

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

FORM 10-Q

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 29, 2020
or
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
Commission File Number 1-6682

HASBRO, INC.

(Exact name of registrant as specified in its charter)

Rhode Island

(State or other jurisdiction of incorporation or organization)

05-0155090

(I.R.S. Employer Identification No.)

1027 Newport Avenue

Pawtucket, Rhode Island

(Address of Principal Executive Offices)

02861

(Zip Code)

(401) 431-8697

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.50 par value per share	HAS	The NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No []

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes [x] No []

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. []

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of Common Stock, par value \$.50 per share, outstanding as of April 29,2020 was 137,011,347.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(Thousands of Dollars Except Share Data)
(Unaudited)

	March 29, 2020	March 31, 2019	December 29, 2019
<u>ASSETS</u>			
Current assets			
Cash and cash equivalents including restricted cash of \$86,177, \$0 and \$0	\$ 1,237,884	1,196,634	4,580,369
Accounts receivable, less allowance for doubtful accounts of \$16,900 \$12,100 and \$17,200	963,823	638,417	1,410,597
Inventories	444,406	491,751	446,105
Prepaid expenses and other current assets	672,390	305,056	310,450
Total current assets	3,318,503	2,631,858	6,747,521
Property, plant and equipment, less accumulated depreciation of \$513,200 \$484,200 and \$505,900	455,945	395,624	382,248
Other assets			
Goodwill	3,572,650	485,528	494,584
Other intangible assets, net of accumulated amortization of \$608,500 \$747,800 and \$895,200	1,615,778	682,063	646,305
Other	1,461,483	739,700	584,970
Total other assets	6,649,911	1,907,291	1,725,859
Total assets	\$ 10,424,359	4,934,773	8,855,628
<u>LIABILITIES, NONCONTROLLING INTERESTS AND SHAREHOLDERS' EQUITY</u>			
Current liabilities			
Short-term borrowings	\$ 9,405	13,409	503
Current portion of long-term debt	64,441	—	—
Accounts payable	308,496	234,262	343,927
Accrued liabilities	1,356,214	701,054	912,652
Total current liabilities	1,738,556	948,725	1,257,082
Long-term debt	5,156,290	1,695,462	4,046,457
Other liabilities	738,965	636,055	556,559
Total liabilities	7,633,811	3,280,242	5,860,098
Redeemable noncontrolling interests	26,041	—	—
Shareholders' equity			
Preference stock of \$2.50 par value. Authorized 5,000,000 shares; none issued	—	—	—
Common stock of \$0.50 par value. Authorized 600,000,000 shares; issued 220,286,736 at March 29, 2020, 209,694,630 at March 31, 2019, and 220,286,736 at December 29, 2019	110,143	104,847	110,143
Additional paid-in capital	2,282,379	1,269,230	2,275,726
Retained earnings	4,191,810	4,125,686	4,354,619
Accumulated other comprehensive loss	(294,772)	(282,339)	(184,220)
Treasury stock, at cost; 83,279,734 shares at March 29, 2020; 83,830,809 shares at March 31, 2019; and 83,424,129 shares at December 29, 2019	(3,560,336)	(3,562,893)	(3,560,738)
Noncontrolling interests	35,283	—	—
Total shareholders' equity	2,764,507	1,654,531	2,995,530
Total liabilities, noncontrolling interests and shareholders' equity	\$ 10,424,359	4,934,773	8,855,628

See accompanying condensed notes to consolidated financial statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
(Thousands of Dollars Except Per Share Data)
(Unaudited)

	Quarter Ended	
	March 29, 2020	March 31, 2019
Net revenues	\$ 1,105,570	732,510
Costs and expenses:		
Cost of sales	262,694	259,987
Program cost amortization	132,146	6,575
Royalties	112,822	59,888
Product development	53,829	56,260
Advertising	101,641	76,604
Amortization of intangibles	36,811	11,816
Selling, distribution and administration	279,128	225,253
Acquisition and related costs	149,782	—
Total costs and expenses	1,128,853	696,383
Operating profit (loss)	(23,283)	36,127
Non-operating (income) expense:		
Interest expense	54,725	22,314
Interest income	(4,667)	(7,682)
Other expense (income), net	(1,459)	(8,100)
Total non-operating expense, net	48,599	6,532
Earnings (loss) before income taxes	(71,882)	29,595
Income tax (benefit) expense	(4,072)	2,868
Net earnings (loss)	(67,810)	26,727
Net earnings attributable to noncontrolling interests	1,827	—
Net earnings (loss) attributable to Hasbro, Inc.	(69,637)	26,727
Net earnings (loss) per common share:		
Basic	\$ (0.51)	0.21
Diluted	\$ (0.51)	0.21
Cash dividends declared per common share	\$ 0.68	0.68

See accompanying condensed notes to consolidated financial statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Earnings (Loss)
(Thousands of Dollars)
(Unaudited)

	Quarter Ended	
	March 29, 2020	March 31, 2019
Net earnings (loss)	\$ (67,810)	26,727
Other comprehensive earnings (loss):		
Foreign currency translation adjustments	(131,767)	6,993
Unrealized holding (losses) gains on available-for-sale securities, net of tax	(410)	265
Net gains on cash flow hedging activities, net of tax	25,015	6,592
Reclassifications to earnings (loss), net of tax:		
Net gains on cash flow hedging activities	(3,664)	(2,814)
Amortization of unrecognized pension and postretirement amounts	274	1,139
Total other comprehensive earnings (loss), net of tax	(110,552)	12,175
Total comprehensive earnings attributable to noncontrolling interests	1,827	—
Total comprehensive earnings (loss) attributable to Hasbro, Inc.	<u>\$ (180,189)</u>	<u>38,902</u>

See accompanying condensed notes to consolidated financial statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(Thousands of Dollars)
(Unaudited)

	Three Months Ended	
	March 29, 2020	March 31, 2019
Cash flows from operating activities:		
Net earnings (loss)	\$ (67,810)	26,727
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:		
Depreciation of plant and equipment	23,666	27,028
Amortization of intangibles	36,811	11,816
Asset impairments	40,878	—
Program cost amortization	132,146	6,575
Deferred income taxes	(3,127)	11,795
Stock-based compensation	10,651	5,285
Other non-cash items	8,418	(3,503)
Change in operating assets and liabilities net of acquired balances:		
Decrease in accounts receivable	653,687	558,888
Increase in inventories	(13,933)	(50,109)
Increase in prepaid expenses and other current assets	(22,965)	(33,934)
Program production costs, net	(168,043)	(17,728)
Decrease in accounts payable and accrued liabilities	(315,781)	(273,955)
Other	(22,971)	(4,391)
Net cash provided by operating activities	<u>291,627</u>	<u>264,494</u>
Cash flows from investing activities:		
Additions to property, plant and equipment	(30,833)	(25,201)
Acquisitions, net of cash acquired	(4,403,929)	—
Other	4,271	(1,800)
Net cash utilized by investing activities	<u>(4,430,491)</u>	<u>(27,001)</u>
Cash flows from financing activities:		
Proceeds from borrowings with maturity greater than three months	1,017,689	—
Repayments of borrowings with maturity greater than three months	(50,186)	—
Net repayments of other short-term borrowings	(1,424)	3,419
Purchases of common stock	—	(47,479)
Stock-based compensation transactions	1,830	2,335
Dividends paid	(93,162)	(79,274)
Payments related to tax withholding for share-based compensation	(5,307)	(11,880)
Redemption of equity instruments	(47,399)	—
Deferred acquisition payments	—	(87,500)
Other	(2,572)	—
Net cash provided (utilized) by financing activities	<u>819,469</u>	<u>(220,379)</u>
Effect of exchange rate changes on cash	<u>(23,090)</u>	<u>(2,851)</u>
(Decrease) increase in cash, cash equivalents and restricted cash	<u>(3,342,485)</u>	<u>14,263</u>
Cash, cash equivalents and restricted cash at beginning of year	<u>4,580,369</u>	<u>1,182,371</u>
Cash, cash equivalents and restricted cash at end of period	<u>\$ 1,237,884</u>	<u>1,196,634</u>
Supplemental information		
Cash paid during the period for:		
Interest	\$ 13,479	28,576
Income taxes	\$ 19,915	13,019

See accompanying condensed notes to consolidated financial statements.

HASBRO, INC. AND SUBSIDIARIES
Consolidated Statements of Shareholders' Equity and Noncontrolling Interests
(Thousands of Dollars)

Quarter Ended March 29, 2020								
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Noncontrolling Interests	Total Shareholders' Equity	Redeemable Noncontrolling Interests
Balance, December 29, 2019	\$ 110,143	2,275,726	4,354,619	(184,220)	(3,560,738)	—	\$ 2,995,530	\$ —
Noncontrolling interests related to acquisition of Entertainment One Ltd.	—	—	—	—	—	39,925	39,925	23,596
Net loss attributable to Hasbro, Inc.	—	—	(69,637)	—	—	—	(69,637)	—
Net earnings (loss) attributable to noncontrolling interests	—	—	—	—	—	(1,864)	(1,864)	37
Other comprehensive loss	—	—	—	(110,552)	—	—	(110,552)	—
Stock-based compensation transactions	—	(3,998)	—	—	402	—	(3,596)	—
Stock-based compensation expense	—	10,651	—	—	—	—	10,651	—
Dividends declared	—	—	(93,172)	—	—	—	(93,172)	—
Distributions paid to noncontrolling owners	—	—	—	—	—	(2,778)	(2,778)	2,408
Balance, March 29, 2020	<u>\$ 110,143</u>	<u>\$ 2,282,379</u>	<u>\$ 4,191,810</u>	<u>\$ (294,772)</u>	<u>\$ (3,560,336)</u>	<u>\$ 35,283</u>	<u>\$ 2,764,507</u>	<u>\$ 26,041</u>
Quarter Ended March 31, 2019								
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Noncontrolling Interests	Total Shareholders' Equity	Redeemable Noncontrolling Interests
Balance, December 30, 2018	\$ 104,847	1,275,059	4,184,374	(294,514)	(3,515,280)	—	\$ 1,754,486	\$ —
Net earnings	—	—	26,727	—	—	—	26,727	—
Other comprehensive earnings	—	—	—	12,175	—	—	12,175	—
Stock-based compensation transactions	—	(11,114)	—	—	1,569	—	(9,545)	—
Purchases of common stock	—	—	—	—	(49,182)	—	(49,182)	—
Stock-based compensation expense	—	5,285	—	—	—	—	5,285	—
Dividends declared	—	—	(85,415)	—	—	—	(85,415)	—
Balance, March 31, 2019	<u>\$ 104,847</u>	<u>\$ 1,269,230</u>	<u>\$ 4,125,686</u>	<u>\$ (282,339)</u>	<u>\$ (3,562,893)</u>	<u>\$ —</u>	<u>\$ 1,654,531</u>	<u>\$ —</u>

See accompanying condensed notes to consolidated financial statements.

HASBRO, INC. AND SUBSIDIARIES
Condensed Notes to Consolidated Financial Statements
(Thousands of Dollars and Shares Except Per Share Data)
(Unaudited)

(1) Basis of Presentation

In the opinion of management, the accompanying unaudited interim consolidated financial statements contain all normal and recurring adjustments necessary to present fairly the consolidated financial position of Hasbro, Inc. and all majority-owned subsidiaries ("Hasbro" or the "Company") as of March 29, 2020 and March 31, 2019, and the results of its operations and cash flows and shareholders' equity for the periods then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes thereto. Actual results could differ from those estimates.

The quarters ended March 29, 2020 and March 31, 2019 were each 13-week periods.

The results of operations for the quarter ended March 29, 2020 are not necessarily indicative of results to be expected for the full year, nor were those of the comparable 2019 period representative of those actually experienced for the full year 2019.

Following the Company's acquisition of Entertainment One Ltd. ("eOne" or "eOne Acquisition") (see Note 3), beginning with the first quarter of 2020, the eOne operating segment was added to the Company's reporting structure and is comprised of all legacy eOne operations. Over time, the Company plans to transition towards reflecting all of its entertainment operations within the eOne segment. The Company also expects to shift the consumer product and digital licensing business and toy and game sales related to the eOne preschool brands to legacy Hasbro segments; including related toy and game operations into the Company's geographic commercial segments in late 2021 and 2022. In addition to the eOne segment, the Company's brand architecture now reflects the addition of the TV, Film and Entertainment brand portfolio which consists of legacy eOne film and TV revenues. Operations related to eOne brands, including PEPPA PIG, PJ MASKS and RICKY ZOOM, are reported in the Emerging Brands portfolio.

eOne's results of operations and financial position are included in the Company's consolidated financial statements and accompanying condensed footnotes since the date of acquisition. For more information on the eOne Acquisition see Note 3, Business Combination.

Significant Accounting Policies

The Company's significant accounting policies are summarized in Note 1 to the consolidated financial statements included in our Form 10-K for the year ended December 29, 2019. An update and supplement to these accounting policies associated with our acquisition of eOne is below.

Noncontrolling Interests

The financial results and position of the noncontrolling interests acquired through the acquisition of eOne are included in their entirety in the Company's consolidated statements of operations and consolidated balance sheets beginning with the first quarter of 2020. The value of the redeemable noncontrolling interests is presented in the consolidated balance sheets as temporary equity between liabilities and shareholders' equity. The value of the noncontrolling interests is presented in the consolidated balance sheets within total shareholders' equity. Earnings (losses) attributable to the redeemable noncontrolling interests and noncontrolling interests are presented as a separate line on the consolidated statements of operations which is necessary to identify those earnings (losses) specifically attributable to Hasbro. A breakout of the redeemable noncontrolling interests and noncontrolling interests acquired is listed below.

Name	Country of Incorporation	Proportion held	Principal activity
Astley Baker Davies Limited	England and Wales	70%	Ownership of intellectual property
Whizz Kid Entertainment Limited	England and Wales	70%	Production of television programs
MR Productions Holdings, LLC	United States	77%	Film development
Renegade Entertainment, LLC	United States	65%	Production of television programs
Round Room Live, LLC	United States	60%	Production of live events

Production Financing

Production financing relates to financing facilities for certain of the Company's television and film productions. Beginning in the first quarter of 2020 with the acquisition of eOne, the Company funded certain of its television and film productions using production financing facilities. Production financing facilities are secured by the assets and future revenues of the individual production subsidiaries, typically have maturities of less than two years while the titles are in production, and are repaid once the production is delivered and all tax credits, broadcaster pre-sales and international sales have been received. In connection with the production of a television or film program, the Company records initial cash outflows within cash flows from operating activities due to its investment in the production and concurrently records cash inflows within cash flows from financing activities from the production financing it normally obtains. Under these facilities, certain of the Company's cash is restricted while the financing is outstanding. At March 29, 2020, \$86,177 of the Company's cash was restricted by such facilities.

Investment in Productions and Acquired Content Rights

The cost of investments in programming ("IIP") and investments in content rights ("IIC") for eOne's television and film libraries are recorded in the consolidated balance sheets at amounts considered recoverable against future revenues. These amounts are amortized to program cost amortization using a model that reflects the consumption of the asset as it is released through different exploitation windows (e.g., broadcast licenses, theatrical release and home entertainment) and the expected revenue earned in each of those stages of release over a period not exceeding 10 years. Amounts capitalized are reviewed regularly and any portion of the unamortized amount that appears not to be recoverable from future net revenues will be written off to program cost amortization during the period in which the loss becomes evident. Certain of these agreements require the Company to pay minimum guaranteed advances ("MGs") for participations and residuals. MGs are recognized in the consolidated balance sheets when a liability arises, usually on delivery of the television or film program to the Company. The current portion of MGs are recorded as Payables and Accrued Liabilities and the long-term portion are recorded as Other Liabilities.

These consolidated financial statements have been prepared without audit, pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Certain information and disclosures normally included in the consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. The Company filed with the SEC audited consolidated financial statements for the fiscal year ended December 29, 2019 in its Annual Report on Form 10-K ("2019 Form 10-K"), which includes all such information and disclosures and, accordingly, should be read in conjunction with the financial information included herein.

Recently Adopted Accounting Standards

The Company's significant accounting policies are the same as those described in Note 1 to the Company's consolidated financial statements in its 2019 Form 10-K with the exception of the accounting policies disclosed above.

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2016-13 (ASU 2016-13) Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The amendments in this update provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. The standard update replaces the incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. For public companies, this standard is effective for annual reporting periods beginning after December 15, 2019, and early adoption was permitted. The Company adopted the standard in the first quarter of 2020 and the adoption of the standard did not have a material impact on its consolidated financial statements.

In August 2018, the FASB issued Accounting Standards Update No. 2018-13 (ASU 2018-13), Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement. The amendments in this update modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement, specifically related to disclosures surrounding Level 3 asset balances, fair value measurement methods, related gains and losses and fair value hierarchy transfers. For public companies, this standard is effective for annual reporting periods beginning after December 15, 2019, and early adoption was permitted. The Company adopted the standard in the first quarter of 2020 and the adoption of the standard did not have a material impact on its consolidated financial statements.

In March 2019, the FASB issued Accounting Standards Update No. 2019-02 (ASU 2019-02) Entertainment-Films-Other Assets-Film Costs (Subtopic 926-20) and Entertainment-Broadcasters-Intangibles-Goodwill and Other (Subtopic 920-350): Improvements to Accounting for Costs of Films and License Agreements for Program Materials. The amendments in this update align cost capitalization of episodic television series production costs with that of film production cost capitalization. In addition, this update addresses impairment testing procedures with regard to film groups, when a film or license agreement is expected to be monetized with other films and/or license agreements. The intention of this update is to align accounting treatment with changes in production and distribution models within the entertainment industry and to provide increased transparency of information provided to users of financial statements about produced and licensed content. For public companies, this standard is effective for annual reporting periods beginning after December 15, 2019, and early adoption was permitted. The Company adopted the standard in the first quarter of 2020 and the adoption of the standard did not have a material impact on its consolidated financial statements.

Recently Issued Accounting Pronouncements

In August 2018, the FASB issued Accounting Standards Update No. 2018-14 (ASU 2018-14) Compensation - Retirement Benefits - Defined Benefit Plans - General (Subtopic 715-20): Disclosure Framework - Changes to the Disclosure Requirements for Defined Benefit Plans. The amendments in this update modify the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. For public companies, this standard is effective for annual reporting periods beginning after December 15, 2020, and early adoption is permitted. The standard relates to financial statement disclosure only and will not have an impact on the Company's consolidated statement of financial position, statements of operations and comprehensive earnings (loss) or statement of cash flows.

(2) Revenue Recognition

Revenue Recognition

Revenue is recognized when control of the promised goods or content is transferred to the customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for transferring those goods or content. The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance, and collectability of consideration is probable.

Contract Assets and Liabilities

Within our Entertainment, Licensing and Digital segment and our eOne segment the Company may receive royalty payments from licensees in advance of the licensees' subsequent sales to their customers, or in advance of the Company's performance obligation being satisfied. In addition, the Company may receive payments from its digital gaming business in advance of the recognition of the revenues. The Company defers revenues on these advanced payments until its performance obligation is satisfied and records the aggregate deferred revenues as liabilities. The Company records contract assets in the case of minimum guarantees that are being recognized ratably over the term of the respective license periods which varies based on sales over and above the contracts' minimum guarantee. The current portion of contract assets were recorded in Prepaid Expenses and Other Current Assets, respectively, and the long-term portion were recorded as Other Long-Term Assets.

At March 29, 2020 and March 31, 2019, the Company had the following contract assets and liabilities in its consolidated balance sheets:

	March 29, 2020	March 31, 2019
Assets		
Contract assets - current	\$ 271,120	23,857
Contract assets - long term	87,496	3,434
Total	\$ 358,616	27,291
Liabilities		
Contract liabilities	184,064	47,678
Total	\$ 184,064	47,678

In connection with the Company's acquisition of eOne, the Company acquired \$291,427 of contract assets, of which \$234,532 were recorded in Prepaid Expenses and Other Current Assets and \$56,895 were recorded in Other Long-term Assets, within the Company's consolidated balances sheets. In addition, the Company acquired deferred revenues from eOne in the amount of \$189,654 which were recorded in Accrued Liabilities within the Company's consolidated balance sheets. In the first quarter of 2020, the Company recognized revenues of \$80,652 related to these liabilities.

Contract assets and liabilities acquired from eOne represent approximately 87% and 79% of total contract asset balances and total contract liability balances, respectively, as of March 29, 2020.

