

THOMSON REUTERS STREETEVENTS

EDITED TRANSCRIPT

HAS - Hasbro Inc at JPMorgan Technology, Media and Telecom Conference

EVENT DATE/TIME: MAY 23, 2016 / 12:40PM GMT



CORPORATE PARTICIPANTS

Brian Goldner *Hasbro, Inc. - Chairman, President & CEO*

Deb Thomas *Hasbro, Inc. - EVP & CFO*

CONFERENCE CALL PARTICIPANTS

Kevin Milota *JPMorgan - Analyst*

PRESENTATION

Kevin Milota - *JPMorgan - Analyst*

OK, good morning, everyone. This is Kevin Milota. I'm the leisure analyst at JPMorgan.

I'm happy to have Hasbro here this morning. We've got Brian Goldner who is the Chairman, President and CEO for the Company and Deb Thomas who is the Executive Vice President and CFO of Hasbro.

The format is we're going to have Brian start off, give a kind of a brief overview and introduction and then we'll hop into Q&A. The format is I will ask some questions and then feel free to jump in when appropriate and ask whatever questions that you might have for the team here.

So with that, Brian please --

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Great, thanks, Kevin. Good morning everybody. Thank you guys for being here, Deb Thomas and I are happy to be here with you as well.

We'll probably make some forward-looking statements so obviously refer to our SEC filings. And we'll jump right in.

Hasbro as you know, may know, has been around for about 90 years but yet over the last 10 years we've really worked to transform our business. And today we talk about our business as creating the world's best play experiences.

In 2015 the Company achieved \$4.4 billion in revenue which was a record year which at a 15.6% operating margin and growth of 4%, 13% absent FX. If you think about the strategy of Hasbro today, we're all about our Brand Blueprint. And by Brand Blueprint I mean we put our brands at the center of everything we do and then we go out and obtain proprietary consumer insights across a number of dimensions and we also focus our brands around storytelling in a number of ways.

We then create digital engagement through digital media as well as digital gaming. We have immersive entertainment experiences including episodic television as well as motion pictures. And we then, of course because we are able to tell stories around our brands, we create lifestyle licensing; in other words, other people are willing to sign on to our brands as licensees to create any number of consumer products in other categories outside the toy and game business, whether it's apparel or shoes or bedding, whatever it might be, back to school, what have you.

So, therefore, we have been able to in addition to growing our toy and game business we've been able to grow our entertainment and licensing business which is a separate reporting segment within our Company to last year \$245 million at an average operating margin of 28%. So well ahead of the Company average margin of 15.6%.

We've experienced a five-year CAGR on that part of our business of 12%. So it continues to be a robust part and growing part of our business.



We tell stories around our brands. So whether it's Transformers or My Little Pony or Littlest Pet Shop or Magic: The Gathering we create these stories around our brands across a number of dimensions. Our goal is to create entertainment and storytelling that crosses any number of platforms, any number of screens and takes into consideration the demographics and psychographics of each of our individual audiences.

So whether it's for My Little Pony where we are creating an episodic TV show that's on the air in more than 106 territories, 160 territories around the world or Transformers where we're producing both motion pictures as well as episodic programming, we are out to engage our audience and our consumers and hence grow that entertainment and licensing part of our business. In addition, we've been out growing our global footprint. Today we do business in all the relevant emerging markets and last year our emerging market business grew by 15% absent FX.

In addition to that, we've talked about digital gaming. We own 70% of Backflip Studios which is a mobile gaming company based in Boulder, Colorado. And this year for the first year they will be launching a raft of Hasbro franchise brands games including Transformers, My Little Pony and Monopoly games as well as a pretty well-known game themselves, a sequel to a game called DragonVale.

Finally, if you think about the Company we divide our business up into our franchise brands which are the top seven brands of the Company that we own and operate and have all the rights across a number of dimensions. Last year franchise brands were 52% of revenues.

Then we have some partner brands, some very important relationships with The Walt Disney Company across Star Wars as well as Marvel as well as of January, this past January, 2016 the Disney Princess and Frozen business. That represents about 27%, 28% of our business is up last year and on average we say that business should be about 25% of revenues as we go forward. So 75% Hasbro owned and operated brands, about 20%, 25% over time would be our partner brands.

