



2021

Investor Presentation



Safe Harbor

Certain statements in this presentation contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements, which may be identified by the use of forward-looking words or phrases, include statements relating to: our future performance and expectations for growth in future quarters and 2021; our ability to return television and film entertainment revenues to 2019 levels; the impact of the global coronavirus outbreak on our business; the ability to achieve our financial and business goals and objectives; the expected adequacy of supply and operation of our manufacturing facilities; product and entertainment plans, including the content and timing of entertainment production and releases; changes in the methods of content distribution; marketing and promotional efforts; anticipated expenses; working capital; liquidity; and the anticipated impact of acquisitions and dispositions. Our actual actions or results may differ materially from those expected or anticipated in the forward-looking statements due to both known and unknown risks and uncertainties. Factors that might cause such a difference include, but are not limited to:

- our ability to design, develop, produce, manufacture, source and ship products on a timely, cost-effective and profitable basis;
- rapidly changing consumer interests in the types of products and entertainment we offer;
- the challenge of developing and offering products and storytelling experiences that are sought after by children, families and audiences given increasing technology and entertainment offerings available;
- our ability to develop and distribute engaging storytelling across media to drive brand awareness;
- our dependence on third party relationships, including with third party manufacturers, licensors of brands, studios, content producers and entertainment distribution channels;
- our ability to successfully compete in the global play and entertainment industry, including with manufacturers, marketers, and sellers of toys and games, digital gaming products and digital media, as well as with film studios, television production companies and independent distributors and content producers;
- our ability to successfully evolve and transform our business and capabilities to address a changing global consumer landscape and retail environment, including changing inventory policies and practices of our customers;
- our ability to develop new and expanded areas of our business, such as through eOne, Wizards of the Coast, and our other entertainment and digital gaming;
- our ability to successfully develop and execute plans to mitigate the negative impact of the coronavirus on our business, including, without limitation, negative impacts to our supply chain that could occur as the pandemic worsens in countries, such as India, where we source significant amounts of product;
- risks associated with international operations, such as currency conversion, currency fluctuations, the imposition of tariffs, quotas, shipping delays of difficulties, border adjustment taxes or other protectionist measures, and other challenges in the territories in which we operate;
- our ability to successfully implement actions to lessen the impact of potential and enacted tariffs imposed on our products, including any changes to our supply chain, inventory management, sales policies or pricing of our products;
- downturns in global and regional economic conditions impacting one or more of the markets in which we sell products, which can negatively impact our retail customers and consumers, result in lower employment levels, consumer disposable income, retailer inventories and spending, including lower spending on purchases of our products;
- other economic and public health conditions or regulatory changes in the markets in which we and our customers, partners, licensees, suppliers and manufacturers operate, such as higher commodity prices, labor costs or transportation costs, or outbreaks of disease, such as the coronavirus, the occurrence of which could create work slowdowns, delays or shortages in production or shipment of products, increases in costs or delays in revenue;
- the success of our key partner brands, including the ability to secure, maintain and extend agreements with our key partners or the risk of delays, increased costs or difficulties associated with any of our or our partners' planned digital applications or media initiatives;
- fluctuations in our business due to seasonality;
- the concentration of our customers, potentially increasing the negative impact to our business of difficulties experienced by any of our customers or changes in their purchasing or selling patterns;
- the bankruptcy or other lack of success of one of our significant retailers, such as the bankruptcy of Toys"R"Us in the United States and Canada;
- the bankruptcy or other lack of success of one or more of our licensees and other business partners;
- risks relating to the use of third-party manufacturers for the manufacturing of our products, including the concentration of manufacturing for many of our products in the People's Republic of China and our ability to successfully diversify sourcing of our products to reduce reliance on sources of supply in China;
- our ability to attract and retain talented employees;
- our ability to realize the benefits of cost-savings and efficiency and/or revenue enhancing initiatives, including initiatives to integrate eOne into our business;
- our ability to protect our assets and intellectual property, including as a result of infringement, theft, misappropriation, cyber-attacks or other acts compromising the integrity of our assets or intellectual property;
- risks relating to the impairment and/or write-offs of products and films and television programs we acquire and produce;
- risks relating to investments, acquisitions and dispositions;
- the risk of product recalls or product liability suits and costs associated with product safety regulations;
- changes in tax laws or regulations, or the interpretation and application of such laws and regulations, which may cause us to alter tax reserves or make other changes which would significantly impact our reported financial results;
- the impact of litigation or arbitration decisions or settlement actions; and
- other risks and uncertainties as may be detailed from time to time in our public announcements and SEC filings.

The statements contained herein are based on our current beliefs and expectations. We undertake no obligation to make any revisions to the forward-looking statements contained in this presentation or to update them to reflect events or circumstances occurring after the date of this presentation.



Supplemental Financial Data

Use of Non-GAAP Financial Measures

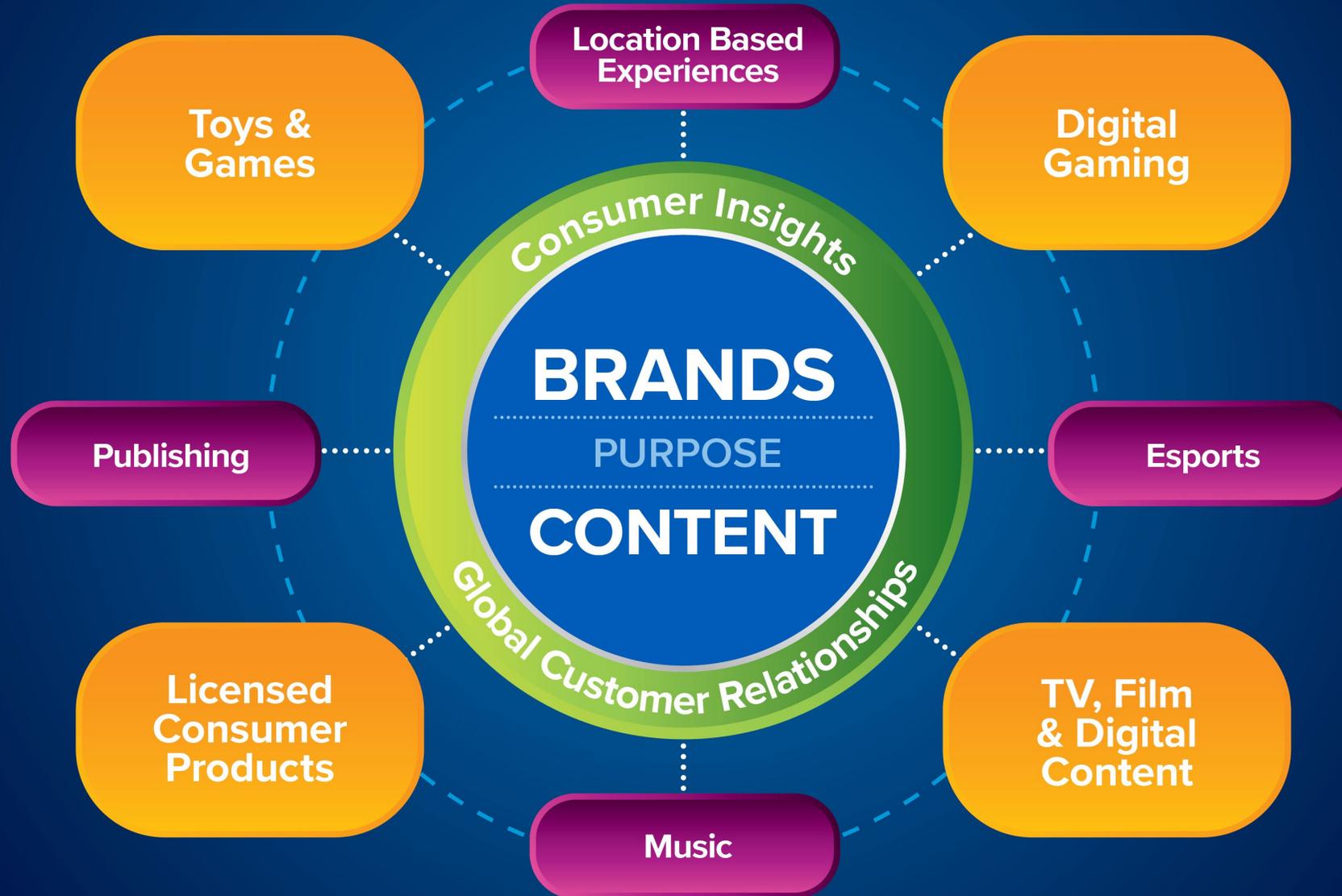
We have used non-GAAP financial measures as defined under SEC rules in this presentation. Specifically, we refer to adjusted net earnings, adjusted earnings per diluted share, adjusted operating profit and adjusted return on invested capital.

As required by SEC rules, we have provided reconciliations of these measures to the most directly comparable GAAP measure. Management believes that these non-GAAP financial measures provide investors with an understanding of the underlying performance of the Company's business absent unusual events.

