

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES AND EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): July 15, 1999

HASBRO, INC.

(Name of Registrant)

RHODE ISLAND ----- (State of Incorporation)	1-6682 ----- (Commission File Number)	05-0155090 ----- (IRS Employer Identification No.)
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1027 NEWPORT AVE., PAWTUCKET, RHODE ISLAND ----- (Address of Principal Executive Offices)	02861 ----- (Zip Code)
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(401) 431-8697

(Registrant's Telephone Number)

Item 5. Other Events

The July 15, 1999 Press Release of the Registrant attached hereto as EXHIBIT 99 is incorporated herein by reference.

Item 7(c) Exhibits

99 Press Release, dated July 15, 1999, of Hasbro, Inc.

SIGNATURES

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

HASBRO, INC.

(Registrant)

Date: July 15, 1999

By: /s/ John T. O'Neill

John T. O'Neill

Executive Vice President and
Chief Financial Officer
(Duly Authorized Officer and
Principal Financial Officer)

HASBRO, INC.
Current Report on Form 8-K
Dated July 15, 1999

Exhibit Index

Exhibit
No.

Exhibits

99 Press Release dated July 15, 1999

For Immediate Release
July 15, 1999

Contact: John T. O'Neill

401-727-5600
Renita E. O'Connell
401-727-5401

HASBRO REPORTS RECORD SECOND QUARTER RESULTS

Pawtucket, RI (July 15, 1999) -- Hasbro, Inc. (NYSE:HAS) today reported record second quarter revenues, earnings and earnings per share.

Worldwide net revenues increased approximately 53% to \$874.6 million, compared to \$572.1 million a year ago. Revenue growth was driven primarily by significantly higher shipments of STAR WARS and Tiger Electronics products, and increased sales of computer-based games from Hasbro Interactive. Net earnings and diluted earnings per share increased approximately six-fold to \$32.3 million and \$0.16, respectively, compared to \$5.5 million and \$0.03, respectively, last year. The Company also reported record second quarter Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of \$118.3 million, more than double the year-ago EBITDA of \$52.5 million.

For the first half of 1999, worldwide net revenues increased approximately 46% to \$1.543 billion, compared to \$1.055 billion a year ago. Net earnings and diluted earnings per share in the first half more than tripled, to \$46.1 million and \$0.22, respectively, compared to \$13.2 million and \$0.06 last year.

"We are very pleased to report a record second quarter in all respects and to significantly exceed expectations, which were already high," said Alan G. Hassenfeld, Chairman and Chief Executive Officer. "We are also excited about the rest of the year and our outstanding diversified brand and product portfolio, led by STAR WARS and the POWER OF THE FORCE."

"We are firing on all cylinders," Hassenfeld continued. "Our awesome STAR WARS product line, launched in early May in the U.S. for the May 19 release of STAR WARS: EPISODE I: THE PHANTOM MENACE, has in many cases exceeded our high expectations. The international rollouts of STAR WARS product and the movie continue to be met with great enthusiasm. Tiger Electronics' interactive FURBY is a smash hit internationally and continues selling briskly in the U.S. Hasbro Interactive again achieved significant double-digit sales increases. MECHWARRIOR 3 was the number one PC software title one week after its launch in early June and remains in the top ten.

"We continue working hard to enhance shareholder value," Hassenfeld added. In June, Hasbro common stock was listed on the New York Stock Exchange. During the second quarter, we invested a total of \$147 million to repurchase almost 5 million shares of our common stock. This includes approximately \$90 million to repurchase most of Dreamworks' equity interest in Hasbro, substantially eliminating future dilution from this interest. We seized this significant opportunity to accelerate repurchases because we are bullish on the strength of our business and we believe in our future. Under the \$500 million repurchase authorization of December 1997, we have invested a total of more than \$380 million to repurchase almost 15 million shares. Earlier this month, we filed a shelf Registration Statement with the Securities and Exchange Commission for \$350 million of public debt securities, which would bring Hasbro's total public debt authorization to \$500 million and further enhance our financial flexibility."

"We look forward to a strong second half. We are shipping new STAR WARS action figures and other terrific EPISODE I product. The successful rollout of the POWER OF THE FORCE continues around the world. Tiger Electronics' French and Italian FURBY TOYS are shipping, FURBY BABIES debut in third quarter, and we will ship two more limited edition holiday FURBY TOYS. Hasbro Interactive plans several new titles, including the first from its newly-formed Hasbro Sports unit: TRIVIAL PURSUIT NASCAR CD-ROM, Hasbro Sports Digital Camera and em@il NFL FOOTBALL. We will ship our expanded POKEMON offering, including the electronic interactive plush "I CHOOSE YOU PIKACHU". The U.S. release of the first animated POKEMON feature film on November 12 will extend the excitement of POKEMANIA into next year. With POKEMON, plus other wonderful new product including NASCAR SUPERCHARGERS, BEAST MACHINES, TITAN AE, DRAGON TALES and TWEENIES, we have even more visibility for the year 2000," Hassenfeld concluded.