Disaggregation of revenues

The Company disaggregates its revenues from contracts with customers by segment: U.S. and Canada, International, Entertainment, Licensing and Digital, and eOne. The Company further disaggregates revenues within its International segment by major geographic region: Europe, Latin America, and Asia Pacific. Finally, the Company disaggregates its revenues by brand portfolio into five brand categories: Franchise brands, Partner brands, Hasbro gaming, Emerging brands, and TV/Film/Entertainment. We believe these collectively depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. See Note 12, Segment Reporting, for further information.

(3) Business Combination

On December 30, 2019, the Company completed its acquisition of eOne, a global independent studio that specializes in the development, acquisition, production, financing, distribution and sales of entertainment content. eOne's principal brand, PEPPA PIG, which was launched in the United Kingdom in May 2004, entertains pre-school children worldwide with much of its historical revenue generated through licensing and merchandising programs across multiple retail categories. eOne's portfolio of pre-school brands also includes PJ MASKS and RICKY ZOOM.

The addition of eOne accelerates the Company's brand blueprint strategy by expanding our brand portfolio with eOne's global preschool brands, adding proven TV and film expertise and executive leadership as well as by enhancing brand building capabilities and our storytelling capabilities to strengthen Hasbro brands.

The all-cash transaction was valued at approximately £2,900,000 based on the consideration of £5.60 per common share of eOne. Converted at the rate of \$1.31 USD/GBP on December 30, 2019, the cash consideration for shares outstanding was approximately \$3,658,000. The Company also redeemed eOne's outstanding senior secured notes and paid off the debt

outstanding under eOne's revolving credit facility, which together represent approximately \$831,000 of eOne's indebtedness. The total cash consideration transferred by the Company was approximately \$4,635,000.

The total consideration transferred, in thousands of dollars except per share data, was as follows:

Acquisition Consideration

eOne common shares outstanding as of December 30, 2019		498,040
Cash consideration per share	\$	7.35
Total consideration for shares outstanding		3,658,345
Cash consideration for employee share based payment awards outstanding		145,566
Cash consideration for extinguishment of debt		831,130
Total cash consideration		4,635,041
Less: Employee awards to be recorded as future stock compensation expense		47,399
Total consideration transferred	\$	4,587,642

The Company financed the acquisition with proceeds from the following debt and equity financings: (1) the issuance of senior unsecured notes in an aggregate principal amount of \$2,375,000 in November 2019, (2) the issuance of 10,592 shares of common stock at a public offering price of \$95.00 per share in November 2019 (resulting in net proceeds of \$975,185) and (3) \$1,000,000 in term loans provided by a term loan agreement, which were borrowed on the date of closing. See Note 6 for further discussion of the issuance of the senior unsecured notes and term loan agreement.

The acquisition was accounted for as a business combination under FASB Accounting Standards Codification Topic 805, Business Combinations ("Topic 805"). Pursuant to Topic 805, the Company allocated the eOne purchase price to tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date, December 30, 2019. The excess of the purchase price over those fair values was recorded to goodwill. The Company's evaluations of the facts and circumstances available as of December 30, 2019, to assign fair values to assets acquired and liabilities assumed, including income tax related amounts, are ongoing. As we complete further analysis of assets including program rights, investment in films and television content, intangible assets, as well as deferred revenue, noncontrolling interest, tax and certain other liabilities, additional information on the assets acquired and liabilities assumed may become available. A change in information related to the net assets acquired may change the amount of the purchase price assigned to goodwill, and as a result, the preliminary fair values set forth below are subject to adjustment as additional information is obtained and valuations are completed. Provisional adjustments, if any, will be recognized during the reporting period in which the adjustments are determined. We expect to finalize the purchase price allocation as soon as practicable, but no later than one year from the acquisition date.

The following table summarizes our preliminary allocation of the December 30, 2019 eOne purchase price (in thousands of dollars):

	Estimated Fair Value
Cash, cash equivalents and restricted cash	\$ 183,713
Accounts receivable, net	259,061
Inventories	7,029
Other current assets	286,270
Property, plant and equipment (including right of use assets)	90,339
Intangible assets	1,055,249
Content assets - IIC and IIP	751,524
Other assets	183,209
Short-term borrowings	(60,533)
Accounts payable, and accrued liabilities	(772,097)
Long-term debt (including current portion)	(149,118)
Other liabilities	(262,644)
Noncontrolling interests	(63,541)
Estimated fair value of net assets acquired	1,508,461
Goodwill	3,079,181
Total purchase price	\$ 4,587,642

Intangible assets consist of intellectual property associated with established brands, eOne artist relationships, eOne music catalogs and trademarks and tradenames with estimated useful lives ranging from 7 to 15 years, determined based on when the related cash flows are expected to be realized. The fair value of the intangible assets acquired was determined based on the estimated future cash flows to be generated from the acquired assets, considering assumptions related to contract renewal rates and estimated brand franchise revenue growth.

Investments in productions and content includes the fair value of completed films and television programs which have been produced by eOne or for which eOne has acquired distribution rights, as well as the fair value of films and television programs in production, pre-production and development. For films and television programs, fair values were estimated based on forecasted cash flows, discounted to present value. For titles less than 3 years old and titles in development, the content assets will be amortized using the individual film forecast method, wherein the amortization will phase to the revenues incurred. For titles over 3 years, the estimated useful life is 10 years, and will be amortized straight-line over that period.

Deferred tax liabilities within other liabilities were adjusted to record the deferred tax impact of purchase price accounting adjustments, primarily related to intangible assets.

Other fair value adjustments were made to accounts receivable, net and other assets to reflect the fair value of certain assets upon acquisition.

The former eOne senior notes were adjusted to fair value prior to extinguishment using quoted market values, and the fair value of the outstanding amounts under eOne's credit facility were estimated to approximate their carrying values.

Goodwill of \$3,079,181 represents the excess of the purchase price over the fair value of the underlying tangible and identifiable intangible assets acquired and liabilities assumed. The acquisition goodwill represents the value placed on the combined company's brand building capabilities, our storytelling capabilities and franchise economics in TV, film and other mediums to strengthen Hasbro brands. In addition, the acquisition goodwill depicts added benefits of long-term profitable growth through in-sourcing toy and game production for the acquired pre-school brands and cost-synergies, as well as future revenue growth opportunities. The goodwill recorded as part of this acquisition is included in the newly created eOne segment. The goodwill associated with the fair value step-up of the acquisition will not be amortized for financial reporting purposes and will not be deductible for federal tax purposes.

Changes in the carrying amount of goodwill, by operating segment, for the three months ended March 29, 2020 is as follows:

(in thousands of dollars)	U.S and Canada	International	Entertainment, Licensing and Digital	eOne	Total
Balance at December 29, 2019	\$ 291,577	170,218	32,789	—	\$ 494,584
Acquired during the period	—	—	—	3,079,181	3,079,181
Foreign exchange translation	—	(321)	(794)	—	(1,115)
Balance at March 29, 2020	<u>\$ 291,577</u>	<u>169,897</u>	<u>31,995</u>	<u>3,079,181</u>	<u>\$ 3,572,650</u>

The following table summarizes net revenues and loss before income taxes of eOne included in the Company's Consolidated Statement of Operations since the date of acquisition for the quarter ended March 29, 2020 (in thousands of dollars).

	Quarter Ended March 29, 2020
eOne:	
Net revenues	\$ 342,493
Loss before income taxes	(33,620)

In the first quarter of 2020, the Company incurred \$149,782 of charges related to the eOne Acquisition, which are recorded in acquisition and related charges within the Company's Consolidated Statement of Operations. Included within the eOne results above were \$77,729 of acquisition and related charges. The remaining charges were included in Corporate and Eliminations.

The acquisition and related costs of \$149,782 consist of the following:

- Acquisition and integration costs of \$95,718, including \$47,339 of expense associated with the acceleration of eOne stock-based compensation and \$38,168 of advisor fees settled at the closing of the acquisition, as well as integration costs; and
- Restructuring and related costs of \$54,064, including severance and retention costs of \$13,186, as well as \$40,878 in impairment charges for certain definite-lived intangible and production assets. The impairment charges of \$40,878 were driven by the change in strategy for the combined company's entertainment assets.

Pursuant to Topic 805, unaudited supplemental pro forma results of operations for the three months ended March 31, 2019, as if the acquisition of eOne had occurred on December 31, 2018, the first day of the Company's 2019 fiscal year are presented below (in thousands, except per share amounts):

	Unaudited March 31, 2019
Revenues	\$ 1,198,722
Net earnings	79,134
Net earnings attributable to Hasbro, Inc.	76,405
Net earnings per common share:	
Diluted	\$ 0.56
Basic	\$ 0.56

The Company acquired eOne on the first day of fiscal year 2020, as such our actual results reflect the acquisition occurring on the first day of the current period.

These pro forma results do not represent financial results that would have been realized had the acquisition occurred on December 31, 2018, nor are they intended to be a projection of future results.

The unaudited 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:

- additional amortization expense of \$12,480 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 \$19,105 as a result of incurring new debt and extinguishing historical eOne debt; and
- the income tax effect of the pro forma adjustments in the amount of \$6,570, calculated using a blended statutory income tax rate of 22.5% for the eOne amortization and elimination of historical interest adjustments, and a blended statutory tax rate of 21% for the new debt interest.

(4) Earnings (Loss) Per Share

Net earnings per share data for the quarters ended March 29, 2020 and March 31, 2019 were computed as follows:

Quarter	2020		2019	
	Basic	Diluted	Basic	Diluted
Net earnings (loss) attributable to Hasbro, Inc.	\$ (69,637)	(69,637)	26,727	26,727
Average shares outstanding	137,147	137,147	126,287	126,287
Effect of dilutive securities:				
Options and other share-based awards	—	—	—	529
Equivalent Shares	137,147	137,147	126,287	126,816
Net earnings (loss) attributable to Hasbro, Inc. per common share	\$ (0.51)	(0.51)	0.21	0.21

For the quarters ended March 29, 2020 and March 31, 2019, options and restricted stock units totaling 4,055 and 1,693, respectively, were excluded from the calculation of diluted earnings per share because to include them would have been anti-dilutive. Of the 2020 amount, 1,151 shares would have been included in the calculation of diluted shares had the Company not had a net loss in the first quarter of 2020. Assuming that these awards and options were included, under the treasury stock method, they would have resulted in an additional 372 shares being included in the diluted earnings per share calculation for the quarter ended March 29, 2020.

(5) Other Comprehensive Earnings (Loss)

Components of other comprehensive earnings (loss) are presented within the consolidated statements of comprehensive earnings (loss). The following table presents the related tax effects on changes in other comprehensive earnings (loss) for the quarters ended March 29, 2020 and March 31, 2019.

	Quarter Ended	
	March 29, 2020	March 31, 2019
Other comprehensive earnings (loss), tax effect:		
Tax benefit (expense) on unrealized holding gains (losses)	\$ 118	(77)
Tax expense on cash flow hedging activities	(7,203)	(3)
Reclassifications to earnings, tax effect:		
Tax expense on cash flow hedging activities	267	346
Tax benefit on unrecognized pension and postretirement amounts reclassified to the consolidated statements of operations	(80)	(331)
Total tax effect on other comprehensive earnings (loss)	\$ (6,898)	(65)

Changes in the components of accumulated other comprehensive earnings (loss) for the three months ended March 29, 2020 and March 31, 2019 are as follows:

	Pension and Postretirement Amounts	Gains (Losses) on Derivative Instruments	Unrealized Holding Gains (Losses) on Available- for-Sale Securities	Foreign Currency Translation Adjustments	Total Accumulated Other Comprehensive Loss
2020					
Balance at December 29, 2019	\$ (36,129)	(5,232)	(230)	(142,629)	(184,220)
Current period other comprehensive earnings (loss)	274	21,351	(410)	(131,767)	(110,552)
Balance at March 29, 2020	<u>\$ (35,855)</u>	<u>16,119</u>	<u>(640)</u>	<u>(274,396)</u>	<u>(294,772)</u>
2019					
Balance at December 30, 2018	\$ (143,134)	1,549	(744)	(152,185)	(294,514)
Current period other comprehensive earnings (loss)	1,139	3,778	265	6,993	12,175
Balance at March 31, 2019	<u>\$ (141,995)</u>	<u>5,327</u>	<u>(479)</u>	<u>(145,192)</u>	<u>(282,339)</u>

Gains (Losses) on Derivative Instruments

At March 29, 2020, the Company had remaining net deferred gains on foreign currency forward contracts, net of tax, of \$33,687 in accumulated other comprehensive loss ("AOCE"). These instruments hedge payments related to inventory purchased in the first quarter of 2020 or forecasted to be purchased during the remainder of 2020 through 2022, intercompany expenses expected to be paid or received during 2020, television and movie production costs paid in 2020, and cash receipts for sales made at the end of the first quarter of 2020 or forecasted to be made in the remainder of 2020 and, to a lesser extent, 2021 through 2022. These amounts will be reclassified into the consolidated statements of operations upon the sale of the related inventory or recognition of the related sales or expenses.

In addition to foreign currency forward contracts, the Company entered into hedging contracts on future interest payments related to the long-term notes due in 2021 and 2044. At the date of debt issuance, these contracts were terminated and the fair value on the date of settlement was deferred in AOCE and is being amortized to interest expense over the life of the related notes using the effective interest rate method. At March 29, 2020, deferred losses, net of tax of \$17,568 related to these instruments remained in AOCE. For the quarters ended March 29, 2020 and March 31, 2019, previously deferred losses of \$450, were reclassified from AOCE to net earnings.

Of the amount included in AOCE at March 29, 2020, the Company expects net gains of approximately \$24,085 to be reclassified to the consolidated statements of operations within the next 12 months. However, the amount ultimately realized in earnings is dependent on the fair value of the hedging instruments on the settlement dates.

(6) Financial Instruments

The Company's financial instruments include cash and cash equivalents, accounts receivable, short-term borrowings, accounts payable and certain accrued liabilities. At March 29, 2020, March 31, 2019 and December 29, 2019, the carrying cost of these instruments approximated their fair value. The Company's financial instruments at March 29, 2020, March 31, 2019 and December 29, 2019 also include certain assets and liabilities measured at fair value (see Notes 9 and 10) as well as long-term borrowings. The carrying costs, which are equal to the outstanding principal amounts, and fair values of the Company's long-term borrowings as of March 29, 2020, March 31, 2019 and December 29, 2019 are as follows:

	March 29, 2020		March 31, 2019		December 29, 2019	
	Carrying Cost	Fair Value	Carrying Cost	Fair Value	Carrying Cost	Fair Value
3.90% Notes Due 2029	\$ 900,000	774,540	—	—	900,000	893,430
3.55% Notes Due 2026	675,000	641,588	—	—	675,000	680,670
3.00% Notes Due 2024	500,000	480,600	—	—	500,000	502,150
6.35% Notes Due 2040	500,000	498,200	500,000	548,200	500,000	581,600
3.50% Notes Due 2027	500,000	465,400	500,000	479,450	500,000	500,550
2.60% Notes Due 2022	300,000	295,320	—	—	300,000	300,960
5.10% Notes Due 2044	300,000	251,670	300,000	285,990	300,000	301,980
3.15% Notes Due 2021	300,000	299,880	300,000	301,440	300,000	303,900
6.60% Debentures Due 2028	109,895	122,643	109,895	129,445	109,895	130,610
Variable % Notes Due December 30, 2022	400,000	400,000	—	—	—	—
Variable % Notes Due December 30, 2024	600,000	600,000	—	—	—	—
Production Financing Facilities	175,572	175,572	—	—	—	—
Total long-term debt	\$ 5,260,467	5,005,413	1,709,895	1,744,525	4,084,895	4,195,850
Less: Deferred debt expenses	39,736	—	14,433	—	38,438	—
Less: Current portion	64,441	—	—	—	—	—
Long-term debt	\$ 5,156,290	5,005,413	1,695,462	1,744,525	4,046,457	4,195,850

In November of 2019, in conjunction with the Company's acquisition of eOne, the Company issued an aggregate of \$2,375,000 of senior unsecured debt securities (the "Notes") consisting of the following tranches: \$300,000 of notes due 2022 (the "2022 Notes") that bear interest at a fixed rate of 2.60%, \$500,000 of notes due 2024 (the "2024 Notes") that bear interest at a fixed rate of 3.00%, \$675,000 of notes due 2026 (the "2026 Notes") that bear interest at a fixed rate of 3.55% and \$900,000 of notes due 2029 (the "2029 Notes") that bear interest at a fixed rate of 3.90%. Net proceeds from the issuance of the Notes, after deduction of \$20,043 of underwriting discount and fees, totaled \$2,354,957. These costs are being amortized over the life of the Notes, which range from three to ten years. The Notes bear interest at the stated rates but may be subject to upward adjustment if the credit rating of the Company is reduced by Moody's or Standard & Poors. The adjustment can be from 0.25% to 2.00% based on the extent of the ratings decrease. The Company may redeem the Notes at its option at the greater of the principal amount of the Notes or the present value of the remaining scheduled payments discounted using the effective interest rate on applicable U.S. Treasury bills at the time of repurchase, plus (1) 15 basis points (in the case of the 2022 Notes); (2) 25 basis points (in the case of the 2024 Notes); (3) 30 basis points (in the case of the 2026 Notes); and (4) 35 basis points (in the case of the 2029 Notes). In addition, on and after October 19, 2024 for the 2024 Notes, September 19, 2026 for the 2026 Notes and August 19, 2029 for the 2029 Notes, such series of Notes will be redeemable, in whole at any time or in part from time to time, at the Company's option at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus an accrued and unpaid interest.

Of the Company's long-term borrowings, the \$300,000 of 3.15% Notes mature in 2021. All of the Company's other long-term borrowings have contractual maturities that occur subsequent to 2021 with the exception of certain of the Company's production financing facilities.

In September of 2019, the Company entered into a \$1.0 billion Term Loan Agreement (the "Term Loan Agreement") with Bank of America N.A. ("Bank of America"), as administrative agent, and certain financial institutions as lenders, pursuant to which such lenders committed to provide, contingent upon the completion of the eOne Acquisition and certain other customary conditions to funding, (1) a three-year senior unsecured term loan facility in an aggregate principal amount of \$400,000 (the

“Three-Year Tranche”) and (2) a five-year senior unsecured term loan facility in an aggregate principal amount of \$600,000 (the “Five-Year Tranche” and together with the Three-Year Tranche, the “Term Loan Facilities”). Loans under the Term Loan Facilities will bear interest at the Company’s option, at either the Eurocurrency Rate or the Base Rate, in each case plus a per annum applicable rate that fluctuates (1) in the case of the Three-Year Tranche, between 87.5 basis points and 175.0 basis points, in the case of loans priced at the Eurocurrency Rate, and between 0.0 basis points and 75.0 basis points, in the case of loans priced at the Base Rate, and (2) in the case of the Five-Year Tranche, between 100.0 basis points and 187.5 basis points, in the case of loans priced at the Eurocurrency Rate, and between 0.0 basis points and 87.5 basis points, in the case of loans priced at the Base Rate, in each case, based upon the non-credit enhanced, senior unsecured long-term debt ratings of the Company by Fitch Ratings Inc., Moody’s Investor Service, Inc. and S&P Global Rankings, subject to certain provisions taking into account potential differences in ratings issued to the relevant rating agencies or a lack of ratings issued by such rating agencies. Loans under the Five-Year Tranche will require principal amortization payments that will be payable in equal quarterly installments of 5.0% per annum of the original principal amount thereof for each of the first two years after funding, increasing to 10.0% per annum of the original principal amount thereof for each subsequent year. The Term Loan Agreement contains affirmative and negative covenants typical of this type of facility, including: (i) restrictions on the Company’s and its domestic subsidiaries’ ability to allow liens on their assets, (ii) restrictions on the incurrence of indebtedness, (iii) restrictions on the Company’s and certain of its subsidiaries’ ability to engage in certain mergers, (iv) the requirement that the Company maintain a Consolidated Interest Coverage Ratio of no less than 3.00:1.00 as of the end of any fiscal quarter and (v) the requirement that the Company maintain a Consolidated Total Leverage Ratio of no more than, depending on the gross proceeds of equity securities issued after the effective date of the acquisition of eOne, 5.65:1.00 or 5.40:1.00 for each of the first, second and third fiscal quarters ended after the funding of the Term Loan Facilities, with periodic step downs to 3.50:1.00 for the fiscal quarter ending December 31, 2023 and thereafter. The notes were drawn down on December 30, 2019, the closing date of the eOne Acquisition. As of March 29, 2020, the Company was in compliance with the financial covenants contained in the Term Loan Agreement.

The fair values of the Company’s long-term debt are considered Level 3 fair values (see Note 9 for further discussion of the fair value hierarchy) and are measured using the discounted future cash flows method. In addition to the debt terms, the valuation methodology includes an assumption of a discount rate that approximates the current yield on a similar debt security. This assumption is considered an unobservable input in that it reflects the Company’s own assumptions about the inputs that market participants would use in pricing the asset or liability. The Company believes that this is the best information available for use in the fair value measurement.