These non-GAAP measures should be considered in addition to, not as a substitute for, or superior to, net earnings or other measures of financial performance prepared in accordance with GAAP as more fully discussed in the Company's financial statements and filings with the SEC. As used herein, "GAAP" refers to accounting principles generally accepted in the United States of America.



Hasbro Brand Blueprint



Hasbro's North Star

Build and operate a leading play and entertainment company that drives value for our stakeholders



WIZARDS
OF THE COAST



Consumer Products

Leveraging our brand portfolio of ~1500 brands through toys, games and licensed CP, driven by our innovation and expertise in merchandise and global retail

Gaming

Creating legendary games and lifelong adventures led by the tremendous work of the team at Wizards of the Coast and through Licensed Digital Gaming

Entertainment

Unlocking the Power and Value of Creativity across all areas of Entertainment

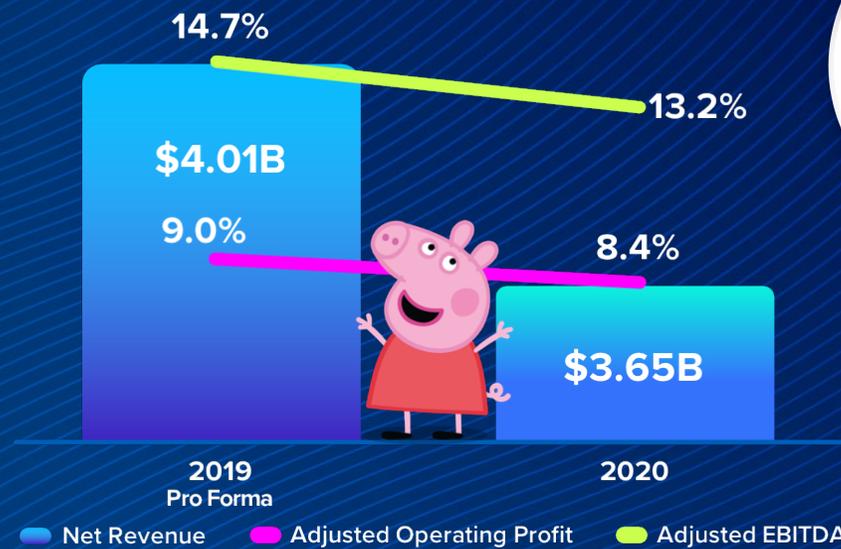


Consumer Products



Includes revenues from toy and games and licensed consumer goods

- ▶ Drive Hasbro's Consumer Products through Innovation Across the Portfolio
- ▶ Expand in segments where we are underrepresented including preschool
- ▶ Hasbro designed and marketed line of PEPPA PIG and PJ MASKS product begins in 2H 2021
- ▶ Leveraging Retail and eComm Leadership for Growth



Generates Strong Cash Flows

Expected Revenue & OP growth in 2021 and over the medium-term



Pro forma results include eOne results for the full-year ended December 29, 2019

See the financial tables on slides 36-37 for a reconciliation of adjusted operating profit and adjusted EBITDA.

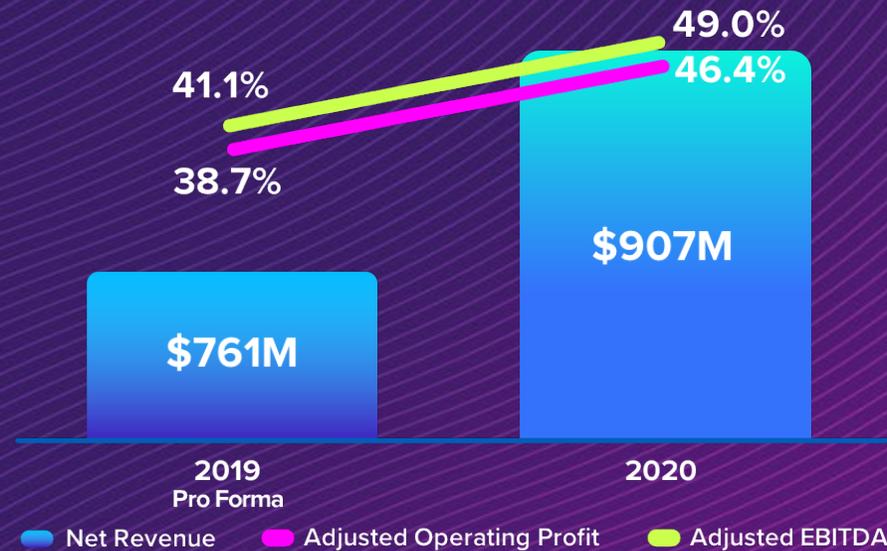
Wizards & Digital Gaming



DUNGEONS & DRAGONS



Includes revenues from digital and analog games from Wizards of the Coast, including **MAGIC: THE GATHERING** and **DUNGEONS & DRAGONS**, and Licensed Digital Games



On pace to **DOUBLE** Revenues From 2018 to FY 2021

Pro forma results include eOne results for the full-year ended December 29, 2019

See the financial tables on slides 36-37 for a reconciliation of adjusted operating profit and adjusted EBITDA.



2020 WIZARDS LARGEST YEAR EVER

WIZARDS OF THE COAST

REVENUE GROWTH



LICENSED
DIGITAL



Entertainment

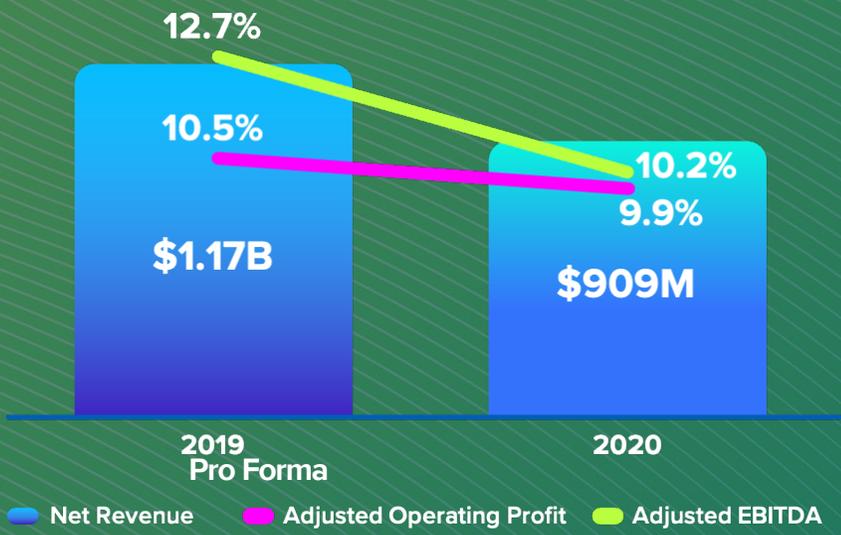


High Demand for Content

Growth in streaming and other platforms

Includes all eOne and Hasbro entertainment revenues:

- ▶ Family Brands
- ▶ TV/Film
- ▶ Hasbro Completed the Sale of the eOne Music business on June 29, 2021



- ▶ Building a talent-driven entertainment company
- ▶ Unlocking the power and value of creativity across all areas of entertainment for all platforms
- ▶ Developing Hasbro and third-party IP into profitable entertainment

Pro forma results include eOne results for the full-year ended December 29, 2019. See the financial tables on slides 36-37 for a reconciliation of adjusted operating profit and adjusted EBITDA.



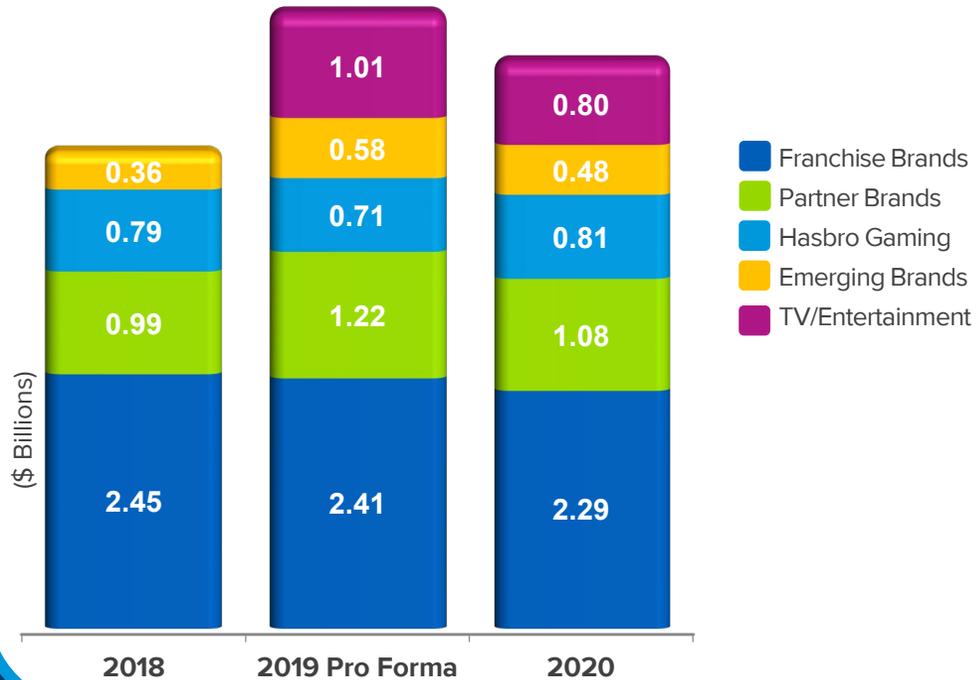


A global independent studio headquartered in Toronto, Canada. eOne specializes in the development, acquisition, production, financing, distribution and sales of entertainment content.