In our partner brands we create the toy and game experiences but we don't have the licensing rights typically for those brands. So hopefully in a couple of moments I've given you a broad overview and then happy to take your questions.

Kevin Milota - *JPMorgan - Analyst*

Okay great. Obviously an exciting time for the business as we look through this year and into next year given some of the self-creating media properties that you have. Maybe give us a view on what you think are the most exciting opportunities and growth products that you have looking out through this year and into next year.

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Yes, our franchise brands have been growing at a good high single-digit rate and grew last year at high single digits. Those are the owned and operated brands of our Company including Nerf and Play-Doh in there. So storytelling for those brands have been very robust and their growth continues in a very strong manner globally.

For this year and then into next year, next year will be the first year we have feature films for both Transformers and for My Little Pony. And My Little Pony is our first animated feature that will come out in October of next year. And Transformers will be late June next year.

We will have Transformers movies in each of the next three years. So a real opportunity to step up our Transformers business which has continued to grow over time in movie and non-movie years and are non-movie years have continued to grow. So overall a pretty robust slate lineup for the franchise brands.

Kevin Milota - *JPMorgan - Analyst*

Obviously as you look at what you create and your brands, there is a linkage between the hard product and electronic mediums. So maybe give us a view of how you fit that into the Brand Blueprint and just kind of the inter-linkages of what you do from a content perspective.

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Sure. As we work a lot of what we do that we think gives us a bit of a strategic advantage is the amount of proprietary research we do and consumer insight work we do with our audiences. So we know that young people today want to experience a brand across a multitude of platforms and they would never understand why a tangible amusement, a toy wouldn't just translate directly to an iPad game or into an online game or mobile game.

So, in fact, we a few years ago put a team together called an integrated play team otherwise known as iPlay. So now if you're playing with your My Little Pony figurines there is a Cutie mark, or otherwise you guys probably would think of it as like a tattoo on each of the ponies. And you can scan that tattoo, for example, and it goes directly into the app that plays online so your character actually travels into a digital world and then you can travel back again.

So for us it's that seamless integration of digital media, gaming media as well as episodic media along with the tangible amusement business and the licensing business. That's how we think about just allowing young people to travel across any dimension they want.

Kevin Milota - *JPMorgan - Analyst*

The entertainment and licensing segment obviously has been a very fast growing business for you, as you mentioned a 12% CAGR over the last four years. High margins, much higher than the Company average. Can you give us your perspective on where you see that business trending over the next one, three, five years and how you see that business evolving for Hasbro and I guess for the industry in general?

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Yes, so in that category you have our licensing business, meaning those consumer product categories we license to others and get a nice royalty income on. We have our digital gaming business which continues to grow over time, including third-party digital games from any number of licensees like Gameloft and Activision, DeNA, what have you. Then of course Backflip is in there.

And then we get entertainment payments for the distribution of our episodic programming as well as streaming programming in places like Netflix and other OTT networks. So our belief is that over time as we've seen this kind of growth a double-digit CAGR over time is still absolutely achievable.

We're still in the early stages of unlocking the power of our brands in the entertainment arena. And we believe that, therefore, over a period it would grow pretty considerably as it's done in the past.

Kevin Milota - *JPMorgan - Analyst*

As you look at the capital is a scarce resource, we all know that. Give us some insight into how you manage the process of either internally creating brands or looking outside for great brands that you could do a lot with. Give us a sense for how you view that.

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Okay, so since 2000, if you go back to 2000 I talked about how the Company changed a lot in the last 10, 15 years. Our franchise brands, which last year were 52% of our revenues, were only 17% of our revenues back in 2000 and the Company was more than \$1.5 billion smaller.

So obviously our first phase of this development was to get our franchise brands growing and robust and we still believe there's lots of headroom and growth into our franchise brands. Our largest brand in our Company is Nerf and yet it's still smaller than some of the bigger competitive brands out there in this space. So we think it has a lot of headroom and could be a first if not among several brands but certainly a first brand that could break \$1 billion over some period of time.

The opportunity for growth then is in the franchise brands that you know. The next phase of the development of our blueprint is the strategic launch of some of our new brands, some new IP that we're putting into the market. There's a couple of brands, one was a small acquisition we made a few years ago which was an independent comic book brand known as Micronauts that was owned by neither of the other big comic book companies and we purchased that brand and are developing that for storytelling and we'll put that into the blueprint.