Production Financing

In addition to the Company’s financial instruments, the Company uses production financing to fund certain of its television and film productions which are arranged on an individual production basis by special purpose production subsidiaries.

Production financing facilities are secured by the assets and future revenue of the individual production subsidiaries and are non-recourse to the Company’s assets.

Production financing facilities typically have maturities of less than two years, while the titles are in production, and are repaid once delivered and all credits, broadcaster pre-sales and international sales have been received.

	Quarter Ended
	March 29, 2020
Production financing held by production subsidiaries	\$ 175,572
Other loans	9,405
Total	\$ 184,977
Production financing shown in the consolidated balance sheet as:	
Non-current	\$ 141,131
Current	34,441
Total	\$ 175,572

Interest is charged at bank prime rate plus a margin based on the risk of the respective production. The weighted average interest rate on all production financing as of March 29, 2020 was 4.1%.

The Company has Canadian dollar and U.S. dollar production credit facilities with various banks. The carrying amounts are denominated in the following currencies:

	Canadian Dollars	U.S. Dollars	Total
As of March 29, 2020	\$ 73,485	111,492	184,977

The following table represents the movements in production financing and other related loans acquired as a result of the eOne Acquisition during the first quarter of 2020:

	Production Financing	Other Loans	Total
December 30, 2019	\$ 209,651	9,102	\$ 218,753
Drawdowns	20,511	7,996	28,507
Repayments	(50,186)	(8,916)	(59,102)
Foreign exchange differences	(4,404)	1,223	(3,181)
Balance at March 29, 2020	\$ 175,572	9,405	184,977

(7) eOne Investments in Productions and Investments in Acquired Content Rights

In connection with the Company's acquisition of eOne, the Company acquired eOne's library of television and film and music content rights valued at \$722,834 as of March 29, 2020 which was recorded in other assets within the Company's consolidated balance sheets.

Investments in productions and investments in acquired content rights are recorded in the consolidated balance sheets to the extent they are considered recoverable against future revenues. These amounts are being amortized to program cost amortization using a model that reflects the consumption of the asset as it is released through various channels including broadcast licenses, theatrical release and home entertainment. Amounts capitalized are to be reviewed periodically and any portion of the unamortized amount that appears not to be recoverable from future net revenues will be expensed as part of program cost amortization during the period the loss becomes evident.

Costs associated with the Company's investments in eOne productions and investments in acquired content rights consisted of the following at March 29, 2020:

	Quarter Ended March 29, 2020
Film Programming	
Released, less amortization	\$ 300,619
Completed and not released	63,100
In production	25,702
Pre-production	20,248
	409,669
TV Programming	
Released, less amortization	101,925
Completed and not released	74,900
In production	64,188
Pre-production	59,863
	300,876
Other Programming	
Released, less amortization	10,112
In production	2,177
	12,289
Total program costs	\$ 722,834

The Company recorded \$123,383 of program cost amortization related to the above programming in the quarter ended March 29, 2020, consisting of the following:

	Investment in Production	Investment in Content	Total
Program cost amortization	\$ 83,404	39,979	123,383

(8) Income Taxes

The Company and its subsidiaries file income tax returns in the United States and various state and international jurisdictions. In the normal course of business, the Company is regularly audited by U.S. federal, state and local, and international tax authorities in various tax jurisdictions.

Our effective tax rate (ETR) from continuing operations was 5.7% for the quarter ended March 29, 2020 and 9.7% for the quarter ended March 31, 2019.

The following items caused the quarterly ETR to be significantly different from our historical annual ETR:

- during the quarter ended March 29, 2020, the Company recorded a discrete net tax benefit of \$20,081, of which \$22,332 is a result of the eOne acquisition and related costs incurred. Additionally, our estimated annual ETR increased to 20.6% from 18.5% as a result of the eOne acquisition during the first quarter of 2020, and a change in the mix of forecasted income by jurisdiction.
- during the quarter ended March 31, 2019, we recorded a discrete net tax benefit of \$2,607 primarily associated with the decrease to our liability for uncertain tax positions that resulted from statute of limitations expiring in certain jurisdictions.

In May 2019, a public referendum held in Switzerland approved Swiss Federal Act on Tax Reform and AHV Financing (TRAF) proposals previously approved by Swiss Parliament. The Swiss tax reform measures were effective on January 1, 2020. Changes in tax reform include the abolishment of preferential tax regimes for holding companies, domicile companies and mixed companies at the cantonal level. The enacted changes in Swiss federal tax were not material to the Company's consolidated financial statements. Swiss cantonal tax was enacted in December 2019. The Company is still assessing the transitional provision options it may elect; however, the legislation is not expected to have a material effect on the Company's consolidated financial statements. We will continue to review TRAF as the Swiss authorities provide additional interpretive guidance on the new law and related transitional methodology.

The Company is no longer subject to U.S. federal income tax examinations for years before 2013. With few exceptions, the Company is no longer subject to U.S. state or local and non-U.S. income tax examinations by tax authorities in its major jurisdictions for years before 2012. The Company is currently under income tax examination in several U.S. state and local and non-U.S. jurisdictions.

(9) Fair Value of Financial Instruments

The Company measures certain financial instruments at fair value. The fair value hierarchy consists of three levels: Level 1 fair values are based on quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access; Level 2 fair values are those based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities; and Level 3 fair values are based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Accounting standards permit entities to measure many financial instruments and certain other items at fair value and establish presentation and disclosure requirements designed to facilitate comparisons between entities that choose different measurement attributes for similar assets and liabilities. The Company has elected the fair value option for certain available-for-sale investments. At March 29, 2020, March 31, 2019 and December 29, 2019, these investments totaled \$24,804, \$24,188 and \$25,518, respectively, and are included in prepaid expenses and other current assets in the consolidated balance sheets. The Company recorded net (losses) gains of \$(431) and \$550 on these investments in other (income) expense, net for the quarters ended March 29, 2020 and March 31, 2019, respectively, related to the change in fair value of such instruments.

At March 29, 2020, March 31, 2019 and December 29, 2019, the Company had the following assets and liabilities measured at fair value in its consolidated balance sheets (excluding assets for which the fair value is measured using net asset value per share):

	Fair Value Measurements Using:			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
March 29, 2020				
Assets:				
Available-for-sale securities	\$ 768	768	—	—
Derivatives	46,781	—	46,781	—
Total assets	\$ 47,549	768	46,781	—
Liabilities:				
Derivatives	\$ 13,131	—	13,131	—
Option agreement	20,836	—	—	20,836
Total liabilities	\$ 33,967	—	13,131	20,836
March 31, 2019				
Assets:				
Available-for-sale securities	\$ 975	975	—	—
Derivatives	32,296	—	32,296	—
Total assets	\$ 33,271	975	32,296	—
Liabilities:				
Derivatives	\$ 45	—	45	—
Option agreement	23,144	—	—	23,144
Total liabilities	\$ 23,189	—	45	23,144
December 29, 2019				
Assets:				
Available-for-sale securities	\$ 1,296	1,296	—	—
Derivatives	48,973	—	48,973	—
Total assets	\$ 50,269	1,296	48,973	—
Liabilities:				
Derivatives	\$ 5,733	—	5,733	—
Option agreement	22,145	—	—	22,145
Total Liabilities	\$ 27,878	—	5,733	22,145

Available-for-sale securities include equity securities of one company quoted on an active public market.

The Company's derivatives consist of foreign currency forward and option contracts and zero-cost collar options. The Company used current forward rates of the respective foreign currencies to measure the fair value of these contracts. The Company's option agreement relates to an equity method investment in Discovery Family Channel ("Discovery"). The option agreement is included in other liabilities at March 29, 2020, March 31, 2019 and December 29, 2019, and is valued using an option pricing model based on the fair value of the related investment. Inputs used in the option pricing model include the volatility and fair value of the underlying company which are considered unobservable inputs as they reflect the Company's own assumptions about the inputs that market participants would use in pricing the asset or liability. The Company believes that this is the best

information available for use in the fair value measurement. There were no changes in these valuation techniques during the three month period ended March 29, 2020.

The following is a reconciliation of the beginning and ending balances of the fair value measurements of the Company's financial instruments which use significant unobservable inputs (Level 3):

	2020	2019
Balance at beginning of year	\$ (22,145)	(23,440)
Gain from change in fair value	1,309	296
Balance at end of first quarter	<u>\$ (20,836)</u>	<u>(23,144)</u>

In addition to the above, the Company has three investments for which the fair value is measured using net asset value per share. At March 29, 2020, March 31, 2019 and December 29, 2019, these investments had fair values of \$24,804, \$24,188 and \$25,518, respectively. Two of the investments have net asset values that are predominantly based on underlying investments which are traded on an active market and are redeemable within 45 days. The third investment invests in hedge funds which are generally redeemable on a quarterly basis with 30 days – 90 days' notice.

(10) Derivative Financial Instruments

Hasbro uses foreign currency forward contracts and zero-cost collar options to mitigate the impact of currency rate fluctuations on firmly committed and projected future foreign currency transactions. These over-the-counter contracts, which hedge future currency requirements related to purchases of inventory, product sales, television and film production cost and production financing loans (see Note 6) as well as other cross-border transactions not denominated in the functional currency of the business unit, are primarily denominated in United States and Hong Kong dollars, and Euros. All contracts are entered into with a number of counterparties, all of which are major financial institutions. The Company believes that a default by a single counterparty would not have a material adverse effect on the financial condition of the Company. Hasbro does not enter into derivative financial instruments for speculative purposes.

Cash Flow Hedges

The Company uses foreign currency forward contracts and zero-cost collar options to reduce the impact of currency rate fluctuations on firmly committed and projected future foreign currency transactions. All of the Company's designated foreign currency forward contracts and zero-cost collar options are considered to be cash flow hedges. These instruments hedge a portion of the Company's currency requirements associated with anticipated inventory purchases, product sales, certain production financing loans and other cross-border transactions in 2020 through 2022.

At March 29, 2020, March 31, 2019 and December 29, 2019, the notional amounts and fair values of the Company's foreign currency forward contracts designated as cash flow hedging instruments were as follows:

	March 29, 2020		March 31, 2019		December 29, 2019	
	Notional Amount	Fair Value	Notional Amount	Fair Value	Notional Amount	Fair Value
Hedged transaction						
Inventory purchases	\$ 343,227	32,186	486,999	21,649	398,800	8,727
Sales	101,120	4,761	263,221	8,358	124,920	4,037
Production financing and other	161,303	6,687	26,422	190	19,499	140
Total	<u>\$ 605,650</u>	<u>43,634</u>	<u>776,642</u>	<u>30,197</u>	<u>543,219</u>	<u>12,904</u>

The Company has a master agreement with each of its counterparties that allows for the netting of outstanding forward contracts. The fair values of the Company's foreign currency forward contracts designated as cash flow hedges are recorded in the consolidated balance sheets at March 29, 2020, March 31, 2019 and December 29, 2019 as follows:

	March 29, 2020	March 31, 2019	December 29, 2019
<u>Prepaid expenses and other current assets</u>			
Unrealized gains	\$ 40,376	22,737	12,133
Unrealized losses	(1,893)	(2,008)	(3,955)
Net unrealized gains	<u>\$ 38,483</u>	<u>20,729</u>	<u>8,178</u>
<u>Other assets</u>			
Unrealized gains	\$ 7,128	9,752	6,652
Unrealized losses	—	(239)	—
Net unrealized gains	<u>\$ 7,128</u>	<u>9,513</u>	<u>6,652</u>
<u>Accrued liabilities</u>			
Unrealized gains	\$ —	—	293
Unrealized losses	(1,974)	(45)	(2,219)
Net unrealized losses	<u>\$ (1,974)</u>	<u>(45)</u>	<u>(1,926)</u>
<u>Other liabilities</u>			
Unrealized gains	\$ —	—	—
Unrealized losses	(3)	—	—
Net unrealized losses	<u>\$ (3)</u>	<u>—</u>	<u>—</u>

Net gains (losses) on cash flow hedging activities have been reclassified from other comprehensive earnings (loss) to net earnings for the quarters ended March 29, 2020 and March 31, 2019 as follows:

	Quarter Ended	
	March 29, 2020	March 31, 2019
<u>Statements of Operations Classification</u>		
Cost of sales	\$ 3,957	2,614
Net revenues	343	878
Other	81	118
Net realized gains	<u>\$ 4,381</u>	<u>3,610</u>

Undesignated Hedges

The Company also enters into foreign currency forward contracts to minimize the impact of changes in the fair value of intercompany loans due to foreign currency changes. The Company does not use hedge accounting for these contracts as changes in the fair values of these contracts are substantially offset by changes in the fair value of the intercompany loans. Additionally, with the acquisition of eOne during the first quarter of 2020, the Company continued eOne's balance sheet hedging program designed to manage transactional exposure to fair value movements on certain of eOne's foreign currency denominated monetary assets and liabilities. The Company does not use hedge accounting for these contracts as changes in the fair values of these contracts are offset by changes in the fair value of the balance sheet item. As of March 29, 2020, March 31, 2019 and December 29, 2019 the total notional amounts of the Company's undesignated derivative instruments were \$238,187, \$293,326 and \$307,351, respectively.

At March 29, 2020, March 31, 2019 and December 29, 2019, the fair values of the Company's undesignated derivative financial instruments were recorded in the consolidated balance sheets as follows:

	March 29, 2020	March 31, 2019	December 29, 2019
Prepaid expenses and other current assets			
Unrealized gains	\$ 1,170	2,391	—
Unrealized losses	—	(337)	—
Net unrealized gains	\$ 1,170	2,054	—
Accrued liabilities			
Unrealized gains	\$ 1,252	—	13
Unrealized losses	(12,406)	—	(3,820)
Net unrealized losses	\$ (11,154)	—	(3,807)
Total unrealized (losses) gains, net	\$ (9,984)	2,054	(3,807)

The Company recorded net gains of \$2,499 and \$4,809 on these instruments to other (income) expense, net for the quarters ended March 29, 2020 and March 31, 2019, respectively, relating to the change in fair value of such derivatives, substantially offsetting gains and losses from the change in fair value of intercompany loans to which the contracts relate.

eOne Purchase Price Hedge

During the third quarter of 2019 the Company hedged a portion of its exposure to fluctuations in the British pound sterling in relation to the eOne Acquisition purchase using a series of both foreign exchange forward and option contracts. These contracts did not qualify for hedge accounting and as such, were marked to market through the Company's Consolidated Statement of Operations. For tax purposes these contracts qualified as nontaxable integrated tax hedges. These contracts matured on December 30, 2019 (the closing date of the transaction) and net gains or losses recognized on these contracts in the first quarter of 2020 were immaterial.

For additional information related to the Company's derivative financial instruments see Note 5.

(11) Leases

The Company occupies offices and uses certain equipment under various operating lease arrangements. The Company has no finance leases. These leases have remaining lease terms of 1 to 18 years, some of which include options to extend lease terms or options to terminate current lease terms at certain times, subject to notice requirements set out in the lease agreement. Payments under certain of the lease agreements may be subject to adjustment based on a consumer price index or other inflationary indices. The lease liability for such lease agreements as of the adoption date, was based on fixed payments as of the adoption date. Any adjustments to these payments based on the related indices will be recorded to expense as incurred. Leases with an expected term of 12 months or less are not capitalized. Lease expense under such leases is recorded straight line over the life of the lease. The Company capitalizes non-lease components for equipment leases, but expenses non-lease components as incurred for real estate leases.

For the quarters ended March 29, 2020 and March 31, 2019, operating lease expense was \$22,897 and \$16,561, respectively. Expense related to short-term leases (expected terms less than 12 months) and variable lease payments was not material in the quarters ended March 29, 2020 or March 31, 2019.

Information related to the Company's leases for the quarters ended March 29, 2020 and March 31, 2019 are as follows:

	Quarter Ended	
	March 29, 2020	March 31, 2019
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 11,602	\$ 9,574
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	\$ 64,214	\$ 23,680
Weighted Average Remaining Lease Term		
Operating leases	6.0 years	6.7 years
Weighted Average Discount Rate		
Operating leases	4.2%	4.5%

The following is a reconciliation of future undiscounted cash flows to the operating liabilities, and the related right of use assets, included in our Consolidated Balance Sheets as of March 29, 2020:

	March 29, 2020
2020 (excluding the three months ended March 29, 2020)	\$ 35,280
2021	45,207
2022	41,609
2023	33,842
2024	22,266
2025 and thereafter	66,743
Total future lease payments	244,947
Less imputed interest	49,151
Present value of future operating lease payments	195,796
Less current portion of operating lease liabilities ⁽¹⁾	43,263
Non-current operating lease liability ⁽²⁾	152,533
Operating lease right-of-use assets, net ⁽³⁾	\$ 168,805

⁽¹⁾ Included in Accrued liabilities on the consolidated balance sheets.

⁽²⁾ Included in Other liabilities on the consolidated balance sheets.

⁽³⁾ Included in Property, plant, and equipment on the consolidated balance sheets.

(12) Segment Reporting

Hasbro is a global play and entertainment company with a broad portfolio of brands and entertainment properties spanning toys, games, licensed products ranging from traditional to high-tech and digital, and film and television entertainment. The Company's segments are (i) U.S. and Canada, (ii) International, (iii) Entertainment, Licensing and Digital, (iv) eOne, and (v) Global Operations. Following the eOne Acquisition on December 30, 2019, the eOne operating segment was added to the Company's existing reporting structure.

The U.S. and Canada segment includes the marketing and selling of action figures, arts and crafts and creative play products, electronic toys and related electronic interactive products, fashion and other dolls, infant products, play sets, preschool toys, plush products, sports action blasters and accessories, vehicles and toy-related specialty products, as well as traditional board games, and trading card and role-playing games primarily within the United States and Canada. Within the International segment, the Company markets and sells both toy and game products in markets outside of the U.S. and Canada, primarily in the European, Asia Pacific, and Latin and South American regions. The Company's Entertainment, Licensing and Digital segment includes the Company's Wizards of the Coast digital gaming business, consumer products licensing, owned and

licensed digital gaming, movie and television entertainment operations. The eOne segment engages in the development, acquisition, production, financing, distribution and sales of entertainment content and is comprised of all legacy eOne operations. These diversified offerings span across film, television and music production and sales, family programming, merchandising and licensing, and digital content. Over time, the Company plans to transition towards reflecting all of its entertainment operations in the eOne segment. The Company also expects to shift the consumer product and digital licensing business and toy and game sales related to the eOne preschool brands to legacy Hasbro segments; including related toy and game operations into the Company's geographic commercial segments in late 2021 and 2022.

The Global Operations segment is responsible for sourcing finished products for the Company's U.S. and Canada and International segments.

Segment performance is measured at the operating profit level. Included in Corporate and Eliminations are certain corporate expenses, including the elimination of intersegment transactions and certain assets benefiting more than one segment. Intersegment sales and transfers are reflected in management reports at amounts approximating cost. Certain shared costs, including global development and marketing expenses and corporate administration, are allocated to segments based upon expenses and foreign exchange rates fixed at the beginning of the year, with adjustments to actual expenses and foreign exchange rates included in Corporate and Eliminations. The significant accounting policies of the segments are the same as those referenced in Note 1.

Results shown for the quarter ended March 29, 2020 are not necessarily representative of those which may be expected for the full year 2020, nor were those of the comparable 2019 periods representative of those actually experienced for the full year 2019. Similarly, such results are not necessarily those which would be achieved were each segment an unaffiliated business enterprise.

Information by segment and a reconciliation to reported amounts for the quarters ended March 29, 2020 and March 31, 2019 are as follows:

	Quarter Ended			
	March 29, 2020		March 31, 2019	
	External	Affiliate	External	Affiliate
Net revenues				
U.S. and Canada	\$ 428,647	3,328	\$ 357,851	1,849
International	250,403	—	282,649	41
Entertainment, Licensing and Digital	84,027	971	91,994	1,974
eOne	342,493	—	—	—
Global Operations (a)	—	194,856	16	229,425
Corporate and Eliminations (b)	—	(199,155)	—	(233,289)
	<u>\$ 1,105,570</u>	<u>—</u>	<u>\$ 732,510</u>	<u>—</u>

	Quarter Ended	
	March 29, 2020	March 31, 2019
Operating profit (loss)		
U.S. and Canada	\$ 71,780	\$ 13,532
International	(26,691)	(30,411)
Entertainment, Licensing and Digital	5,174	30,020
eOne	(33,081)	—
Global Operations (a)	4,649	1,254
Corporate and Eliminations (b)	(45,114)	21,732
	<u>\$ (23,283)</u>	<u>\$ 36,127</u>

	March 29, 2020	March 31, 2019	December 29, 2019
Total assets			
U.S. and Canada	\$ 3,335,131	2,600,873	3,244,950
International	2,016,267	2,019,800	2,482,170
Entertainment, Licensing and Digital	869,645	804,288	695,898
eOne	5,850,529	—	—
Global Operations (a)	3,658,540	706,701	3,334,190
Corporate and Eliminations (b)	(5,305,753)	(1,196,889)	(901,580)
	<u>\$ 10,424,359</u>	<u>4,934,773</u>	<u>8,855,628</u>

(a) The Global Operations segment derives substantially all of its revenues, and thus its operating results, from intersegment activities.

