



## Hasbro Outlines Strategic Growth Drivers at Virtual Investor Event

February 25, 2021

### *Unveils New Segment Reporting*

PAWTUCKET, R.I.--(BUSINESS WIRE)--Feb. 25, 2021-- Hasbro, Inc. (NASDAQ: HAS), a global play and entertainment company, outlined the Company's strategic growth drivers for the near and medium-term and unveiled new segment reporting aligned to these drivers today at its virtual investor event. The new financial reporting segments are: Consumer Products, including toys and games; Wizards of the Coast (Wizards) and Digital Gaming; and Entertainment.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20210225005942/en/>



"The integrated and assembled value of consumer products, Wizards and digital gaming, and entertainment is how we unlock the next level of return for our business and for our stakeholders," said Brian Goldner, Hasbro's chairman and chief executive officer. "We have simplified our structure to maximize our growth and provide a clearer view to the drivers of Hasbro revenues, profit, margin, and cash generation. Our Brand Blueprint thrives as we create value from these three areas of our business, and we are building scale behind them to drive more profitable revenue and meet the needs of our consumers and audiences with innovation and creativity for a modern era.

"Our expectation is that we return to growth in revenues, earnings and EBITDA in 2021," continued Goldner. "This includes revenue growth in all three segments to

Hasbro 2021 Virtual Investor Event (Photo: Business Wire)

potentially achieve double-digit revenue growth across Hasbro for the year. After increasing adjusted operating profit margins by 110 basis points last year, we believe we can maintain a similar level in 2021 while supporting new gaming and product launches and returning to 2019 levels of TV and film revenue. Our investments and plans are intended to drive revenue growth across each segment over a multi-year period. As we grow, we expand the reach of our brands to deliver higher operating margin and enhanced cash generation with the potential for Hasbro to reach operating margin levels greater than 16% and cash generation close to the billion-dollar level over the medium term."

### **New Reporting Segments**

Hasbro unveiled new financial reporting segments, Consumer Products, Wizards of the Coast and Digital Gaming, and Entertainment, aligned to the three drivers of its business and supported by a new management structure. The Company will begin reporting these segments with the first quarter earnings release in April 2021 and has provided historical data for the new segment structure below and in the tables attached.

Consumer Products includes the revenue associated with the sale of Hasbro toys and games globally, as well as all licensed consumer products revenue. The Consumer Products segment also includes the Company's Global Operations, which services the supply chain for our toy and game businesses.

Wizards of the Coast and Digital Gaming includes all revenue associated with Wizards of the Coast tabletop and digital games, including MAGIC: THE GATHERING and DUNGEONS & DRAGONS, as well as licensed Hasbro digital gaming across the portfolio.

Entertainment includes all revenue associated with Hasbro and eOne entertainment across Family Brands, TV and Film, and music.

### **Full-Year Major Operating Segments<sup>1</sup>**

\$ Millions

Net Revenues	Operating Profit (Loss)	Adjusted Operating Profit	EBITDA	Adjusted EBITDA
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	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Consumer Products</b>	\$3,649.6	\$4,005.9	\$308.1	\$361.3	\$308.1	\$361.3	\$443.3	\$545.0	\$480.3	\$586.9
<b>Wizards of the Coast and Digital Gaming</b>	\$906.7	\$761.2	\$420.4	\$294.7	\$420.4	\$294.7	\$434.9	\$304.9	\$444.3	\$312.5
<b>Entertainment</b>	\$909.1	\$1,168.9	(\$141.1)	(\$20.8)	\$90.1	\$122.2	(\$47.0)	\$79.2	\$92.4	\$147.9

<sup>1</sup> For comparability, the quarters and year-ended December 29, 2019 includes the pro forma results for the eOne acquisition. Pro Forma reconciliations are provided in the 2020 quarterly Earnings Release tables. Schedules attached to this release include historical quarterly and full-year results by segment. Reconciliations are included in the attached schedules Reconciliation of Adjusted Operating Profit and Reconciliation of EBITDA and Adjusted EBITDA.

