Q3 2019 EARNINGS

October 22, 2019

Safe Harbor

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include expectations concerning the Company's potential performance in the future and the Company's ability to achieve its financial and business goals, such as the belief the Company will return to profitable growth in 2019, the Company's actions, plans, and strategies relating to the application of tariffs to the Company's products, the proposed acquisition of Entertainment One, and estimates for full-year program production amortization expense and royalty expense, and may be identified by the use of forward-looking words or phrases.

The Company's 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: (i) the Company's ability to design, develop, produce, manufacture, source and ship products on a timely and cost-effective basis, as well as achieve and maintain interest in and purchase of those products by retail customers and consumers in quantities and at prices that will be sufficient to recover the Company's costs and earn a profit; (ii) downturns in economic conditions impacting one or more of the markets in which the Company sells products, including, without limitation, changes in exchange rates or other macroeconomic conditions that impact customers and consumers for the Company's products in the United Kingdom, Brazil, and Russia, which can negatively impact the Company's retail customers and consumers, and which can result in lower employment levels, consumer disposable income, retailer inventories and spending, including lower spending on purchases of the Company's products; (iii) factors which can lower discretionary consumer spending, such as higher costs for fuel and food, drops in the value of homes or other consumer assets, and high levels of consumer debt; (iv) consumer interest in entertainment properties for which the Company is developing and marketing and sales of products or content associated with such entertainment properties; (v) the Company's ability to successfully evolve and transform its business to address a changing global consumer landscape and retail environment, one in which online shopping and digital first marketing are increasingly critical, traditional retailers face challenges from disintermediation and our success depends on developing additional retail channels and paths to our consumers, and difficulties or delays the Company may experience in successfully implementing and developing new capabilities and making the changes to its business that are required to be successful under these changing marketplace conditions; (vi) the application of tariffs to some or all of the Company's products being imported into other markets, which would significantly increase the price of the Company's products and substantially harm sales if applied to any significant amount of the Company's products; (vii) the ability of the Company to successfully implement actions to lessen the impact of the application of tariffs imposed on our products, including any changes to our supply chain, inventory management, sales policies or pricing of our products (viii) our ability to successfully develop, launch and grow new areas of our business, such as Magic: The Gathering Arena and esports initiatives from our Wizards of the Coast business; (ix) other economic and public health conditions or regulatory changes in the markets in which the Company and its customers and suppliers operate which could create delays or increase the Company's costs, such as higher commodity prices, labor costs or transportation costs, or outbreaks of disease; (x) currency fluctuations, including movements in foreign exchange rates, which can lower the Company's net revenues and earnings, and significantly impact the Company's costs; (xi) the concentration of the Company's customers, potentially increasing the negative impact to the Company of difficulties experienced by any of the Company's customers or changes in their purchasing or selling patterns; (xii) the ability of the Company to successfully develop, produce and distribute movies under its relationship with Paramount Pictures Corporation, and consumer interest in those movies and related merchandise; (xiii) consumer interest in programming created by Hasbro Studios, and other factors impacting the financial performance of Hasbro Studios and the Discovery Family Channel; (xiv) existing retail inventories, which can depress purchases of new products by retailers and/or other aspects of the inventory policies of the Company's retail customers, including retailers' potential decisions to lower their inventories, even if it results in lost sales, as well as the concentration of the Company's revenues in the second half and fourth quarter of the year, which coupled with reliance by retailers on quick response inventory management techniques increases the risk of underproduction of popular items, overproduction of less popular items and failure to achieve compressed shipping schedules; (xv) the success of our key partner brands, including the Company's ability to maintain and extend solid relationships with its 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; (xvi) work disruptions, which may impact the Company's ability to manufacture or deliver product in a timely and cost-effective manner; (xvii) the bankruptcy or other lack of success of one of the Company's significant retailers, such as the recent bankruptcy of Toys"R"Us in the United States and Canada, or the bankruptcy or lack of success of a smaller retail customer of the Company, such as Sears Holdings Corporation, any of which could negatively impact the Company's revenues or bad debt exposure and create challenges to the Company and its financial performance as the Company attempts to recapture this lost business through other customers or channels and faces suppressed sales of new products caused by the liquidation of existing retail inventories into the market; (xviii) ability to realize the benefits of cost-savings and efficiency enhancing initiatives; (xix) the impact of competition on revenues, margins and other aspects of the Company's business, including the ability to offer Company products which consumers choose to buy instead of competitive products, the ability to secure, maintain and renew popular licenses and the ability to attract and retain talented employees; (xx) concentration of manufacturing for many of the Company's products in the People's Republic of China and the associated impact to the Company of social, economic or public health conditions and other factors affecting China, the movement of products into and out of China, the cost of producing products in China and exporting them to other countries, including without limitation, the application of tariffs to some or all of the products the Company purchases from vendors in China, and imports into the United States, which would significantly increase the price of the Company's products and substantially harm sales if applied to any significant amount of the Company's products; (xxi) the ability of the Company to successfully diversify sourcing of its products to reduce reliance on sources of supply in China;; (xxii) risks relating to investments and acquisitions, such as the Company's proposed acquisition of Entertainment One, which risks include: uncertainty of the satisfaction of closing conditions; unexpected costs, liabilities or delays; integration difficulties; inability to retain key personnel; diversion of management time and resources; failure to achieve anticipated benefits or synergies of acquisitions or investments; inability to complete financings on satisfactory terms or at all; risks relating to the additional indebtedness incurred in connection with a transaction; and fluctuations in foreign exchange rates; (xxiii) the Company's ability to protect its assets and intellectual property, including as a result of infringement, theft, misappropriation, cyber-attacks or other acts compromising the integrity of the Company's assets or intellectual property; (xxiv) the risk of product recalls or product liability suits and costs associated with product safety regulations; (xxv) the impact of other market conditions, third party actions or approvals and competition which could reduce demand for the Company's products or delay or increase the cost of implementation of the Company's programs or alter the Company's actions and reduce actual results; (xxvi) changes in tax laws or regulations, or the interpretation and application of such laws and regulations, which may cause the Company to alter tax reserves or make other changes which significantly impact its reported financial results; (xxvii) the impact of litigation or arbitration decisions or settlement actions; and (xxviii) other risks and uncertainties as may be detailed from time to time in the Company's public announcements and Securities and Exchange Commission ("SEC") filings. The statements contained herein are based on the Company's current beliefs and expectations. The Company undertakes 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 operating profit, Adjusted net earnings and Adjusted earnings per diluted share, which exclude, where applicable, the impact of acquisition-related charges relating to hedging the British Pound purchase price of eOne, the impact of charges associated with the settlement of the Company's pension plan, Toys"R"Us liquidation, severance costs and U.S. tax reform. Also included in the financial tables are the non-GAAP financial measures of EBITDA and 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 noted above. 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 net earnings, Adjusted earnings per diluted share and Adjusted operating profit provides investors with an understanding of the underlying performance of the Company's business absent unusual events. Management believes that EBITDA and Adjusted EBITDA are appropriate measures for evaluating the operating performance of the Company 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 the Company's consolidated financial statements and filings with the SEC. As used herein, "GAAP" refers to accounting principles generally accepted in the United States of America.

Strategy for Growth: **Brand Blueprint**

Toy & Game Product Innovation

Digital Gaming

STORYTELLING

HASBRO BRANDS

CONSUMER INSIGHTS

Consumer Products

GLOBAL MARKETS

Developed
Developing
Emerging

Immersive Entertainment Experiences

OMNI-CHANNEL RETAIL PARTNERSHIPS

Creating the World's Best Play and Entertainment Experiences

Hasbro's Brand Blueprint: A Proprietary Advantage

Unique **Strategy** Fueled by Unmatched **Brand Portfolio** and **Industry-leading** Capabilities in Innovation, Content, Gaming, Digital and Licensing

- Q3 2019 revenue growth in **Partner Brands** and **Emerging Brands**
- Q3 2019 Growth in EL&D driven by *Magic: The Gathering Arena* and *Bumblebee* film revenues
- Announced an agreement to purchase Entertainment One (eOne) for approximately £3.3 billion. The transaction is expected to close in Q4 2019.