(b) Certain long-term assets, including property, plant and equipment, goodwill and other intangibles, which benefit multiple operating segments, are included in Corporate and Eliminations. Allocations of certain expenses related to these assets to the individual operating segments are done at the beginning of the year based on budgeted amounts. Any differences between actual and budgeted amounts are reflected in Corporate and Eliminations because allocations are translated from the U.S. Dollar to local currency at budgeted rates when recorded. Corporate and Eliminations also includes the elimination of inter-company balance sheet amounts.

The following table represents consolidated International segment net revenues by major geographic region for the quarters ended March 29, 2020 and March 31, 2019:

	Quarter Ended	
	March 29, 2020	March 31, 2019
Europe	\$ 162,249	153,379
Latin America	33,921	62,777
Asia Pacific	54,233	66,493
Net revenues	<u>\$ 250,403</u>	<u>282,649</u>

As a result of the Company's acquisition of eOne, beginning in 2020, the Company's brand architecture reflects the addition of the eOne Entertainment portfolio which consists of legacy eOne film and TV revenues. Revenues related to eOne brands, including PEPPA PIG, PJ MASKS and RICKY ZOOM, are reported in the Emerging Brands portfolio.

The following table presents consolidated net revenues by brand and entertainment portfolio for the quarters ended March 29, 2020 and March 31, 2019:

	Quarter Ended	
	March 29, 2020	March 31, 2019
Franchise Brands	\$ 396,497	\$ 393,574
Partner Brands	182,331	171,989
Hasbro Gaming ⁽¹⁾	140,084	107,565
Emerging Brands ⁽²⁾	94,145	59,382
TV/Film/Entertainment ⁽³⁾	292,513	—
Total	<u>\$ 1,105,570</u>	<u>732,510</u>

⁽¹⁾ Hasbro's total gaming category, which includes all gaming net revenues, both those reported in Hasbro Gaming and those reported elsewhere, most notably MAGIC: THE GATHERING and MONOPOLY, totaled \$340,480 and \$243,390, respectively, for the quarters ended March 29, 2020 and March 31, 2019.

⁽²⁾ First quarter 2020 balance in Emerging Brands portfolio includes eOne brands PEPPA PIG, PJ MASKS and RICKY ZOOM.

⁽³⁾ TV/Film/Entertainment represents eOne revenues not allocated to the Emerging Brands portfolio.

(13) Restructuring Actions

During 2018, the Company announced a comprehensive restructuring plan which consists of re-designing its go-to market strategy and re-shaping its organization to become a more responsive, innovative and digitally-driven play and entertainment company. As part of this process the Company took certain actions, which continued through 2019. The actions primarily included headcount reduction aimed at right-sizing the Company's cost-structure and giving it the ability to add required new talent in the future.

In connection with the eOne Acquisition, in the first quarter of 2020, the Company recorded severance and other employee charges related to the integration of eOne.

Charges related to the 2018 restructuring were included within selling, distribution and administration costs on the Consolidated Statements of Operations for the year ended December 30, 2018. Charges related to the eOne restructuring costs were recorded within acquisition and related charges on the Consolidated Statements of Operations for the quarter ended March 29, 2020, and reported within Corporate and Eliminations. The detail of activity related to the programs for the first quarter of 2020 is as follows:

Remaining amounts to be paid as of December 29, 2019	\$	31,113
eOne restructuring charges		13,186
Payments made in the first quarter of 2020		(9,876)
Remaining amounts as of March 29, 2020	\$	<u>34,423</u>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This Quarterly Report on Form 10-Q, including the following section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations, contains forward-looking statements expressing management's current expectations, goals, objectives and similar matters. These forward-looking statements may include statements concerning: the impact of, and actions and initiatives taken and planned to be taken to try and manage the negative impact of, the global coronavirus outbreak on our business, including the negative impact on supply of products and production of entertainment content, demand for our products and entertainment, our liquidity and our community; the expected adequacy of supply and operation of our manufacturing facilities; the ability to achieve our financial and business goals and objectives; the Company's product and entertainment plans; anticipated product and entertainment performance; anticipated expenses; and working capital and liquidity. See Item 1A, in Part II of this report and Item 1A, in Part I of the Annual Report on Form 10-K for the year ended December 29, 2019 ("2019 Form 10-K"), for a discussion of factors which may cause the Company's actual results or experience to differ materially from that anticipated in these forward-looking statements. The Company undertakes no obligation to revise the forward-looking statements in this report after the date of the filing. Unless otherwise specifically indicated, all dollar or share amounts herein are expressed in millions of dollars or shares, except for per share amounts.

EXECUTIVE SUMMARY

Completion of Acquisition

On December 30, 2019, Hasbro, Inc. ("Hasbro" or the "Company") completed the acquisition of Entertainment One Ltd. ("eOne") for an aggregate purchase price of approximately \$4.6 billion, comprised of \$3.8 billion of cash consideration for shares outstanding and \$0.8 billion related to the redemption of eOne's outstanding senior secured notes and the payoff of eOne's revolving credit facility. We financed the acquisition through a combination of debt and equity financings, including (i) the issuance of senior unsecured notes in an aggregate principal amount of \$2.4 billion, (ii) the issuance of 10,592,106 shares of common stock at a public offering price of \$95.00 per share and (iii) \$1.0 billion in term loans. eOne's results of operations and financial position are included in the Company's consolidated financial statements and accompanying condensed footnotes since the date of acquisition. The addition of eOne accelerates the Company's brand blueprint strategy by expanding our brand portfolio with eOne's global preschool brands, adding proven TV and film expertise and executive leadership as well as by enhancing brand building capabilities and our storytelling capabilities to strengthen Hasbro brands.

For more information on the eOne Acquisition see Note 3, "Business Combination" to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

For purposes of identifying Hasbro activities that existed before the eOne Acquisition, in some instances, Hasbro may be referred to herein as legacy Hasbro. For purposes of identifying certain activities derived from eOne's historical business, in some instances these activities may be referred to herein as legacy eOne.

Hasbro, Inc. 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 and developing and delivering the very best content across established and inventive platforms. Hasbro's iconic brands include MAGIC: THE GATHERING, MY LITTLE PONY, NERF, TRANSFORMERS, PLAY-DOH, MONOPOLY, BABY ALIVE, POWER RANGERS, and through the acquisition of eOne, Hasbro expanded its portfolio with popular pre-school brands including PEPPA PIG, PJ MASKS and RICKY ZOOM. In addition, Hasbro leverages its portfolio of premier partner brands. Through our global entertainment studio, we are building our brands worldwide through great storytelling and content on all screens, as well as offering the production and distribution of a broad spectrum of live action scripted and unscripted entertainment content that is not based on our children's and family entertainment brands. Hasbro is committed to making the world a better place for children and their families through corporate social responsibility and philanthropy.

Hasbro's strategic plan is centered around its brand blueprint. Under the brand blueprint strategy, Hasbro re-imagines, re-invents and re-ignites its owned and controlled brands and imagines, invents and ignites new brands, through product innovation, immersive entertainment offerings, including television, film and music, digital gaming and a broad range of consumer products. As the global consumer landscape, shopping behaviors and the retail and entertainment environments continue to evolve, the Company continues to transform and reimagine its business strategy. This transformation includes reexamining the ways Hasbro organizes across its brand blueprint and re-shaping the Company to become a better equipped and adaptive, digitally-driven organization, including the development of an omni-channel retail presence and adding new capabilities through the on-boarding of new skill sets and talent. More recently, to enhance its long-term competitive position the Company has identified and pursued key growth opportunities through strategic acquisitions, to excel in today's converged retail environment as a leading global play and entertainment company across all platforms.

Hasbro generates revenue and earns cash by developing, marketing and selling products based on global brands in a broad variety of consumer goods categories and distribution of television programming and other content based on the Company's properties, as well as through the out-licensing of rights for third parties to use its properties in connection with products, including digital media and games and other consumer products. Hasbro also leverages its competencies to develop and market products based on well-known licensed brands including, but not limited to, BEYBLADE, DISNEY PRINCESS and DISNEY FROZEN, DISNEY'S DESCENDANTS, MARVEL, SESAME STREET, STAR WARS, and DREAMWORKS' TROLLS. MARVEL, STAR WARS, DISNEY PRINCESS, DISNEY FROZEN and DISNEY'S DESCENDANTS are owned by The Walt Disney Company. The eOne business also generates revenue and earnings from the production and distribution of a broad spectrum of television and film entertainment, as well as music production and distribution, that is not based on our children's and family entertainment brands.

The Company's business is separated into four principal business segments: U.S. and Canada, International, Entertainment, Licensing and Digital and, following the eOne Acquisition, the eOne operating segment was added to the Company's reporting structure. The U.S. and Canada segment markets and sells both toy and game products primarily in the United States and Canada. The International segment consists of the Company's European, Asia Pacific and Latin and South American toy and game marketing and sales operations. The Company's Entertainment, Licensing and Digital segment includes the Company's Wizards of the Coast digital gaming business, consumer products licensing, owned and licensed digital gaming, movie and television entertainment operations. The eOne segment engages in the development, acquisition, production, financing, distribution and sales of entertainment content and is comprised of all legacy eOne operations. These diversified offerings span across film, television and music production and sales, family programming, merchandising and licensing, and digital content. Over time, the Company plans to transition towards reflecting all of its entertainment operations in the eOne segment. The Company also expects to shift the consumer product and digital licensing business and toy and game sales related to the eOne preschool brands, to legacy Hasbro segments; including related toy and game operations into the Company's geographic commercial segments in late 2021 and 2022.

Coronavirus Outbreak

In the first quarter of 2020, the outbreak of the coronavirus disease (COVID-19) was recognized as a pandemic by the World Health Organization. The global outbreak of COVID-19 currently being experienced in markets in which Hasbro, our employees, consumers, customers, partners, licensees, suppliers and manufacturers operate, could have a significant negative impact on our revenues, profitability and business. As a result of the preventative actions taken worldwide, such as restrictions on travel and business operations, temporary closures of non-essential businesses, shelter-in-place and stay-at-home orders and other voluntary and government imposed restrictions, the outbreak has had a negative impact on economic conditions in all of our markets. These preventative actions although necessary, have led to market uncertainty and some economic disruption.

We have experienced, and expect to continue to experience, disruptions in supply of products and production of entertainment content, negative impact on sales due to changes in consumer purchasing behavior and availability of product to consumers, including due to retail store closures and limitations on the capacity of e-comm channels to supply additional products; delays or postponements of entertainment productions and releases of entertainment content both internally and by our partners; and challenges of working remotely. While we have developed and continue to develop plans to help mitigate the negative impact of the coronavirus to our business, the efforts will not prevent our business from being adversely affected, and the longer the outbreak continues the more negative the impact on our business, revenues and earnings, and the more limited our ability will be to try and make up for delayed or lost product development, production and sales in future periods.

During the first quarter of 2020, the Company's supply chain experienced lower than planned production levels in certain of its third-party manufacturing facilities located in China, due to the impact of COVID-19. After operating at lower than planned production levels during the first quarter due to COVID-19, these facilities are currently operating at planned capacity for this time of year. Outside of China, manufacturing operated at varying levels depending on local government action and overall safety considerations. In response, the Company utilized its global supply chain and existing inventory to work to meet demand and the Company currently expects to make up for any lost production in the second and third quarters, to be well positioned for holiday demand later in the year. However, if significant manufacturing facilities remained closed or limited in operation for longer than expected, or are impacted by a resurgence in COVID-19, we may not be able to make up for the disruption in supply in the nearer term.

During the first quarter, as more of our consumers remained at home, we creatively found ways to accelerate our business online, expand omni-channel and skip the shopping cart to get our products into cars and homes. For example, we launched *Bring Home the Fun*, a global initiative created to further the Company's purpose to make the world a better place for children and their families. The initiative provides parents and caregivers resources to help keep kids occupied and engaged during

extended time at home and indoors. Another example is the initiative our Wizards of the Coast team undertook to enable players to play MAGIC: THE GATHERING games while in person play events are not happening. Markets with more developed e-comm and omni-channel business operations performed relatively well during the quarter whereas markets that rely more heavily on physical stores for reaching consumers are being negatively impacted to a greater degree. Our top three customers during the first quarter were Walmart, Target and Amazon. The negative impact to future periods from store closures is unknown; however, we expect a greater impact to the second quarter of 2020. As of the close of the first quarter, we remain focused on managing credit risk and are taking steps to manage expenses, bad debt exposures and preserve cash in the near term.

Beginning late in the first quarter, production and delivery of television and film projects for Hasbro's eOne TV and Film business were delayed, negatively impacting the level and timing of revenues. The eOne team continues to develop new projects and work on animation production, which can be done remotely. The team now expects to deliver finished episodes and film projects later in the year than planned. Additionally, several film release dates have moved to later in 2020, into 2021 and in some instances are going straight to video on demand/electronic sell-through windows impacting the timing and level of anticipated revenues. As more people are home, content viewership is high, which we believe bodes well for long-term brand engagement.

The health and safety of Hasbro employees, stakeholders and communities is a top priority. In China, Hasbro's offices reopened in late March following shutdowns earlier in the first quarter. Hasbro's global offices, outside of China, were closed in March due to the COVID-19 outbreak and remain closed today. Hasbro employees have been working virtually since the closure and the timing of re-opening offices will be based on local governmental, health and safety guidelines.

The coronavirus outbreak continues to be fluid and uncertain, making it difficult to forecast the final impact it could have on our future operations. Please see Part II, Item 1A, Risk Factors, for further information.

First quarter 2020 highlights:

- First quarter net revenues of \$1,105.6 million increased 51% compared to \$732.5 million in the first quarter of 2019 and reflects the 2020 acquisition of eOne. The increase in net revenues included an unfavorable foreign currency translation of \$11.7 million.
 - Net revenues in the U.S. and Canada segment increased 20% to \$428.6 million; International segment net revenues decreased 11% to \$250.4 million, including an unfavorable foreign currency translation impact of \$9.3 million; Entertainment, Licensing and Digital segment net revenues decreased 9% to \$84.0 million; and eOne segment net revenues were \$342.5 million.
 - Net revenues from Hasbro Gaming increased 30%; Partner Brands increased 6%; Franchise Brands increased 1%; Emerging Brands net revenues increased 58% and include the addition of preschool brands, PEPPA PIG, PJ MASKS and RICKY ZOOM, acquired as part of the eOne Acquisition; and eOne TV Film and Entertainment portfolio net revenues were \$292.5 and represented 26% of total net revenues in the first quarter of 2020.
- Operating losses were \$23.3 million, or 2.1% of net revenue, in the first quarter of 2020 compared to operating profit of \$36.1 million, or 4.9% of net revenue, in the first quarter of 2019.
 - First quarter 2020 operating losses were negatively impacted by acquisition and related expenses of \$149.8 million (\$127.5 million after-tax) and \$25.0 million (\$19.9 million after-tax) of eOne acquired intangible asset amortization.
- The net loss attributable to Hasbro, Inc. of \$69.6 million, or \$0.51 per diluted share, in the first quarter of 2020 compared to net earnings of \$26.7 million, or \$0.21 per diluted share, in the first quarter of 2019.

The impact of changes in foreign currency exchange rates used to translate the consolidated statements of operations is quantified by translating the current period revenues at the prior period exchange rates and comparing this amount to the prior period reported revenues. The Company believes that the presentation of the impact of changes in exchange rates, which are beyond the Company's control, is helpful to an investor's understanding of the performance of the underlying business.

Amounts Returned to Shareholders

The Company has a long history of returning cash to its shareholders through quarterly dividends and share repurchases. Hasbro maintained its quarterly dividend rate of \$0.68 per share for the dividend scheduled to be paid in May 2020. In addition to the dividend, the Company historically has returned cash through its share repurchase program. As part of this initiative, since 2005, the Company's Board of Directors (the "Board") adopted nine share repurchase authorizations with a cumulative authorized repurchase amount of \$4,325.0 million. The ninth authorization was approved in May 2018 for \$500 million. As of March 29, 2020, the Company had \$366.6 million remaining under these authorizations. Share repurchases are subject to market conditions, the availability of funds and other uses of funds. As a result of the financing activities related to the eOne Acquisition, the Company has suspended its current share repurchase program while it prioritizes reducing its long-term debt and achieving its gross debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") targets.

SUMMARY OF FINANCIAL PERFORMANCE

A summary of the results of operations is illustrated below for the quarters ended March 29, 2020 and March 31, 2019.

	Quarter Ended	
	March 29, 2020	March 31, 2019
Net revenues	\$ 1,105.6	\$ 732.5
Operating profit (loss)	(23.3)	36.1
Earnings (loss) before income taxes	(71.9)	29.6
Income tax expense (benefit)	(4.1)	2.9
Net earnings (loss)	(67.8)	26.7
Net earnings attributable to noncontrolling interests	1.8	—
Net earnings (loss) attributable to Hasbro, Inc.	(69.6)	26.7
Diluted earnings (loss) per share	(0.51)	0.21

RESULTS OF OPERATIONS – CONSOLIDATED

The quarters ended March 29, 2020 and March 31, 2019 were each 13-week periods.

Consolidated net revenues for the first quarter of 2020 increased \$373.1 million, or 51% compared to the first quarter of 2019 and reflect the inclusion of eOne revenues which represent 31.0% of consolidated net revenues for quarter. First quarter 2020 net revenues include an \$11.7 million unfavorable impact from foreign currency translation as a result of weakening currencies compared to the U.S. dollar, primarily in the European, Latin American and Asia Pacific markets in 2020 compared to 2019.

Operating losses for the first quarter of 2020 were \$23.3 million, or 2.1% of net revenues, compared to operating profit of \$36.1 million, or 4.9% of net revenues, for the first quarter of 2019. Operating losses during the first quarter of 2020 reflect the consolidation of eOne results of operations and were negatively impacted by acquisition and related costs of \$149.8 million (\$127.5 million after-tax) and \$25.0 million (\$19.9 million after-tax) of expenses related to eOne acquired intangible asset amortization.

Net losses, including the impact of noncontrolling interests were \$67.8 million for the first quarter of 2020 compared to net earnings of \$26.7 million for the first quarter of 2019. The diluted loss per share attributable to Hasbro, Inc. for the first quarter of 2020 was \$0.51, down from \$0.21 in the first quarter of 2019 and reflects the negative impact of acquisition related costs and eOne acquired intangible asset amortization of \$0.93 per diluted share and \$0.14 per diluted share, respectively.

As a result of the 2020 acquisition of eOne, the Company's brand architecture reflects the addition of the TV, Film and Entertainment brand portfolio which consists of legacy eOne film and TV revenues. Revenues related to eOne brands, including PEPPA PIG, PJ MASKS and RICKY ZOOM, are reported in the Emerging Brands portfolio.

The following table presents net revenues by brand and entertainment portfolio for the quarters ended March 29, 2020 and March 31, 2019.

	Quarter Ended		% Change
	March 29, 2020	March 31, 2019	
Franchise Brands	\$ 396.5	393.6	1%
Partner Brands	182.3	172.0	6%
Hasbro Gaming	140.1	107.6	30%
Emerging Brands	94.1	59.4	58%
TV, Film and Entertainment	292.5	—	100%
Total	\$ 1,105.6	732.5	51%

FRANCHISE BRANDS: Net revenues in the Franchise Brands portfolio increased 1% in the first quarter of 2020 compared to the first quarter of 2019. Higher net revenues from MAGIC: THE GATHERING and MONOPOLY products were offset by lower net revenues from PLAY-DOH, TRANSFORMERS, MY LITTLE PONY and to a lesser extent, NERF and Baby Alive products during the first quarter of 2020.