Hasbro is a worldwide leader in the design, manufacture and marketing of toys, games, interactive software, puzzles and infant products. Both internationally and in the U.S., its PLAYSKOOL, KENNER, TONKA, ODDZON, SUPER SOAKER, MILTON BRADLEY, PARKER BROTHERS, TIGER, HASBRO INTERACTIVE, and GALOOB products provide children and families with the highest quality and most recognizable toys and games in the world.

Certain statements contained in this release contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are inherently subject to known and unknown risks and uncertainties. The Company's actual actions or results may differ materially from those expected or anticipated in the forward-looking statements. Specific factors that might cause such a difference include, but are not limited to, the timely manufacture and shipping by the Company of new and continuing products and their acceptance by customers and consumers in a competitive product environment; economic conditions, currency fluctuations and government regulation and other actions in the various

markets in which the Company operates throughout the world; the inventory policies of retailers, including the continuing trend of concentration of the Company's revenues in the second half and fourth quarter of the year, together with increased reliance by retailers on quick response inventory management techniques, which increases the risk of underproduction of popular items, overproduction of less popular items and failure to achieve tight and compressed shipping schedules; the impact of competition on revenues, margins and other aspects of the Company's business; the Company's incurring higher than expected costs to achieve, or not achieving, "Year 2000" readiness with respect to the Company's systems, or the Company's customers, vendors or service providers failing to achieve such readiness; and the risk that anticipated benefits of acquisitions or the Company's Global Integration and Profit Enhancement program may not occur or be delayed or reduced in their realization. The Company undertakes no obligation to make any revisions to the forward-looking statements contained in this release or to update them to reflect events or circumstances occurring after the date of this release.

EBITDA (earnings before interest, taxes, depreciation and amortization) represents operating profit plus depreciation and all amortization. EBITDA is not adjusted for all noncash expenses or for working capital, capital expenditures or other investment requirements and, accordingly, is not necessarily indicative of amounts that may be available for discretionary uses. Thus, EBITDA should not be considered in isolation or as a substitute for net earnings or cash provided by operating activities, each prepared in accordance with generally accepted accounting principles, when measuring Hasbro's profitability or liquidity as more fully discussed in the Company's financial statements and securities filings.

(Tables Attached)

HASBRO, INC.

CONSOLIDATED STATEMENTS OF EARNINGS

(Thousands of Dollars and Shares Except Per Share Data)

	Quarter Ended		Six Months Ended	
	Jun. 27, 1999	Jun. 28, 1998	Jun. 27, 1999	Jun. 28, 1998
Net Revenues	\$874,574	572,057	\$1,542,972	1,054,877
Cost of Sales	345,026	247,095	601,543	451,407
Gross Profit	529,548	324,962	941,429	603,470
Amortization	31,918	15,880	57,844	30,023
Royalties, Research and Development	179,776	82,129	291,718	149,465
Advertising	101,274	73,213	182,358	128,970
Selling, Distribution and Administration	158,368	141,479	321,649	276,728
Operating Profit	58,212	12,261	87,860	18,284
Interest Expense	13,625	6,416	25,598	8,728
Other (Income) Expense, Net	(2,209)	(2,417)	(4,527)	(10,514)
Earnings Before Income Taxes	46,796	8,262	66,789	20,070
Income Taxes	14,507	2,809	20,705	6,824
Net Earnings	\$ 32,289	5,453	\$ 46,084	13,246
Per Common Share				
Net Earnings				
Basic	\$.17	.03	\$.24	.07
Diluted	\$.16	.03	\$.22	.06
Cash Dividends Declared	\$.06	.05	\$.12	.10
Weighted Average Number of shares				
Basic	195,330	198,839	195,614	199,252
Diluted	207,052	207,341	205,836	207,327

HASBRO, INC.

CONSOLIDATED CONDENSED BALANCE SHEETS

(Thousands of Dollars)

	Jun. 27, 1999	Jun. 28, 1998
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Assets		
Cash and Temporary Investments	\$ 97,765	\$ 180,595
Accounts Receivable, Net	843,580	600,254
Inventories	433,460	331,638
Other	586,115	223,740
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Total Current Assets	1,960,920	1,336,227
Property, Plant and Equipment, Net	308,420	281,327
Other Assets	1,631,797	1,410,211
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Total Assets	\$3,901,137	\$3,027,765
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Liabilities and Shareholders' Equity		
Short-term Borrowings	\$ 823,202	\$ 527,259
Payables and Accrued Liabilities	786,176	676,860
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Total Current Liabilities	1,609,378	1,204,119
Long-term Debt	409,937	-
Deferred Liabilities	77,700	77,886
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Total Liabilities	2,097,015	1,282,005
Total Shareholders' Equity	1,804,122	1,745,760
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Total Liabilities and Shareholders' Equity	\$3,901,137	\$3,027,765
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