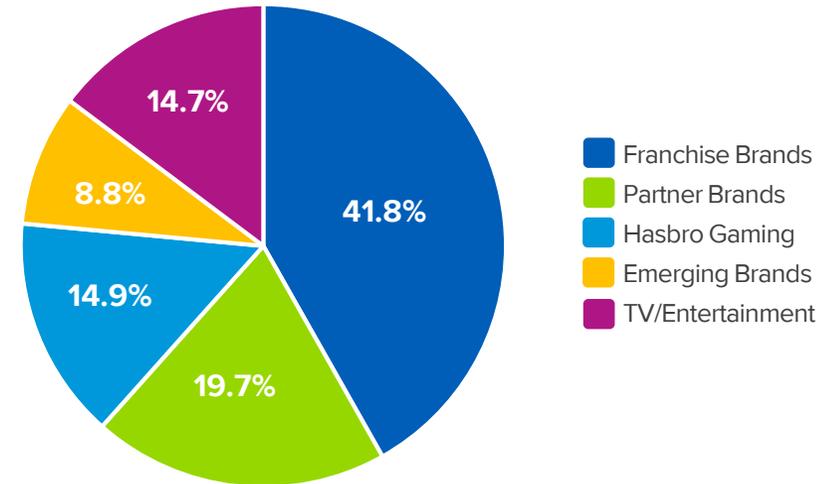


Unmatched Brand Portfolio

NET REVENUES BY CATEGORY



CATEGORY BREAKDOWNS
(2020 REVENUE)



Hasbro's total gaming category, including all gaming revenue, most notably MAGIC: THE GATHERING and MONOPOLY which are included in Franchise Brands in the chart above for the full year 2020 totaled \$1.76B, up 15% vs. \$1.53B in full year 2019.





FRANCHISE BRANDS



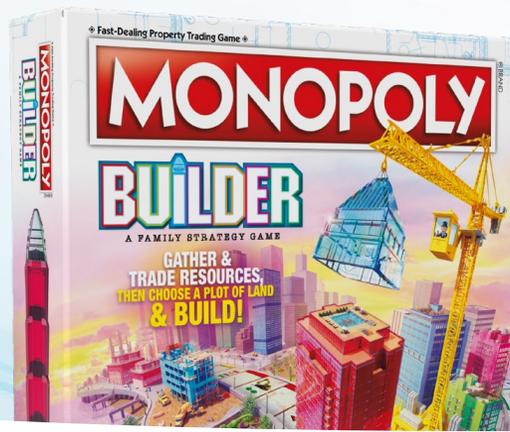
Global brands targeting diverse demographics and play patterns
Represent **~42%** of Hasbro's 2020 revenues
Growth portfolio with above company average operating profit margins



Partner Brands

Strategic Relationships with Best-in-Class Storytellers





Gaming

Industry Leader
Across Demographics
and Platforms

Hasbro's Gaming – unmatched portfolio and expertise in the industry

Appeals to broad demographics: preschool, kids, adults, fans and families across dimensions in **Face-to-Face gaming**, the **Wizards of the Coast** portfolio and in **Digital Gaming**

Above company average
Operating Profit margins



Emerging Brands

Includes Franchise Brands in the making along with new brands

FurReal



POWER RANGERS



Peppa Pig

PLAYSKOOL



GI JOE



2020 Results **Delivered**

Excellence

in a challenging year

► **REVENUE**
\$5.47B

► **NET EARNINGS**
As Reported **\$222.5M**
As Adjusted **\$514.6M**

► **OPERATING CASH FLOWS**
\$976.3M

► **CASH BALANCE at YE 2020**
\$1.45B

► **OPERATING PROFIT**
As Reported **\$501.8M**
As Adjusted **\$826.7M**

► **EPS: NET EARNINGS**
As Reported **\$1.62** per diluted share
As Adjusted **\$3.74** per diluted share

► **PAID**
\$372.7M
IN DIVIDENDS



*The As Adjusted figures are non-GAAP financial measures. A reconciliation of non-GAAP financial measures can be found on slides 33-34.

Multi-Year Revenue History

HASBRO NET REVENUES 2016-2018; HASBRO + eOne 2019-2020



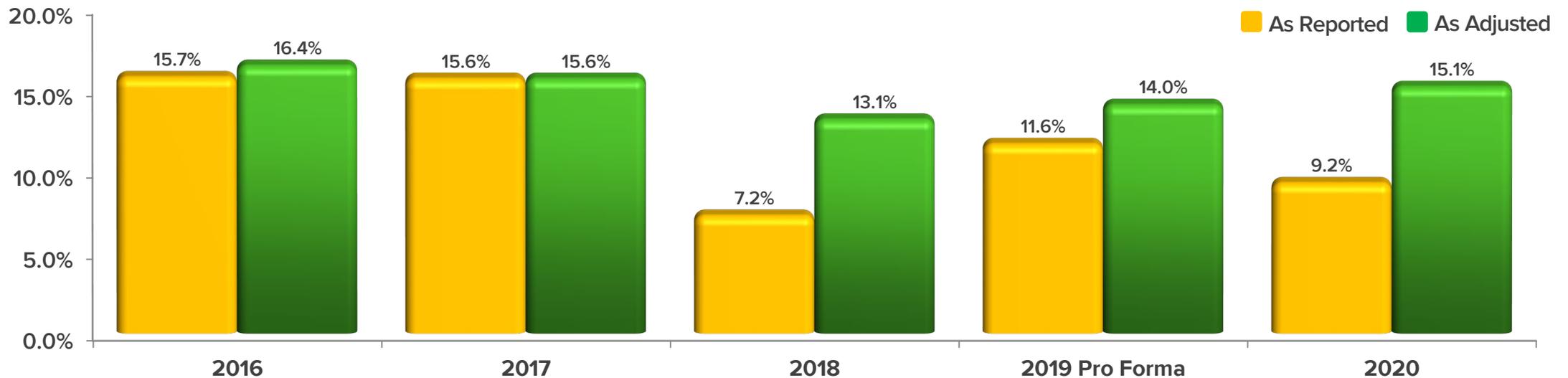
Full-Year 2020

- Full Year 2020 Revenues Down 8%, including an unfavorable \$16.2 million FX impact
- Delivered \$1 billion in eComm revenues globally, an increase of 43%

Operating Margin: Driving Long-term Profitable Growth

Plan to **grow operating profit margin** from **2020 levels** over the next few years through growth in **Hasbro and Wizards Gaming, Broad Consumer Products Programs & eOne Activating Hasbro IP in Entertainment**

HASBRO OPERATING MARGIN 2016-2018 (HASBRO STANDALONE); 2019-2020 (HASBRO and eOne)



- Full Year 2020 Adjusted operating profit margin **improved** by 110 basis points to **15.1%** of revenues.