Plan for Profitable Growth in 2019

Remain on Track to Deliver **Profitable Growth** for the Full-year 2019

- Q3 2019 revenues essentially flat; up 2% absent FX*
- YTD 2019 revenue up 3%; up 5% absent FX*
- YTD operating profit and margin improvement
- Expect full-year net cost savings of approx. $50M

**Q3 2019 revenues include $20.5M and YTD 2019 revenues include $65.5M negative impact of foreign exchange*

Strong Financial Position

Investing in **Long-term Profitable Growth** of Hasbro While Returning Cash to Shareholders

- **$1.1B** in cash at quarter end
- Generated **$861M** in TTM operating cash flow
- Marketing and product development investments for **MAGIC: THE GATHERING** and future digital games

Q3 2019
SNAPSHOT

REVENUE
$1.58B

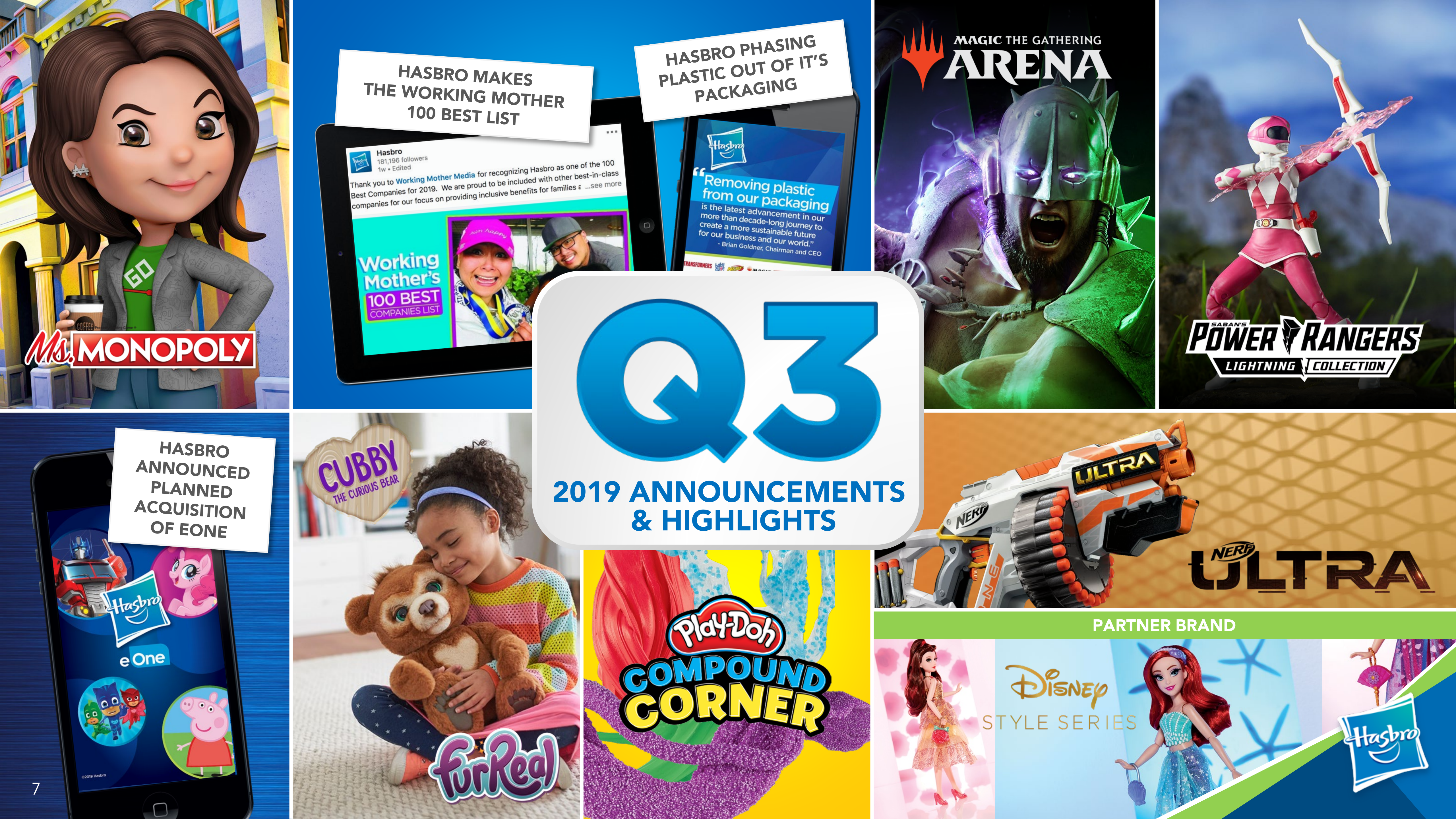
OPERATING PROFIT
$297.2M

NET EARNINGS
As Reported **$212.9M**
As Adjusted **$233.8M***

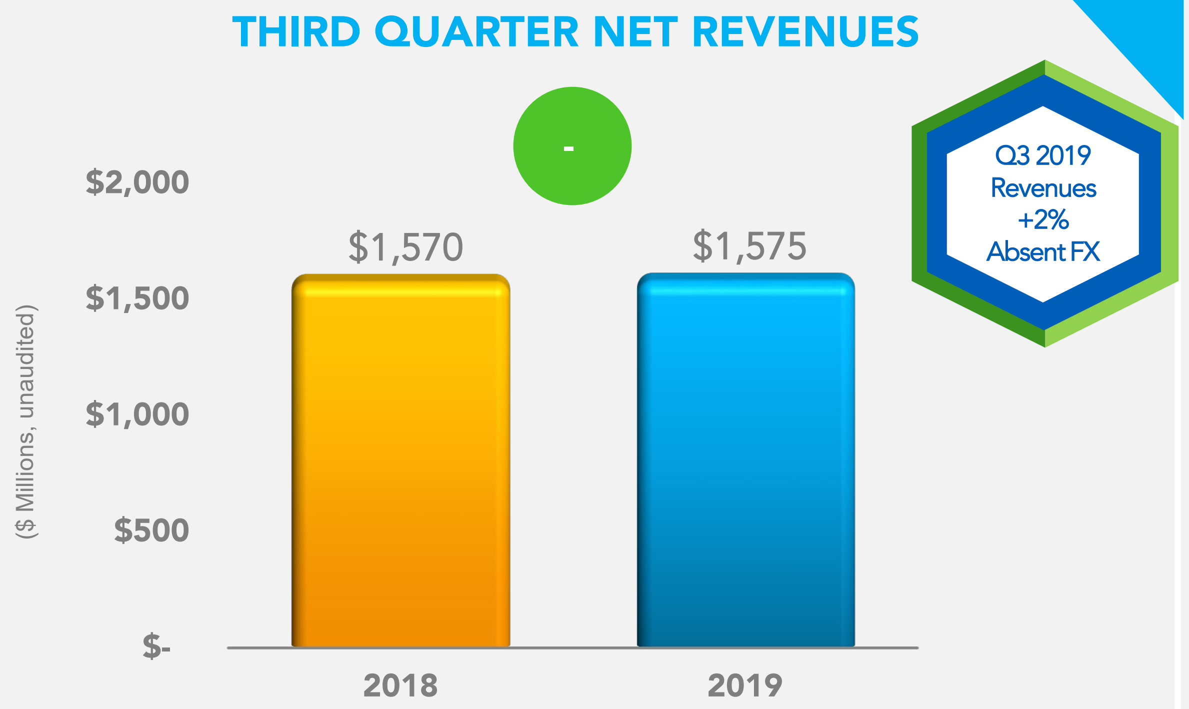
EPS
As Reported **$1.67**
per diluted share
As Adjusted **$1.84***
per diluted share