### **Segment Announcements and Highlights from Investor Event**

#### Purpose

- Highlighted Hasbro's Chief Purpose Officer and how the Company is elevating and embedding purpose across the business to give key stakeholders greater visibility into Hasbro's ESG performance.
- Shared progress and goals in key areas of Diversity and Inclusion; Human Rights and Ethical Sourcing; and Environmental Responsibility.
- Announced Hasbro will be linking environmental, social and governance performance to executive performance and compensation.

#### Consumer Products

- Revenue is expected to grow at or above the industry growth rate, including a mid-single digit growth target for 2021. Over the medium-term, the Company expects that operating profit in the consumer products segment will grow faster than revenue, returning the segment to low-teens operating profit margin over the period.
- Targeting 50% of consumer products business on ecomm by 2025.
  - Launching Hasbro Pulse in the U.K., with additional markets to follow.
- Capitalizing on untapped potential for Hasbro brands in the preschool market:
  - Hasbro designed and created product lines for PEPPA PIG and PJ MASKS launching second half 2021. Teams also enhancing the consumer licensing programs for these brands behind newly developed and produced content. The insourcing valuing equates to approximately two-thirds of the \$130 Million of insourcing synergies the Company is on track to achieve by year-end 2022. By year-end 2021, Company expects to be more than halfway to that target.
  - Partnership with Amazon and PLAYSKOOL with a focus on learning and sustainability.
- Extending Hasbro's partnership with Epic Games, which will continue our NERF & Games FORTNITE license, and expand the scope of our rights to include Action Figures & Role Play in 2021 and beyond.
- 3 MONOPOLY announcements: Monopoly Builder; Monopoly Crooked Cash; and an all-new community-based Monopoly campaign launching March 19.
- Alexa gaming integration: The Wanted Bounty Hunters board game gives you an in-game connection to Alexa and the cinematic world of *The Mandalorian*.
- 3 NERF announcements: All-new 14+ performance-based NERF Hyper line; New NERF Rival Curve; NERF named the official ball for NFL Flag, the official flag football league of the NFL.
- Supporting robust theatrical and streaming calendar for 2021 including GI JOE, Ghostbusters, Marvel, Star Wars and Disney Princess new content.
- In partnership with Merlin entertainment, opening first PEPPA PIG theme park with Legoland Florida in 2022.

#### Wizards of the Coast and Digital Gaming

- Wizards of the Coast is approximately halfway to achieving its target of doubling its revenue from 2018 to 2023.
- 2020 Wizards of the Coast revenue was \$816M. MAGIC: THE GATHERING revenue up 23% and DUNGEONS AND DRAGONS revenue up 33% for the year, both record years.
- Digital gaming licensing revenue grew 17% in 2020.
- Invested approximately \$210 million on development for digital games over the past five years and have more than a dozen games in development between partners and internal projects. Plan to invest several hundred million more on development over the medium-term.
- 2021-2022 anticipated digital game launches include:
  - MAGIC: THE GATHERING: *Arena* on mobile, *Spellslingers* and F2P Action RPG, *Magic Legends*, with Cryptic Entertainment.
  - DUNGEONS & DRAGONS: *Dark Alliance* with wholly owned subsidiary Tuque Games and *Baldur's Gate 3* with Larian Studios.
- Increasing the number of MAGIC: THE GATHERING premiere card set releases from 5 to 6, including *Modern Horizons 2* in June 2021.

- Announcing Magic Universes Beyond crossover products, to take fan-favorite brands and bring them into the Magic play system for exciting new collectible and social play opportunities.
  - Including the science-fantasy collectible powerhouse, Warhammer 40,000 by Games Workshop, and Middle-Earth Enterprises, to include characters from the beloved The Lord of the Rings universe.

