



Hasbro First Quarter 2012 Earnings
April 23, 2012

Safe Harbor

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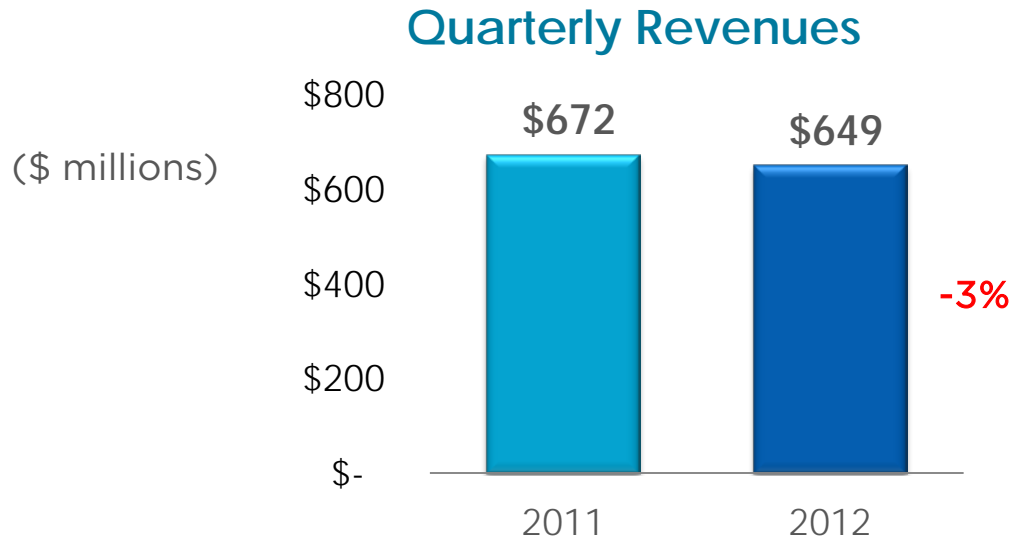
First Quarter 2012 Snapshot

Executing 2012 plan as previously communicated

- **Q1 Net revenues \$649 million, down 3% year-over-year**
 - Planning for 2-4% of full year revenues shifting to second half 2012
- **Positive point-of-sale trends in the U.S. and International markets**
- **Gained share in U.S. and Europe** (Source: The NPD Group, through March 2012)
- **International segment revenues up 14%**
 - Up 17% excluding negative \$8.2 million foreign exchange impact
 - Growth in all major geographic regions
- **Executing plan to return U.S. & Canada to historical operating profit margin**
 - Right-sized organization
 - Increasing advertising/marketing spend
- **Q1 Net loss of \$2.6 million or \$(0.02) per diluted share**
 - Q1 Net earnings of \$5.1M or \$0.04 per diluted share, excluding \$11.1 million, or \$0.06 per diluted share, of severance costs



First Quarter 2012 Revenues



Consistent with plan for full year 2012 to shift revenues to later in the year - better align with consumer demand

Negative foreign exchange impact of \$8.5 million



First Quarter 2012 Segment Revenues



U.S. & Canada
Positive point-of-sale;
Retail inventories
down; Aligning
shipments with
consumer demand

International
Shipment and point-of
sale momentum
continues; Growth in
Boys & Games;
Preschool flat

Entertainment &
Licensing
Global television
programming;
TRANSFORMERS movie &
licensed revenues



First Quarter 2012 Net Revenues By Region

(\$ millions)	2012	2011	% Change
U.S./Canada Segment	\$329	\$391	-16%
Europe	208	185	+13%
Latin America	39	31	+23%
Asia Pacific	43	38	+13%
International Segment	290	254	+14%
Entertainment & Licensing	29	25	+19%
Global Operations	1	2	---
Total Net Revenues	\$649	\$672	-3%

Growth in all major geographic regions outside U.S. & Canada



First Quarter 2012 Net Revenues By Product Category

(\$ millions)	2012	2011	% Change
Boys	\$ 303	\$ 290	+4%
Games	182	201	-9%
Girls	93	113	-18%
Preschool	70	68	+2%
Other	1	0	---
Total	\$ 649	\$ 672	-3%