- Continued **investments** to drive the business
 - Innovation Across the Brand Portfolio
 - Digital Gaming Talent & Game Development
 - Entertainment Talent & Content Development
 - eCommerce & Supply Chain Excellence

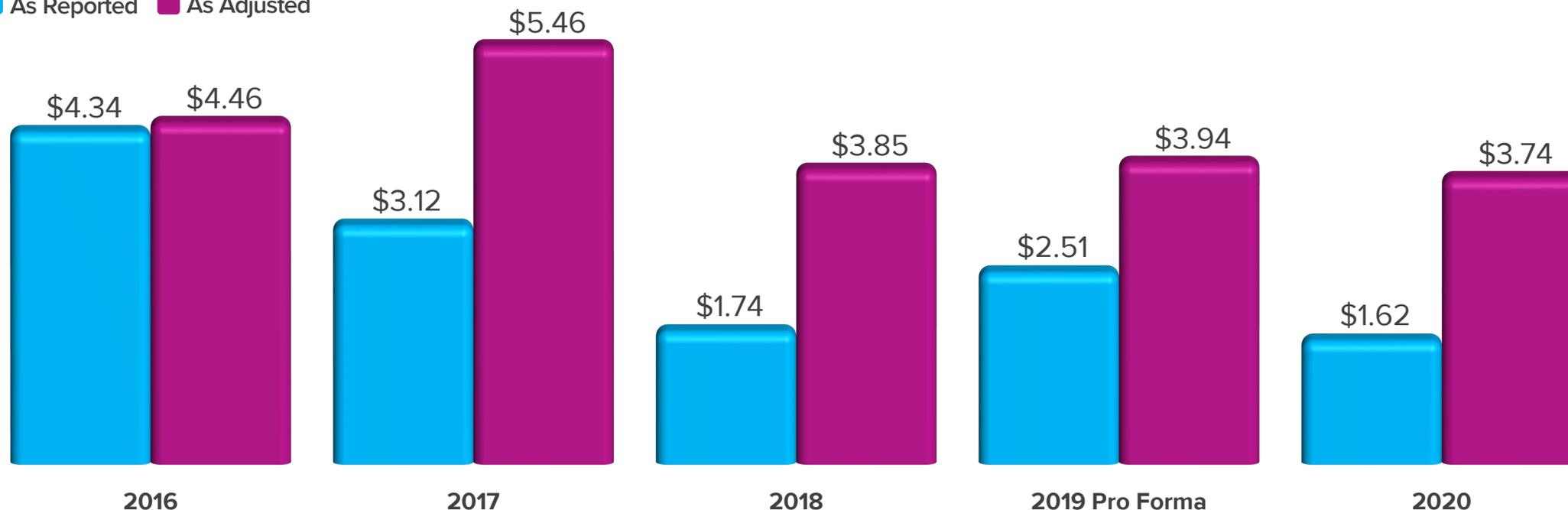
A reconciliation of reported to adjusted operating profit can be found on slide 39. *Pro forma results include eOne results for the full-year ended December 29, 2019.* See slide 38 for a Reconciliation of 2019 As Reported to Pro Forma Results.



Earnings Per Share 2016-2020

HASBRO STANDALONE 2016-2018; HASBRO + eOne 2019-2020

■ As Reported ■ As Adjusted

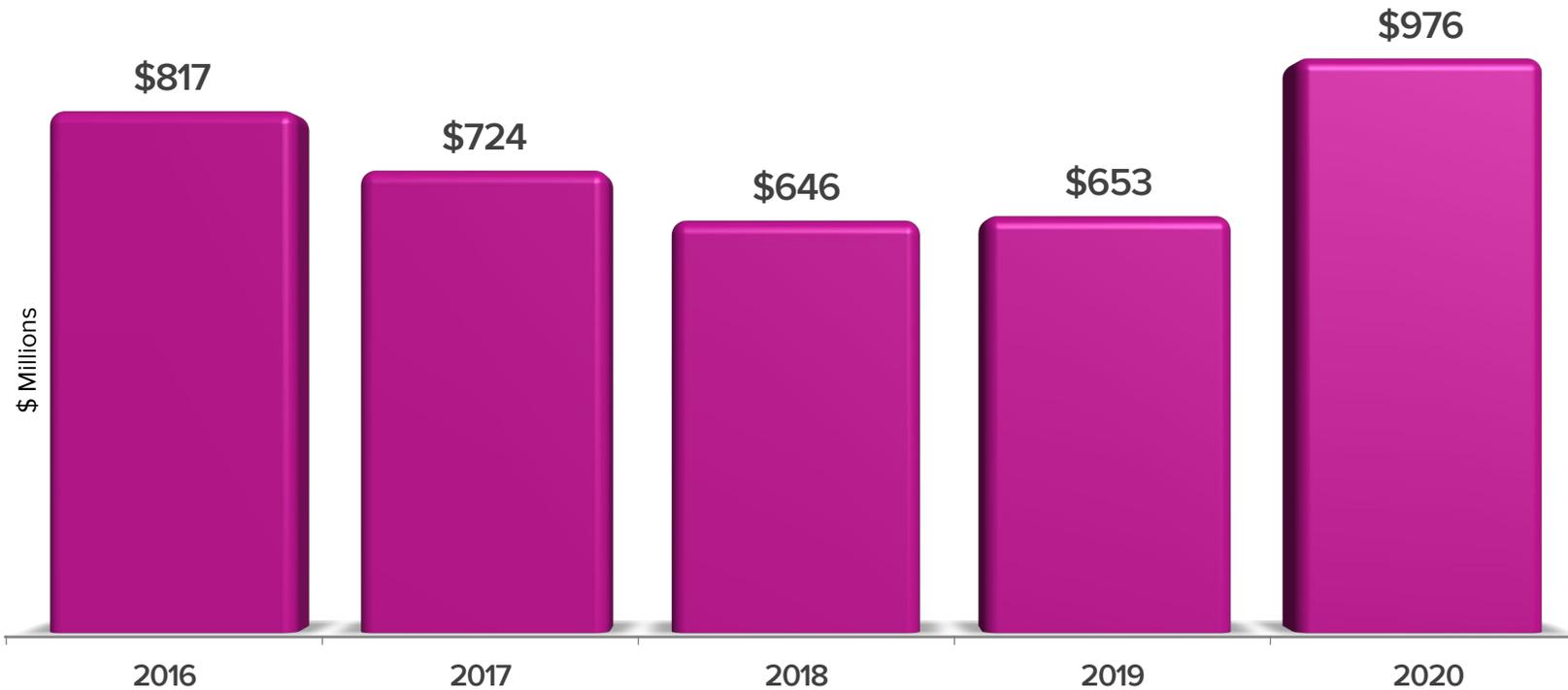


FY 2020 Reported Net Earnings included eOne acquisition and related costs, purchased intangible amortization, other severance costs and income tax expense associated with U.K. tax reform.

A reconciliation of reported to adjusted Net Earnings / EPS can be found on slide 40 *Pro forma results include eOne results for the full-year ended December 29*, . See slide 38 for a Reconciliation of 2019 As Reported to Pro Forma Results.



Consistently Strong Cash Flow



*2016 Operating Cash Flows have been restated to reflect the adoption of ASU 2016-09



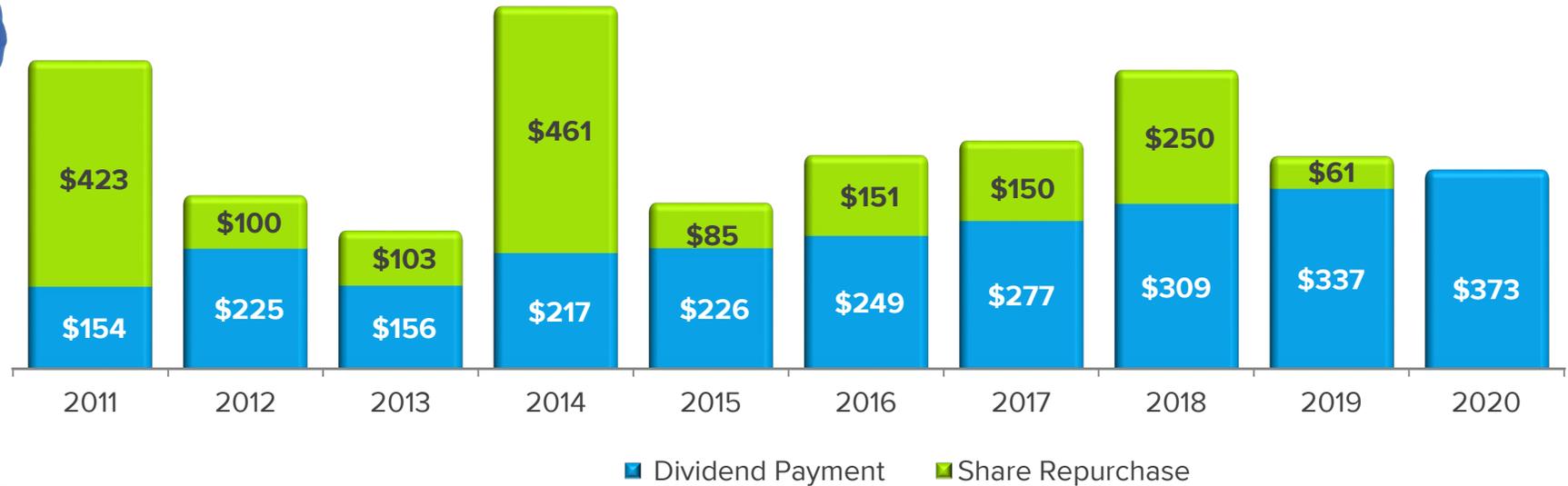
Financial Strength Supports Growth

Focused Capital Allocation

- ▶ Invest in long-term profitable growth of Hasbro
- ▶ Return Excess Cash to Shareholders
 - ▶ Board is committed to Maintaining the Dividend
 - ▶ Returned \$4.3B to Shareholders over the last ten years
- ▶ Committed to maintaining Investment Grade Rating and Returning to Target Debt Levels of 2.0-2.5x Debt to EBITDA
 - ▶ Retired \$972.5M of long-term debt YTD 2021