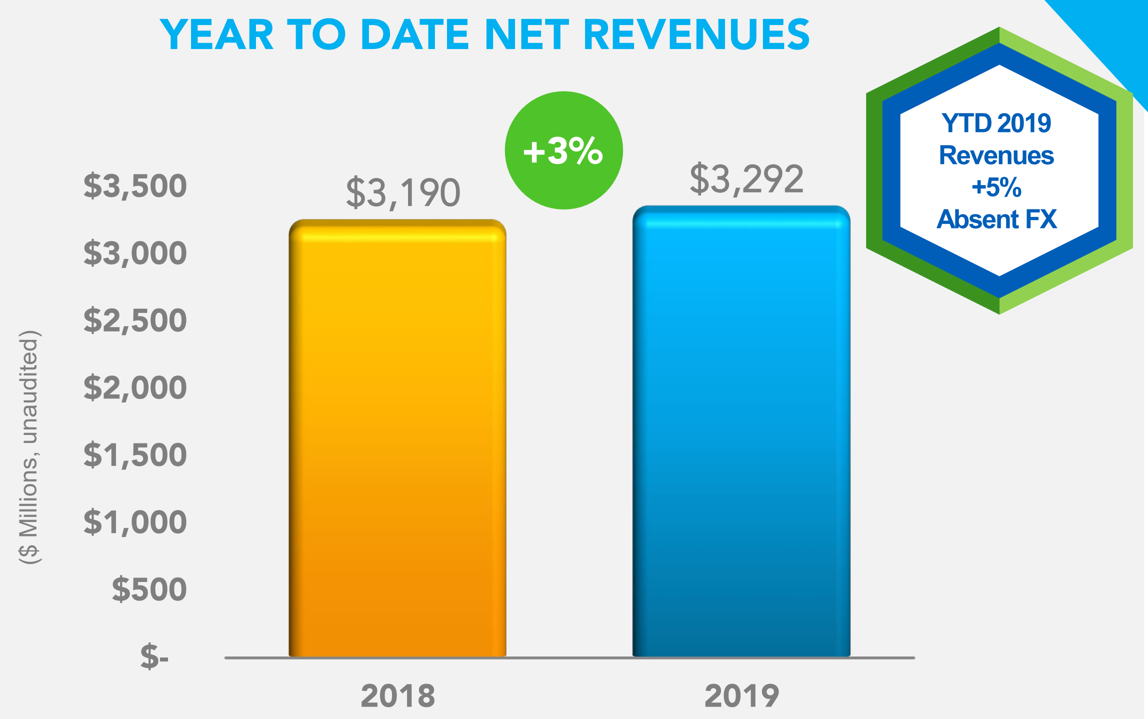
**A reconciliation of Non-GAAP financial measures can be found on slide 28 and slide 29*

Q3 2019 ANNOUNCEMENTS & HIGHLIGHTS



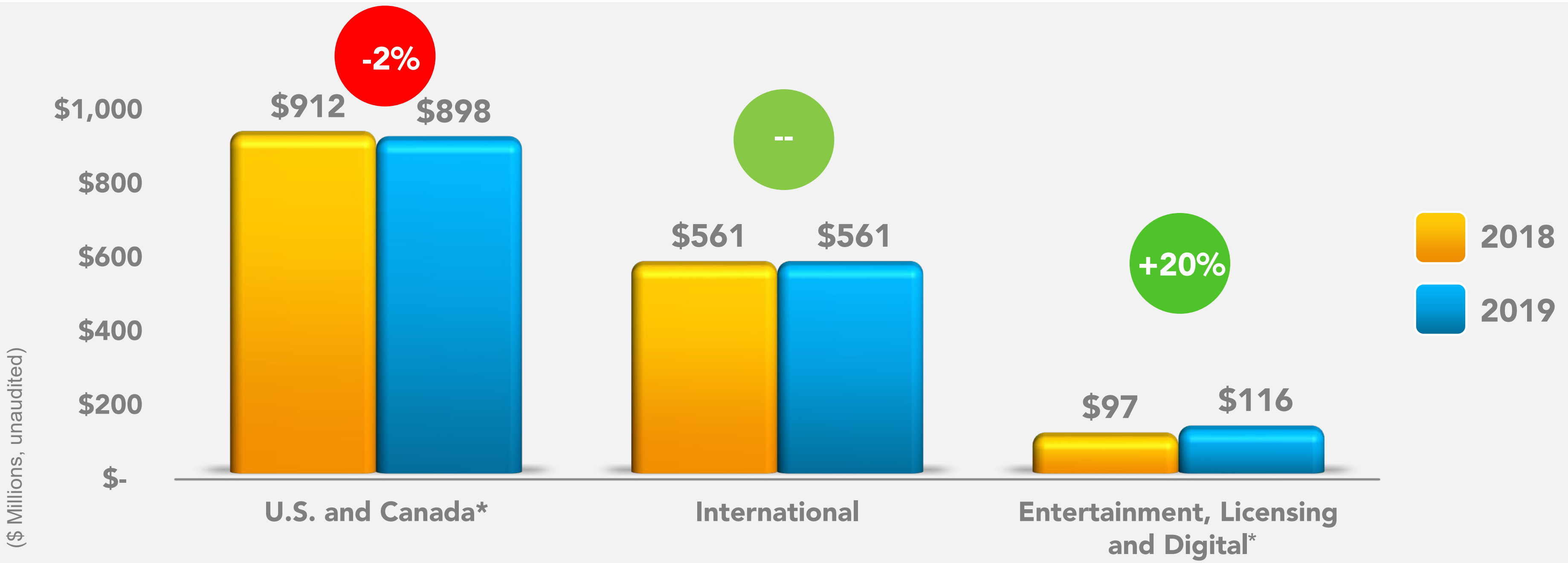
Third Quarter & Nine Months Net Revenue Performance





- Tariffs impacted our U.S. shipments in the quarter and our ability to fully meet demand.
- Continued growth in MAGIC: THE GATHERING tabletop and digital; growth in two Franchise Brands: MONOPOLY and TRANSFORMERS; growth in POWER RANGERS; Growth in Partner Brands Marvel, Disney's *Frozen 2* and *Star Wars* product to support Q4 2019 movie releases.
- Franchise Brands: MAGIC: THE GATHERING, MONOPOLY, PLAY-DOH and TRANSFORMERS up year-to-date.
- Absent a negative $20.5 million impact of foreign exchange, third quarter 2019 revenues grew 2%; Absent a negative $65.5 million impact of foreign exchange, YTD 2019 revenues are up 5%.

Third Quarter Segment Net Revenues



The Entertainment and Licensing segment is now the Entertainment, Licensing and Digital segment. For the quarter ended September 30, 2018, Wizards of the Coast digital gaming revenues of $12.0 million, and operating profit of $3.5 million, were reclassified from the U.S. and Canada segment to the Entertainment, Licensing and Digital segment.

U.S. & CANADA

- Revenue growth in **Partner Brands** and **Emerging Brands** offset by declines in **Franchise Brands** and **Hasbro Gaming**
- **Negative revenue impact from enacted and proposed tariffs**

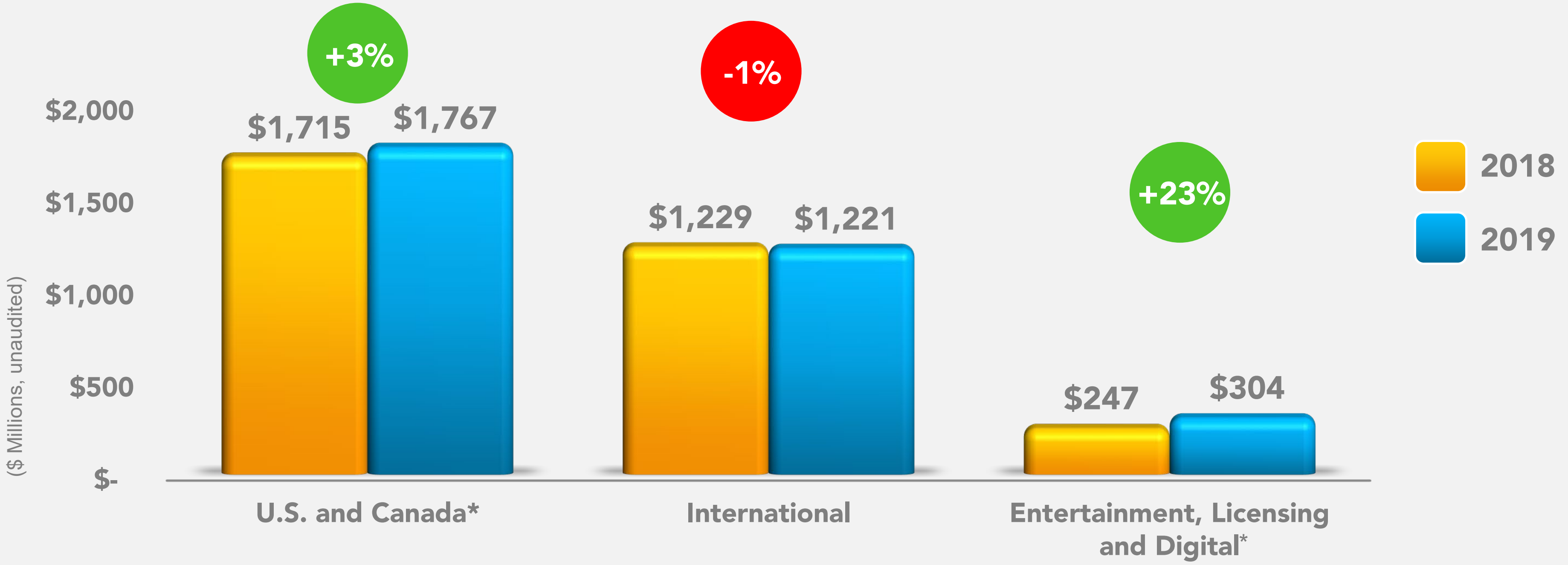
INTERNATIONAL

- Revenues **increased 4%**, absent the negative $20.0 million impact from FX
- Growth in **Partners Brands** and **Emerging Brands; Franchise Brands and Hasbro Gaming** down in the quarter