First Quarter 2012 Major Expense Items

(\$ millions)	2012	% of Sales	% Change	Notes
Cost of Sales	\$ 257	39.6%	-4%	Product mix and severance costs
Royalties	\$ 52	8.1%	+21%	Strong sales of entertainment properties; Target 7%-8% of revenues FY 12
Product Development	\$45	6.9%	-2%	Target ~4.5% of FY 12 revenues
Advertising	\$65	10.0%	-2%	Target 10%-11% of FY 12 revenues
Amortization of Intangibles	\$11	1.7%	---	\$48M estimate for FY 12
Program Production Cost Amortization	\$3	0.5%	---	\$60M-\$70M estimate for FY 12
Selling, Distribution & Administration	\$200	30.8%	+7%	Severance costs and extra week of expenses offset lower overall expense levels

Note: Severance impact by major expense item provided on next slide



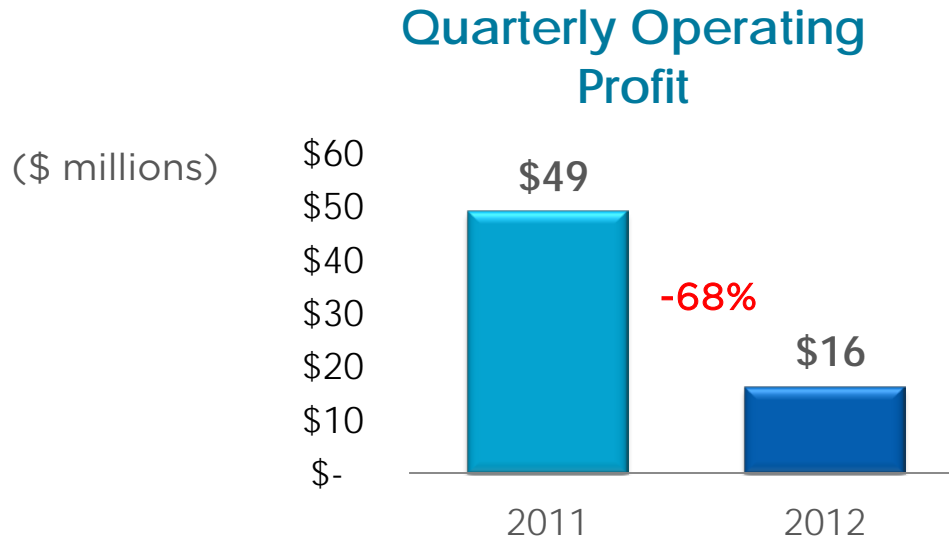
First Quarter 2012 Severance Cost Breakdown

Severance Impact by Major Expense Item

(\$ millions)	2012
Cost of Sales	\$2.8
Product Development	\$2.4
SD&A	\$5.9
Total	\$11.1