Long History of Returning Cash to Shareholders



Committed to Dividend

10 Years
\$4.3B
 Returned to Shareholders

Suspended Share Repurchase Program
 as the Company focuses on de-levering



Proven Leadership

EXECUTIVE OFFICERS



Rich Stoddart
Interim
Chief Executive Officer



Deborah M. Thomas
Executive Vice President,
Chief Financial Officer



Chris Cocks
President and
Chief Operating Officer,
Wizards of the Coast
and Digital Gaming



Eric Nyman
Chief Consumer Officer
and Chief Operating Officer,
Hasbro Consumer Products



Darren Throop
Chief Executive Officer,
eOne



Naj Atkinson*
Chief Talent and
Operations Officer



Kathrin Belliveau
Executive Vice President,
Chief Purpose Officer



Tom Courtney
Executive Vice President,
Chief Global Operations
Officer



Michael Hogg
Executive Vice President,
Chief Commercial Officer



Dolph Johnson*
Executive Vice President,
Chief Human Resources
Officer



Tarrant Sibley
Executive Vice President,
Chief Legal Officer and
Corporate Secretary



Steve Zoltick
Executive Vice President,
Chief Information Officer



**Dolph Johnson announced his plan to retire in May 2022; Naj Atkinson joined Hasbro in October 2021, reporting to Dolph*

Hasbro Board of Directors

Diverse, Independent, Balanced Board with Extensive, Relevant Skill Set



Tracy A. Leinbach
Chair of the Board
Retired Executive Vice President
and Chief Financial Officer
Ryder System, Inc.



Lisa Gersh
Outside Adviser;
Former Chief Executive Officer
Alexander Wang



Mary Beth West
Former Senior Vice President and
Chief Growth Officer
The Hershey Company



Kenneth A. Bronfin
Senior Managing Director
Hearst Ventures



Edward M. Philip
Retired Chief Operating Officer
Partners in Health



Linda K. Zecher
Chief Executive Officer
and Managing Partner
The Barkley Group



Michael R. Burns
Vice Chairman
Lions Gate Entertainment Corp.



Laurel Richie
Former President
Women's National Basketball Association



Hope Cochran
Managing Director
Madrona Venture Group



Richard S. Stoddart
Interim CEO, Hasbro
Former President and
Chief Executive Officer
InnerWorkings, Inc.



Commitment to Corporate Social Responsibility

Our Purpose is at the Center of Everything We Do at Hasbro

Making the World a Better Place for all Children, Fans and Families

Product Safety

Product safety is a critical priority and driven through our rigorous five-step quality assurance process.

Environmental Responsibility

We drive our environmental efforts through our Sustainability Center of Excellence with a focus on three core areas:

- *Design for the Environment* – making our products and packaging more sustainable for consumers and the planet
- *Sustainable Supply Chain* – partnering with our vendors to source and distribute Hasbro products in an environmentally conscious way
- *Hasbro Facilities & Culture* – greening our facilities and cultivating an eco-minded culture around the world

Human Rights & Ethical Sourcing

Treating people fairly – with dignity and respect – is a core Hasbro value. We work closely with third-party factories and licensees requiring all Hasbro-branded product to be manufactured safely, under fair labor conditions, and without ethical compromises.

Culture & Human Capital Management

Providing opportunities for success to our employees and ensuring their health and well-being are essential to the strength and growth of our business. We are committed to promoting a diverse and inclusive culture where employees feel valued, respected and empowered to bring their best ideas forward.



Purpose & Community



APPOINTED CHIEF PURPOSE OFFICER

Renewed our commitment to our **Diversity & Inclusion Goals**

GLOBAL PHILANTHROPY & SOCIAL IMPACT

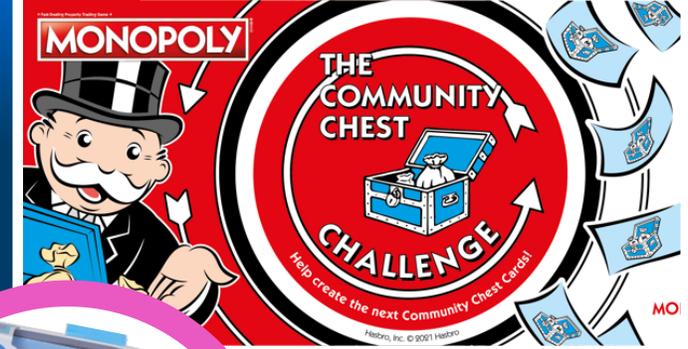
We provided more than \$25 million in both financial contributions and donations of more than three million toys and games in 2020 to organizations around the world.



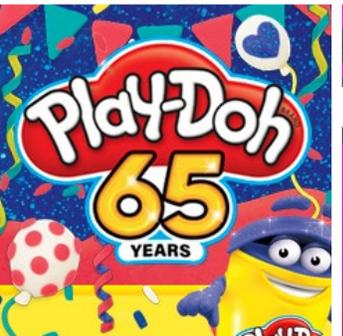
OUR CSR GOALS

<p>Audit 100% third-party vendors annually for social compliance</p>	<p>Pilot & implement female empowerment programs in third-party factories by end of 2020</p>	<p>REDUCE energy consumption by 25% by 2025*</p>
<p>Launch end-of-life, toy recycling program across major markets by 2020</p>	<p>Eliminate virtually all plastic in packaging for new products by the end of 2022</p>	<p>REDUCE greenhouse gas (GHG) emissions by 20% by 2025*</p>
<p>GROW women in roles of director and above globally to 50% by 2025</p>	<p>Achieve a 50% diverse slate for all open US positions where there is underrepresentation</p>	<p>REDUCE waste to landfill by 50% by 2025*</p>
<p>GROW ethnically and racially diverse employee representation in the US to 25%</p>		<p>REDUCE water consumption by 15% by 2025*</p>

* 2025 environmental goals for our owned and operated facilities based on a 2015 baseline year.



2021 Product & Entertainment Highlights



N PREMIERED
SEPTEMBER 2021



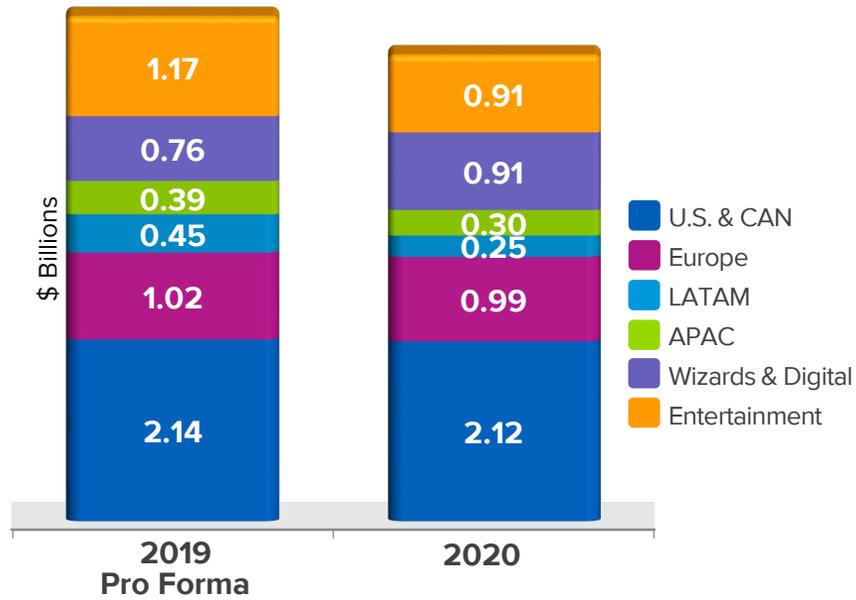
IMPACT

Supplemental Financial Information

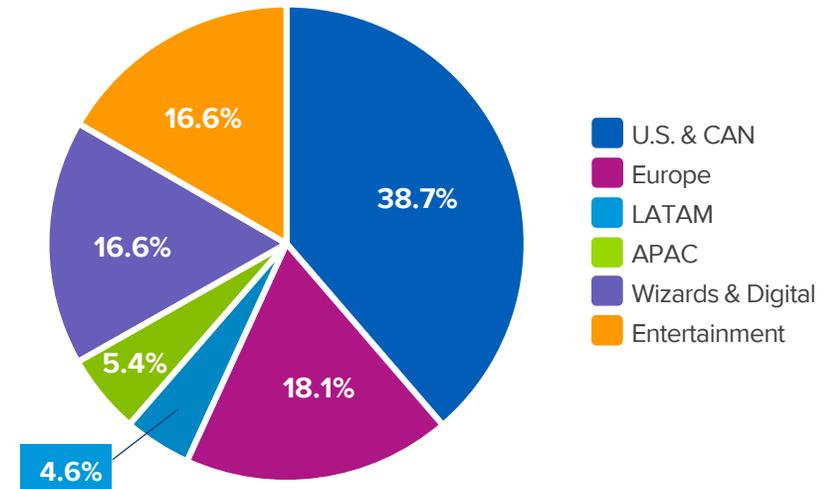


Net Revenues by Region

NET REVENUES BY REGION



REGION BREAKDOWNS
(2020 REVENUE)



