

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14D-1
(Amendment No. 3)
TENDER OFFER STATEMENT
Pursuant to Section 14(d)(1)
of the Securities Exchange Act of 1934

GALOOB TOYS, INC.
(Name of Subject Company)

NEW HIAC II CORP.
HASBRO, INC.
(Bidders)

Common Stock, par value \$0.01 per share
(Title of Class of Securities)

364091 10 8
(CUSIP Number of Class of Securities)

Phillip H. Waldoks, Esq.
Senior Vice President-Corporate Legal Affairs and Secretary
Hasbro, Inc.
32 W. 23rd Street
New York, NY 10010
Telephone: (212) 645-2400
Facsimile: (212) 741-0663
(Name, Address and Telephone Number of Person authorized to
Receive Notices and Communications on Behalf of Bidders)

Copy to:
Thomas H. Kennedy, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
919 Third Avenue
New York, NY 10022
Telephone: (212) 735-3000
Facsimile: (212) 735-2000

CALCULATION OF FILING FEE
Transaction Valuation* \$230,086,776
Amount of Filing Fee \$46,018

* Estimated for purposes of calculating the amount of the filing fee only. The filing fee calculation assumes the purchase of 18,127,864 shares of common stock, \$0.01 par value per share (the "Shares"), of Galoob Toys, Inc. at a price of \$12.00 per Share in cash, without interest. The filing fee calculation is based on the 18,127,864 Shares outstanding as of September 27, 1998 and assumes the issuance prior to the consummation of the Offer (as defined in the Schedule 14D-1), of 1,046,034 Shares upon the exercise of outstanding options and other rights and securities exercisable into Shares that have an exercise price of less than \$12.00. The amount of the filing fee calculated in accordance with Regulation 240.0-11 of the Securities Exchange Act of 1934, as amended, equals 1/50th of one percent of the value of the transaction.

[X] Check box if any part of the fee is offset as provided by Rule 0-11 (a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$46,018.
Form or Registration No.: Schedule 14D-1.
Filing Party: Hasbro, Inc. and New HIAC II Corp.
Date Filed: October 2, 1998.

TENDER OFFER

This Amendment No. 3 amends and supplements the Tender Offer Statement on Schedule 14D-1 filed on October 2, 1998 (as amended and supplemented the "Statement") relating to the offer by New HIAC II Corp., a Delaware corporation ("Purchaser") and a wholly owned subsidiary of Hasbro, Inc., a Rhode Island corporation ("Parent"), to purchase all of the outstanding shares of common stock, par value \$0.01 per share (the "Common Stock") including the associated preferred stock purchase rights issued pursuant to the Rights Agreement, dated as of January 17, 1990, by and between the Company and Mellon Securities Trust Company as Rights Agent (the "Rights" and, together with the Common Stock, the "Shares"), of Galoob Toys, Inc., a Delaware corporation (the "Company"), at \$12.00 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase dated October 2, 1998 and the related Letter of Transmittal. Unless otherwise indicated, the capitalized terms used herein shall have the meanings specified in the Statement including the Offer to Purchase filed as Exhibit (a)(1) thereto.

Item 7. Contracts, Arrangements, Understandings or Relationships With Respect to the Subject Company's Securities.

On October 26, 1998, the Company separately notified persons who hold only Options that have an exercise price that equals or is greater than \$12.00 per share, that there would be no payment made to them in exchange for the cancellation of their Options. The text of this letter is set forth as Exhibit (c)(4) hereto and is incorporated by reference herein.

Item 11. Materials to be Filed as Exhibits.

(c)(4) Text of letter, dated October 26, 1998, from Galoob Toys, Inc. to holders of Options.

SIGNATURE

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: October 26, 1998

NEW HIAC II CORP.

BY: /s/ Phillip H. Waldoks

NAME: PHILLIP H. WALDOKS
TITLE: Senior Vice President-Corporate
Legal Affairs and Secretary

HASBRO, INC.

BY: /s/ Phillip H. Waldoks

NAME: PHILLIP H. WALDOKS
TITLE: Senior Vice President-Corporate
Legal Affairs and Secretary

galoob

William G. Catron
Executive Vice President,
General Counsel,
Chief Administrative Officer
and Corporate Secretary

Galoob Toys, Inc.
500 Forbes Boulevard
South San Francisco, CA 94080
(650) 952-1678 Ext 2200
Fax (650) 583-5572
www.galoob.com

October 26, 1998

[First Name] [Last Name]
[Address]
[City>], [State] [Postal Code]

Dear Galoob Option Holder:

We are sending you this letter so that you are aware of the treatment to your outstanding options (each, an "Option") to purchase shares of common stock (the "Common Stock"), par value \$0.01 per share, of Galoob Toys, Inc. ("Galoob"), which Options were granted to you pursuant to the terms and conditions of the 1996 Share Incentive Plan or the Amended and Restated 1984 Employee Stock Option Plan (collectively, the "Option Plans"), in light of the proposed acquisition by Hasbro, Inc. ("Hasbro") of Galoob.

Pursuant to the terms of the Agreement and Plan of Merger, dated as of September 27, 1998, by and among Galoob, Hasbro and New HIAC II Corp. (the "Merger Agreement"), Galoob has agreed to terminate the Option Plans effective as of consummation of the merger contemplated by the Merger Agreement (the "Merger"). In connection with the termination of the Option Plans, each outstanding Option held by you shall, immediately prior to the Merger, automatically be cancelled.

Please note, however, that the cancellation of the Options is contingent on the consummation of the Merger. If the Merger is not consummated, this notice shall be deemed null and void.

If you have any questions regarding the foregoing, please contact Ms. Kathleen R. McElwee at (650) 952- 1678, extension 2210.

Sincerely,

William G. Catron

WGC:vy

INDEX TO EXHIBITS

Exhibit	Sequential Page No.
(c)(4)	Text of letter, dated October 26, 1998, from Galoob Toys, Inc. to holders of Options.