First Quarter 2012 Operating Profit

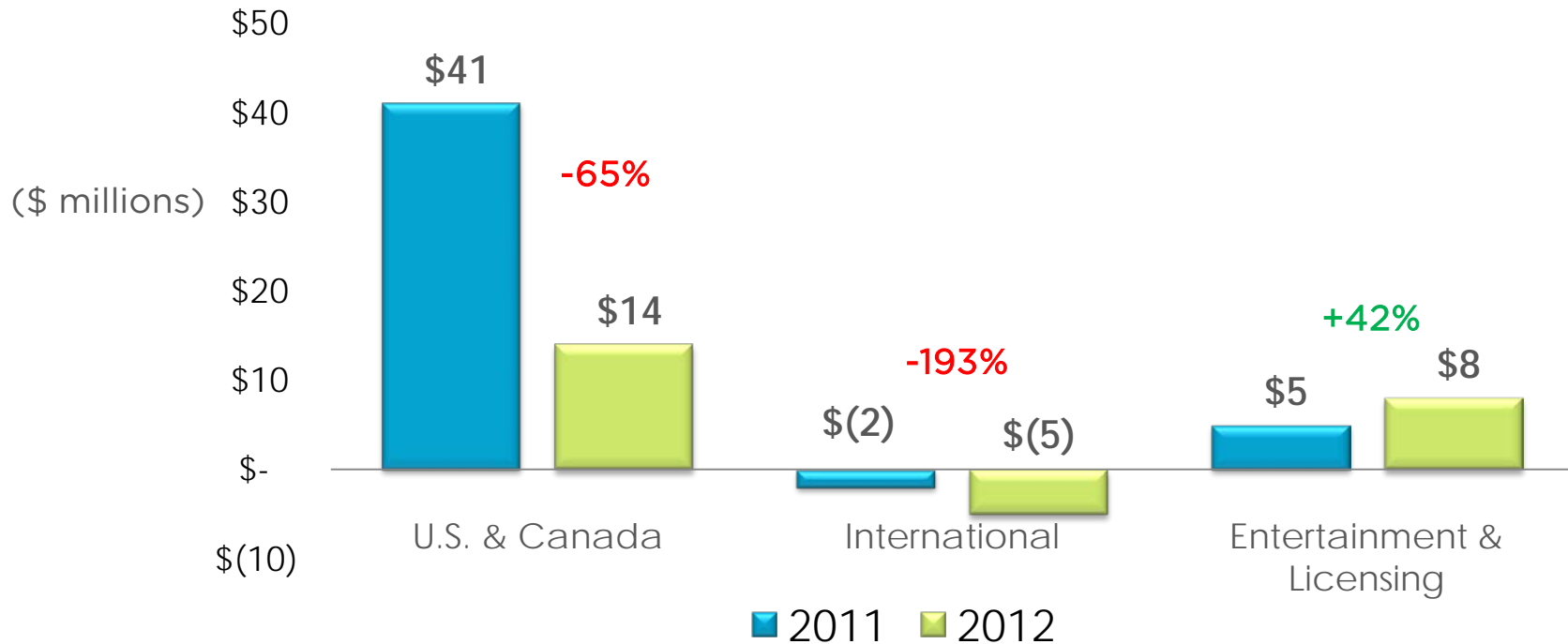


- \$11.1M in severance costs
- Lower revenue in the quarter
- Extra week of certain expenses in Q1 '12

Negative impact on OP



First Quarter 2012 Segment Operating Profit



U.S. & Canada

Lower revenues;
severance; extra week;
underlying expenses are
down

International

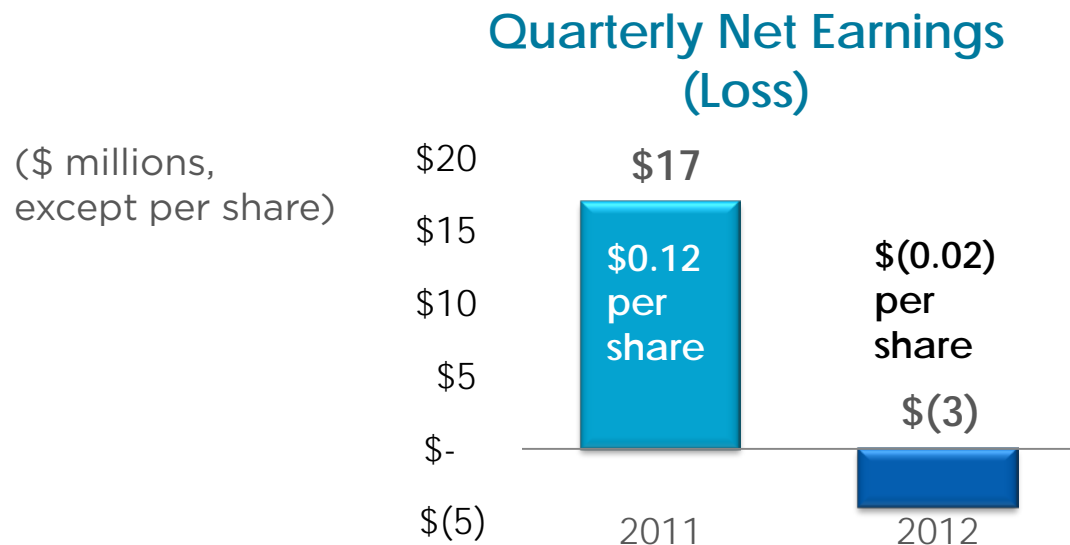
Emerging market
expansion; severance;
underlying profit similar
to Q1 11

Entertainment & Licensing

Higher revenues;
better expense leverage



First Quarter 2012 Net Earnings



Net Earnings of \$5.1 million or \$0.04 excluding \$11.1M in severance costs

Underlying tax rate of 26.0%

Average diluted shares 129.6M

Note: If Hasbro reported net earnings in Q1 12, average diluted shares would have been 131.6M