PARTNER BRANDS: Net revenues from the Partner Brands portfolio increased 6% in the first quarter of 2020 compared to the first quarter of 2019. Partner Brands net revenues are reliant on related entertainment, including television and movie releases. During the first quarter of 2020, the Company's Partner Brands portfolio was supported by fourth quarter 2019 theatrical releases DISNEY'S FROZEN 2 in November and STAR WARS: THE RISE OF SKYWALKER in December. In addition to these 2019 films, the Company's 2020 Partner Brand entertainment releases include TROLLS WORLD TOUR, which was released in the premium video-on-demand format in April, as a sequel to the 2016 film, TROLLS from DREAMWORKS and BLACK WIDOW from DISNEY'S MARVEL franchise expected in theaters in November, as well as continuous entertainment provided by the subscription video on-demand streaming service, Disney+.

Net revenue increases from DISNEY FROZEN and DREAMWORKS' TROLLS products as well as increases from STAR WARS products, were partially offset by net revenue declines from MARVEL and DISNEY PRINCESS products during the first quarter of 2020.

HASBRO GAMING: Net revenues in the Hasbro Gaming portfolio increased 30% in the first quarter of 2020 compared to the first quarter of 2019. Higher net revenues from DUNGEONS & DRAGONS as well as classic games including, THE GAME OF LIFE, JENGA and OPERATION were partially offset by lower net revenues from PIE FACE in the first quarter of 2020.

Net revenues for Hasbro's total gaming category, including the Hasbro Gaming portfolio as reported above and all other gaming revenue, most notably MAGIC: THE GATHERING and MONOPOLY, which are included in the Franchise Brands portfolio, totaled \$340.5 million for the first quarter of 2020, an increase of 40%, as compared to \$243.4 million in the first quarter of 2019.

EMERGING BRANDS: Net revenues from the Emerging Brands portfolio increased 58% during the first quarter of 2020 compared to the first quarter of 2019. Contributing to the net revenue increases were the inclusion of brands acquired through the eOne Acquisition including PEPPA PIG and PJ MASKS, as well as net revenue increases from POWER RANGERS products. These increases were partially offset by declines in LITTLEST PET SHOP and LOST KITTIES products during the first quarter of 2020.

TV, FILM and ENTERTAINMENT: The TV, Film and Entertainment portfolio includes eOne revenues not allocated to the Emerging Brands portfolio. Operations contributing to the TV, Film and Entertainment portfolio focus on high quality, premium film, television and music production and content rights around the world and selling this content globally.

During the first quarter of 2020, net revenues from the TV, Film and Entertainment portfolio were approximately 26% of total Company net revenues and included theatrical contributions from the Amblin Partners film 1917, released in December 2019 and broadcast and licensing net revenues from key scripted deliveries including season two of THE ROOKIE, a television drama series currently airing on ABC. In addition to these offerings, net revenues benefited from the Company's lineup of unscripted television programming.

SEGMENT RESULTS

The Company's net revenues and operating profits are primarily derived from its four principal business segments: the U.S. and Canada segment, the International segment, the Entertainment, Licensing and Digital segment and as a result of the 2020 eOne Acquisition, the eOne operating segment. The eOne segment was added to the Company's reporting structure in the first quarter of 2020 and is comprised of the legacy eOne business. The results of these operations are discussed in detail below.

The following table presents net external revenues and operating profit data for the Company's principal segments for the quarters ended March 29, 2020 and March 31, 2019:

	Quarter Ended		
	March 29, 2020	March 31, 2019	% Change
Net Revenues			
U.S. and Canada segment	\$ 428.6	\$ 357.9	20 %
International segment	250.4	282.6	-11 %
Entertainment, Licensing and Digital segment	84.0	92.0	-9 %
eOne segment	342.5	—	100 %
Operating Profit			
U.S. and Canada segment	\$ 71.8	\$ 13.5	>100%
International segment	(26.7)	(30.4)	12 %
Entertainment, Licensing and Digital segment	5.2	30.0	-83 %
eOne segment	(33.1)	—	-100 %

U.S. and Canada Segment

The U.S. and Canada segment net revenues for the first quarter of 2020 increased 20% compared to the first quarter of 2019. Net revenue increases from Franchise Brands, Hasbro Gaming and to a lesser extent the Company's Partner Brands portfolio, were partially offset by lower net revenues from the Emerging Brands portfolio during the first quarter of 2020.

In the Franchise Brands portfolio, higher net revenues from MAGIC: THE GATHERING and MONOPOLY products were partially offset by net revenue decreases from PLAY-DOH, TRANSFORMERS and MY LITTLE PONY products. In the Partner Brands portfolio, higher net revenues from DISNEY FROZEN, DREAMWORKS' TROLLS and BEYBLADE products were partially offset by net revenue decreases from MARVEL and DISNEY PRINCESS products during the first quarter of 2020. In the Hasbro Gaming portfolio, higher net revenues were delivered across many brands in the portfolio, most notably from DUNGEONS & DRAGONS, THE GAME OF LIFE, OPERATION and JENGA products. In the Emerging Brands portfolio, lower net revenues from FURREAL FRIENDS and PLAYSKOOL products, were partially offset by higher net revenues from POWER RANGERS products during the first quarter of 2020.

U.S. and Canada segment operating profit for the first quarter of 2020 was \$71.8 million or 16.7% of segment net revenues, compared to segment operating profit of \$13.5 million or 3.8% of segment net revenues, for the first quarter of 2019. The operating profit increase in the first quarter of 2020 was driven by higher revenues and lower administrative and warehousing expenses offset by higher royalty expenses associated with increases in Partner Brand sales and higher freight costs.

International Segment

International segment net revenues declined 11% in the first quarter of 2020 to \$250.4 million from \$282.6 million in the first quarter of 2019. Absent the impact of foreign exchange, International segment net revenues decreased \$22.9 million or 8% during the first quarter of 2020. The following table presents net revenues by geographic region for the Company's International segment for the quarters ended March 29, 2020 and March 31, 2019.

	Quarter Ended		
	March 29, 2020	March 31, 2019	% Change
Europe	\$ 162.2	153.4	6 %
Latin America	33.9	62.8	-46 %
Asia Pacific	54.2	66.5	-18 %
Net revenues	\$ 250.4	282.6	-11 %

The decline in International segment net revenues during the first quarter of 2020 was partially driven by unfavorable foreign currency translation of \$9.3 million. Unfavorable foreign currency translation impacted the Company's major geographic regions as follows: Europe - \$3.8 million, Latin America - \$3.8 million and Asia Pacific - \$1.7 million. Absent the impact of foreign exchange, net revenues for the first quarter of 2020 increased 8% in Europe and decreased 40% and 16% in the Company's Latin American and Asia Pacific regions, respectively. International segment net revenues from Partner Brands grew while net revenues from Franchise Brands, Hasbro Gaming and Emerging Brands declined during the first quarter of 2020 compared to the first quarter of 2019. In the Franchise Brands portfolio, lower net revenues from TRANSFORMERS, PLAY-DOH, MY LITTLE PONY and NERF products, were partially offset by higher net revenues from MAGIC: THE GATHERING products. In the Partner Brands portfolio, net revenue increases from DISNEY FROZEN and DREAMWORKS' TROLLS products were partially offset by net revenue declines from MARVEL and BEY BLADE products. In the Hasbro Gaming portfolio, higher net revenues from DUNGEONS & DRAGONS products and certain other Hasbro Gaming products were more than offset by lower net revenues from PIE FACE products. In the Emerging Brands portfolio, lower net revenues from LITTLEST PET SHOP and LOST KITTIES products were partially offset by higher net revenues from POWER RANGERS and FURREAL FRIENDS products in the first quarter of 2020.

International segment operating losses were \$26.7 million, or 10.7% of segment net revenues for the first quarter of 2020, compared to operating losses of \$30.4 million, or 10.8% of segment net revenues, for the first quarter of 2019. The decrease in International segment operating losses during the first quarter of 2020 was the result of lower cost of sales due to improved inventory management, lower advertising and marketing costs as well as lower administrative costs. These decreases were partially offset by increased royalty expenses associated with higher sales of partner brand products.

Entertainment, Licensing and Digital Segment

Entertainment, Licensing and Digital segment net revenues declined 9% to \$84.0 million for the first quarter of 2020, compared to \$92.0 million for the first quarter of 2019. Net revenue declines were primarily driven by lower digital gaming revenues during the first quarter of 2020 due to the timing of game releases combined with the closure of the Backflip business in the fourth quarter of 2019.

Entertainment, Licensing and Digital segment operating profit decreased to \$5.2 million, or 6.2% of segment net revenues for the first quarter of 2020, from \$30.0 million, or 32.6% of segment net revenues for the first quarter of 2019. The decrease in Entertainment, Licensing and Digital segment operating profit was primarily driven by asset impairment charges of \$20.8 million in production assets driven by the change in entertainment strategy as a result of the eOne Acquisition.

eOne Segment

During the first quarter of 2020, eOne segment net revenues were \$342.5 million. The following table presents eOne segment net revenues by channel for the quarter ended March 29, 2020.

	Three Months Ended March 29, 2020	
eOne Segment Net Revenues		
Film and TV	\$	259.5
Family Brands		50.8
Music and Other		32.2
Segment Total	\$	342.5

In the first quarter of 2020, drivers of the eOne segment net revenues include; (i) broadcast and licensing revenues associated with internationally recognized brands, PEPPA PIG and PJ MASKS, (ii) theatrical contributions from the Amblin Partners film *1917*, released in December 2019, (iii) broadcast and licensing contributions from key scripted deliveries including season two of *THE ROOKIE*, a television drama series currently airing on ABC as well as the Company's strong lineup of unscripted television programming. In addition to these entertainment driven revenues, the Company's music business benefited from both strong streaming and publishing revenues during the first quarter of 2020.

eOne segment operating losses were \$33.1 million, or 9.7% of segment net revenues for the first quarter of 2020. This loss was driven by \$77.7 million of acquisition and integration costs, including \$47.4 million of expense associated with the acceleration of eOne stock-based compensation and \$24.5 million of advisor fees settled at the closing of the acquisition. Also contributing to the loss is \$25.0 million of incremental intangible amortization costs related to the intangible assets acquired in the eOne Acquisition.

Global Operations

The Global Operations segment operating profit of \$4.6 million for the first quarter of 2020 compared to an operating profit of \$1.3 million for the first quarter of 2019.

Corporate and Eliminations

Operating losses in Corporate and Eliminations totaled \$45.1 million for the first quarter of 2020 compared to operating profit of \$21.7 million for the first quarter of 2019. Operating losses in 2020 were driven primarily by charges related to the eOne Acquisition; including acquisition and integration costs of \$17.1 million and restructuring and related costs of \$34.1 million, comprised of severance and retention costs, as well as impairment charges for certain definite-lived intangible assets driven by the change in strategy for the combined company's entertainment assets.

OPERATING COSTS AND EXPENSES

Overall, the Company's costs and expenses in the first quarter of 2020 increased compared to the first quarter of 2019 driven by the inclusion of eOne's operations in the Company's consolidated financial statements. Costs and expenses stated as percentages of net revenues, are illustrated below for the quarters ended March 29, 2020 and March 31, 2019.

	Quarter Ended	
	March 29, 2020	March 31, 2019
Cost of sales	23.8%	35.5%
Program cost amortization	12.0	0.9
Royalties	10.2	8.2
Product development	4.9	7.7
Advertising	9.2	10.5
Amortization of intangibles	3.3	1.6
Selling, distribution and administration	25.2	30.8
Acquisition and related costs	13.5	0.0

Cost of sales for the first quarter of 2020 was \$262.7 million, or 23.8% of net revenues, compared to \$260.0 million, or 35.5% of net revenues, for the first quarter of 2019. The decrease as a percentage of net revenues is primarily related to higher revenues as a result of the acquisition of eOne, which experiences lower costs of sales sold as a percentage of net sales. To a lesser extent, the cost of sales decrease as a percent of net revenues was driven by favorable product mix from strong MAGIC:THE GATHERING revenues combined with higher Partner Brand products, partially offset by higher costs to bring inventory into the U.S. during the first quarter of 2020 as compared to 2019.

Program cost amortization increased to \$132.1 million or 12.0% of net revenues, for the first quarter of 2020 from \$6.6 million, or 0.9% of net revenues, for the first quarter of 2019. The increase in this expense both in dollars and as a percentage of net revenues is primarily related to eOne, which experiences higher program cost amortization as a percentage of net sales. Program costs are capitalized as incurred and amortized using the individual-film-forecast method which matches costs to the related recognized revenue.

Royalty expense for the first quarter of 2020 increased to \$112.8 million, or 10.2% of net revenues, compared to \$59.9 million, or 8.2% of net revenues, for the first quarter of 2019. The increase in royalty expense in dollars and as a percent of net revenues was driven by eOne combined with higher sales of Partner Brand products in the first quarter of 2020 as compared to the first quarter of 2019.

Product development expense for the first quarter of 2020 was \$53.8 million, or 4.9% of net revenues, compared to \$56.3 million, or 7.7% of net revenues, for the first quarter of 2019. The decrease as a percent of net revenues was primarily related to eOne, which experiences lower product development expense as a percentage of net sales combined with lower spending as a result of global cost savings initiatives partially offset by increased investments in digital gaming.

Advertising expense for the first quarter of 2020 was \$101.6 million, or 9.2% of net revenues, compared to \$76.6 million, or 10.5% of net revenues, for the first quarter of 2019. The advertising expense increase in dollars was driven by eOne advertising expenses and higher costs in support of the first quarter *MAGIC: THE GATHERING* tabletop set release, partially offset by reduced advertising levels across the regions reflecting the current environment due to COVID-19 impacts.

Amortization of intangible assets increased to \$36.8 million, or 3.3% of net revenues for the first quarter of 2020, compared to \$11.8 million, or 1.6% of net revenues, for the first quarter of 2019. The increase in dollars and as a percent of net revenues is primarily related to the acquisition of eOne, which contributed \$25.0 million to amortization. Excluding the intangible asset amortization associated with eOne, amortization of intangible assets was consistent with 2019.

For the first quarter of 2020, the Company's selling, distribution and administration expenses increased to \$279.1 million, or 25.2% of net revenues, from \$225.3 million, or 30.8% of net revenues, for the first quarter of 2019. The increase in selling, distribution and administration expenses in dollars was driven primarily by the inclusion and consolidation of eOne's operations during the first quarter. In addition, the increase in selling, distribution and administration expenses reflects higher shipping costs in the first quarter of 2020 due to an increase in domestic sales of Hasbro Gaming products and higher stock compensation expense. These increases were partially offset by lower warehousing expenses and decreased general and administrative spending due to the Company's ongoing cost-reduction efforts in the first quarter of 2020 as compared to the first quarter of 2019.

During the three months ended March 29, 2020, the Company incurred \$149.8 million of acquisition and related costs in connection with the eOne Acquisition. These expenses comprised of \$95.7 million of acquisition and integration costs, primarily related to \$47.4 million of expense associated with the acceleration of eOne stock-based compensation and \$38.2 million of advisor fees settled at the closing of the acquisition. Also included in the acquisition and related costs were \$54.1 million of restructuring and related costs including severance and retention costs of \$13.2 million as well as \$40.9 million in impairment charges for certain definite-lived intangible and production assets. The impairment charges of \$40.9 million were driven by the change in strategy for the combined company's entertainment assets.

NON-OPERATING (INCOME) EXPENSE

Interest expense for the first quarter of 2020 totaled \$54.7 million compared to \$22.3 million in the first quarter of 2019, respectively. During November 2019, the Company issued an aggregate of \$2.4 billion of senior unsecured debt securities in connection with the financing of the acquisition of eOne. The increase in interest expense for the first quarter of 2020 reflects interest related to these notes and other borrowings associated with the eOne business, partially offset by lower average short-term borrowings during the quarter.

Interest income was \$4.7 million for the first quarter of 2020, compared to \$7.7 million in the first quarter of 2019. Lower average interest rates in 2020 compared to 2019 contributed to the decrease.

Other income, net was \$1.5 million for the first quarter of 2020 compared to other income, net of \$8.1 million in the first quarter of 2019. The decrease in other income, net in the first quarter was driven by foreign currency losses in 2020 compared to foreign currency gains in 2019, partially offset by lower pension expense as a result of the termination of the Company's U.S. pension plans in the second quarter of 2019.

INCOME TAXES

Income tax benefit totaled \$4.1 million on pre-tax loss of \$71.9 million in the first quarter of 2020 compared to income tax expense of \$2.9 million on pre-tax earnings of \$29.6 million in the first quarter of 2019. Both periods were impacted by discrete tax events including the accrual of potential interest and penalties on uncertain tax positions. During the first quarter of 2020, favorable discrete tax adjustments were a net benefit of \$20.1 million compared to a net benefit of \$2.6 million in the first quarter of 2019. The favorable discrete tax adjustments for the first quarter of 2020 primarily relate to the costs related to the acquisition of eOne. The favorable discrete tax adjustments for the first quarter of 2019 primarily related to expiration of statutes of limitations for uncertain tax positions. Absent discrete items, the adjusted tax rates for the first quarters of 2020 and 2019 were 20.6% and 18.5%, respectively. The increase in the adjusted tax rate of 20.6% for the first quarter of 2020 is primarily due to the mix of jurisdictions where the Company earned its profits and the impact of the eOne Acquisition.

OTHER INFORMATION

Brexit Referendum

On June 23, 2016, the United Kingdom ("UK") voted in a referendum to leave the European Union ("EU"), commonly referred to as Brexit. The UK government triggered the formal two-year period to negotiate the terms of the UK's exit on March 29, 2017. These events resulted in an immediate weakening of British pound sterling against the US dollar, and increased volatility in the foreign currency markets which continued into 2020. These fluctuations initially affected Hasbro's financial results, although the impact was partially mitigated by the Company's hedging strategy. On January 31, 2020, the UK formally withdrew from the EU, entering a transitional period which is currently expected to end on December 31, 2020. During this transitional period, EU law will continue to apply in the UK while providing time for the UK and EU to negotiate the details of their future relationship. Financial, trade and legal implications of the UK leaving the EU remain uncertain. The Company continues to closely monitor the negotiations and the impact to foreign currency markets, taking appropriate actions to support the Company's long-term strategy and to mitigate risks in its operational and financial activities. However, the Company cannot predict the direction of Brexit-related developments nor the impact of those developments on our European operations and the economies of the markets in which they operate.

Business Seasonality and Shipments

Historically, the revenue pattern of Hasbro's legacy business has shown the second half of the year to be more significant to its overall business than the first half. The Company expects that this concentration will continue, particularly as more of its business has shifted to larger customers with order patterns concentrated in the second half of the year around the holiday season. The concentration of sales in the second half of the year increases the risk of (a) underproduction of popular items, (b) overproduction of less popular items, and (c) failure to achieve tight and compressed shipping schedules.

The Company's business is characterized by customer order patterns which vary from year to year largely because of differences each year in the degree of consumer acceptance of product lines, product availability, marketing strategies and inventory policies of retailers, the dates of theatrical releases of major motion pictures for which the Company sells products, and changes in overall economic conditions. As a result, comparisons of the Company's unshipped orders on any date with those at the same date in a prior year are not necessarily indicative of the Company's expected sales for the year. Moreover, quick response inventory management practices result in fewer orders being placed significantly in advance of shipment and more orders being placed for immediate delivery. Although the Company may receive orders from customers in advance, it is a general industry practice that these orders are subject to amendment or cancellation by customers prior to shipment and, as such, the Company does not believe that these unshipped orders, at any given date, are indicative of future sales. Additionally, the impact of the COVID-19 outbreak to the Company's business seasonality and shipments remains uncertain. After operating at lower than planned production levels during most of the first quarter due to COVID-19, the Company's third-party manufacturing facilities in China are currently operating at planned capacity for this time of year. Manufacturing and warehouse partners outside of China operated at close to normal levels during much of the first quarter. Beginning in mid-March and through the remainder of the first quarter of 2020 these locations were operating at varying levels of productivity depending on local government and safety considerations, with some markets operating at lower than normal production levels while other facilities have been closed entirely. The COVID-19 situation continues to be fluid, but we currently expect all manufacturing facilities to reopen in the second quarter, based upon our understanding of local governments directions at this

time. As production typically builds to peak levels during the summer months, the Company anticipates making up lost production during the second quarter of 2020, unless a resurgence of COVID-19 cases were to cause further manufacturing shutdowns or restrictions, to be well positioned to meet shipping schedule demands in the second half of the year.

Accounting Pronouncement Updates

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2016-13 (ASU 2016-13) Financial Instruments – Credit Losses (Topic 326): *Measurement of Credit Losses on Financial Instruments*. The amendments in this update provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. The standard update replaces the incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. For public companies, this standard is effective for annual reporting periods beginning after December 15, 2019, and early adoption was permitted. The Company adopted the standard in the first quarter of 2020 and the adoption of the standard did not have a material impact on its consolidated financial statements.