There's a brand called Hanazuki, again a very tiny acquisition that we made that we believe could be a next girls brand sensation. So this we're entering this next phase of new, original IP and put it into our blueprint now that we've developed the capabilities to relentlessly, repeatably launch brands.

Kevin Milota - *JPMorgan - Analyst*

Obviously the franchise brands are incredibly important to your business, 52% of revenue. As you look at the second tier of brands, what are you most excited about?

What do you think could eventually at some point in time as we look out turn into a franchise brand? Kind of give us your perspective on what that contribution looks like and where you see the growth there.

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Sure. So when we first started neither Play-Doh nor Nerf were a franchise brand. So those have only been recently anointed to be franchise brands. And by franchise brand for us it just means it has the capability over time or head toward a \$1 billion business.

Our operating margins and our franchise brands are strong double-digit, several hundred basis points higher than the Company average operating margin. So high teens to low 20s operating margin and then if you add our games business obviously also higher profitability on average than the Company average of 15.6% as of last year. So the development of franchise brands clearly is one way we expand our margins over time.

The second is as we grow beyond these breakeven points in our emerging market business, the third lever for operating margin expansion is the growth of the entertainment and licensing business. As I said that enjoys on average about 28% op margin. So those kind of three key levers that we look at as we look to expand operating margins over time.

Kevin Milota - *JPMorgan - Analyst*

Great. And anyone in the crowd who has a question, feel free to jump in. I will keep going until we have any.

Obviously the Disney win was huge for you. Could you give us some perspective on one, Star Wars obviously a huge property; Princess, Frozen, that being the new part of the puzzle here for you.

First quarter you termed it as a transitional period. Can you give us a sense for how that transition is going, what we can expect from that property and just generally how you view the relationship with Disney?

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Great. I think our relationship with Disney is strong and primarily it's because as a brand owner and IP owner we treat the Disney brands like we treat our brands. So we think about them much the same way we think about our brands.

Obviously we don't produce the entertainment for those brands nor do we have the consumer products part of the business but we work in an integrated way with those teams. We think in a very creative matter, we go out and do proprietary research around their brands and categories as well as the development of consumer demographics.

So for Princess, for example, we went out and did a study, a very big quantitative study of around the modern princess. And it's one of the ways, one of the tent poles that we used as we began to talk to them about the ability to take on their Princess business having grown our own girls business to be about \$1 billion, which people didn't realize that we were even in the girls business when we did it.

So we started with the Princess business in January, began shipments late last year. The transition has gone quite well. We're seeing some early days, good takeaway, good consumer takeaway.

And on average over product is selling better than the predecessor product because we've spent a lot of time in working and developing great innovative product that's wonderful, fashionable product with all the elements that girls are really looking for in that category. We also launched all 11 princesses which really hadn't been out of market in any recent past.

In terms of Star Wars it was a very exciting year. Last year as you know we did about \$500 million in our sales in Star Wars last year and we said that we thought 2016 could be very similar in size and we continue to believe that. Obviously we're coming through this home entertainment window for The Force Awakens and coming into holiday we'll have Rogue One which is the first of the Star Wars stories or anthologies outside of the trilogy.

Marvel business has had a continued run. Hopefully those of you in the audience got to see Captain America. If you got to see Captain America you probably saw some of our favorite characters make some appearances there, including Spiderman, and we're excited about where we go with that into the future. I hope I didn't spoil that for anyone.

So those three marquee titles for us are obviously incredibly important. We spend a lot of time with the brand owners developing those toy and game lines.

QUESTIONS AND ANSWERS

Unidentified Audience Member

(inaudible - microphone inaccessible)

Brian Goldner - Hasbro, Inc. - Chairman, President & CEO

We've developed a couple of interpretations of that. We hadn't done anything console-based. We did something called Telepods which was based on your iPad, scanning characters into your iPad into a game which worked quite well for us.

We continue to look at that category and we may skin it a little differently. But I imagine that over the next period you'll see versions of that that will continue to be important in the market.

Right now if you look at Transformers we already have a 360 degree way to play with Transformers. So if you're working on the robots, those you can scan into apps of all kinds and play online and online gaming.