ENTERTAINMENT, LICENSING & DIGITAL

Growth driven by ***Magic: The Gathering Arena*** and ***Bumblebee*** film revenues offset by lower digital streaming revenues

Nine Months Segment Net Revenues



**The Entertainment and Licensing segment is now the Entertainment, Licensing and Digital segment. For the six months ended September 30, 2018, Wizards of the Coast digital gaming revenues of $33.3 million, and operating profit of $9.8 million, were reclassified from the U.S. and Canada segment to the Entertainment, Licensing and Digital segment.*

U.S. & CANADA

Revenue growth in **Partner Brands** and **Emerging Brands,** partially offset by declines in **Franchise Brands** and **Hasbro Gaming**

INTERNATIONAL

- Revenues **increased 5%**, absent the negative $63.4 million impact from FX
- Growth in **Partner Brands** and **Emerging Brands** offset by declines in Franchise Brands and Hasbro Gaming

ENTERTAINMENT, LICENSING & DIGITAL

Growth driven by ***Magic: The Gathering Arena,*** and ***Bumblebee*** film revenues

International Segment Revenues

	Q3 2019 AS REPORTED	Q3 2019 ABSENT FX	Nine Months 2019 AS REPORTED	Nine Months 2019 ABSENT FX
EUROPE	-4%	--	-2%	+4%
LATIN AMERICA	+4%	+9%	-1%	+4%
ASIA PACIFIC	+7%	+10%	+3%	+8%
INTERNATIONAL	--	+4%	-1%	+5%

EMERGING MARKETS

- Q3 Revenues down 3%; YTD down 6%
- Absent FX, Q3 2019 and YTD 2019 Emerging Markets approximately flat

Third Quarter and Nine Months Brand Portfolio Performance

($ Millions, unaudited)	Q3 2019	Q3 2018	% CHANGE	Nine Months 2019	Nine Months 2018	% CHANGE
FRANCHISE BRANDS	$780	$848	-8%	$1,750	$1,716	+2%
PARTNER BRANDS	$427	$306	+40%	$812	$714	+14%
HASBRO GAMING*	$232	$281	-17%	$463	$520	-11%
EMERGING BRANDS	$136	$135	+1%	$267	$240	+11%
Total	$1,575	$1,570	--	$3,292	$3,190	+3%

Hasbro's total gaming category, including all gaming revenue, most notably MAGIC: THE GATHERING and MONOPOLY which are included in Franchise Brands in the table above, was $449M for Q3 2019, flat vs. $448M in Q3 2018. YTD 2019 Hasbro's Total Gaming category was $1.1B up 13% vs. $964M YTD 2018.

Hasbro believes its gaming portfolio is a competitive differentiator and views it in its entirety.

THIRD QUARTER 2019

- **Franchise Brands:** Growth in MAGIC: THE GATHERING, MONOPOLY and TRANSFORMERS offset by declines in all other Franchise Brands.
- **Partner Brands:** Revenue growth due to increases in MARVEL, *DISNEY'S FROZEN 2,* STAR WARS and DISNEY'S DESCENDANTS 3.
- **Hasbro Gaming:** Growth in DUNGEONS & DRAGONS and select other gaming titles, including new games for the holidays were more than offset by declines in other games, including PIE FACE and SPEAK OUT.
- **Emerging Brands:** Gains in POWER RANGERS and PLAYSKOOL, including MR.POTATO HEAD.

HASBRO TOTAL GAMING*
Q3 2019
--
YTD 2019
+13%

Third Quarter Major Expense Items

($ Millions, unaudited)	Q3 2019	Q3 2018	% CHANGE YOY*	Q3 2019 % OF REVENUE
Cost of Sales	$627	$656	-4.3%	39.8%
Royalties	$128	$105	+21.6%	8.1%
Product Development	$67	$66	+2.4%	4.3%
Advertising	$140	$134	+4.4%	8.9%
Amortization of Intangibles	$12	$9	+33.6%	0.8%
Program Production Cost Amortization	$28	$14	+98.9%	1.8%
Selling, Distribution & Administration	$275	$272	+1.1%	17.5%

**Percent changes may vary due to rounding*

Operating Profit Margin
Q3 19: 18.9% OP

√ Cost of Sales
– Product Mix
– Higher Shipping & Warehousing Expenses
– Intangible Amortization
– Program Amortization
– Investments in Digital

Nine Months Major Expense Items

($ Millions, unaudited)	Nine Months 2019	Nine Months 2018*	% CHANGE YOY**	YTD 2019 % OF REVENUE
Cost of Sales	$1,231	$1,249	+1.5%	37.4%
Royalties*	$259	$241	-7.5%	7.9%
Product Development	$189	$183	+3.4%	5.7%
Advertising	$310	$290	+6.8%	9.4%
Amortization of Intangibles	$35	$20	+78.4%	1.1%
Program Production Cost Amortization	$58	$33	+73.9%	1.8%
Selling, Distribution & Administration*	$748	$854	-12.3%	22.7%

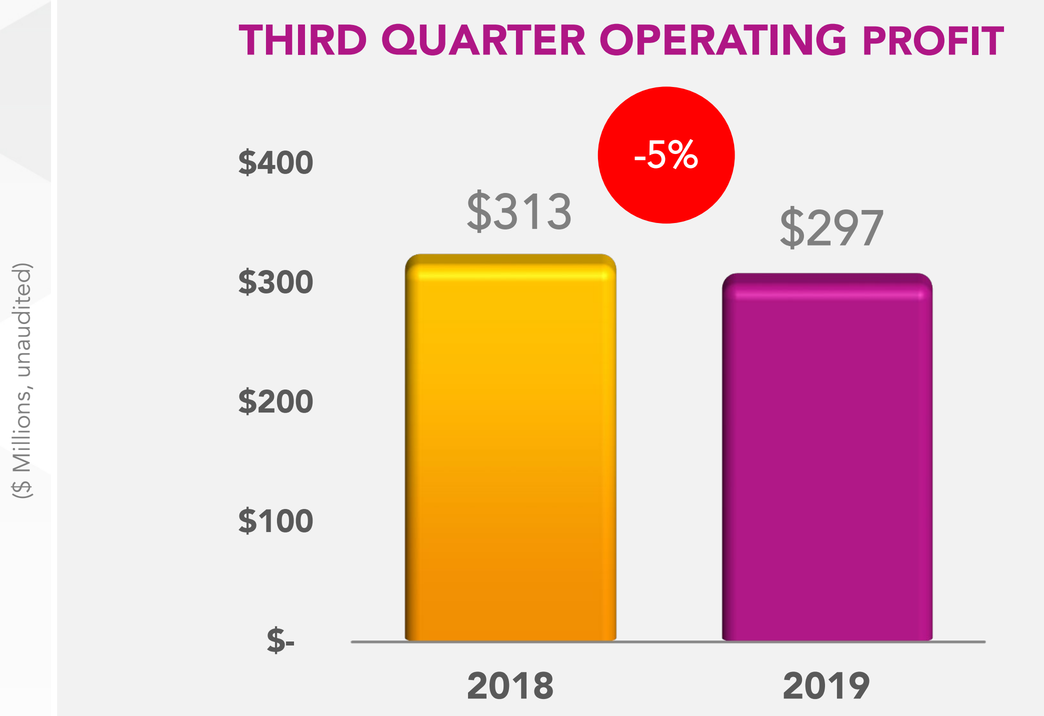
*YTD 2018 Royalties and SD&A include expenses associated with Toys "R" Us and severance costs. A reconciliation can be found on slide 29.