In August 2018, the FASB issued Accounting Standards Update No. 2018-13 (ASU 2018-13), Fair Value Measurement (Topic 820): *Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. The amendments in this update modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement, specifically related to disclosures surrounding Level 3 asset balances, fair value measurement methods, related gains and losses and fair value hierarchy transfers. For public companies, this standard is effective for annual reporting periods beginning after December 15, 2019, and early adoption was permitted. The Company adopted the standard in the first quarter of 2020 and the adoption of the standard did not have a material impact on its consolidated financial statements.

In March 2019, the FASB issued Accounting Standards Update No. 2019-02 (ASU 2019-02) Entertainment-Films-Other Assets-Film Costs (Subtopic 926-20) and Entertainment-Broadcasters-Intangibles-Goodwill and Other (Subtopic 920-350): *Improvements to Accounting for Costs of Films and License Agreements for Program Materials*. The amendments in this update align cost capitalization of episodic television series production costs with that of film production cost capitalization. In addition, this update addresses impairment testing procedures with regard to film groups, when a film or license agreement is expected to be monetized with other films and/or license agreements. The intention of this update is to align accounting treatment with changes in production and distribution models within the entertainment industry and to provide increased transparency of information provided to users of financial statements about produced and licensed content. For public companies, this standard is effective for annual reporting periods beginning after December 15, 2019, and early adoption was permitted. The Company adopted the standard in the first quarter of 2020 and the adoption of the standard did not have a material impact on its consolidated financial statements.

Recently Issued Accounting Pronouncements

In August 2018, the FASB issued Accounting Standards Update No. 2018-14 (ASU 2018-14) Compensation – Retirement Benefits – Defined Benefit Plans – General (Subtopic 715-20): *Disclosure Framework – Changes to the Disclosure Requirements for Defined Benefit Plans*. The amendments in this update modify the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. For public companies, this standard is effective for annual reporting periods beginning after December 15, 2020, and early adoption is permitted. The standard relates to financial statement disclosure only and will not have an impact on the Company's consolidated statement of financial position, statement of operations or statement of cash flows.

LIQUIDITY AND CAPITAL RESOURCES

The Company has historically generated a significant amount of cash from operations. In the first three months of 2020 and 2019 the Company funded its operations and liquidity needs primarily through cash flows from operations, and when needed, used borrowings under its available lines of credit.

The Company expects to continue to fund its working capital needs primarily through available cash and cash flows from operations and, when needed, by issuing commercial paper or borrowing under its revolving credit agreement. In the event that the Company is not able to issue commercial paper, the Company intends to utilize its available lines of credit. In addition, beginning in 2020 with the acquisition of eOne, the Company commenced funding certain of its television and film productions using production financing facilities which are secured by the assets and future revenues of the individual production subsidiaries. Under these facilities, the cash generated by the production may be restricted until the production financing is paid. The Company believes that the funds available to it, including cash expected to be generated from operations and funds available through its available lines of credit and commercial paper program are adequate to meet its working capital needs

over the next twelve months. However, unexpected events or circumstances such as material operating losses or increased capital or other expenditures or inability to otherwise access the commercial paper market, may reduce or eliminate the availability of external financial resources. In addition, significant disruptions to credit markets may also reduce or eliminate the availability of external financial resources. Although management believes the risk of nonperformance by the counterparties to the Company's financial facilities is not significant, in times of severe economic downturn in the credit markets it is possible that one or more sources of external financing may be unable or unwilling to provide funding to the Company.

During November of 2019, in conjunction with the Company's acquisition of eOne, the Company issued an aggregate of \$2.4 billion of senior unsecured debt securities (collectively, the "Notes") consisting of the following tranches: \$300 million of notes due 2022 (the "2022 Notes") that bear interest at a fixed rate of 2.60%; \$500 million of notes due 2024 (the "2024 Notes") that bear interest at a fixed rate of 3.00%; \$675 million of notes due 2026 (the "2026 Notes") that bear interest at a fixed rate of 3.55%; and \$900 million of notes due 2029 (the "2029 Notes") that bear interest at a fixed rate of 3.90%. The interest rate payable on each series of the Notes will be subject to adjustment from time to time if either Moody's or S&P (or a substitute rating agency therefor) downgrades (or downgrades and subsequently upgrades) the credit rating assigned to the Notes. Underwriting discount and fees of \$20.0 million were deducted from the gross proceeds of the Notes. These costs are being amortized over the life of the Notes, which range from three to ten years. Prior to October 19, 2024 (in the case of the 2024 Notes), September 19, 2026 (in the case of the 2026 Notes), August 19, 2029 (in the case of the 2029 Notes) and at any time (in the case of the 2022 Notes), the Company may redeem the Notes at its option at the greater of the principal amount of the Notes or the present value of the remaining scheduled payments discounted using the effective interest rate on applicable U.S. Treasury bills at the time of repurchase, plus (1) 15 basis points (in the case of the 2022 Notes); (2) 25 basis points (in the case of the 2024 Notes); (3) 30 basis points (in the case of the 2026 Notes); and (4) 35 basis points (in the case of the 2029 Notes). In addition, on and after (1) October 19, 2024 for the 2024 Notes; (2) September 19, 2026 for the 2026 Notes; and (3) August 19, 2029 for the 2029 Notes, such series of Notes will be redeemable, in whole at any time or in part from time to time, at the Company's option at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest.

Of the Company's long-term borrowings, the \$300.0 million of 3.15% Notes mature in 2021. All of the Company's other long-term borrowings have contractual maturities that occur subsequent to 2021 with the exception of certain of the Company's production financing facilities.

In November of 2019, the Company completed an underwritten public offering of 10,592,106 shares of common stock, par value \$0.50 per share, at a public offering price of \$95.00 per share. Net proceeds from this public offering were approximately \$975.2 million, after deducting underwriting discounts and commissions and offering expenses of approximately \$31.1 million. The net proceeds were used to finance, in part, the acquisition of eOne and to pay related costs and expenses.

As of March 29, 2020, the Company's cash and cash equivalents totaled \$1,237.9 million, of which \$86.2 million is restricted under the Company's production financing facilities. Prior to 2017, deferred income taxes had not been provided on the majority of undistributed earnings of international subsidiaries as such earnings were considered indefinitely reinvested by the Company. The Tax Act provided significant changes to the U.S. tax system including the elimination of the ability to defer U.S. income tax on unrepatriated earnings by imposing a one-time mandatory deemed repatriation tax on undistributed foreign earnings. As of March 29, 2020, the Company has a total liability of \$192.9 million related to this tax, \$18.4 million is reflected in current liabilities while the remaining long-term payable related to the Tax Act of \$174.5 million is presented within other liabilities, non-current on the Consolidated Balance Sheets. As permitted by the Tax Act, the Company will pay the transition tax in annual interest-free installments through 2025. As a result, the related earnings in foreign jurisdictions are available with greater investment flexibility. The majority of the Company's cash and cash equivalents held outside of the United States as of March 29, 2020 is denominated in the U.S. dollar.

Because of the seasonality in the Company's cash flow, management believes that on an interim basis, rather than discussing only its cash flows, a better understanding of its liquidity and capital resources can be obtained through a discussion of the various balance sheet categories as well. Also, as several of the major categories, including cash and cash equivalents, accounts receivable, inventories and short-term borrowings, fluctuate significantly from quarter to quarter, due to the seasonality of its business, management believes that a comparison to the comparable period in the prior year is generally more meaningful than a comparison to the prior year-end.

The table below outlines key financial information (in millions of dollars) pertaining to our consolidated balance sheets including the period-over-period changes.

	March 29, 2020	March 31, 2019	% Change
Cash and cash equivalents (including restricted cash of \$86.2 and \$0)	\$ 1,237.9	1,196.6	3 %
Accounts receivable, net	963.8	638.4	51 %
Inventories	444.4	491.8	-10 %
Prepaid expenses and other current assets	672.4	305.1	>100%
Other assets	1,461.5	739.7	98 %
Accounts payable and accrued liabilities	1,664.7	935.3	78 %
Other liabilities	739.0	636.1	16 %

Accounts receivable increased to \$963.8 million at March 29, 2020, compared to \$638.4 million at March 31, 2019. Absent the unfavorable foreign currency impact of \$36.7 million, accounts receivable increased 57%, or \$362.1 million. The increase in accounts receivable was primarily driven by the inclusion of eOne balances in the first quarter of 2020 of \$224.2 million combined with higher U.S. and Canada segment accounts receivable balances driven by the increase in domestic revenues in the quarter ended March 29, 2020 compared to the quarter ended March 31, 2019. Days sales outstanding remained flat at 79 days in the first quarter of 2020 compared to the first quarter of 2019.

Inventories decreased to \$444.4 million at March 29, 2020 from \$491.8 million at March 31, 2019. Absent the unfavorable foreign currency impact of \$22.5 million, inventories decreased 5%, or \$24.8 million. The decrease at March 29, 2020 reflects improved inventory management initiatives and lower shipments from China due to the impact of COVID-19 in the first quarter, partially offset by higher inventory levels in the Company's Latin American markets as the Company works through higher than normal inventory levels remaining from the fourth quarter of 2019.

Prepaid expenses and other current assets increased to \$672.4 million at March 29, 2020 from \$305.1 million at March 31, 2019. The increase was due to higher accrued royalty and licensing balances, primarily attributable to accrued revenue balances associated with eOne's intellectual property of \$245.0, higher accrued foreign tax credits related to film and television production costs, the majority of which are attributable to eOne productions and higher unrealized gains on foreign exchange contracts. As a result of the settlement of the Company's U.S. defined benefit pension plan liability, the Company has remaining excess assets of approximately \$12.5 million of which \$8.0 million is recorded as a current asset and will be used to fund future Company contributions to the Company's 401(k) plan in the U.S. These increases were partially offset by lower prepaid value-added taxes in the first quarter of 2020.

Other assets increased to approximately \$1,461.5 million at March 29, 2020 from \$739.7 million at March 31, 2019. The increase was primarily due to the inclusion of assets obtained through the eOne Acquisition including investments in acquired content of \$471.3 million, investments in film and television productions of \$209.3 million and investment in development of \$42.2 million. Also contributing to the increase are higher accrued royalty income balances primarily driven by eOne balances, increased non-current royalty advances due to payments made in the first quarter of 2020 relating to the extension of the agreements related to certain of the Company's partner brands. These increases were partially offset by lower capitalized television production costs, net of related production rebates in the legacy Hasbro business, primarily related to impairment charges recorded on certain production assets during the first quarter of 2020, lower capitalized film production costs in the legacy Hasbro business, net of related production rebates, as a result of higher amortization of film production assets in 2020 and lower long-term receivable balances related to third-party production studio rebates.

Accounts payable and accrued liabilities increased to \$1,664.7 million at March 29, 2020 from \$935.3 million at March 31, 2019. The increase was primarily attributable to the acquisition of eOne and inclusion of significant accrued participation balances, deferred revenue balances primarily related to broadcast licensing obligations and the addition of eOne's current lease liability and account payable balances. In addition, increases included higher accrued royalty balances and higher accrued interest as a result of higher debt levels in 2020 from the issuance of notes in November 2019 and January 2020. These increases were partially offset by lower severance accruals from payments made in relation to restructuring actions accrued in 2018, lower accrued advertising balances due to COVID-19 related shutdowns late in the first quarter of 2020, lower accrued liabilities due to payments made in 2019 for remaining amounts due to Saban Properties for the POWER RANGERS brand acquisition and lower accrued income tax balances in the first quarter of 2020.

Other liabilities increased to \$739.0 million at March 29, 2020 from \$636.1 million at March 31, 2019. The increase was primarily driven by deferred tax liabilities recorded as a result of the eOne Acquisition accounting adjustments during the first quarter of 2020 as well as higher long-term lease liability balances resulting from the eOne Acquisition, and higher deferred revenue balances as a result of the inclusion of eOne operations in the Company's consolidated financial statements beginning in the first quarter of 2020. In addition to these increases, there were higher long-term pension balances due to the 2019 year-end actuarial valuations and higher reserves for uncertain tax positions. These increases were offset by a lower transition tax liability balance reflecting the reclassification of certain deferred tax assets in 2019, to reduce the transition tax liability as well as the reclassification of the 2020 installment payment.

Cash Flow

The following table summarizes the changes in the Consolidated Statement of Cash Flows, expressed in millions of dollars, for the quarters ended March 29, 2020 and March 31, 2019.

	March 29, 2020	March 31, 2019
Net cash provided by (used in)		
Operating activities	\$ 291.6	\$ 264.5
Investing activities	(4,430.5)	(27.0)
Financing activities	819.5	(220.4)

Net cash provided by operating activities in the first three months of 2020 was \$291.6 million compared to \$264.5 million in the first three months of 2019. The \$27.1 million increase in net cash provided by operating activities was primarily attributable to an increase in earnings before depreciation, intangible amortization and program cost amortization, partially offset by higher film and television production spend as a result of the inclusion of eOne operations during the first quarter of 2020 as well as long-term royalty advances paid in the first quarter of 2020 related to the extension of certain license agreements that were due to expire in 2020.

Net cash utilized by investing activities was \$4,430.5 million in the first three months of 2020 compared to \$27.0 million in the first three months of 2019. The increase in 2020 reflects \$4.4 billion of cash utilized to acquire eOne, net of cash acquired. As discussed in the Executive Summary, the cash used for the purchase of eOne consisted of the net proceeds from the issuance of an aggregate principal amount of \$2.4 billion in senior secured notes, net proceeds \$975.2 million from the issuance of approximately 10.6 million shares of common stock and \$1.0 billion in term loans drawn in the first quarter of 2020.

Additions to property, plant and equipment were \$30.8 million in the first three months of 2020 compared to \$25.2 million in the first three months of 2019.

Net cash provided by financing activities was \$819.5 million in the first three months of 2020 compared to net cash utilized of \$220.4 million, in the first three months of 2019. The increase in cash provided by financing activities was primarily driven by the proceeds of the Company's \$1.0 billion term loan. Also, in the first quarter of 2020, the Company had repayments of \$50.2 million related to eOne production financing loans and paid \$47.4 million associated with the redemption of eOne stock awards that were accelerated as a result of the acquisition. During the first quarter of 2019, the Company paid \$87.5 million to Saban Properties related to the 2018 POWER RANGERS acquisition which consisted of a \$75.0 million deferred purchase price payment and \$12.5 million released from escrow. Cash payments related to the purchases of the Company's common stock were \$47.5 million in the first quarter of 2019 compared to \$0 in the first quarter of 2020 as the Company suspended the program to prioritize the reduction in long-term debt and achieving its gross debt to EBITDA targets. Dividends paid in the first quarter of 2020 totaled \$93.2 million compared to \$79.3 million in the first quarter of 2019 primarily reflecting the additional shares issued in the fourth quarter of 2019.

Sources and Uses of Cash

The Company has an agreement with a group of banks which provides for a commercial paper program (the "Program"). Under the Program, at the request of the Company and subject to market conditions, the banks may either purchase from the Company, or arrange for the sale by the Company, of unsecured commercial paper notes. The Company may issue notes from time to time up to an aggregate principal amount outstanding at any given time of \$1,000.0 million. The maturities of the notes may vary but may not exceed 397 days. The notes are sold under customary terms in the commercial paper market and are issued at a discount to par, or alternatively, sold at par and bear varying interest rates based on a fixed or floating rate basis. The interest rates vary based on market conditions and the ratings assigned to the notes by the credit rating agencies at the time of issuance. Subject to market conditions, the Company intends to utilize the Program as its primary short-term borrowing facility and does not intend to sell unsecured commercial paper notes in excess of the available amount under the revolving

credit agreement discussed below. If, for any reason, the Company is unable to access the commercial paper market, the Company intends to use the revolving credit agreement to meet the Company's short-term liquidity needs. At March 29, 2020, the Company had no outstanding borrowings related to the Program.

The Company has a second amended and restated revolving credit agreement with Bank of America, N.A., as administrative agent, swing line lender and a letter of credit issuer and lender and certain other financial institutions, as lenders thereto (the "Amended Revolving Credit Agreement"), which provides the Company with commitments having a maximum aggregate principal amount of \$1,500.0 million. The Amended Revolving Credit Agreement also provides for a potential additional incremental commitment increase of up to \$500.0 million subject to agreement of the lenders. The Amended Revolving Credit Agreement contains certain financial covenants setting forth leverage and coverage requirements, and certain other limitations typical of an investment grade facility, including with respect to liens, mergers and incurrence of indebtedness. The Amended Revolving Credit Agreement extends through September 20, 2024. The Company was in compliance with all covenants as of and for the quarter ended March 29, 2020. The Company had no borrowings outstanding under its committed revolving credit facility as of March 29, 2020. However, letters of credit outstanding under this facility as of March 29, 2020 were approximately \$2.7 million. Amounts available and unused under the committed line, at March 29, 2020 were approximately \$1,497.3 million, inclusive of borrowings under the Company's commercial paper program. The Company also has other uncommitted lines from various banks, of which approximately \$22.2 million was utilized at March 29, 2020. Of the amount utilized under, or supported by, the uncommitted lines, approximately \$9.4 million and \$12.8 million represent outstanding short-term borrowings and letters of credit, respectively.

In September of 2019, the Company entered into a \$1.0 billion Term Loan Agreement (the "Term Loan Agreement") with Bank of America N.A. ("Bank of America"), as administrative agent, and certain financial institutions as lenders, pursuant to which such lenders committed to provide, contingent upon the completion of the eOne Acquisition and certain other customary conditions to funding, (1) a three-year senior unsecured term loan facility in an aggregate principal amount of \$400.0 million (the "Three-Year Tranche") and (2) a five-year senior unsecured term loan facility in an aggregate principal amount of \$600.0 million (the "Five-Year Tranche" and together with the Three-Year Tranche, the "Term Loan Facilities"). On December 30, 2019, the Company completed the acquisition of eOne and on that date, borrowed the full amount of \$1.0 billion under the Term Loan Facilities. Loans under the Term Loan Facilities bear interest, at the Company's option, at either the Eurocurrency Rate or the Base Rate, in each case plus a per annum applicable rate that fluctuates (1) in the case of the Three-Year Tranche, between 87.5 basis points and 175.0 basis points, in the case of loans priced at the Eurocurrency Rate, and between 0.0 basis points and 75.0 basis points, in the case of loans priced at the Base Rate, and (2) in the case of the Five-Year Tranche, between 100.0 basis points and 187.5 basis points, in the case of loans priced at the Eurocurrency Rate, and between 0.0 basis points and 87.5 basis points, in the case of loans priced at the Base Rate, in each case, based upon the non-credit enhanced, senior unsecured long-term debt ratings of the Company by Fitch Ratings Inc., Moody's Investor Service, Inc. and S&P Global Rankings, subject to certain provisions taking into account potential differences in ratings issued to the relevant rating agencies or a lack of ratings issued by such ratings agencies. Loans under the Five-Year Tranche require principal amortization payments, payable in equal quarterly installments of 5.0% per annum of the original principal amount thereof for each of the first two years after funding, increasing to 10.0% per annum of the original principal amount thereof for each subsequent year. The Term Loan Agreement contains affirmative and negative covenants typical of this type of facility, including: (i) restrictions on the Company's and its domestic subsidiaries' ability to allow liens on their assets, (ii) restrictions on the incurrence of indebtedness, (iii) restrictions on the Company's and certain of its subsidiaries' ability to engage in certain mergers, (iv) the requirement that the Company maintain a Consolidated Interest Coverage Ratio of no less than 3.00:1.00 as of the end of any fiscal quarter and (v) the requirement that the Company maintain a Consolidated Total Leverage Ratio of no more than, depending on the gross proceeds of equity securities issued after the effective date of the eOne Acquisition, 5.65:1.00 or 5.40:1.00 for each of the first, second and third fiscal quarters ended after the funding of the Term Loan Facilities, with periodic step downs to 3.50:1.00 for the fiscal quarter ending December 31, 2023 and thereafter. The loans were drawn down on December 30, 2019 to fund the acquisition of eOne.

The Company has principal amounts of long-term debt at March 29, 2020 of \$5.3 billion, due at varying times from 2021 through 2044. As described above, the Company issued an aggregate of \$2.4 billion of senior unsecured long-term debt securities in November 2019 and borrowed \$1.0 billion under its term loan facilities on December 30, 2019 in connection with the financing of the eOne Acquisition. Of the total principal amount, \$30 million is current at March 29, 2020 related to the 5-year term loans due December 2024. Additionally, the Company has outstanding production financing facilities at March 29, 2020 of \$175.5 million of which \$141.1 million is included in long-term debt and \$34.4 million is reported as the current portion of long-term debt within the Company's consolidated financial statements, included in Item 1 of this Form10-Q.

The Company also had letters of credit and other similar instruments of approximately \$15.5 million and purchase commitments of approximately \$763.1 million outstanding at March 29, 2020.