We continue to believe that we need to give our audience the opportunity to play across multiple dimensions. So I think that category is definitely going through a transition period but we see some opportunities to create integrated play in digital and analog into the future.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Brian Goldner - Hasbro, Inc. - Chairman, President & CEO

I'm not going to comment specifically on that. But I would tell you that we look at all categories of play. We're out to create the world's best play experiences, so that has to include all facets of digital and analog as well as the melding of the two.

That's what the expectation is of young people who play with those brands. We see an opportunity in a number of categories or number of ways to play there.

Kevin Milota - JPMorgan - Analyst

Maybe we could just take a step back and if you could give us, obviously your business you touch a lot of different segments of consumers through different channels. Give us a sense for how you view the health of the retail consumer is at this point, kind of expectations for this year for industry growth for your business.

Brian Goldner - Hasbro, Inc. - Chairman, President & CEO

Yes, so the toy industry grew last year 6% to 7%, 8% globally in the markets where we get good data. Our business grew as I said 13% absent FX, so we were ahead of the market and grew market share in every market where we have data.

This year the business in developed economies as well as emerging market continues to perform well. I think persistent in the US, persistently low gas prices although rising a bit have continued to help disposable income and allowed people to buy in.

I think the increased impact of storytelling and entertainment-backed brands, our industry is certainly one that benefits from the great storytelling. We've entered a new area of unprecedented entertainment which is helping to inform not only the toy and game category but consumer products categories across both the box at retail as well as online retailing which continues to be robust.

We've seen very strong POS. We talked about double-digit POS across the board. And online retailing POS is always tracking ahead, in some instances nearly twice the strength of big-box growth. Obviously coming off a smaller base but we believe that online retailing is a great opportunity for us.

It's actually allowing us to disintermediate and offer new kinds of products that new kinds of price points that we had never been able to do before, to talk more to that fan and that fan economy which is a very important part of our business.

In fact, we haven't really talked about it much, we've talked about this idea of building share of life, meaning all the different categories of business we can do around our brands. But on average if you look at Hasbro almost 20% of our revenues come from people buying for people 16 and over, 16 years old and over.

So nearly 20% of our business is now this fan economy where online retailing really benefits us. In this year we'll be launching a raft of products that are really about the fans, whether it's the authentic Captain America shield or other products, and great helmets and cosplay, costume play, that adults really enjoy. We're providing them the products that they are looking for.

Kevin Milota - JPMorgan - Analyst

Obviously -- we've got one in the back.

Unidentified Audience Member

On the online sales question are the operating margins for that higher?

Brian Goldner - Hasbro, Inc. - Chairman, President & CEO

They are similar. We believe over time they could be better but obviously there's some curve, startup curve and growth curve there because you're developing more digital assets and we're delivering more digital assets, whether it's webisodes and/or other digital assets to sell the products online as well as you know frustration free packaging, different kinds of packaging iterations and more solid packs for online retailing. But over time there's no reason why the margins there couldn't be better than our operating margins for the big-box retailing.

Unidentified Audience Member

So what is the structure, given you have all of these margin enhancing opportunities, what is the structural margin for your Company in three years?

Brian Goldner - Hasbro, Inc. - Chairman, President & CEO

We don't really give margin guidance, except to say if you go back to 2000, let's go to early 2000 where we actually had a positive operating margin. It was in the 7%, 8%, then it gravitated around 10%, 12, 13% and last year it was 15.6%. So I think if you look at our track record over the last five to eight years obviously strong growth.

Now we're in a phase where we continue to invest in our business but believe we can continue to enhance operating margins. We haven't really given specifics and we're not going to. But I think the track record of the management team of expanding operating margins beyond where we are comes from the levers we've talked about.

Kevin Milota - JPMorgan - Analyst

That would be a good segue for Deb to answer a question here. Just on the amazing thing about the business for me is the margins have sustained economic upturns and downturns or more the downturns. Maybe give us a sense for how you manage through different economic cycles with your either product development or on the cost side or on the pricing side for end customers, give us your view for kind of how you manage through cycles.