**Percent changes may vary due to rounding

Operating Profit Margin
YTD OP: 14.0%

- √ Cost of Sales
- – Product Mix
- – Higher Shipping & Warehousing Expense
- – Intangible Amortization
- – Program Amortization
- – Wizards Investments

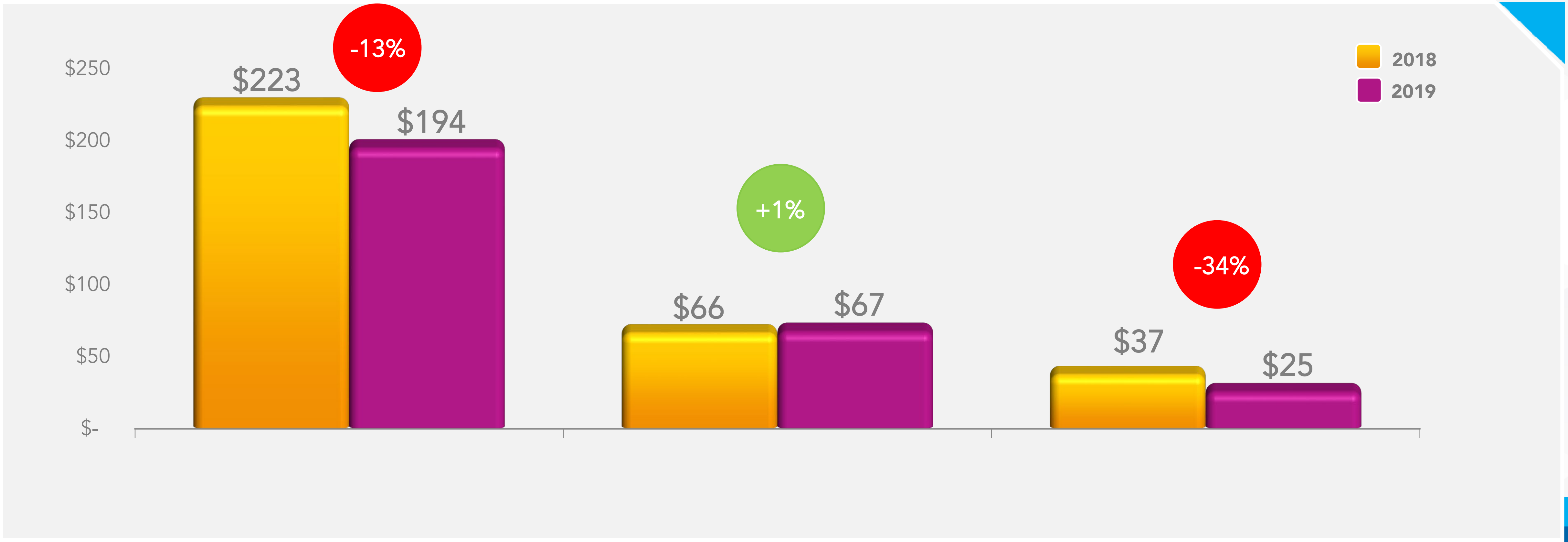
Third Quarter & Nine Months Operating Profit



A reconciliation of adjusted operating profit can be found on slide 28

- Q3 2019 operating profit reflects unfavorable brand mix, higher shipping and warehousing expense, higher intangible amortization and program production amortization.
- Nine Months 2019 operating profit reflects lower cost of sales, contributions from our cost savings activities, and lower stock compensation partially offset by increased shipping and warehousing expense, unfavorable product mix and investments in Wizards digital.
- Nine Months 2018 operating profit impacted by Toys"R"Us bad debt expense and severance charges.

Third Quarter Segment Operating Profit



U.S. & CANADA		INTERNATIONAL		ENTERTAINMENT, LICENSING & DIGITAL	
FAVORABLE	UNFAVORABLE	FAVORABLE	UNFAVORABLE	FAVORABLE	UNFAVORABLE
✓ Cost of Sales ✓ Lower Advertising Costs ✓ Growth in MAGIC: THE GATHERING	– Higher Royalty Expense – Higher Intangible Amortization Associated with POWER RANGERS – Higher Shipping & Warehousing Costs	✓ Favorable Brand Mix ✓ Growth in MAGIC: THE GATHERING ✓ Cost Management	– Higher Intangible Amortization Associated with POWER RANGERS – Higher Royalty Expense	✓ Higher Revenues	– Higher Program Production Expense – Advertising and Product Development for *Magic: The Gathering Arena* and future digital games – 2018 Higher OP from multi-year streaming deal

Nine Months Segment Operating Profit

*A reconciliation of adjusted segment operating profit can be found on slide 28

U.S. & CANADA

FAVORABLE

- ✓ Cost Savings
- ✓ Higher Revenues
- ✓ Favorable Brand Mix

UNFAVORABLE

- – Higher Royalty Expense
- – Higher Shipping & Warehousing Costs
- – Higher Intangible Amortization Associated with POWER RANGERS