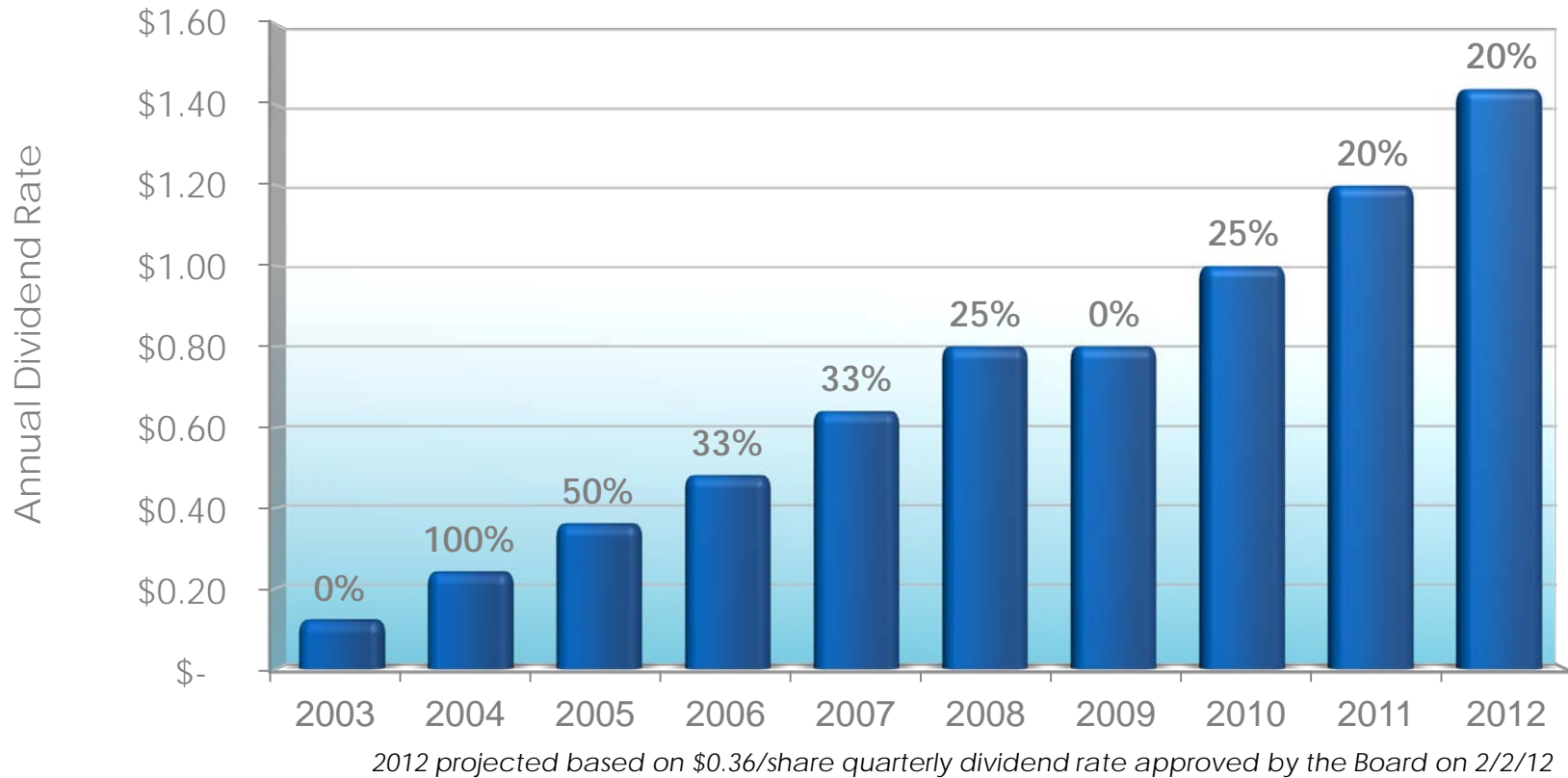


First Quarter 2012 Key Cash Flow & Balance Sheet Data

(\$ millions)	2012	Notes
Cash	\$884	Majority outside the U.S.
Depreciation	\$19	Target similar to 2011
Amortization	\$11	Target \$48M for FY 12
Television Program Spending	\$14	Target \$70-\$80M for FY 12
Capex	\$23	Target \$125-\$135M for FY 12
Dividends	\$39	Increased 20% on 2/2/12 – payable 5/15/12
Stock Repurchase	\$5	Approx. 140,000 shares at \$35.80
Operating Cash Flow (Q1) (Trailing Twelve Months)	\$285 \$404	Target \$500M on average per year
Accounts Receivable	\$457	DSOs at 63 days, down 12 days year-over-year
Inventory	\$397	Well positioned for 2012