#### Entertainment

- By 2022-2023, expect 2-3 major motion pictures and 3-4 TV shows on major platforms for Hasbro brands.
- Forecasted 2021 cash content investment of \$675-\$750M. Approximately 70% of which is pre-sold and licensed reducing risk.
- Hasbro was the #1 Kids Content owner on YouTube delivering 48.4 billion views in 2020.
- More than 200 projects underway across TV and Film with 30+ Hasbro brands in development across TV, both scripted and unscripted, and feature films. Building out robust franchise plans for each brand across multiple channels, including:
  - TRANSFORMERS
    - Feature film in partnership with Paramount slated for summer 2022.
    - New animated full-length feature film in development.
    - The first two chapters of the fan-based animated trilogy TRANSFORMERS: WAR FOR CYBERTRON have successfully launched on Netflix, with the third installment to be released this year.
    - *Transformers: BotBots*, a new 20-episode animated comedy series at Netflix.
    - Partnering with Nickelodeon to co-produce an original animated Transformers series (26 half-hour episodes) to premiere exclusively on Nickelodeon in the U.S. before rolling out internationally.
  - GI JOE
    - Feature film *SNAKE EYES*, starring Henry Gouling, is set for a global theatrical release in October 2021.
    - New partnership with Amazon and Paramount to create premium scripted television series based on GI JOE.
  - MAGIC THE GATHERING
    - Feature film in development at Fox.
    - Premium animated series in production for Netflix.
  - DUNGEONS AND DRAGONS
    - Feature film in partnership with Paramount Pictures is preparing to start principal photography in Ireland.
    - Engaged several writers to develop premium television projects designed as a foundation for a new robust brand universe.
  - RISK premium scripted series in development and CLUE primetime animated series with FOX in development.
  - MY LITTLE PONY
    - New CGI film debuting on Netflix later this year with an all new cast of ponies.
    - All new computer-animated series coming to Netflix.
- *Peppa Pig* new content through 2023.
- *PJ Masks* new content through 2023.
- Greenlit new animated preschool series, *Kiya*, for linear and digital broadcast platforms including Disney Jr. and Disney + globally and France Télévisions.
- Film:
  - In production on 9 feature films.
  - 15 unique releases slated for 2021, with talent such as Mark Wahlberg in ARTHUR THE KING, Chris Pine in ALL THE OLD KNIVES, and Ben Affleck in DEEP WATER.
  - Adaptation of the children's classic CLIFFORD THE BIG RED DOG coming to theatres later this year.
- TV:
  - Currently in production on 8 scripted series and expect another 2 to 4 to be ordered in the year.
  - Returning series include THE ROOKIE on ABC, NURSES on NBC, and THE WALKING DEAD on AMC.
  - Premiering new exciting shows later this year, such as YELLOWJACKETS for Showtime and CRUEL SUMMER for ABC Freeform and Amazon Prime.
  - Unscripted business continues to grow, with over 70 projects anticipated for delivery this year and 38 projects currently in production.

#### Webcast and Replay

The event was webcast live and is available for replay on Hasbro's investor relations page at <https://investor.hasbro.com>. Supporting materials for the event, including a reconciliation of GAAP to Non-GAAP, are also available on the website.

#### **About Hasbro**

Hasbro (NASDAQ: HAS) is a global play and entertainment company committed to *Creating the World's Best Play and Entertainment Experiences*. From toys, games and consumer products to television, movies, digital gaming, live action, music, and virtual reality experiences, Hasbro connects to global audiences by bringing to life great innovations, stories and brands across established and inventive platforms. Hasbro's iconic brands include

NERF, MAGIC: THE GATHERING, MY LITTLE PONY, TRANSFORMERS, PLAY-DOH, MONOPOLY, BABY ALIVE, POWER RANGERS, PEPPA PIG and PJ MASKS, as well as premier partner brands. Through its global entertainment studio, eOne, Hasbro is building its brands globally through great storytelling and content on all screens. Hasbro is committed to making the world a better place for all children and all families through corporate social responsibility and philanthropy. Hasbro ranked among the 2020 100 Best Corporate Citizens by 3BL Media, has been named one of the World's Most Ethical Companies® by Ethisphere Institute for the past ten years, and one of America's Most JUST Companies by Forbes and JUST Capital for the past four years. We routinely share important business and brand updates on our [Investor Relations](#) website, [Newsroom](#) and social channels (@Hasbro on Twitter, Instagram, Facebook and LinkedIn.)

