

MCDONALDS CORP
 Form 4
 September 20, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Alvarez Ralph

(Last) (First) (Middle)

MCDONALD'S CORPORATION, 2915 JORIE BOULEVARD

(Street)

OAK BROOK, IL 60523

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 MCDONALDS CORP [MCD]

3. Date of Earliest Transaction (Month/Day/Year)
 09/18/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 President and COO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock				(A) or (D)	8	D	
Common Stock				(A) or (D)	39,055	I	Non-Qualified Benefit Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
Options (Right to Buy)	\$ 37.42	09/18/2006		A	100,161	(1) 09/18/2016	Common Stock
Restricted Stock Units	(2) (3)	09/18/2006		A	33,405	09/18/2009(3) 09/18/2009(3)	Common Stock
Restricted Stock Units	(2) (3)	09/18/2006		A	133,619	09/18/2011(3) 09/18/2011(3)	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Alvarez Ralph MCDONALD'S CORPORATION 2915 JORIE BOULEVARD OAK BROOK, IL 60523			President and COO	

Signatures

/s/ Carol A. Vix,
Attorney-in-fact

09/20/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Options become exercisable in 25% increments on the first, second, third and fourth anniversary dates of the grant.

(2) Restricted Stock Units (RSUs) are granted under the Company's Amended and Restated 2001 Omnibus Stock Ownership Plan and are subject to the terms of such Plan. Upon vesting, payout under the RSUs will be in the form of an equal number of shares of McDonald's common stock or, at the discretion of the Board's Compensation Committee, the cash value thereof. No dividend, voting or other shareholder rights attach to the RSUs until they vest and only if the payout upon vesting is in shares of common stock.

(3) Performance based on diluted earnings per share growth.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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