Pro forma results include eOne results for the full-year ended December 29, 2019



Full-Year Income Statements

(\$ Millions)	2020	2019
Net Revenues	\$5,465	\$4,720
Cost of Sales	1,719	1,808
Program Cost Amortization	387	86
Royalties	570	415
Product Development	260	262
Advertising	413	414
Amortization of Intangibles	145	47
Selling, Distribution & Administration	1,252	1,037
Acquisition and Related Costs	219	--
Operating Profit	\$502^x	652
Interest Expense	201	102
Other Income, Net	(21)	(44)
Earnings Before Income Taxes	322	594
Income Tax Expense	97	74
Net Earnings	225	520
Net Earnings Attributable to Noncontrolling Interests	3	--
Net Earnings Attributable to Hasbro, Inc.	\$223	\$520
Diluted EPS	\$1.62	\$4.05



Balance Sheets

(\$ Millions)	Dec 27, 2020	Dec 29, 2019
Cash & Cash Equivalents ¹	\$1,450	\$4,580
Accounts Receivable, Net	1,392	1,411
Inventories	396	446
Prepaid Expense and Other Current Assets	610	310
Total Current Assets	\$3,847	\$6,748
Property, Plant & Equipment, Net	489	382
Goodwill	3,692	495
Other Intangible Asset, Net	1,531	646
Other Assets	1,260	585
Total Assets	\$10,818	\$8,856
Short-term Borrowings	7	1
Current Portion of Long-Term Debt ¹	433	--
Accounts Payable & Accrued Liabilities	1,964	1,257
Total Current Liabilities	\$2,403	\$1,257
Long-term Debt	4,660	4,046
Other Liabilities	794	557
Total Liabilities	\$7,857	\$5,860
Redeemable Noncontrolling Interests	24	--
Total Shareholders' Equity ¹	2,937	2,996
Total Liabilities, Noncontrolling Interests & Shareholders' Equity	\$10,818	\$8,856

(1) Cash and Cash Equivalents, Long-Term Debt and Total Shareholders' Equity balances as of December 29, 2019 were impacted by the eOne acquisition financing, which included proceeds from the issuance of long-term debt of \$2,354,957 and proceeds from the issuance of common stock of \$975,185.



Condensed Cash Flow

(\$ Millions)	Dec 27, 2020	Dec 29, 2019
Cash Flows Provided by Operating Activities	\$976	\$653
Cash Flows from Investing Activities		
Additions to Property, Plant & Equipment	(126)	(134)
Investments and Acquisitions, Net of Cash Acquired	(4,413)	(9)
Proceeds from Foreign Currency Hedges	--	80
Other	38	1
Cash Flows Investing Activities	(4,500)	(61)
Cash Flows from Financing Activities		
Proceeds from Long-Term Debt	1,113	2,355
Repayments of Long-Term Debt	(276)	--
Net Repayments of Short-Term Borrowings	(9)	(9)
Purchases of Common Stock	--	(61)
Stock-Based Compensation Transactions	17	32
Dividends Paid	(373)	(337)
Employee Taxes Paid for Shares Withheld	(6)	(13)
Redemption of Equity Instruments	(47)	--
Deferred Acquisition Payments	--	(100)
Proceeds from Equity Issuance	--	975
Payments of Financing Costs	--	(27)
Other	(13)	(5)
Cash Flows from Financing Activities	406	2,811
Effect of Exchange Rate Changes on Cash	(13)	(5)
Cash and Cash Equivalents at Beginning of Year	4,580	1,182
Cash and Cash Equivalents at End of Year	\$1,450	\$4,580

Certain reclassifications have been made to the prior year cash flow statement to conform to the current year presentation.



SUPPLEMENTAL FINANCIAL DATA RECONCILIATION OF AS REPORTED TO PRO FORMA ADJUSTED OPERATING RESULTS (Unaudited)

(Thousands of Dollars)

For comparability, year ended December 29, 2019 include the pro forma results for the eOne Segment. See "Reconciliation of 2019 As Reported to Pro Forma Results" for the pro forma and non-GAAP adjustments.

Non-GAAP Adjustments Impacting Operating Profit

	Year Ended			
	December 27, 2020		Pro Forma December 29, 2019	
	Pre-tax Adjustments	Post-tax Adjustments	Pre-tax Adjustments	Post-tax Adjustments
Acquisition and Related Costs ⁽¹⁾	\$ 218,566	\$ 188,557	\$ -	\$ -
Acquired Intangible Amortization ⁽²⁾	97,856	80,731	98,388	76,251
Severance ⁽³⁾	8,470	7,422	-	-
Pro Forma eOne Adjustments	-	-	44,583	34,552
Total	\$ 324,892	\$ 276,710	\$ 142,971	\$ 110,803

⁽¹⁾ In association with the Company's acquisition of eOne, the Company incurred related expenses of \$218,566 year ended December 27, 2020, comprised of the following:

- (i) Acquisition and integration costs of \$145,169 year ended December 27, 2020, respectively, including expense associated with the acceleration of eOne stock-based compensation and advisor fees settled at the closing of the acquisition, integration costs and impairment charges in the fourth quarter of 2020 for certain definite-lived intangible and other assets; and
- (ii) Restructuring and related costs of \$73,397 year ended December 27, 2020, respectively, including severance and retention costs, as well as impairment charges in the first quarter of 2020 for certain definite-lived intangible and production assets.

⁽²⁾ The Company incurred incremental intangible amortization costs related to the intangible assets acquired in the eOne Acquisition.

⁽³⁾ In the second quarter of 2020, the Company incurred \$11,554 of severance charges, associated with cost-savings initiatives within the Company's commercial and Film and TV businesses. In the fourth quarter of 2020, the Company reclassified the Film & TV severance charge to the eOne integration restructuring charge discussed above. The \$8,470 of severance was recorded in Corporate and Eliminations.



SUPPLEMENTAL FINANCIAL DATA RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (Unaudited)

Thousands of Dollars & Shares, Except Per Share Data

For comparability, the full year ended December 29, 2019 includes the pro forma results for the eOne Segment. See "Reconciliation of 2019 As Reported to Pro Forma Results" for the pro forma and non-GAAP adjustments.

	Year Ended			
	December 27, 2020	Diluted Per Share Amount	Pro Forma December 29, 2019	Pro Forma Diluted Per Share Amount ⁽¹⁾
<i>(all adjustments reported after-tax)</i>				
Net Earnings Attributable to Hasbro, Inc.	\$ 222,519	\$ 1.62	\$ 345,911	\$ 2.51
Acquisition and Related Costs	188,557	1.37	-	-
Acquired Intangible Amortization	80,731	0.59	76,251	0.55
Severance	7,422	0.05	-	-
UK Tax Reform ⁽²⁾	15,389	0.11	-	-
Pension ⁽³⁾	-	-	85,995	0.63
Pro Forma eOne Adjustments	-	-	34,552	0.25
Net Earnings Attributable to Hasbro, Inc., as Adjusted	\$ 514,618	\$ 3.74	\$ 542,709	\$ 3.94

⁽¹⁾ 2019 Pro Forma Diluted Per Share Amount is calculated using weighted average shares outstanding of 137,586 for the quarter and year ended December 29, 2019, which includes the pro forma impact of issuing shares associated with the financing of the eOne Acquisition.

⁽²⁾ In the third quarter of 2020, the Company recorded income tax expense of \$13,680 as a result of the revaluation of Hasbro's UK tax attributes in accordance with the Finance Act of 2020 enacted by the United Kingdom on July 22, 2020. In the fourth quarter of 2020, the Company recorded additional tax expense of \$1,709 related to the revaluation. Effective back to April 1, 2020, the new law maintains the corporate income tax rate at 19% instead of the planned reduction to 17% that was previously enacted in the UK Finance Act of 2016.

⁽³⁾ In the second quarter of 2019, the Company recognized a non-cash charge of \$110,777 (\$85,852 after-tax) related to the settlement of its U.S. defined benefit pension plan. In the fourth quarter of 2019, the Company recognized an additional \$185 non-cash charge (\$143 after-tax) related to the settlement.



SUPPLEMENTAL FINANCIAL DATA RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (Unaudited)

Thousands of Dollars & Shares, Except Per Share Data

For comparability, the full year ended December 29, 2019 includes the pro forma results for the eOne Segment. See "Reconciliation of 2019 As Reported to Pro Forma Results" for the pro forma and non-GAAP adjustments.