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### Safe Harbor

Certain statements in this release 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 prospects for growth in 2021 and beyond; our ability to achieve our financial, strategic and business goals; the expected timing and release of certain products and entertainment; and our planned investments. 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. Specific 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 and 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 sought after by children, fans, and families 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 inventories policies of our customers and increased emphasis on ecommerce;
- our ability to develop new and expanded areas of our business, such as through eOne, Wizards of the Coast, and our other entertainment, digital gaming and esports initiatives;
- risks associated with international operations, such as currency conversion, currency fluctuations, the imposition of tariffs, quotas, border adjustment taxes or other protectionist measures, and other challenges in the territories in which we operate;
- our ability to successfully implement changes to our supply chain, inventory management, sales policies or pricing of our products;
- our ability to successfully develop and execute plans to mitigate the negative impact of the coronavirus on our business;
- 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, 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, 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 and diverse employees;
- our ability to realize the benefits of cost-savings and efficiency and/or revenue efficiency 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 acquired products and films and television programs we acquire and produce;
- risks relating to investments and acquisitions, such as our acquisition of eOne, which risks include: integration difficulties; inability to retain key personnel; diversion of management time and resources; failure to achieve anticipated benefits or synergies of acquisitions or investments; and risks relating to the additional indebtedness incurred in connection with a transaction;
- 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 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 U.S. Securities and Exchange Commission ("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 release or to update them to reflect events or circumstances occurring after the date of this release.

#### Non-GAAP Financial Measures

The financial tables accompanying this press release include non-GAAP financial measures as defined under SEC rules, specifically Adjusted operating profit, which excludes, where applicable, the 2020 impact of eOne acquisition and related costs, purchased intangible amortization, other severance costs and income tax expense associated with U.K tax reform. For 2019, Pro Forma Adjusted operating profit excludes the impact of purchased intangible amortization and certain charges incurred by eOne related to prior restructuring programs and other acquisitions. Also included in the financial tables are the non-GAAP financial measures of EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA. EBITDA represents net earnings attributable to Hasbro, Inc. excluding interest expense, income taxes, depreciation and amortization. Adjusted EBITDA also excludes the impact of the charges/gains noted above, as well as for 2019, the charges associated with the settlement of the Company's U.S. pension plan. The Company also excludes non-cash stock compensation from its measure of Adjusted EBITDA. As required by SEC rules, we have provided reconciliations on the attached schedules of these measures to the most directly comparable GAAP measure. Management believes that Adjusted operating profit and Pro Forma Adjusted operating profit provides investors with an understanding of the underlying performance of our business absent unusual events. Management believes that EBITDA and Adjusted EBITDA are appropriate measures for evaluating the operating performance of our business because they reflect the resources available for strategic opportunities including, among others, to invest in the business, strengthen the balance sheet and make strategic acquisitions. 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 our consolidated financial statements and filings with the SEC. As used herein, "GAAP" refers to accounting principles generally accepted in the United States of America.

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(Tables Attached)

#### HASBRO, INC.

#### SUPPLEMENTAL FINANCIAL DATA

#### SEGMENT RESULTS

(Unaudited)

(Millions of Dollars)

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

	Fiscal Year					Pro Forma				
	Quarter Ended				Fiscal Year	Quarter Ended				Fiscal Year
	March 2020	June 2020	September 2020	December 2020		March 2019	June 2019	September 2019	December 2019	

#### Segment Results

##### Consumer Products <sup>(2)</sup>

External Net Revenues	\$ 572.5	\$ 519.5	\$ 1,317.8	\$ 1,239.8	\$ 3,649.6	\$ 619.4	\$ 728.8	\$ 1,379.4	\$ 1,278.3	\$ 4,005.9
Operating Profit (Loss)	(20.8)	(52.6)	244.6	136.9	308.1	(14.4)	5.1	228.1	142.5	361.3
Adjusted EBITDA <sup>(1)</sup>	15.7	(21.2)	295.5	190.3	480.3	29.7	93.3	284.0	179.9	586.9