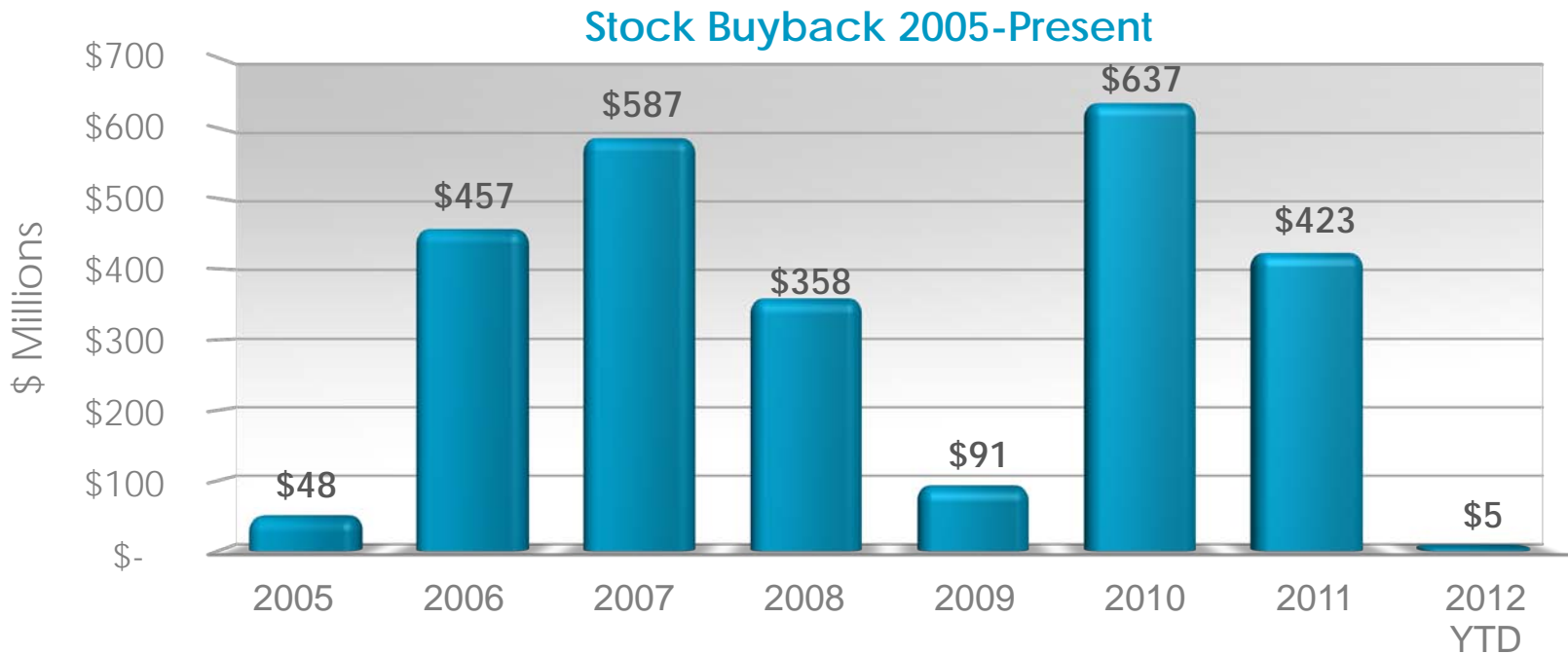
Dividends



- 20% Quarterly dividend increase announced 2/2/12
- Dividend payable 5/15/12 to shareholders of record at the close of business 5/1/12



Stock Buyback



- Delivering on stated commitment of returning cash to shareholders
- In first quarter 2012, repurchased approximately 140,000 at a total cost of \$5.0 million and an average price of \$35.80.
- \$222.3 million remains available as of end of Q1 2012 under current authorization



Entertainment Update: Television

- Shows airing in 160+ countries
- 6 of the top10 shows on THE HUB in Q1
- Signed multi-year deal in April with Netflix for 10 shows



- 32% Ratings growth in Q1 '12 vs. Q1 '11 - Total Day against K2-11
- New Hasbro Studios and third party series launching