	Year Ended	Year Ended December 29, 2019			
	December 27, 2020	Hasbro As Reported	eOne (under U.S. GAAP)	Pro Forma Adjustments ⁽⁴⁾	Pro Forma Combined
Net Earnings (Loss) Attributable to Hasbro, Inc.	\$ 222,519	\$ 520,454	\$ (22,134)	\$ (152,409)	\$ 345,911
Interest Expense	201,130	101,878	45,845	75,351	223,074
Income Tax Expense (Benefit)	96,621	73,756	(4,512)	(12,250)	56,994
Net Earnings Attributable to Noncontrolling Interests	2,922	-	5,402	-	5,402
Depreciation	120,229	133,528	7,609	-	141,137
Amortization of Intangibles	144,746	47,259	59,565	38,823	145,647
EBITDA	<u>\$ 788,167</u>	<u>\$ 876,875</u>	<u>\$ 91,775</u>	<u>\$ (50,485)</u>	<u>\$ 918,165</u>
Non-GAAP Adjustments	227,036	34,176	70,884	50,485	155,545
Adjusted EBITDA	<u>\$ 1,015,203</u>	<u>\$ 911,051</u>	<u>\$ 162,659</u>	<u>\$ -</u>	<u>\$ 1,073,710</u>

⁽⁴⁾ Pro Forma Adjustments for the year ended December 29, 2019 include the gain on acquisition-related foreign exchange forward and option contracts, partially offset by bridge loan costs, for a net gain of \$94,564, deal costs of \$24,267, and debt refinancing costs of \$19,812, which are excluded from pro forma results, and also shown as Non-GAAP Adjustments within Hasbro and eOne. The net impact to Pro Forma Adjusted EBITDA is zero.



SUPPLEMENTAL FINANCIAL DATA RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (Unaudited)

(Millions of Dollars)

For comparability, the quarters and year ended December 29, 2019 includes the pro forma results for the eOne Segment. Pro Forma reconciliations are provided in the 2020 quarterly Earnings Release tables.

Reconciliation of Adjusted Operating Profit

	Quarter Ended					Pro Forma Quarter Ended				
	March 2020	June 2020	September 2020	December 2020	Fiscal Year 2020	March 2019	June 2019	September 2019	December 2019	Pro Forma Fiscal Year 2019
Operating Profit	\$ (23.3)	\$ 2.2	\$ 336.6	\$ 186.3	\$ 501.8	\$ 139.3	\$ 100.7	\$ 313.0	\$ 136.8	\$ 689.8
Consumer Products	(20.8)	(52.6)	244.6	136.9	308.1	(14.4)	5.1	228.1	142.5	361.3
Wizards & Digital Gaming	95.8	74.1	141.6	108.9	420.4	37.1	145.7	65.2	46.7	294.7
Entertainment	(53.2)	(6.2)	(46.7)	(35.0)	(141.1)	94.8	(55.3)	19.1	(79.4)	(20.8)
Corporate and other	(45.1)	(13.1)	(2.9)	(24.5)	(85.6)	21.8	5.2	0.6	27.0	54.6
Non-GAAP Adjustments ⁽¹⁾	\$ 174.8	\$ 44.4	\$ 30.6	\$ 75.1	\$ 324.9	\$ 36.6	\$ 40.6	\$ 29.2	\$ 36.6	\$ 143.0
Entertainment	123.60	22.60	24.60	60.30	231.10	36.6	40.6	29.2	36.6	143.0
Corporate and other	51.20	21.80	6.00	14.80	93.80	-	-	-	-	-
Adjusted Operating Profit	\$ 151.50	\$ 46.60	\$ 367.20	\$ 261.40	\$ 826.7	\$ 175.9	\$ 141.3	\$ 342.2	\$ 173.4	\$ 832.8
Consumer Products	(20.8)	(52.6)	244.6	136.9	308.1	(14.4)	5.1	228.1	142.5	361.3
Wizards & Digital Gaming	95.8	74.1	141.6	108.9	420.4	37.1	145.7	65.2	46.7	294.7
Entertainment	70.4	16.4	(22.1)	25.3	90.0	131.4	(14.7)	48.3	(42.8)	122.2
Corporate and other	6.1	8.7	3.1	(9.7)	8.2	21.8	5.2	0.6	27.0	54.6
⁽¹⁾ Non-GAAP Adjustments										
Acquisition and Related Costs	149.8	10.2	5.9	52.7	218.6	-	-	-	-	-
Acquired Intangible Amortization	25.0	22.6	24.7	25.5	97.8	24.6	24.6	24.6	24.6	98.4
Severance	-	11.6	-	(3.1)	8.5	-	-	-	-	-
Pro Forma eOne Adjustments	-	-	-	-	-	12.0	16.0	4.6	12.0	44.6
Total	\$ 174.8	\$ 44.4	\$ 30.6	\$ 75.1	\$ 324.9	\$ 36.6	\$ 40.6	\$ 29.2	\$ 36.6	\$ 143.0



SUPPLEMENTAL FINANCIAL DATA RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (Unaudited)

(Millions of Dollars)

For comparability, the quarters and year ended December 29, 2019 includes the pro forma results for the eOne Segment. Pro Forma reconciliations are provided in the 2020 quarterly Earnings Release tables.

Reconciliation of EBITDA and Adjusted EBITDA

	Quarter Ended					Fiscal Year 2020	Pro Forma Quarter Ended					Pro Forma Fiscal Year 2019
			September	December					September	December		
	March 2020	June 2020	2020	2020			March 2019	June 2019	2019	2019		
Net Earnings (Loss) Attributable to Hasbro, Inc.	(69.7)	(33.9)	220.9	105.2	222.5	76.5	(42.6)	216.5	95.5	345.9		
Interest Expense	54.7	49.6	49.4	47.4	201.1	54.0	53.3	52.2	63.6	223.1		
Income Tax Expense (Benefit)	(4.1)	(10.8)	79.2	32.3	96.6	17.8	(12.0)	50.2	1.0	57.0		
Net Earnings Attributable to Noncontrolling Interests	1.8	1.0	(0.9)	1.0	2.9	2.2	0.4	2.3	0.5	5.4		
Depreciation	23.8	32.9	37.5	26.1	120.3	28.9	36.6	41.3	34.4	141.2		
Amortization of Intangibles	36.8	34.7	36.2	37.1	144.8	36.4	36.4	36.4	36.4	145.6		
EBITDA	\$ 43.3	\$ 73.5	\$ 422.3	\$ 249.1	\$ 788.2	\$ 215.8	\$ 72.1	\$ 398.9	\$ 231.4	\$ 918.2		
Non-GAAP Adjustments and Stock Compensation ⁽¹⁾	160.6	37.3	19.8	59.2	276.9	23.7	141.9	20.1	20.0	205.7		
Adjusted EBITDA	\$ 203.9	\$ 110.8	\$ 442.1	\$ 308.3	\$ 1,065.1	\$ 239.5	\$ 214.0	\$ 419.0	\$ 251.4	\$ 1,123.9		
⁽¹⁾ Non GAAP Adjustments and Stock Compensation:												
Acquisition and Related Costs	149.8	10.3	5.9	52.6	218.6	-	-	-	-	-		
Severance	-	11.5	-	(3.1)	8.4	-	-	-	-	-		
Pro Forma eOne Adjustments	-	-	-	-	-	12.0	16.0	4.6	12.0	44.6		
Pension Settlement	-	-	-	-	-	-	110.8	-	0.2	111.0		
Stock Compensation	10.8	15.5	13.9	9.7	49.9	11.7	15.1	15.5	7.8	50.1		
Total	\$ 160.6	\$ 37.3	\$ 19.8	\$ 59.2	\$ 276.9	\$ 23.7	\$ 141.9	\$ 20.1	\$ 20.0	\$ 205.7		
Adjusted EBITDA by Segment:												
Consumer Products	15.7	(21.2)	295.5	190.3	480.3	29.7	93.3	284.0	179.9	586.9		
Wizards & Digital Gaming	99.0	78.9	152.2	114.2	444.3	41.3	149.7	69.7	51.8	312.5		
Entertainment	65.0	29.2	(16.8)	15.0	92.4	135.9	(9.1)	55.4	(34.3)	147.9		
Other	24.2	23.9	11.2	(11.2)	48.1	32.6	(19.9)	9.9	54.0	76.6		
Adjusted EBITDA	\$ 203.9	\$ 110.8	\$ 442.1	\$ 308.3	\$ 1,065.1	\$ 239.5	\$ 214.0	\$ 419.0	\$ 251.4	\$ 1,123.9		
Consumer Products												
Operating Profit (Loss)	(20.8)	(52.6)	244.6	136.9	308.1	(14.4)	5.1	228.1	142.5	361.3		
Other income (expense)	(5.7)	1.2	1.6	16.4	13.5	5.2	41.0	2.6	(11.7)	37.1		
Depreciation	12.1	20.8	27.8	15.3	76.0	15.1	23.5	29.6	25.5	93.7		
Amortization of Intangibles	22.5	0.3	11.4	11.5	45.7	13.3	13.2	13.2	13.2	52.9		
EBITDA	8.1	(30.3)	285.4	180.1	443.3	19.2	82.8	273.5	169.5	545.0		
Non-GAAP Adjustments and Stock Compensation	7.6	9.1	10.1	10.2	37.0	10.5	10.5	10.5	10.4	41.9		
Adjusted EBITDA	\$ 15.7	\$ (21.2)	\$ 295.5	\$ 190.3	\$ 480.3	\$ 29.7	\$ 93.3	\$ 284.0	\$ 179.9	\$ 586.9		
Wizards & Digital Gaming												
Operating Profit (Loss)	95.8	74.1	141.6	108.9	420.4	37.1	145.7	65.2	46.7	294.7		
Other income (expense)	(1.0)	0.3	5.7	0.4	5.4	-	-	-	0.8	0.8		
Depreciation	2.3	2.2	2.3	2.3	9.1	2.3	2.1	2.6	2.4	9.4		
Amortization of Intangibles	-	-	-	-	-	-	-	-	-	-		
EBITDA	97.1	76.6	149.6	111.6	434.9	39.4	147.8	67.8	49.9	304.9		
Non-GAAP Adjustments and Stock Compensation	1.9	2.3	2.6	2.6	9.4	1.9	1.9	1.9	1.9	7.6		
Adjusted EBITDA	\$ 99.0	\$ 78.9	\$ 152.2	\$ 114.2	\$ 444.3	\$ 41.3	\$ 149.7	\$ 69.7	\$ 51.8	\$ 312.5		
Entertainment												
Operating Profit (Loss)	(53.2)	(6.2)	(46.7)	(35.0)	(141.1)	94.8	(55.3)	19.1	(79.4)	(20.8)		
Other income (expense)	3.0	(2.6)	0.4	(15.1)	(14.3)	(5.3)	(1.6)	(3.7)	0.7	(9.9)		
Depreciation	1.7	2.4	2.8	2.8	9.7	2.6	1.9	3.4	2.5	10.4		
Amortization of Intangibles	14.2	34.2	24.7	25.6	98.7	24.9	24.9	24.9	24.8	99.5		
EBITDA	(34.3)	27.8	(18.8)	(21.7)	(47.0)	117.0	(30.1)	43.7	(51.4)	79.2		
Non-GAAP Adjustments and Stock Compensation	99.3	1.4	2.0	36.7	139.4	18.9	21.0	11.7	17.1	68.7		
Adjusted EBITDA	\$ 65.0	\$ 29.2	\$ (16.8)	\$ 15.0	\$ 92.4	\$ 135.9	\$ (9.1)	\$ 55.4	\$ (34.3)	\$ 147.9		