INTERNATIONAL

FAVORABLE

- ✓ Higher Revenues
- ✓ Cost Management

UNFAVORABLE

- – Higher Intangible Amortization Associated with POWER RANGERS

ENTERTAINMENT, LICENSING & DIGITAL

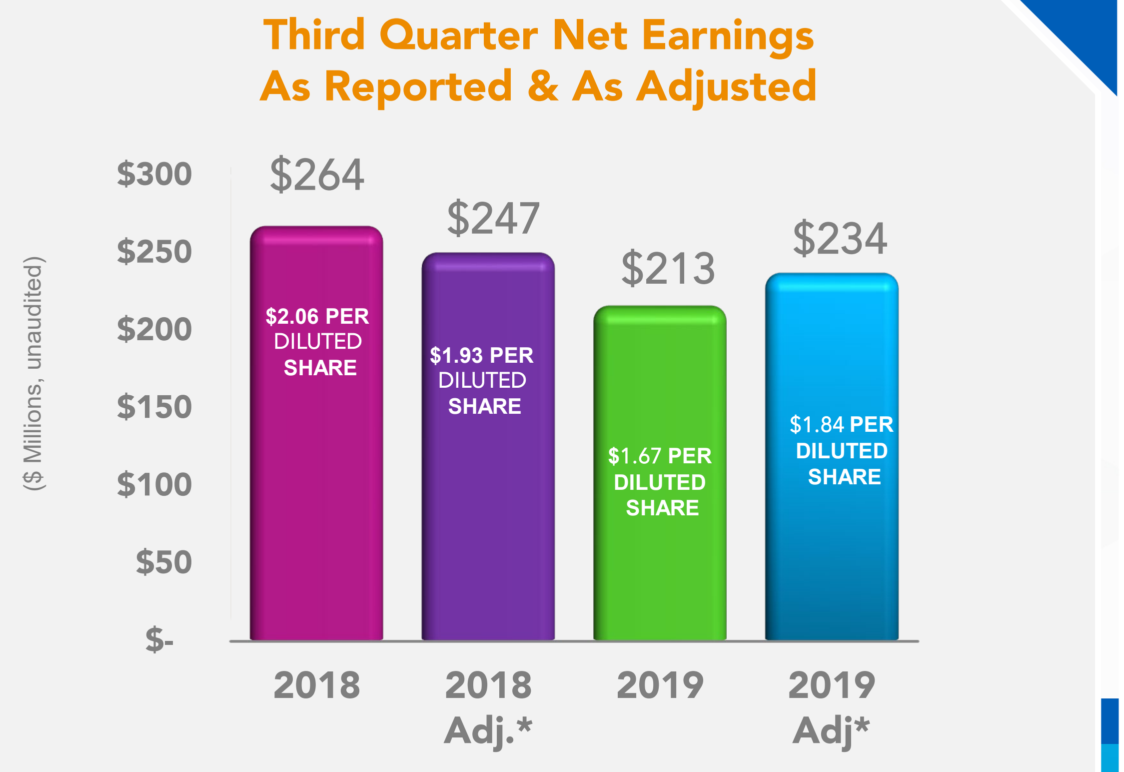
FAVORABLE

- ✓ Higher Revenues

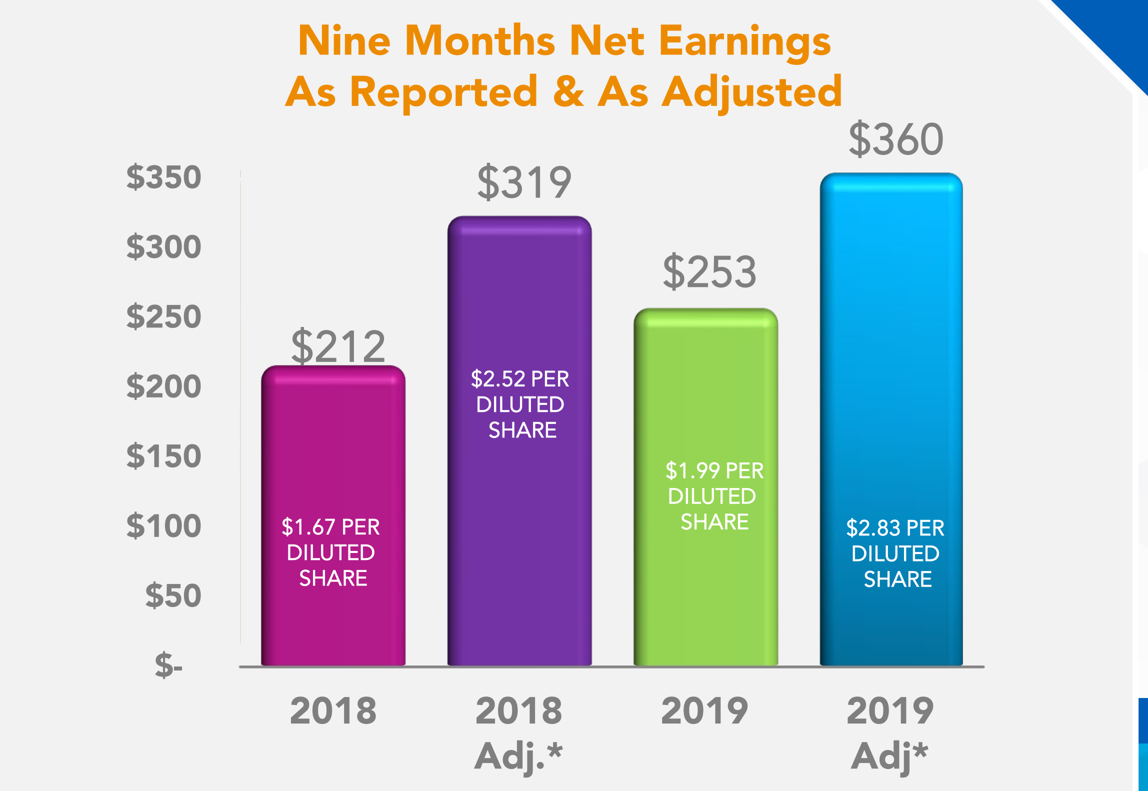
UNFAVORABLE

- – Higher Program Production Expense
- – Advertising and Product Development for *Magic: The Gathering Arena* and future digital games

Third Quarter & Nine Months Net Earnings



*A reconciliation of Non-GAAP financial measures can be found on slide 29



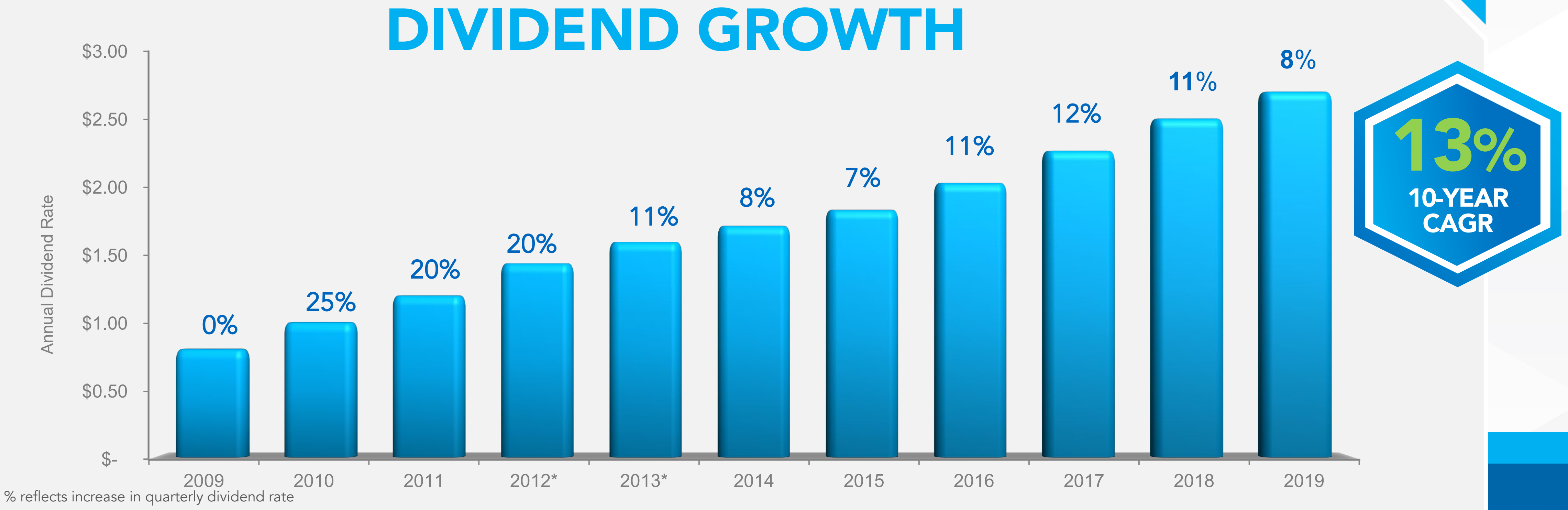
*A reconciliation of Non-GAAP financial measures can be found on slide 29

- Q3 2019 Non-GAAP Adjustments include an after-tax $20.9M, or $0.16 per diluted share loss related to hedging part of the British pound sterling purchase price of eOne; Q3 2018 Non-GAAP Adjustments include a favorable $17.3 million, or $0.14 per diluted share, tax benefit from U.S. tax reform.
- Nine Months 2019 after-tax Non-GAAP Adjustments include expenses associated with the settlement of the Company's U.S. defined benefit pension plan and a loss related to hedging part of the British pound sterling purchase price of eOne; Nine Months 2018 Non-GAAP adjustments include after-tax Toys"R"Us bad debt expense, severance charges and impact from U.S. tax reform.

Key Cash Flow & Balance Sheet Data

($ Millions, unaudited)	YEAR TO DATE ENDED SEPT. 29, 2019	SEPT. 30, 2018	NOTES
Cash	$1,060	$907	Strong cash position; Access to cash reduces need for short-term borrowings
Depreciation	$101	$105	
Amortization of Intangibles	$35	$20	Reflect POWER RANGERS Acquisition; Full-year Target $47M
Program Production Costs	$44	$96	2019 Film and TV programming spend target is ~$50M to $60M
Capital Expenditures	$91	$104	Targeting ~$140M for the full-year 2019
Dividends Paid	$251	$230	In February 2019, quarterly dividend increased 8% to $0.68 per share; Next dividend payable on November 15, 2019
Share Repurchase	$60	$188	$367.8M remains in authorizations at quarter end, however, the Company is suspending the program
Operating Cash Flow	$390	$175	Generating strong cash flow; Trailing twelve months $861M
Accounts Receivable	$1,417	$1,391	Receivables increased 2%, up 4% absent FX DSOs at 82 days
Inventory	$589	$611	Inventory decreased 4%, down 1% absent FX; Inventory of good quality

Returning Cash to Shareholders:



