

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 20, 2000

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 20, 2000 Press Release of the Registrant attached hereto as EXHIBIT 99 is incorporated herein by reference.

Item 7(c) Exhibits

99 Press Release, dated July 20, 2000, 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 20, 2000

By: /s/ Alfred J. Verrecchia

Alfred J. Verrecchia

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

HASBRO, INC.
Current Report on Form 8-K
Dated July 20, 2000

Exhibit Index

Exhibit
No.

Exhibits

99 Press Release dated July 20, 2000

For Immediate Release

CONTACT:

July 20, 2000 Alfred J. Verrecchia (Investor Relations) 401-727-5100
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HASBRO REPORTS SECOND QUARTER RESULTS

CAUTIOUS OUTLOOK FOR SECOND HALF

Pawtucket, RI (July 20, 2000) - Hasbro, Inc. (NYSE:HAS) today reported second quarter results which were consistent with expectations.

Worldwide net revenues were \$778.4 million compared to \$874.6 million a year ago. This approximately 11% decrease primarily reflects the anticipated decline from last year's exceptionally strong STAR WARS and FURBY shipments plus foreign currency translation. The stronger U.S. dollar reduced reported revenues by approximately \$17 million, or 2%. Net earnings and diluted earnings per share were \$6.5 million and \$0.04, respectively, compared to \$32.3 million and \$0.16, respectively, a year ago. Reported earnings include spending of approximately \$5 million pre-tax (\$3 million after-tax), or a loss of approximately \$0.02 per share in this quarter, attributable to GAMES.COM, the Company's Internet games initiative. The Company also reported second quarter Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of \$95.2 million compared to \$118.3 million in the second quarter of 1999.

For the first half, worldwide net revenues were \$1.552 billion compared to \$1.543 billion a year ago. Net earnings and diluted earnings per share in the first half were \$21.6 million and \$0.12, respectively, compared to \$46.1 million and \$0.22 last year. First-half EBITDA was \$190.6 million compared to \$194.1 million last year.

"We feel good about our performance this quarter," said Alan G. Hassenfeld, Chairman and Chief Executive Officer. "Our international business is strong, with revenues from international customers up 57% in local currencies and 50% in U.S. dollars. Core brands that performed especially well worldwide this quarter were PLAY-DOH, MONOPOLY and family board games. We benefited from significantly higher worldwide shipments of POKEMON toys and games, plus other trading card games. P00-CHI, our interactive electronic puppy, is the number one selling item in the "What's Hot" survey of TV-promoted toys and games. However, as expected, these positives were not sufficient to offset the anticipated fall-off in STAR WARS and FURBY," Hassenfeld noted.

The Company invested approximately \$4 million during the second quarter to repurchase approximately 250,000 Hasbro shares, which brings the total investment this year to approximately \$367 million for approximately 21.4 million shares.

Revenues and pre-tax operating results increased in two of the Company's three major business segments. The Games increase is primarily due to POKEMON and other trading card and role-playing games from Wizards of the Coast, acquired in September 1999, plus traditional board games. International segment revenues were unchanged in U.S. dollars but increased in local currencies, driven primarily by POKEMON toys and games, as well as other board games and TWEENIES preschool toys. In the U.S. Toys segment, higher POKEMON revenues did not fully offset lower STAR WARS revenues.

Significant progress was made during the second quarter with GAMES.COM. "We made several key hires and are leveraging our development efforts with a combination of internal resources and best-in-class partners. We are on track for a soft launch of GAMES.COM in September," Hassenfeld explained.

"Although our first-half performance met expectations, we face several challenges which could negatively impact our second half," Hassenfeld noted. "POKEMON is softening in the U.S. However, the release of the second movie this week - with six new GOLD and SILVER characters, plus 40 new television episodes beginning in September, Nintendo's launch of GOLD and SILVER in October, and new products may help rekindle excitement consistent with the product life cycle in Japan. While we do not expect to begin shipping GOLD and SILVER product until late this year, we do plan to ship several other exciting new POKEMON items including ACTION COMBAT FIGURES, the THINK CHIP BATTLE STADIUM and THINK CHIP figures."

"There are also several external factors which could impact us,"

Hassenfeld continued, "including a worldwide shortage of electronic components. Since our new product introductions are concentrated in the second half, this shortage could impact our ability to meet customer demand. Other external challenges include continued high oil prices that impact resin and transportation costs, continuing softness in the interactive entertainment business, the relative strength of the U.S. dollar and the overall lackluster retailing environment."