Deb Thomas - Hasbro, Inc. - EVP & CFO

Sure, absolutely. Well we pay a lot of attention to pricing first and foremost, and in order to do that we've taken a very balanced approach with an extended hedging program. So we kind of know about how much cost we're going to have in our business every year for our tangible product and we'll hedge that on a rolling five-year cycle.

What that does is it gives is predictability for our cost so we can go ahead and price our product that way and in the best fashion to attract our consumers. That being said, we can manage that gross margin that way and continue to take cost out of the manufacturing part of the business. Also as we grow our entertainment and licensing segment as Brian said that has very high gross margins.

But we do believe it's important to continue investing in development: product development, research development, understanding our consumer which has made a huge difference to our business both in our storytelling and in our tangible product that we have out there. So as we look at the ups and downs of the cycles we say these are the things that are important to invest in.

And if I were talking about that last question on digital we've invested hundreds of millions of dollars through our P&L in developing these new businesses and going into emerging markets and growing our digital capabilities all while delivering increased operating profit margin. So we're very focused on becoming more efficient, more effective in the way we do things, adding predictability to the business where we can and attracting consumers in the best way possible.

Kevin Milota - *JPMorgan - Analyst*

Great. Balance sheet, strong balance sheet is obviously a great thing.

Historically you've looked to return cash to shareholders with both dividends and kind of an equal policy of both dividends and buybacks. Give us a sense for how we should expect that to grow on the dividend side and also buybacks likely more opportunistic. But give us a feel for kind how we should expect the balance sheet strategy to play through.

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

First and foremost, we spend money investing in our business. That's our number one priority and then we do return excess cash to our shareholders. Over the last five years we've returned 136% in net earnings to shareholders via both the dividends and buybacks.

We want to ensure that our dividend remains sustainable. Back in February our Board voted to increase our dividend another 11% to now \$0.51 per share per quarter. And we have a pretty strong track record, mid-teens CAGR, in terms of dividend increases over the last number of years, about 10 years if you look at it.

So that's one way. And the other is continuing to look at buying shares back and have had a very robust share buyback program and have spent billions of dollars in that category as well.

Deb Thomas - *Hasbro, Inc. - EVP & CFO*

And that really for us is a function of our available cash, excess cash. A lot of our cash like many other companies is overseas right now. So we found ways to cost-effectively bring that back.

And when we do first we invest in the business for the growth in revenue and investing around research, development for future growth of the Company and then we'll return it to shareholders. This year we said that our share repurchase program we expected to be around \$150 million and we returned a fair amount of cash back to shareholders in the first quarter along those lines.

Unidentified Audience Member

Can you talk about the Lionsgate partnership (inaudible)

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Sure. So we have two projects that are with Lionsgate. Both have to do with distributing our films that we are producing: one that we're producing, one that they're producing.

The first animated feature that we're working on, it's a logical extension of the My Little Pony brand, is an animated feature in My Little Pony. And what's interesting about the animated business is as you know the price points for animation if you look at it outside of kind of a Hollywood setting continue to come down as technology continues to improve.



So while people used to spend a tremendous amount of money in making animated films, today you can make animated films for a lot less. And our experience in making television's enabling us to make an animated feature film for much more of a modest budget.

Lionsgate will distribute that film. They actually were just at Con selling it internationally. It will come out next October and then run in different time periods but very close to October around the world.

They get a basically a distribution fee, they put up the P&A for -- the P&A meaning the prints and advertising for the distribution. And they recoup some of those monies and then we are a full participant in the gross of the film.

In the case of Monopoly, which is the other deal that we've done, they are paying, it's a higher budget because it's perceived as kind of a live-action special-effects movie and they will pay for the production. We get a full boat producer deal that we have as we have had on a number of movies around Hollywood including Transformers and GI Joe and others. And so we'll get a producer fee plus some percent of the gross of the box office.

So there's kind of two different structures. So where the budgets are seen as being much higher we do allow our partners who are experts at making live-action films to pay for the production of those films.

Unidentified Audience Member

So this is a bit of a softer question but we're somewhat new to the name and curious about your views, corporate views on ESG, SRI concerns as it relates to violence in any of the games and sort of a corporate strategy or viewpoint and how you see that. It sounds like your demographic is a bit on the younger side perhaps (multiple speakers)

Brian Goldner - Hasbro, Inc. - Chairman, President & CEO

Some of the console games are more high action games. We don't really participate at that much in the console gaming space. I think Transformers would probably be the one in again it's a fun, action-oriented console game and has been historically produced by Activision.