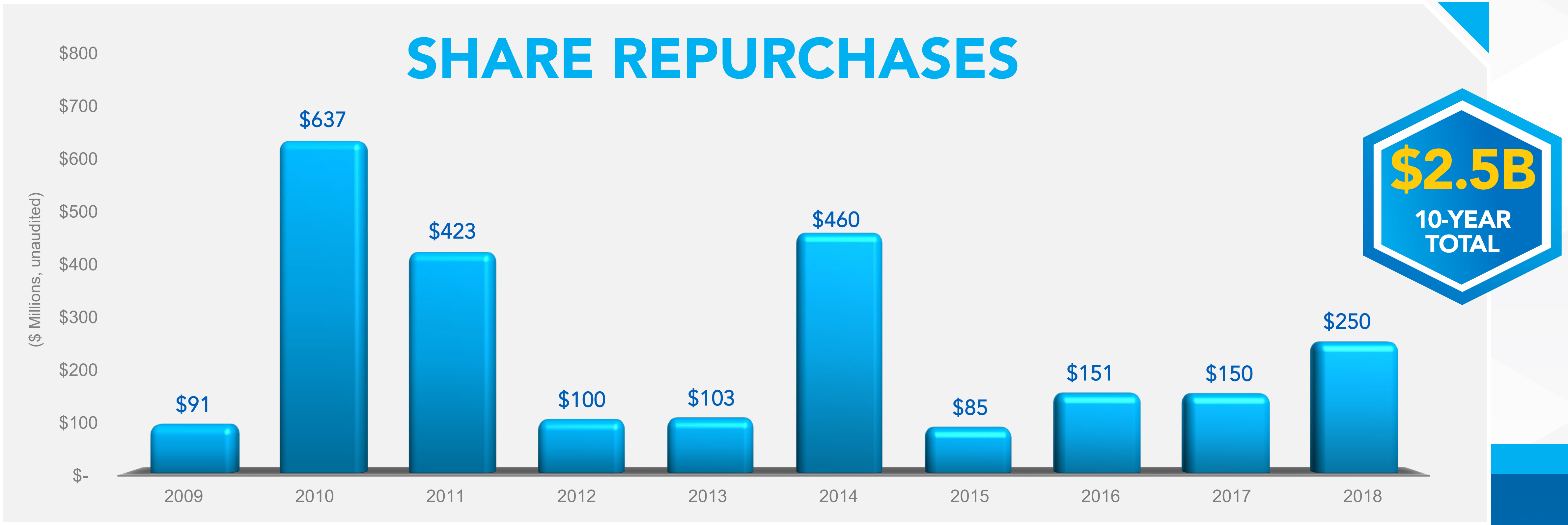
8%
2019 Quarterly Dividend Increase

Dividend in 15 of last 16 years

$85.9M
Dividends Paid in Q3 2019

*2012 and 2013 annual dividend rates have been adjusted to move accelerated payment paid in 2012 to 2013

Returning Cash to Shareholders:



Q3 2019 End
$367.8M Remains in Authorization*

Q3 2019 Repurchases
$1.5M
YTD 2019 Repurchases
$60.1M

10 Years
$2.5B

In anticipation of the eOne acquisition, the Company plans to suspend its share repurchase program while it prioritizes achieving its gross Debt to EBITDA target of 2.00 to 2.50X.

Our commitment to CSR reflects our desire to help build a safer, more sustainable and inclusive company and world for all.

Playing with Purpose

We believe every day is a chance to do better.

- Product Safety
- Environmental Sustainability
- Human Rights & Ethical Sourcing
- Diversity & Inclusion

2019 WORLD'S MOST ETHICAL COMPANIES® WWW.ETHISPHERE.COM

3BL MEDIA Corporate Responsibility Magazine's 100 BEST CORPORATE CITIZENS 2018

THE CIVIC 50

Hasbro

PARTNER BRAND

PARTNER BRAND

Hasbro 2019 Holiday Initiatives

PARTNER BRAND

PARTNER BRAND

Supplementary Financial Information

Q3 & Nine Months Consolidated Statements of Operations

($ Millions, unaudited)	QUARTER ENDED				YEAR TO DATE ENDED			
	SEPT.29, 2019	% NET REVENUES	SEPT. 30, 2018	% NET REVENUES	SEPT. 29, 2019	% NET REVENUES	SEPT 30, 2018	% NET REVENUES
NET REVENUES	**$1,575**	**100.0%**	**$1,570**	**100.0%**	**$3,292**	**100.0%**	**$3,190**	**100.00%**
Cost of Sales	627	39.8%	656	41.8%	1,231	37.4%	1,249	39.2%
Royalties	128	8.1%	105	6.7%	259	7.9%	241	7.6%
Product Development	67	4.3%	66	4.2%	189	5.7%	183	5.7%
Advertising	140	8.9%	134	8.6%	310	9.4%	290	9.1%
Amortization of Intangibles	12	0.8%	9	0.6%	35	1.1%	20	0.6%
Program Production Cost Amortization	28	1.8%	14	0.9%	58	1.8%	33	1.0%
Selling, Distribution & Administration	275	17.5%	272	17.4%	748	22.7%	854	26.8%
OPERATING PROFIT	**$297**	**18.9%**	**$313**	**20.0%**	**$462**	**14.0%**	**$321**	**10.0%**
Interest Expense	23	1.4%	23	1.5%	67	2.0%	68	2.1%
Other Expense (Income), Net	15	0.9%	(5)	-0.3%	99	3.0%	(23)	(0.7)%
EARNINGS BEFORE INCOME TAXES	**$260**	**16.5%**	**$296**	**18.8%**	**$295**	**9.0%**	**$276**	**8.6%**
Income Tax Expense	47	3.0%	32	2.0%	42	1.3%	64	2.0%
NET EARNINGS	**$213**	**13.5%**	**$264**	**16.8%**	**$253**	**7.7%**	**$212**	**6.6%**
Diluted EPS	**$1.67**		**$2.06**		**$1.99**		**$1.67**	

Subtotals/totals and percent changes may vary due to rounding

Condensed Consolidated Balance Sheets

($ Millions, unaudited)	SEPTEMBER 29, 2019	SEPTEMBER 30, 2018
Cash & Cash Equivalents	$1,060	$907
Accounts Receivable, Net	1,417	1,391
Inventories	589	611
Other Current Assets	347	283
TOTAL CURRENT ASSETS	**3,413**	**3,192**
Property, Plant & Equipment, Net[1]	372	255
Other Assets	1,770	2,048
TOTAL ASSETS	**$5,555**	**$5,495**
Short-term Borrowings	$8	$20
Payables & Accrued Liabilities[1]	1,459	1,302
TOTAL CURRENT LIABILITIES	**1,467**	**1,322**
Long-term Debt	1,696	1,695
Other Liabilities[1]	551	591
TOTAL LIABILITIES	**3,714**	**3,608**
Total Shareholders' Equity	1,841	1,887
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$5,555**	**$5,495**

(1) In January 2019, the Company adopted Financial Accounting Standards Update 2016-02, Leases, which requires the recognition of lease assets and lease liabilities. As a result, the Company has recorded operating lease right-of-use assets of $127 included in Property, Plant and Equipment, Net at September 29, 2019, as well as operating lease liabilities of $144, of which $29 are recorded in Payables and Accrued Liabilities and $115 are included in Other Liabilities, at September 29, 2019.

Subtotals/totals and percent changes may vary due to rounding

Condensed Consolidated Cash Flows

($ Millions, unaudited) YEAR TO DATE ENDED:	SEPTEMBER 29, 2019	SEPTEMBER 30, 2018
NET CASH PROVIDED BY OPERATING ACTIVITIES	**$390**	**$175**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to Property, Plant and Equipment	(91)	(104)
Investments and Acquisitions, Net of Cash Acquired	-	(155)
Other	4	9
NET CASH UTILIZED BY INVESTING ACTIVITIES	**(86)**	**(251)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments of Short-term Borrowings	(1)	(132)
Purchases of Common Stock	(61)	(188)
Stock-based Compensation Transactions	30	29
Dividends Paid	(251)	(230)
Employee Taxes Paid for Shares Withheld	(13)	(58)
Deferred Acquisition Payments	(100)	-
Debt Issuance Costs	(22)	-
NET CASH UTILIZED BY FINANCING ACTIVITIES	**(417)**	**(579)**
Effect of Exchange Rate Changes on Cash	(8)	(19)
Cash and Cash Equivalents at Beginning of Year	1,182	1,581
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**$1,060**	**$907**

SUPPLEMENTAL FINANCIAL DATA

Reconciliation of As Reported to Adjusted Operating Profit Results (Unaudited)

(Thousands of Dollars)

Non-GAAP Adjustments Impacting Operating Profit

For the quarter and nine months ended September 29, 2019, and the quarter ended September 30, 2018, there were no non-GAAP adjustments made to operating profit.

	Nine Months Ended			
	September 29, 2019		September 30, 2018	
	Pre-tax Adjustments	Post-tax Adjustments	Pre-tax Adjustments	Post-tax Adjustments
Incremental costs impact of Toys"R"Us [1]	$ —	$ —	$ 70,428	$ 61,372
Severance [2]	—	—	17,349	15,699
	$ —	$ —	$ 87,777	$ 77,071

[1] In the first quarter of 2018, Toys"R"Us announced a liquidation of its U.S. operations, as well as other retail impacts around the globe. As a result, the Company recognized incremental bad debt expense on outstanding Toys"R"Us receivables, royalty expense, inventory obsolescence as well as other related costs.

[2] In the first quarter of 2018, the Company incurred severance charges, primarily outside the U.S., related to actions associated with a new go-to-market strategy designed to be more omni-channel and e-commerce focused. These charges were included in Corporate and Eliminations.