##### Wizards & Digital Gaming

External Net Revenues	\$ 210.6	\$ 186.7	\$ 273.4	\$ 236.0	\$ 906.7	\$ 140.0	\$ 273.1	\$ 186.1	\$ 162.0	\$ 761.2
Operating Profit	95.8	74.1	141.6	108.9	420.4	37.1	145.7	65.2	46.7	294.7
Adjusted EBITDA <sup>(1)</sup>	99.0	78.9	152.2	114.2	444.3	41.3	149.7	69.7	51.8	312.5

**Entertainment** <sup>(3)</sup>

External Net Revenues	\$ 322.5	\$ 154.1	\$ 185.4	\$ 247.1	\$ 909.1	\$ 439.3	\$ 213.7	\$ 293.0	\$ 222.9	\$ 1,168.9
Operating Profit (Loss)	(53.2)	(6.2)	(46.7)	(35.0)	(141.1)	94.8	(55.3)	19.1	(79.4)	(20.8)
Adjusted Operating Profit (Loss) <sup>(1)</sup>	70.4	16.4	(22.0)	25.3	90.1	131.4	(14.7)	48.3	(42.8)	122.2
Adjusted EBITDA <sup>(1)</sup>	65.0	29.2	(16.8)	15.0	92.4	135.9	(9.1)	55.4	(34.3)	147.9

**Corporate and Other**

Operating Profit (Loss)	\$ (45.1)	\$ (13.1)	\$ (2.9)	\$ (24.5)	\$ (85.6)	\$ 21.8	\$ 5.2	\$ 0.6	\$ 27.0	\$ 54.6
Adjusted Operating Profit (Loss) <sup>(1)</sup>	6.1	8.7	3.0	(9.7)	8.1	21.8	5.2	0.6	27.0	54.6
Adjusted EBITDA <sup>(1)</sup>	24.2	23.9	11.2	(11.2)	48.1	32.6	(19.9)	9.9	54.0	76.6

**Hasbro, Inc.**

External Net Revenues	\$ 1,105.6	\$ 860.3	\$ 1,776.6	\$ 1,722.9	\$ 5,465.4	\$ 1,198.7	1,215.6	\$ 1,858.5	\$ 1,663.2	\$ 5,936.0
Operating Profit (Loss)	(23.3)	2.2	336.6	186.3	501.8	139.3	100.7	313.0	136.8	689.8
Adjusted Operating Profit <sup>(1)</sup>	151.5	46.6	367.2	261.4	826.7	175.9	141.3	342.2	173.4	832.8
Adjusted EBITDA <sup>(1)</sup>	203.9	110.8	442.1	308.3	1,065.1	239.5	214.0	419.0	251.4	1,123.9

<sup>(1)</sup> Adjusted measures exclude certain non-GAAP adjustments. See "Reconciliation of Non-GAAP Financial Measures" for EBITDA, Adjusted EBITDA and Adjusted Operating Profit reconciliations and detail of non-GAAP adjustments.

	Quarter Ended					Fiscal Year	Pro Forma				Fiscal Year	
	Quarter Ended				2020		Quarter Ended					2019
	March 2020	June 2020	September 2020	December 2020			March 2019	June 2019	September 2019	December 2019		
<b>(2) Consumer Products Segment Net Revenues by Major Geographic Region</b>												
North America	\$ 321.8	\$ 283.0	\$ 830.1	\$ 681.0	\$ 2,115.9	\$ 317.5	\$ 372.6	\$ 820.5	\$ 634.2	\$ 2,144.8		
Europe	156.7	141.9	316.8	373.7	989.1	160.8	176.6	309.3	376.8	1,023.5		
Asia Pacific	58.2	60.7	78.2	98.9	296.0	75.2	86.8	94.8	132.9	389.7		
Latin America	35.8	33.9	92.7	86.2	248.6	65.9	92.8	154.8	134.4	447.9		
Total	\$ 572.5	\$ 519.5	\$ 1,317.8	\$ 1,239.8	\$ 3,649.6	\$ 619.4	\$ 728.8	\$ 1,379.4	\$ 1,278.3	\$ 4,005.9		