But otherwise our games are really casual games, primarily played on your smartphone or iPad and My Little Pony or Play-Doh or whatever it might be. Magic: The Gathering is a fantasy-based gameplay and not really violent at all.

It's more of a fantasy-based card game, a little bit sci-fi, a little bit fantasy. So for us it's really not in our -- it's not really in our categories to really think about more of a violent gameplay.

Kevin Milota - JPMorgan - Analyst

And just going back to balance sheet with just acquisition strategy, give a sense for what deals you've done, how you assess deals and maybe what brands are out there that, not to identify any, but where your portfolio might be lacking, a robust portfolio but where you could fill out some of the gaps.

Brian Goldner - Hasbro, Inc. - Chairman, President & CEO

We've really looked at building our brands through the blueprint and we spent a lot of time and effort and as Deb described investment through the P&L in building the Brand Blueprint that enables us to activate our brands and take them out to a number of dimensions across toy and game and digital and licensing and do that through storytelling and immersive experiences. Then as we look at categories we've really said our brands are the investment we're going to make in some new, original brands as I described earlier that we'll put into the blueprint.

Secondly, we've looked at ways to tell story and to look at storytelling and distribution. A number of years ago we did a joint venture, created a joint venture relationship with Discovery Communications for the Discovery Family Channel and we own 40% of that channel. That was really important because the way international TV distributors look at programming it has to have a home in the US in order for them to even consider it and that's why our shows are on the air in somewhere between 160 and 190 territories around the world.

Like Transformers is on the air all around the world. My Little Pony, episodic programming, on the air all around the world because we have a home for it in linear TV in the US. So that was a critical element to unlocking that.

And so as we look out then the other year that we've really focused on is gaming and particularly in mobile gaming. So we made an acquisition 70% of Backflip Studios for \$112 million a few years ago. And so I think I would view our acquisition strategy as the openness to add-ons that continue to enhance our Brand Blueprint and our capabilities around the Blueprint more than something that would be brand-oriented or outside brand-oriented.

Kevin Milota - *JPMorgan - Analyst*

As you look, kind of touching on international, as you look to China box office expected to grow incrementally or exponentially how do you see Hasbro fitting into that mix whether it's through Transformers or some of your other internally-created brands? Give us a sense for where you see that fitting into the Hasbro story.

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Global box office is incredibly important to brands in this category and, frankly, brands across all categories. Brands today have become more and more media-oriented properties. And the global box office is a great way to ensure that you're introducing your brands to new audiences around the world.

If you travel around the world and you get off a plane in any emerging market, you'll see lots of cranes and typically lots of building of malls and multiplexes. So lots of screens being created around the world, and so we have to put our stories onto those screens around the world.

So we're very happy that in partnership with Paramount we have three Transformers films coming out over the next three years, in 2017, 2018, and 2019. 2017 is in the chronology of the current story and then 2018 is a story about Bumblebee, some of you know is a yellow Camaro, originally a VW Bug.

We also have a very robust cinematic universe we're developing with Paramount. And we just conducted a writers room where we have brands from G.I. Joe to Micronauts, M.A.S. K, Visionaries, ROM all included, so we are creating an interwoven universe that we will launch probably first film in 2018 or 2019.

And then we'll have a raft of films that will be interconnected over the next several years that will help us to introduce some brands that were in our vault -- not all those brands were on the market, in fact only G.I. Joe has been on the market -- and give us a chance to tell stories. And clearly global box office today is about 70% outside the US and we want to continue to exploit the box office in addition to television because it's an incredibly viable medium that will continue to grow.

Kevin Milota - *JPMorgan - Analyst*

Okay great. I think we're out of time. But thank you very much for coming, Brian and Deb.



Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Thank you so much.

Deb Thomas - *Hasbro, Inc. - EVP & CFO*

Thank you.

Brian Goldner - *Hasbro, Inc. - Chairman, President & CEO*

Thank you, guys.

DISCLAIMER

Thomson Reuters reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES THOMSON REUTERS OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2016, Thomson Reuters. All Rights Reserved.