"We still look forward to introducing many new products, especially in the all-important fourth quarter," Hassenfeld added. "We are excited about the U.S. debut of ACTION MAN, MY REAL BABY, HARRY POTTER'S BERTIE BOTT'S EVERY FLAVORED BEANS, several interactive games, plus new interactive pets and lifestyle products from Tiger Electronics including SUPER POO-CHI, SHELBY, HIT CLIPS and LIGHTNING MAIL," Hassenfeld concluded.

The Company will webcast its second quarter earnings conference call at 9:00 a.m. Eastern time today. Investors and the media are invited to listen at <http://www.hasbro.com> (select "Investors & Media" from the home page, then click on the webcast icon).

Hasbro is a worldwide leader in children's and family leisure time and entertainment products and services, including the design, manufacture and marketing of games and toys ranging from traditional to high-tech. Both internationally and in the U.S., its PLAYSKOOL, KENNER, TONKA, ODDZON, SUPER SOAKER, MILTON BRADLEY, PARKER BROTHERS, TIGER, HASBRO INTERACTIVE, MICROPROSE, GALOOB and WIZARDS OF THE COAST brands and products provide the highest quality and most recognizable play experiences 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. These statements may be identified by the use of forward-looking words or phrases such as "anticipate", "believe", "could", "expect", "intend", "may", "planned", "potential", "should", "will" and "would". 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 Company's ability to manufacture, source and ship new and continuing products on a timely basis and the acceptance of those products 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 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, including the ability to secure, maintain and renew popular licenses and the ability to attract and retain talented employees in a competitive environment; market conditions, third party actions or approvals and the impact of competition that could delay or increase the cost of implementation of the Company's Consolidation Program or alter the Company's actions and reduce actual results; the risk that anticipated benefits of acquisitions may not occur or be delayed or reduced in their realization; and with respect to the Company's online game site initiative, technical difficulties in adapting games to online format and establishing the online game site that could delay or increase the cost of the site becoming operational; the acceptance by consumers of the games and other products and services to be offered at the site; competition from other online game sites and other game playing formats; and the fact online game revenues may not be sufficient to cover the significant advertising and other expenditures required or the support, service and product enhancement demands of online users. 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 acquired in-process research and development, restructuring charges, 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.

HASBRO, INC.

CONSOLIDATED STATEMENTS OF EARNINGS

(Thousands of Dollars and Shares Except Per Share Data)

	Quarter Ended		Six Months Ended	
	Jul. 2, 2000	Jun. 27, 1999	Jul. 2, 2000	Jun. 27, 1999
Net Revenues	\$ 778,373	874,574	\$1,551,854	1,542,972
Cost of Sales	298,043	345,026	598,344	601,543
Gross Profit	480,330	529,548	953,510	941,429
Amortization	31,928	31,918	64,784	57,844
Royalties, Research and Development	135,150	179,776	261,189	291,718
Advertising	77,732	101,274	147,091	182,358
Selling, Distribution and Administration	198,974	158,368	403,710	321,649
Operating Profit	36,546	58,212	76,736	87,860
Interest Expense	28,198	13,625	49,641	25,598
Other (Income) Expense, Net	(1,073)	(2,209)	(4,249)	(4,527)
Earnings Before Income Taxes	9,421	46,796	31,344	66,789
Income Taxes	2,921	14,507	9,717	20,705
Net Earnings	\$ 6,500	\$32,289	\$ 21,627	46,084
Per Common Share				
Net Earnings				
Basic	\$.04	.17	\$.12	.24
Diluted	\$.04	.16	\$.12	.22
Cash Dividends Declared	\$.06	.06	\$.12	.12
Weighted Average Number of shares				
Basic	171,621	195,330	180,925	195,614
Diluted	172,739	207,052	181,872	205,836

HASBRO, INC.

CONSOLIDATED CONDENSED BALANCE SHEETS

(Thousands of Dollars)

	Jul. 2, 2000	Jun. 27, 1999
Assets		
Cash and Temporary Investments	\$ 188,545	\$ 97,765
Accounts Receivable, Net	573,869	843,580
Inventories	508,160	433,460
Other	456,279	586,115
Total Current Assets	1,726,853	1,960,920
Property, Plant and Equipment, Net	320,176	308,420
Other Assets	1,968,187	1,631,797
Total Assets	\$4,015,216	\$3,901,137

Liabilities and Shareholders' Equity

Short-term Borrowings	\$ 363,375	\$ 823,202
Payables and Accrued Liabilities	881,204	786,176
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Total Current Liabilities	1,244,579	1,609,378
Long-term Debt	1,168,959	409,937
Deferred Liabilities	99,857	77,700
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Total Liabilities	2,513,395	2,097,015
Total Shareholders' Equity	1,501,821	1,804,122
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Total Liabilities and Shareholders' Equity	\$4,015,216	\$3,901,137
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