Entertainment Update: 2012 Feature Film Schedule

Film	Scheduled Release Date	Scheduled Product On Shelf Date	Partner/Studio
Star Wars Episode 1 (3D)	2/10/12	Q4 11/Q1 12	Lucasfilm
Marvel's The Avengers International U.S.	4/26/12 5/04/12	Q1 12 Q1 12	Marvel
Battleship International U.S.	4/11/12 5/18/12	Q2 12 Q2 12	Universal
G.I. Joe: Retaliation	6/29/12	Q2 12	Paramount
The Amazing Spider-Man	7/03/12	Q2 12	Marvel/Sony



Hasbro's Branded Play Blueprint

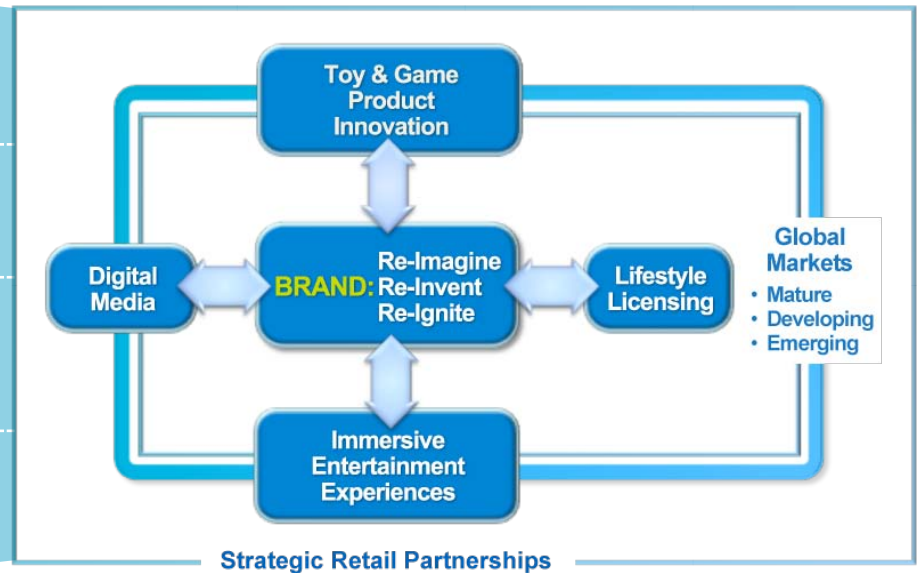
Focused on Executing Our Strategy

Innovation

New Initiatives

**International Business
& Regaining U.S. Momentum**

Immersive Experiences





Appendix

First Quarter 2012 Income Statement

(\$ millions)	April 1, 2012	March 27, 2011
Net Revenues	\$ 649	\$672
Cost of Sales	257	267
Royalties	52	43
Product Development	45	46
Advertising	65	67
Amortization of Intangibles	11	11
Program Production Cost Amortization	3	3
Selling, Distribution & Administration	200	186
Operating Profit	\$ 16	\$49
Interest Expense	23	21
Other (Income) Expense, Net	(2)	5
Earnings (Loss) Before Income Taxes	\$(5)	\$23
Income Taxes	(2)	6
Net Earnings (Loss)	\$ (3)	\$17
Diluted EPS	\$(0.02)	\$0.12



First Quarter 2012 Balance Sheets

(\$ millions)	April 1, 2012	March 27, 2011
Cash	\$884	\$928
Accounts Receivable	457	559
Inventory	397	401
Other Current Assets	281	173
Total Current Assets	2,019	2,061
Property, Plant & Equipment, Net	223	238
Other Assets	1,655	1,641
Total Assets	\$3,897	\$3,940
Short Term Borrowings	\$171	\$38
Payables & Accrued Liabilities	555	588
Total Current Liabilities	726	626
Long-term Debt	1,401	1,397
Other Liabilities	373	386
Total Liabilities	\$2,500	\$2,409
Total Shareholders' Equity	\$1,397	\$1,531
Total Liabilities & Shareholders' Equity	\$3,897	\$3,940



First Quarter 2012 Condensed Cash Flow

(\$ millions)	2012	2011
Operating Cash Flows	\$ 285	\$ 276
Investing Cash Flows:		
Capex	(23)	(22)
Other	7	(2)
Total Investing	(16)	(24)
Financing Cash Flows:		
Short Term Borrowings	(10)	24
Stock Repurchases	(5)	(58)
Dividends	(39)	(34)
Stock Options	23	11
Total Financing	(31)	(57)
FX Impact on Cash	4	5
Beginning Cash	642	728
Ending Cash	\$ 884	\$ 928