**(3) Entertainment Segment Net Revenues by Category**

Film and TV	\$ 264.0	\$ 108.9	\$ 141.6	\$ 186.0	\$ 700.5	\$ 387.7	\$ 160.9	\$ 223.5	\$ 155.7	\$ 927.8
Family Brands	25.9	18.8	14.2	27.6	86.5	29.6	23.2	39.7	30.6	123.1
Music and Other	32.6	26.4	29.6	33.5	122.1	22.0	29.6	29.8	36.6	118.0
Total	\$ 322.5	\$ 154.1	\$ 185.4	\$ 247.1	\$ 909.1	\$ 439.3	\$ 213.7	\$ 293.0	\$ 222.9	\$ 1,168.9

**HASBRO, INC.****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 acquisition. Pro Forma reconciliations are provided in the 2020 quarterly Earnings Release tables.

**Reconciliation of EBITDA and Adjusted EBITDA**

	Quarter Ended					Fiscal Year	Pro Forma				Fiscal Year	
	Quarter Ended				2020		Quarter Ended					2019
	March 2020	June 2020	September 2020	December 2020			March 2019	June 2019	September 2019	December 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 (Loss) 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	<u>\$ 43.3</u>	<u>\$ 73.5</u>	<u>\$ 422.3</u>	<u>\$ 249.1</u>	<u>\$ 788.2</u>	<u>\$ 215.8</u>	<u>\$ 72.1</u>	<u>\$ 398.9</u>	<u>\$ 231.4</u>	<u>\$ 918.2</u>
Non-GAAP Adjustments and Stock Compensation <sup>(1)</sup>	160.6	37.3	19.8	59.2	276.9	23.7	141.9	\$ 20.1	20.0	205.7
<b>Adjusted EBITDA</b>	<b>\$ 203.9</b>	<b>\$ 110.8</b>	<b>\$ 442.1</b>	<b>\$ 308.3</b>	<b>1,065.1</b>	<b>\$ 239.5</b>	<b>214.0</b>	<b>\$ 419.0</b>	<b>\$ 251.4</b>	<b>1,123.9</b>

(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
<b>Total</b>	<b>\$ 160.6</b>	<b>\$ 37.3</b>	<b>\$ 19.8</b>	<b>\$ 59.2</b>	<b>\$ 276.9</b>	<b>\$ 23.7</b>	<b>141.9</b>	<b>\$ 20.1</b>	<b>\$ 20.0</b>	<b>\$ 205.7</b>

**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
Corporate and Other	24.2	23.9	11.2	(11.2)	48.1	32.6	(19.9)	9.9	54.0	76.6
<b>Adjusted EBITDA</b>	<b>\$ 203.9</b>	<b>\$ 110.8</b>	<b>\$ 442.1</b>	<b>\$ 308.3</b>	<b>1,065.1</b>	<b>\$ 239.5</b>	<b>214.0</b>	<b>\$ 419.0</b>	<b>\$ 251.4</b>	<b>1,123.9</b>

**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	<u>8.1</u>	<u>(30.3)</u>	<u>285.4</u>	<u>180.1</u>	<u>443.3</u>	<u>19.2</u>	<u>82.8</u>	<u>273.5</u>	<u>169.5</u>	<u>545.0</u>
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
<b>Adjusted EBITDA</b>	<b>\$ 15.7</b>	<b>(21.2)</b>	<b>\$ 295.5</b>	<b>\$ 190.3</b>	<b>\$ 480.3</b>	<b>\$ 29.7</b>	<b>\$ 93.3</b>	<b>\$ 284.0</b>	<b>\$ 179.9</b>	<b>\$ 586.9</b>