Reconciliation of Operating Profit Results

For the quarter and nine months ended September 29, 2019, and the quarter ended September 30, 2018, there were no non-GAAP adjustments made to operating profit.

	Nine Months Ended September 30, 2018		
	As Reported	Non-GAAP Adjustments	Adjusted
Adjusted Company Results			
External Net Revenues	$ 3,190,485	$ —	$ 3,190,485
Operating Profit	320,505	87,777	408,282
Operating Margin	10.0 %	2.8 %	12.8 %
Adjusted Segment Results			
U.S. and Canada Segment:			
External Net Revenues	$ 1,714,536	$ —	$ 1,714,536
Operating Profit	269,539	52,277	321,816
Operating Margin	15.7 %	3.0 %	18.8 %
International Segment:			
External Net Revenues	1,229,093	—	1,229,093
Operating Profit (Loss)	10,359	11,151	21,510
Operating Margin	0.8 %	0.9 %	1.8 %
Entertainment, Licensing and Digital Segment:			
External Net Revenues	246,747	—	246,747
Operating Profit	76,016	—	76,016
Operating Margin	30.8 %	—	30.8 %

Corporate and Eliminations:

The Corporate and Eliminations segment included non-GAAP adjustments of $24.3 million for the nine months ended September 30, 2018, consisting of $17.3 million of severance; and $7.0 million of royalty expense related to Toys"R"Us losses.

SUPPLEMENTAL FINANCIAL DATA

Reconciliation of Reported to Adjusted Net Earnings and Earnings Per Share (Unaudited)
(Thousands of Dollars, Except Per Share Data)

Reconciliation of Net Earnings and Earnings per Share

	Quarter Ended			
(all adjustments reported after-tax)	September 29, 2019	Diluted Per Share Amount	September 30, 2018	Diluted Per Share Amount
Net Earnings, as Reported	$ 212,949	$ 1.67	$ 263,861	$ 2.06
Impact of Tax Reform [(1)]	—	—	(17,336)	(0.14)
Acquisition-related foreign exchange loss [(2)]	20,886	0.16	—	—
Net Earnings, as Adjusted	$ 233,835	1.84	$ 246,525	$ 1.93

	Nine Months Ended			
(all adjustments reported after-tax)	September 29, 2019	Diluted Per Share Amount	September 30, 2018	Diluted Per Share Amount
Net Earnings, as Reported	$ 253,109	$ 1.99	$ 211,668	$ 1.67
Incremental costs impact of Toys"R"Us	—	—	61,372	0.48
Severance	—	—	15,699	0.12
Impact of Tax Reform [(1)]	—	—	30,454	0.24
Acquisition-related foreign exchange loss [(2)]	20,886	0.16	—	—
Pension [(3)]	85,852	0.68	—	—
Net Earnings, as Adjusted	$ 359,847	$ 2.83	$ 319,193	$ 2.52

[(1)] The Company made adjustments to provisional U.S. Tax Reform amounts recorded in the fourth quarter of 2017 based on additional regulations issued in the first quarter of 2018.

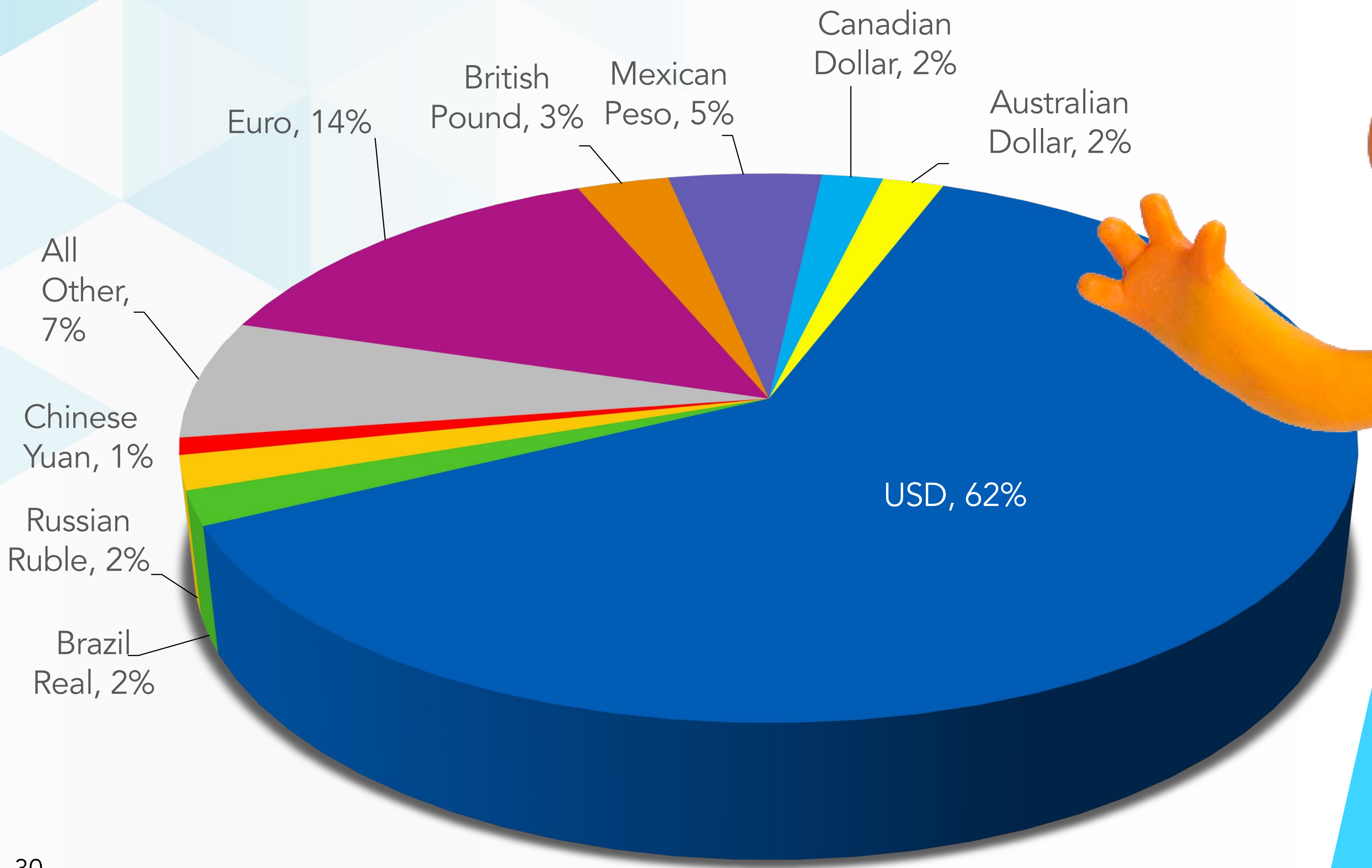
[(2)] In the third quarter of 2019, the Company and Entertainment One Ltd. ("eOne") announced that they entered into a definitive agreement under which the Company will acquire eOne in an all-cash transaction, to be paid in British pound sterling. The Company hedged a portion of its exposure to fluctuations in the British pound sterling in relation to the acquisition using a series of both foreign exchange forward and option contracts. These contracts do not qualify for hedge accounting and, as such, were marked to market through other expense in the Company's Consolidated Statement of Operations. The Q3 2019 impact was a loss of $25.5 million, or $20.9 million after-tax.

[(3)] In the second quarter of 2019, the Company recognized a $110.8 million non-cash charge ($85.9 million after-tax) related to the settlement of its U.S. defined benefit pension plan.

Reconciliation of EBITDA

	Quarter Ended		Nine Months Ended	
	September 29, 2019	September 30, 2018	September 29, 2019	September 30, 2018
Net Earnings	$ 212,949	$ 263,861	$ 253,109	$ 211,668
Interest Expense	22,764	22,779	67,096	68,391
Income Taxes (including Tax Reform)	46,797	31,933	42,340	63,862
Depreciation	38,608	42,623	101,016	104,915
Amortization of Intangibles	11,814	8,841	35,445	19,873
EBITDA	$ 332,932	$ 370,037	$ 499,006	$ 468,709
Non-GAAP Adjustments (see above)	(25,533)	—	(136,310)	87,777
Adjusted EBITDA	$ 358,465	$ 370,037	$ 635,316	$ 556,486

2018 Net Revenues
by Currency



Creating the World's Best Play Experiences