Through the eOne Acquisition, the Company assumed eOne's existing future obligations for film and television content, future minimum contractual royalty payment obligations and operating lease commitments. Future payments required under these obligations, expressed in millions of dollars as of March 29, 2020, are as follows:

	Remainder 2020	2021	2022	2023	2024	Thereafter	Total
Future film and television obligations	\$ 75.7	17.1	1.7	—	—	—	94.5
First-look commitments	18.7	15.9	7.7	—	—	—	42.3
Operating lease commitments	15.8	13.2	8.9	7.5	6.2	21.7	73.3
	<u>\$ 110.2</u>	<u>46.2</u>	<u>18.3</u>	<u>7.5</u>	<u>6.2</u>	<u>21.7</u>	<u>210.1</u>

Other contractual obligations and commercial commitments, as detailed in the Company's 2019 Form 10-K, did not materially change outside of commitments assumed as part of the eOne Acquisition and certain payments made in the normal course of business and as otherwise set forth in this report. The table of contractual obligations and commercial commitments, as detailed in the Company's 2019 Form 10-K does not include certain tax liabilities related to uncertain tax positions. See Note 3 to our consolidated financial statements, which is included in Part I of this Form 10-Q for contractual commitments assumed in the eOne Acquisition.

The Company believes that cash from operations, and, if necessary, its committed line of credit and other borrowing facilities, will allow the Company to meet its obligations over the next twelve months.

CRITICAL ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES

The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. As such, management is required to make certain estimates, judgments and assumptions that it believes are reasonable based on the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the periods presented. The significant accounting policies which management believes are the most critical to aid in fully understanding and evaluating the Company's reported financial results include recoverability of goodwill, intangible assets, income taxes and the valuation of the Company's equity method investment in Discovery Family Channel. These critical accounting policies are the same as those detailed in the 2019 Form 10-K with the exception of the use of estimates for business combinations in relation to the Company's 2020 acquisition of eOne, which is detailed below.

Business Combinations. The Company accounts for business combination under FASB Accounting Standards Codification Topic 805, Business Combinations ("Topic 805"). Identifiable assets acquired, liabilities assumed and any noncontrolling interest in the acquiree are recognized and measured as of the acquisition date at fair value. Goodwill is recognized to the extent by which the aggregate of the acquisition-date fair value of the consideration transferred and any noncontrolling interest in the acquiree exceeds the recognized basis of the identifiable assets acquired, net of assumed liabilities. Determining the fair value of assets acquired, liabilities assumed and noncontrolling interest requires management's judgment and often involves the use of significant estimates and assumptions, including assumptions with respect to future cash flows, discount rates and asset lives among other items.

The Company's evaluation of the facts and circumstances available as of December 30, 2019, to assign fair values to assets acquired and liabilities assumed, including income tax related amounts are ongoing. As further analysis of assets including program rights, investment in films and television content, intangible assets, as well as deferred revenue, noncontrolling interest, tax and certain other liabilities is completed, additional information on the assets acquired and liabilities assumed may become available. A change in the information related to the net assets acquired may change the amount of the purchase price assigned to goodwill, and as a result, the preliminary fair values disclosed are subject to adjustment as additional information is obtained and valuations are completed. Provisional adjustments, if any, will be recognized during the reporting period in which the adjustments are determined. We expect to finalize the purchase price allocation as soon as practicable, but no later than one year from the acquisition date. For more information on the eOne Acquisition see Note 3, "Business Combinations" to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

FINANCIAL RISK MANAGEMENT

The Company is exposed to market risks attributable to fluctuations in foreign currency exchange rates, primarily as the result of sourcing products priced in U.S. dollars, Hong Kong dollars and Euros while marketing those products in more than twenty currencies. Results of operations may be affected primarily by changes in the value of the U.S. dollar, Hong Kong dollar, Euro,

British pound sterling, Canadian dollar, Brazilian real, Russian ruble and Mexican peso and, to a lesser extent, other currencies in Latin American and Asia Pacific countries.

To manage this exposure, the Company has hedged a portion of its forecasted foreign currency transactions for fiscal years 2020 through 2022 using foreign exchange forward contracts. In addition, during the third quarter of 2019 the Company hedged a portion of its exposure to fluctuations in the British pound sterling in relation to the eOne Acquisition purchase price and other transaction related costs using series of both foreign exchange forward and option contracts. These contracts did not qualify for hedge accounting and as such, were marked to market through the Company's Consolidated Statement of Operations. For tax purposes these contracts qualified as nontaxable integrated tax hedges. These contracts matured on December 30, 2019 (the closing date of the transaction) and net gains or losses recognized on these contracts in the first quarter of 2020 were immaterial.

The Company is also exposed to foreign currency risk with respect to its net cash and cash equivalents or short-term borrowing positions in currencies other than the U.S. dollar. The Company believes, however, that the on-going risk on the net exposure should not be material to its financial condition. In addition, the Company's revenues and costs have been, and will likely continue to be, affected by changes in foreign currency rates. A significant change in foreign exchange rates can materially impact the Company's revenues and earnings due to translation of foreign-denominated revenues and expenses. The Company does not hedge against translation impacts of foreign exchange. From time to time, affiliates of the Company may make or receive intercompany loans in currencies other than their functional currency. The Company manages this exposure at the time the loan is made by using foreign exchange contracts. Other than as set forth above, the Company does not hedge foreign currency exposures.

The Company reflects all forward and option contracts at their fair value as an asset or liability on the consolidated balance sheets. The Company does not speculate in foreign currency exchange contracts. At March 29, 2020, these contracts had net unrealized gains of \$33.6 million, of which \$39.6 million of unrealized gains are recorded in prepaid expenses and other current assets, \$7.1 million of unrealized gains are recorded in other assets and \$13.1 million of unrealized losses are recorded in accrued liabilities. Included in accumulated other comprehensive loss at March 29, 2020 are deferred gains, net of tax, of \$33.7 million, related to these derivatives.

At March 29, 2020, the Company had fixed rate long-term debt of \$5.3 billion. Of this long-term debt, \$600 million represents the aggregate issuance of long-term debt in May 2014 which consists of \$300 million of 3.15% Notes Due 2021 and \$300 million of 5.10% Notes Due 2044. Prior to the debt issuance, the Company entered into forward-starting interest rate swap agreements with a total notional value of \$500 million to hedge the anticipated underlying U.S. Treasury interest rate. These interest rate swaps were matched with this debt issuance and were designated and effective as hedges of the change in future interest payments. At the date of debt issuance, the Company terminated these interest rate swap agreements and their fair value at the date of issuance was recorded in accumulated other comprehensive loss and is being amortized through the consolidated statements of operations using an effective interest rate method over the life of the related debt. Included in accumulated other comprehensive loss at March 29, 2020 are deferred losses, net of tax, of \$17.6 million related to these derivatives.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The information required by this item is included in Part I, Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and is incorporated herein by reference.

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures

The Company maintains disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. The Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of March 29, 2020. Based on the evaluation of these disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective.

Changes in internal control over financial reporting

Except for the acquisition of eOne described below, there were no changes in the Company's internal control over financial reporting, as defined in Rule 13a-15(f) promulgated under the Exchange Act, during the quarter ended March 29, 2020 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. However, on December 30, 2019, the Company completed the acquisition of eOne. We are currently integrating eOne into our operations and internal control processes and, pursuant to the Securities and Exchange Commission's guidance that an assessment of a recently acquired business may be omitted from the scope of an assessment in the year of acquisition, the scope of our assessment of the effectiveness of our internal controls over financial reporting at December 27, 2020 will not include eOne.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

The Company is currently party to certain legal proceedings, none of which it believes to be material to its business or financial condition.

Item 1A. Risk Factors.

In connection with information set forth in this Quarterly Report on Form 10-Q, the risk factors discussed under Item 1A. Risk Factors, in Part I of our 2019 Form 10-K should be considered, together with the discussion below, which includes a supplement to the risk factors in our 2019 Form 10-K relating to the impact of the coronavirus on our business. The risks set forth in our 2019 Form 10-K, as supplemented in this Form 10-Q, could materially and adversely affect our business, financial condition, and results of operations.

The global coronavirus outbreak or other similar outbreaks of communicable infections, diseases, or public health pandemics in the markets in which we and our employees, consumers, customers, partners, licensees, suppliers and manufacturers operate, could substantially harm our business.

The global outbreak of the coronavirus currently being experienced, and any other outbreaks of communicable infections, diseases or other adverse public health conditions in markets in which we, our employees, consumers, customers, partners, licensees, licensors, suppliers and manufacturers operate, could have a significant negative impact on our business, revenues and profitability. The occurrence of these types of events can result, and in the case of the coronavirus has resulted in, disruptions and damage to our business, caused by a number of factors:

- the negative impact to our ability to design, develop, manufacture and ship product as well as produce and distribute entertainment content;
- delays in entertainment content releases from our partners and licensors, or changes in release plans, that can adversely impact our product sales; examples of releases that have been delayed include Disney's *MULAN*, *MARVEL'S BLACK WIDOW* and *SONY PICTURES GHOSTBUSTERS AFTERLIFE*;
- the negative impact on consumer purchasing behavior and availability of product to consumers, including due to retail store closures, shelter at home instructions and limitations on the capacity of e-commerce;
- disruptions or restrictions on the ability of some of our employees to work effectively, including due to illness, quarantines, government actions, and facility closures or other similar restrictions;
- closures of, or restrictions on businesses, such as retail stores, in which our products and/or the products of our licensees are sold, as well as studios and theaters in which or for which we produce and distribute entertainment content; and
- other negative effects of the coronavirus on our business, including increased risks of accounts receivable collection, delays in payment and negotiations with customers or licensees over payment terms or the ability to perform under contracts or licenses.

The negative impact to supply of product has been and can be driven by: manufacturing and other work stoppages, factory and other business closings, slowdowns or delays, including in China where a substantial portion of our manufacturing occurs; restrictions and limitations placed on workers and factories, including quarantines and other limitations on the ability to travel and return to work; and shortages or delays in production or shipment of products or raw materials. Even as facilities reopen or workers return to work, we expect that such reopenings and returns will be measured and gradual so as to minimize the risk of further outbreaks of the virus, and that despite precautions further outbreaks may occur and result in future negative impacts.

Our entertainment business has been adversely affected by the coronavirus. For example, scheduled productions have been delayed or postponed due to the shutdown of production work and the closure of studios, theatrical releases have been delayed due to the closure of theaters, and in some cases, global releases have moved to different media platforms, such as streaming services. While we have seen increased interest in our content library as consumers increase watching content at home, such interest is unlikely to offset declines in our entertainment business due the shutdown of production and closure of studios and theaters.

The negative impact to demand can be caused by delays in or reduced purchases from customers and consumers who may not be able to leave home or otherwise shop in a normal manner due to restrictions on or closure, either temporarily or permanently, of many retail stores and hobby stores in which our products are sold. Demand has been and may be further

impacted due to consumers' lower discretionary income due to reduced or limited work or unemployment, which has increased dramatically due to the coronavirus.

It is also a possibility that one or more countries may, in reaction to the coronavirus outbreak, place tariffs or other restrictions on products coming from China. As we discuss elsewhere in our risk factors, any tariffs or other restrictions, placed on products we source from China or another significant location for our global supply chain, and imported into significant markets for our products could harm our revenues and earnings.

We believe we have sufficient liquidity and capital resources available at this time, including approximately \$1.2 billion of cash on hand and availability under our \$1.5 billion revolving credit facility. During this time of uncertainty, however, we are carefully monitoring our expenses to further preserve our liquidity.

While we have developed and continue to develop plans to help mitigate the negative impact of the coronavirus to our business, such as our Bring Home the Fun campaign, these efforts will not completely prevent our business from being adversely affected, and the longer the outbreak continues, the more negative the impact it will have on our business, revenues and earnings, and the more limited our ability will be to try and make up for delayed or lost product development, production and sales.

The impact of coronavirus outbreak continues to be fluid and uncertain, making it difficult to forecast the final impact it could have on our future operations. If our business experiences prolonged occurrence of adverse public health conditions due to the coronavirus or other similar outbreaks, we believe our business could be substantially harmed.

Forward Looking Statement Safe Harbor

Certain statements in this Form 10-Q 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: the impact of, and actions and initiatives taken and planned to be taken, to try and manage the negative impact of the global coronavirus outbreak on our business, including the negative impact on supply of products and production of entertainment content, demand for our products and entertainment, our liquidity and our community; the expected adequacy of supply and operation of our manufacturing facilities; the ability to achieve our financial and business goals and objectives; the Company's product and entertainment plans, including anticipated entertainment production; anticipated product and entertainment performance; anticipated expenses; and working capital and liquidity. 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. For example, the global coronavirus outbreak has resulted, and may continue to result, in significant disruptions in the markets in which we and our employees, consumers, customers, partners, licensees, suppliers and manufacturers operate. We have experienced, and expect to continue to experience, disruptions in supply of products and production of entertainment content, negative impact on sales due to changes in consumer purchasing behavior and availability of product to consumers, including due to retail store closures and limitations on the capacity of e-commerce; delays or postponements of productions and releases of entertainment content both internally and by our partners; and challenges of working remotely. Our efforts to develop and execute plans to help mitigate the negative impact of the coronavirus to our business will not prevent our business from being adversely affected, and the longer the outbreak continues the more negative the impact will be on our business, revenues, earnings and liquidity, and the more limited our ability will be to try and make up for delayed or lost product development, production and sales. Other 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, 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 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 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 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 Form 10-Q or to update them to reflect events or circumstances occurring after the date of this Form 10-Q.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

There were no share repurchases made in the first quarter of 2020. Following the Company's acquisition of eOne, the Company suspended its share repurchase program while it prioritizes achieving its target debt to EBITDA levels. For further discussion related to the eOne Acquisition, see Note 3 to our consolidated financial statements, which are included in Part I, Item 1 of this Form 10-Q.

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
January 2020				
12/30/19 – 1/26/20	—	\$ —	—	\$ 366,592,558
February 2020				
1/27/20 – 3/1/20	—	\$ —	—	\$ 366,592,558
March 2020				
3/2/20 – 3/29/20	—	\$ —	—	\$ 366,592,558
Total	—	\$ —	—	\$ 366,592,558

In May 2018, the Company announced that its Board of Directors authorized the repurchase of an additional \$500 million of common stock. Purchases of the Company's common stock may be made from time to time, subject to market conditions. These shares may be repurchased in the open market or through privately negotiated transactions. The Company has no obligation to repurchase shares under this authorization and there is no expiration date. The timing, actual number, and value of shares that are repurchased will depend on a number of factors, including the price of the Company's stock and the Company's generation of, and uses for, cash.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

- 3.1 [Restated Articles of Incorporation of the Company. \(Incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the period ended July 2, 2000, File No. 1-6682.\)](#)
- 3.2 [Amendment to Articles of Incorporation, dated June 28, 2000. \(Incorporated by reference to Exhibit 3.4 to the Company's Quarterly Report on Form 10-Q for the period ended July 2, 2000, File No. 1-6682.\)](#)
- 3.3 [Amendment to Articles of Incorporation, dated May 19, 2003. \(Incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q for the period ended June 29, 2003, File No. 1-6682.\)](#)
- 3.4 [Amended and Restated Bylaws of the Company, as amended. \(Incorporated by reference to Exhibit 3\(d\) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, File No. 1-6682.\)](#)
- 3.5 [Amendment to Amended and Restated Bylaws of the Company, as amended. \(Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated August 6, 2014, File No. 1-6682.\)](#)
- 3.6 [Amendment to Amended and Restated Bylaws of the Company, as amended. \(Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated October 5, 2015, File No. 1-6682.\)](#)
- 3.7 [Amendment to Amended and Restated Bylaws of the Company, as amended. \(Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated December 10, 2015, File No. 1-6682.\)](#)
- 3.8 [Certificate of Designations of Series C Junior Participating Preference Stock of Hasbro, Inc. dated June 29, 1999. \(Incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q for the period ended July 2, 2000, File No. 1-6682.\)](#)
- 3.9 [Certificate of Vote\(s\) authorizing a decrease of class or series of any class of shares. \(Incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q for the period ended July 2, 2000, File No. 1-6682.\)](#)
- 4.1 [Indenture, dated as of July 17, 1998, by and between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to Citibank, N.A. as Trustee. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated July 14, 1998, File No. 1-6682.\)](#)
- 4.2 [Indenture, dated as of March 15, 2000, by and between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. \(Incorporated by reference to Exhibit 4\(b\)\(i\) to the Company's Annual Report on Form 10-K for the fiscal year ended December 26, 1999, File No. 1-6682.\)](#)
- 4.3 [First Supplemental Indenture, dated as of September 17, 2007, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed September 17, 2007, File No. 1-6682.\)](#)
- 4.4 [Second Supplemental Indenture, dated as of May 13, 2009, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed May 13, 2009, File No. 1-6682.\)](#)
- 4.5 [Third Supplemental Indenture, dated as of March 11, 2010, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed March 11, 2010, File No. 1-6682.\)](#)
- 4.6 [Fourth Supplemental Indenture, dated May 13, 2014, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed May 13, 2014, file No. 1-6682.\)](#)
- 4.7 [Fifth Supplemental Indenture, dated September 13, 2017, between the Company and The Bank of New York Mellon Trust Company, N.A. as successor Trustee to the Bank of Nova Scotia Trust Company of New York. \(Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed September 13, 2017, file No. 1-6682.\)](#)
- 4.8 [Sixth Supplemental Indenture dated as of November 19, 2019, among the Company and The Bank of New York Mellon Trust Company, N.A. and U.S. Bank, National Association, supplementing the Indenture dated as of March 15, 2000. \(Incorporated by reference to Exhibit 1.2 to the Company's Current Report on Form 8-K filed November 19, 2019, File No. 1-6682.\)](#)
- 10.1* [Form of 2020 Stock Option Agreement under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan for Deborah Thomas.](#)

- 10.2* [Form of 2020 Stock Option Agreement under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan for Brian Goldner.](#)
- 10.3* [Form of 2020 Stock Option Agreement under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan for John Frascotti.](#)
- 10.4* [Form of 2020 Restricted Stock Unit Award under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan.](#)
- 10.5* [Form of 2020 Restricted Stock Unit Award under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan for John Frascotti.](#)
- 10.6* [Form of 2020 Contingent Stock Performance Award under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan for Brian Goldner.](#)
- 10.7* [Form of 2020 Contingent Stock Performance Award under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan for John Frascotti.](#)
- 10.8* [Form of 2020 Contingent Stock Performance Award under the Hasbro, Inc. Restated 2003 Stock Incentive Performance Plan.](#)
- 10.9* [Agreement dated January 21, 2020 with Wiebe Tinga.](#)
- 10.10* [Agreement dated March 5, 2020 with Stephen Davis.](#)
- 31.1** [Certification of the Chief Executive Officer Pursuant to Rule 13a-14\(a\) under the Securities Exchange Act of 1934.](#)
- 31.2** [Certification of the Chief Financial Officer Pursuant to Rule 13a-14\(a\) under the Securities Exchange Act of 1934.](#)
- 32.1** [Certification of the Chief Executive Officer Pursuant to Rule 13a-14\(b\) under the Securities Exchange Act of 1934.](#)
- 32.2** [Certification of the Chief Financial Officer Pursuant to Rule 13a-14\(b\) under the Securities Exchange Act of 1934.](#)
- 101.INS XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- 101.SCH XBRL Taxonomy Extension Schema Document
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document
- 101.LAB XBRL Taxonomy Extension Labels Linkbase Document
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document
- 101.DEF XBRL Taxonomy Extension Definition Linkbase Document

**Indicates Management Contract or Compensatory Plan, Contract or Arrangement*

*** Furnished herewith*

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HASBRO, INC.

(Registrant)

Date: May 7, 2020

By: /s/ Deborah Thomas

Deborah Thomas

Executive Vice President and
Chief Financial Officer
(Duly Authorized Officer and
Principal Financial Officer)

lan. For the avoidance of doubt, if the Optionee has not executed and delivered to the Company's designated contact the Non-Compete Agreement (or otherwise confirmed the effectiveness of the Optionee's existing Non-Compete Agreement) on or before _____, 2020 the Option represented by this Agreement will never take effect and will be null and void.