SUPPLEMENTAL FINANCIAL DATA RECONCILIATION OF 2019 AS REPORTED TO PRO FORMA RESULTS (Unaudited)

Thousand of Dollars

Pro forma results were prepared by combining the results of Hasbro and eOne for the year ended December 29, 2019, after giving effect to the eOne Acquisition as if it had been consummated on December 31, 2018.

These pro forma results do not represent financial results that would have been realized had the acquisition actually occurred on December 31, 2018, nor are they intended to be a projection of future results. The pro forma financial information is presented for illustrative purposes only and does not reflect the costs of any integration activities or cost savings or synergies that may be achieved as a result of the acquisition.

	Year Ended December 29, 2019			
	Hasbro As Reported	eOne (under U.S. GAAP)	Pro Forma Adjustments ⁽²⁾	Pro Forma Combined
Net Revenues	\$ 4,720,227	\$ 1,215,773	\$ -	\$ 5,936,000
Hasbro Operating Profit	\$ 652,050	\$ -	\$ 17,778	\$ 669,828
eOne Operating Profit	-	52,321	(32,334)	19,987
Operating Profit	652,050	52,321	(14,556)	689,815
Non-GAAP Adjustments	17,778	110,637	14,556	142,971
Adjusted Operating Profit *	\$ 669,828	\$ 162,958	\$ -	\$ 832,786
* Reconciliation to Pro Forma Adjusted results is as follows:				
Net Earnings (Loss)	\$ 520,454	\$ (22,134)	\$ (152,409)	\$ 345,911
Interest Expense	101,878	45,845	75,351	223,074
Other (Income) Expense, net	(44,038)	27,720	74,752	58,434
Income Tax Expense (Benefit)	73,756	(4,512)	(12,250)	56,994
Net Earnings Attributable to Noncontrolling Interests	-	5,402	-	5,402
Operating Profit	652,050	52,321	(14,556)	689,815
<u>Non-GAAP Adjustments</u>				
Hasbro:				
eOne Acquisition Costs	17,778	-	(17,778)	-
eOne:				
Restructuring and Related Charges	-	33,408	-	33,408
Acquisition Costs - eOne Deals	-	11,175	-	11,175
Hasbro Transaction Costs	-	6,489	(6,489)	-
Acquired Intangible Amortization	-	59,565	38,823	98,388
	17,778	110,637	14,556	142,971
Adjusted Operating Profit	\$ 669,828	\$ 162,958	\$ -	\$ 832,786

⁽¹⁾ The pro forma results include certain pro forma adjustments to net earnings that were directly attributable to the acquisition, as if the acquisition had occurred on December 31, 2018, including the following:

- elimination of acquisition and deal costs of \$17,778 incurred by Hasbro and \$6,489 incurred by eOne related to the eOne acquisition, included in Selling, Distribution and Administration;
- additional amortization expense of \$38,823 that would have been recognized as a result of the allocation of purchase consideration to definite-lived intangible assets subject to amortization;
- estimated differences in Interest Expense of \$75,351 as a result of incurring new debt and extinguishing historical eOne debt;
- total adjustments to Other (Income) Expense, net of \$74,752, consisting of:
 - elimination of \$19,812 expense related to premiums paid by eOne in connection with the early redemption of its senior secured notes and the related write-off of unamortized deferred finance charges associated with the senior secured notes, and
 - elimination of \$94,564 net gain related to the mark to market of foreign exchange forward and option contracts, which the Company entered into in order to hedge a portion of the British pound sterling purchase price for the eOne acquisition; and
- the income tax effect of the pro forma adjustments in the amount of \$12,250, calculated using a blended statutory income tax rate of 22.5% for the eOne adjustments and 21% for the Hasbro interest adjustments.



SUPPLEMENTAL FINANCIAL DATA RECONCILIATION OF OPERATING PROFIT – REPORTED AS ADJUSTED 2016-2020

(\$ Thousands, unaudited)

	2016		2017		2018		2019		2020	
	\$	%	\$	%	\$	%	\$	%	\$	%
<u>Operating Profit Reconciliation</u>										
Operating Profit, as Reported	788,048	15.7%	810,359	15.6%	331,052	7.2%	652,050	13.8%	501,814	9.2%
Restructuring Charges					89,349	2.0%			8,470	0.2%
Goodwill Impairment	32,858	0.7%								
Asset Impairments					117,556	2.6%				
Incremental Costs Impact of Toys"R"Us eOne Acquisition Costs					60,360	1.3%				
Acquisition and Related Costs							17,778	0.4%		
Acquired Intangible Amortization									218,566	4.0%
									97,856	1.8%
Operating Profit, as Adjusted	<u>820,906</u>	<u>16.4%</u>	<u>810,359</u>	<u>15.6%</u>	<u>598,317</u>	<u>13.1%</u>	<u>669,828</u>	<u>14.2%</u>	<u>826,706</u>	<u>15.1%</u>



SUPPLEMENTAL FINANCIAL DATA RECONCILIATION OF NET EARNINGS/EPS – REPORTED AS ADJUSTED 2016-2020

(\$ Thousands, unaudited)

	2016		2017		2018		2019		2020	
	Net Earnings	Diluted EPS								
Net Earnings and Diluted EPS Reconciliation										
Net Earnings Attributable to Hasbro, Inc., as Reported	551,380	4.34	396,607	3.12	220,434	1.74	520,454	4.05	222,519	1.62
Restructuring Charges, Net of Tax					77,948	0.61			7,422	0.05
Pension Charges, Net of Tax							85,995	0.67		
Goodwill Impairment, Net of Tax	14,674	0.12								
Asset Impairments, Net of Tax					96,928	0.76				
Impact of Tax Reform			296,512	2.33	40,650	0.32				
Incremental Costs Impact of Toys"R"Us, Net of Tax					52,829	0.42				
eOne Acquisition-Related Net Gain							(81,772)	(0.64)		
Acquisition and Related Costs, Net of Tax									188,557	1.37
Acquired Intangible Amortization, Net of Tax									80,731	0.59
UK Tax Reform									15,389	0.11
Net Earnings Attributable to Hasbro, Inc., as Adjusted	<u>566,054</u>	<u>4.46</u>	<u>693,119</u>	<u>5.46</u>	<u>488,789</u>	<u>3.85</u>	<u>524,677</u>	<u>4.08</u>	<u>514,618</u>	<u>3.74</u>
Average Diluted Common Shares Outstanding		126,966		127,031		126,890		128,499		137,554





Hasbro