**Wizards & Digital Gaming**

Operating Profit	\$ 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	<u>97.1</u>	<u>76.6</u>	<u>149.6</u>	<u>111.6</u>	<u>434.9</u>	<u>39.4</u>	<u>147.8</u>	<u>67.8</u>	<u>49.9</u>	<u>304.9</u>
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
<b>Adjusted EBITDA</b>	<b>\$ 99.0</b>	<b>\$ 78.9</b>	<b>\$ 152.2</b>	<b>\$ 114.2</b>	<b>\$ 444.3</b>	<b>\$ 41.3</b>	<b>149.7</b>	<b>\$ 69.7</b>	<b>\$ 51.8</b>	<b>\$ 312.5</b>

**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	<u>(34.3)</u>	<u>27.8</u>	<u>(18.8)</u>	<u>(21.7)</u>	<u>(47.0)</u>	<u>117.0</u>	<u>(30.1)</u>	<u>43.7</u>	<u>(51.4)</u>	<u>79.2</u>
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

HASBRO, INC.

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 acquisition. Pro Forma reconciliations are provided in the 2020 quarterly Earnings Release tables.

**Reconciliation of Adjusted Operating Profit**

	Quarter Ended					Pro Forma				
					Fiscal	Quarter Ended				Fiscal
	March	June	September	December	Year	March	June	September	December	Year
	2020	2020	2020	2020	2020	2019	2019	2019	2019	2019
<b>Operating Profit (Loss)</b>	<b>\$ (23.3)</b>	<b>\$ 2.2</b>	<b>\$ 336.6</b>	<b>\$ 186.3</b>	<b>\$ 501.8</b>	<b>\$ 139.3</b>	<b>\$ 100.7</b>	<b>\$ 313.0</b>	<b>\$ 136.8</b>	<b>\$ 689.8</b>
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
<b>Non-GAAP Adjustments (1)</b>	<b>\$ 174.8</b>	<b>\$ 44.4</b>	<b>\$ 30.6</b>	<b>\$ 75.1</b>	<b>\$ 324.9</b>	<b>\$ 36.6</b>	<b>\$ 40.6</b>	<b>\$ 29.2</b>	<b>\$ 36.6</b>	<b>\$ 143.0</b>
Entertainment	123.6	22.6	24.7	60.3	231.2	36.6	40.6	29.2	36.6	143.0
Corporate and Other	51.2	21.8	5.9	14.8	93.7	-	-	-	-	-
<b>Adjusted Operating Profit (Loss)</b>	<b>\$ 151.5</b>	<b>\$ 46.6</b>	<b>\$ 367.2</b>	<b>\$ 261.4</b>	<b>\$ 826.7</b>	<b>\$ 175.9</b>	<b>\$ 141.3</b>	<b>\$ 342.2</b>	<b>\$ 173.4</b>	<b>\$ 832.8</b>
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	(22.0)	25.3	90.1	131.4	(14.7)	48.3	(42.8)	122.2
Corporate and Other	6.1	8.7	3.0	(9.7)	8.1	21.8	5.2	0.6	27.0	54.6
(1) Non-GAAP Adjustments										
Acquisition and Related Costs	\$ 149.8	\$ 10.3	\$ 5.9	\$ 52.6	\$ 218.6	\$ -	\$ -	\$ -	\$ -	\$ -
Acquired Intangible Amortization	25.0	22.6	24.7	25.6	97.9	24.6	24.6	24.6	24.6	98.4
Severance	-	11.5	-	(3.1)	8.4	-	-	-	-	-
Pro Forma eOne Adjustments	-	-	-	-	-	12.0	16.0	4.6	12.0	44.6
<b>Total</b>	<b>\$ 174.8</b>	<b>\$ 44.4</b>	<b>\$ 30.6</b>	<b>\$ 75.1</b>	<b>\$ 324.9</b>	<b>\$ 36.6</b>	<b>\$ 40.6</b>	<b>\$ 29.2</b>	<b>\$ 36.6</b>	<b>\$ 143.0</b>

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