2. By accepting this award the Optionee hereby acknowledges and agrees that (i) this Option, and any shares the Optionee may acquire under this Option in the future or any of the proceeds of exercising this Option or selling any shares acquired pursuant to this Option, as well as any other incentive compensation the Optionee is granted after adoption, is subject to the Company's Clawback Policy, which was adopted by the Company's Board of Directors in October 2012, and (ii) this Option, and any shares the Optionee may acquire under this Option in the future or any of the proceeds of exercising this Option or selling any shares acquired pursuant to this Option, as well as any other incentive compensation the Optionee is granted after will be subject to the terms of such Clawback Policy, as it may be amended from time to time by the Board in the future. Such acknowledgement and agreement was a material condition to receiving this Option, which would not have been granted to the Optionee otherwise. Additionally, the Optionee acknowledges and agrees that if the Optionee is or becomes subject to the Hasbro, Inc. Executive Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), then by accepting this award and any shares that the Optionee may acquire in the future pursuant to this award, as well as any other equity-based incentive compensation the Optionee is granted after the Optionee becomes subject to the Stock Ownership Policy, the Optionee agrees that the Optionee will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Optionee's applicable requirement levels are met.

3. This Agreement relates to an Option to purchase the specified number of shares which have been communicated to the Optionee at an exercise price of \$_____ per share (the "Exercise Price Per Share"). (Hereinafter, the term "Exercise Price" shall mean the Exercise Price Per Share multiplied by the number of shares being exercised.) Subject to the provisions of the Plan and of this Agreement, the Optionee shall be entitled to exercise the Option on a cumulative basis until the day preceding the seventh anniversary of the date of the grant in accordance with the following schedule:

<u>Period</u>	<u>Cumulative Percent of Option Exercisable</u>
_____ to _____	0%
_____ to _____	33 1/3%
_____ to _____	66 2/3%
_____ to _____	100%

In determining the number of shares exercisable in accordance with the above table, fractional shares shall be disregarded.

4. In the event that Optionee wishes to purchase any of the shares then purchasable under the Option as provided in Paragraph 3 hereof, Optionee shall deliver or shall transmit to the Company or to the Company's designee, in the manner designated by or on behalf of the Company, a notice in the form and/or in the manner designated by or on behalf of the Company or its designee, as the same may be amended or supplemented from time to time by or on behalf the Company, together with a check payable to Hasbro, Inc. or its designee, if applicable, (or accompanied by wire transfer to such account of the Company or its designee as the Company may designate) in United States dollars, in the aggregate amount of the Exercise Price, or shares of Common Stock held by the Optionee for at least six (6) months (duly endorsed to the Company or its designee, if applicable, or accompanied by an executed stock power, in each case with signatures guaranteed by a bank or broker if required by the Company or its designee) having a Fair Market Value (as defined in the Plan) equal to the Exercise Price, or a combination of such shares having a Fair Market Value less than the Exercise Price and a check in United States dollars for the balance of the Exercise Price.

Unless an Optionee shall have made advance alternative arrangements satisfactory to the Company, or to the Company's designee, each Optionee shall deliver to the Company or its designee, together with the required notice of exercise and payment of the Exercise Price as aforesaid, a check payable to Hasbro, Inc. or its designee, if applicable, or a wire transfer to such account of the Company or its designee, if applicable, as the Company may designate, in United States dollars, in the amount of any withholding required by law for any and all federal, state, local or foreign taxes payable as a result of such exercise. Each Optionee shall consult with the Company or the Company's designee in advance of the exercise so as to determine the amount of withholding taxes due. An Optionee may also elect to satisfy any withholding taxes payable as a result of such exercise (the "Taxes"), in whole or in part, either (i) by having the Company or its designee withhold from the shares of Common Stock to be issued upon exercise of the Option or (ii) delivering to the Company or its designee shares of Common Stock already owned by the Optionee and held by the Optionee for at least six (6) months (represented by stock certificates duly endorsed to the Company or accompanied by an executed stock power in each case with signatures guaranteed by a bank or broker to the extent required by the Company or its designee), in each case in an amount whose Fair Market Value on the date of exercise is either equal to the Taxes or less than the Taxes, provided that a check payable to Hasbro, Inc. or its designee, if applicable, or a wire transfer to such account of the Company or its designee as the Company may designate, in United States dollars for the balance of the Taxes is also delivered to the Company, or its designee, at the time of exercise.

In addition, the Optionee shall comply with such other requirements and provide such additional information and documentation as is reasonably required by the Company, or the Company's designee, to process any exercise of this option and resulting delivery of shares. As soon as practicable after receipt of the notice of exercise, Exercise Price, Taxes, and such other information and documentation as the Company or its designee shall require, the Company or its designee shall deliver or cause to be delivered to Optionee the shares in respect of which the Option was so exercised (less any shares deducted to pay Taxes in accordance with Optionee's election).

5. (a) If an Optionee who is an employee of the Company or of a direct or indirect subsidiary of the Company retires at his or her Normal Retirement Date (as defined below), or an Optionee with at least one year of Credited Service of the Company suffers a permanent physical or mental disability (as defined below) or dies, in each case without the Optionee having fully exercised any Option granted to the Optionee, then the Optionee, the executor, administrator or trustee of the Optionee's estate, or the Optionee's legal representative, as the case may be, shall have the right to exercise any Option under the Plan, for a period of not more than one (1) year after such retirement, such disability, or in the case of death, the appointment and qualification of such executor, administrator or trustee (except that in no event other than death may such Option be exercised later than the day preceding the seventh anniversary of the date of the grant of such Option). In each such case, the Option will be exercisable with respect to all or any part of the number of shares to which the Option relates, whether or not said Option was fully exercisable in accordance with the schedule set forth in Section 3 of this Agreement as of the date of such retirement, disability or death. Thereafter, such Option, to the extent not so exercised during such one-year period shall be deemed to have expired regardless of the expiration date otherwise specified in Section 2 hereof.

(b) If an Optionee who is an employee of the Company or of a direct or indirect subsidiary of the Company retires at an Early Retirement Date (as defined below), without the Optionee having fully exercised any Option granted to him or her, the Optionee shall have the right to exercise the unexercised portion of any Option theretofore granted, but only to the extent said Option was then exercisable in accordance with the schedule set forth in Section 3 of this Agreement, for a period of not more than three (3) months after the date of early retirement (but in no event shall the exercise period extend beyond the day preceding the seventh anniversary of the date of grant of the Option). Thereafter, the Option, to the extent not exercised during such three-month period shall be deemed to have expired, regardless of the expiration date otherwise specified in Section 3 hereof.

(c) If an Optionee ceases to be employed by the Company or by a direct or indirect subsidiary of the Company for any reason other than the reasons set forth in subsections (a), (b) and (d) of this Section 5, he or she shall have the right to exercise the unexercised portion of any Option theretofore granted to Optionee, but only to the extent said Option was then exercisable in accordance with the schedule

set forth in Section 3 of this Agreement as of the date of termination, for a period of not more than three (3) months after any such termination (but not, in any event, later than the day preceding the seventh anniversary date of the grant of such Option). Thereafter, such Option, to the extent not so exercised during such three-month period, shall be deemed to have expired, regardless of the expiration date otherwise specified in Section 3 hereof.

For purposes of subsections (a) and (b) above:

* A year of "Credited Service" shall mean a calendar year in which the Optionee is paid for at least 1,000 hours of service (as defined in the frozen Hasbro Pension Plan) as an employee of the Company or of a subsidiary of the Company. A Optionee does not need to be, or have been, a participant in the Hasbro Pension Plan.

* "Early Retirement Date" shall mean: the day on which an Optionee who has attained age fifty-five (55), but has not reached age sixty-five (65), with ten (10) or more years of Credited Service, retires. An Optionee is eligible for early retirement on the first day of the calendar month coincidental with or immediately following the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service, and "early retirement" shall mean retirement by an eligible Optionee at the Early Retirement Date.

* "Normal Retirement Date" shall mean: the day on which an Optionee who has attained age sixty-five (65) with five (5) or more years of Credited Service, retires. An Optionee is eligible for normal retirement on the first day of the calendar month coincident with or immediately following the Optionee's attainment of age sixty-five (65) and completion of five (5) or more years of Credited Service, and "normal retirement" shall mean the retirement by an eligible Optionee at the Normal Retirement Date.

* "permanent physical or mental disability" shall mean: an Optionee's inability to perform his or her job or any position which the Optionee can reasonably perform with his or her background and training by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued and indefinite duration.

(d) Notwithstanding the foregoing, the Optionee acknowledges and agrees that this Option, and any and all rights the Optionee may have hereunder, including any rights with respect to any portion of this Option which may have vested in accordance with the Schedule set forth in Section 3 above, shall terminate immediately upon a termination of the Optionee's employment with the Company for cause or for any such other reason that casts such discredit on the Optionee as to make termination of the Option appropriate. Whether an Optionee has been terminated for cause or for such other reason that casts such discredit on the Optionee as to make termination of the Option appropriate will be determined by the Administrator in its sole discretion, and in making this determination the Administrator will not be limited

by any definition of "Cause" which appears in the Plan. The Optionee's agreement to the terms in this Section 5(d) are a material condition to the grant of this Option and this Option would not be granted to the Optionee if the Optionee did not agree to such terms.

6. The adjustment provisions set forth in Section 8 of the Plan shall apply to this Option.

7. This Option shall not be transferable by the Optionee, in whole or in part, except in accordance with Section 7 of the Plan, and shall be exercisable only as hereinbefore provided. Any purported assignment, transfer, pledge, hypothecation or other disposition of the Option or any interest therein contrary to the provisions of the Plan, and the levy of any execution to, or the attachment or similar process upon, the Option or any interest therein, shall be null and void and without effect.

8. Subject to the applicable provisions of the Plan, and particularly to Section 7 of the Plan, this Agreement shall be binding upon and shall inure to the benefit of Optionee, Optionee's successors and permitted assigns, and the Company and its successors and assigns.

9. In connection with a Change in Control the Option will be treated in the manner set forth in the Plan, as such Plan has been amended by the Company's shareholders through the date of such Change in Control.

10. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Rhode Island and Providence Plantations and applicable Federal law.

11. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Option or shares of Common Stock the Optionee may become entitled to under this Option in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the rulings or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Optionee understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Optionee agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement without the Optionee's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

IN WITNESS WHEREOF, the Company and the Optionee have entered into this Agreement effective as of the day and year first above written. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Optionee hereby agrees to the terms of this Agreement with the same effect as if the Optionee had signed this Agreement.

HASBRO, INC.

By: /s/ Brian Goldner

Brian Goldner

Chairman and Chief Executive Officer

By: _____
Optionee

HASBRO, INC.
RESTATED 2003 STOCK INCENTIVE PERFORMANCE PLAN
STOCK OPTION AGREEMENT FOR EMPLOYEES
(WITHOUT NON-COMPETE)

_____, **2020 GRANT**

BRIAN GOLDNER

AGREEMENT, made effective as of _____, 2020, by and between HASBRO, INC., a Rhode Island corporation (the "Company") and the designated option grant recipient (the "Optionee").

WHEREAS, Optionee is an employee of the Company or of a direct or indirect subsidiary of the Company and is eligible to participate in the Company's Restated 2003 Stock Incentive Performance Plan, as amended (the "Plan"), and

WHEREAS, the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") acting in accordance with the provisions of the Plan is granting to Optionee a non-qualified stock option to purchase the specified number of shares of Common Stock of the Company, par value \$.50 per share (the "Common Stock"), at a price determined by said Committee to be not less than the fair market value of such Common Stock on the date of said grant, subject to and upon the terms and conditions set forth in the Plan and as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the parties hereto agree as follows:

W I T N E S S E T H:

1. The Company hereby grants to the Optionee effective on _____, 2020, pursuant to the Plan, a copy of which is attached hereto as Appendix A and the provisions of which are incorporated herein as if set forth in full, a stock option to purchase all or any part of the number of shares of Common Stock (the "Shares"), described in Paragraph 3 below (the "Option"), subject to and upon the terms and conditions set forth in the Plan and the additional terms and conditions hereinafter set forth. The Option is evidenced by this Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan shall govern, provided that to the extent the provisions of the Plan or this Agreement are inconsistent with the terms of the Amended Employment Agreement (as defined below), the provisions of the Amended Employment Agreement shall govern if such agreement provides for more favorable treatment. Terms used herein and not otherwise defined shall have the meaning set forth in the Plan.

2. By accepting this award the Optionee hereby acknowledges and agrees that (i) this Option, and any shares the Optionee may acquire under this Option in the future or any of the proceeds of exercising this Option or selling any shares acquired pursuant to this Option, as well as any other incentive compensation the Optionee is granted, is subject to the Company's Clawback Policy, which was adopted by the Company's Board of Directors in October 2012, and (ii) this Option, and any shares the Optionee may acquire under this Option in the future or any of the proceeds of exercising this Option or selling any shares acquired pursuant to this Option, as well as any other incentive compensation the Optionee is granted will be subject to the terms of such Clawback Policy, as it may be amended from time to time by the Board in the future. Such acknowledgement and agreement was a material condition to receiving this Option, which would not have been granted to the Optionee otherwise. Additionally, the Optionee acknowledges and agrees that if the Optionee is or becomes subject to the Hasbro, Inc. Executive Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), then by accepting this award and any shares that the Optionee may acquire in the future pursuant to this award, as well as any other equity-based incentive compensation the Optionee is granted after the Optionee becomes subject to the Stock Ownership Policy, the Optionee agrees that the Optionee will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Optionee's applicable requirement levels are met.

3. This Agreement relates to an Option to purchase the specified number of shares which have been communicated to the Optionee at an exercise price of \$_____ per share (the "Exercise Price Per Share"). (Hereinafter, the term "Exercise Price" shall mean the Exercise Price Per Share multiplied by the number of shares being exercised.) Subject to the provisions of the Plan and of this Agreement, the Optionee shall be entitled to exercise the Option on a cumulative basis until the day preceding the seventh anniversary of the date of the grant in accordance with the following schedule:

<u>Period</u>	<u>Cumulative Percent of Option Exercisable</u>
_____ to _____	0%
_____ to _____	33 1/3%
_____ to _____	66 2/3%
_____ to _____	100%

In determining the number of shares exercisable in accordance with the above table, fractional shares shall be disregarded.

4. In the event that Optionee wishes to purchase any of the shares then purchasable under the Option as provided in Paragraph 3 hereof, Optionee shall deliver or shall transmit to the Company or to the Company's designee, in the manner designated by or on behalf of the Company, a notice in the form and/or in the manner designated by or on behalf of the Company or its designee, as the same may be amended

or supplemented from time to time by or on behalf the Company, together with a check payable to Hasbro, Inc. or its designee, if applicable, (or accompanied by wire transfer to such account of the Company or its designee as the Company may designate) in United States dollars, in the aggregate amount of the Exercise Price, or shares of Common Stock held by the Optionee for at least six (6) months (duly endorsed to the Company or its designee, if applicable, or accompanied by an executed stock power, in each case with signatures guaranteed by a bank or broker if required by the Company or its designee) having a Fair Market Value (as defined in the Plan) equal to the Exercise Price, or a combination of such shares having a Fair Market Value less than the Exercise Price and a check in United States dollars for the balance of the Exercise Price.

Unless an Optionee shall have made advance alternative arrangements satisfactory to the Company, or to the Company's designee, each Optionee shall deliver to the Company or its designee, together with the required notice of exercise and payment of the Exercise Price as aforesaid, a check payable to Hasbro, Inc. or its designee, if applicable, or a wire transfer to such account of the Company or its designee, if applicable, as the Company may designate, in United States dollars, in the amount of any withholding required by law for any and all federal, state, local or foreign taxes payable as a result of such exercise. Each Optionee shall consult with the Company or the Company's designee in advance of the exercise so as to determine the amount of withholding taxes due. An Optionee may also elect to satisfy any withholding taxes payable as a result of such exercise (the "Taxes"), in whole or in part, either (i) by having the Company or its designee withhold from the shares of Common Stock to be issued upon exercise of the Option or (ii) delivering to the Company or its designee shares of Common Stock already owned by the Optionee and held by the Optionee for at least six (6) months (represented by stock certificates duly endorsed to the Company or accompanied by an executed stock power in each case with signatures guaranteed by a bank or broker to the extent required by the Company or its designee), in each case in an amount whose Fair Market Value on the date of exercise is either equal to the Taxes or less than the Taxes, provided that a check payable to Hasbro, Inc. or its designee, if applicable, or a wire transfer to such account of the Company or its designee as the Company may designate, in United States dollars for the balance of the Taxes is also delivered to the Company, or its designee, at the time of exercise.

In addition, the Optionee shall comply with such other requirements and provide such additional information and documentation as is reasonably required by the Company, or the Company's designee, to process any exercise of this option and resulting delivery of shares. As soon as practicable after receipt of the notice of exercise, Exercise Price, Taxes, and such other information and documentation as the Company or its designee shall require, the Company or its designee shall deliver or cause to be delivered to Optionee the shares in respect of which the Option was so exercised (less any shares deducted to pay Taxes in accordance with Optionee's election).

5. (a) If the Optionee retires at his Normal Retirement Date (as defined below), or the Optionee suffers a Disability (as defined below) or dies, in each case without the Optionee having fully exercised the Option granted to the Optionee, then the Optionee, the executor, administrator or trustee of the Optionee's estate, or the Optionee's legal representative, as the case may be, shall have the right to exercise any Option under the Plan, for a period of not more than one (1) year after such retirement, such Disability, or in the case of death, the appointment and qualification of such executor, administrator or trustee (except that in no event other than death may such Option be exercised later than the day preceding the seventh anniversary of the date of the grant of such Option). In each such case, the Option will be exercisable with respect to all or any part of the number of shares to which the Option relates, whether or not said Option was fully exercisable in accordance with the schedule set forth in Section 3 of this Agreement as of the date of such retirement, Disability or death. Thereafter, such Option, to the extent not so exercised during such one-year period shall be deemed to have expired regardless of the expiration date otherwise specified in Section 2 hereof.

(b) If the Optionee's employment with the Company is either (i) terminated by the Optionee for Good Reason (as defined below), or (ii) terminated by the Company without Cause (as defined below), without the Optionee having fully exercised the Option granted to the Optionee, then, upon the Release becoming effective, the Option will be exercisable with respect to all or any part of the number of shares to which the Option relates, whether or not said Option was fully exercisable in accordance with the schedule set forth in Section 3 of this Agreement as of the date of such termination of employment, and the Optionee shall have the right to exercise any Option under the Plan, for a period of not more than one (1) year after the date of such termination of employment (except that in no event may such Option be exercised later than the day preceding the seventh anniversary of the date of the grant of such Option). Thereafter, such Option, to the extent not so exercised during such one-year period, shall be deemed to have expired regardless of the expiration date otherwise specified in Section 3 hereof. For the avoidance of doubt, if the Optionee's employment with the Company is either (i) terminated by the Optionee for Good Reason, or (ii) terminated by the Company without Cause, without the Optionee having fully exercised the Option granted to the Optionee, and the Release does not become effective, then the Option will be treated in accordance with the provisions of Section 4(d) below.

(c) If the Optionee retires at an Early Retirement Date (as defined below), without the Optionee having fully exercised any Option granted to him, the Optionee shall have the right to exercise the unexercised portion of any Option theretofore granted, but only to the extent said Option was then exercisable in accordance with the schedule set forth in Section 3 of this Agreement, for a period of not more than three (3) months after the date of early retirement (but in no event shall the exercise period extend beyond the day preceding the seventh anniversary of the date of grant of the Option). Thereafter, the Option, to the extent not exercised during such three-month period, or such longer period as may have been approved by the

Committee, shall be deemed to have expired, regardless of the expiration date otherwise specified in Section 3 hereof.

(d) If the Optionee ceases to be employed by the Company or by a direct or indirect subsidiary of the Company for any reason other than the reasons set forth in subsections (a), (b) and (c) of this Section 5, he shall have the right to exercise the unexercised portion of any Option theretofore granted to Optionee, but only to the extent said Option was then exercisable in accordance with the schedule set forth in Section 3 of this Agreement as of the date of termination, for a period of not more than three (3) months after any such termination, but not, in any event, later than the day preceding the seventh anniversary date of the grant of such Option. Thereafter, such Option, to the extent not so exercised during such three-month period, shall be deemed to have expired, regardless of the expiration date otherwise specified in Section 3 hereof.

For purposes of subsections (a), (b) and (c) above:

* "Amended Employment Agreement" shall mean the Amended and Restated Employment Agreement between the Optionee and the Company, dated October 4, 2012, as such agreement may be amended from time to time.

* "Cause" shall have the meaning set forth in the Amended Employment Agreement.

* "Credited Service" shall mean a calendar year in which the Optionee is paid for at least 1,000 hours of service (as defined in the frozen Hasbro Pension Plan) as an employee of the Company or a subsidiary of the Company.

* "Disability" shall have the meaning set forth in the Amended Employment Agreement.

* "Early Retirement Date" shall mean: the day on which the Optionee retires after attaining age fifty-five (55), but not age sixty-five (65), with ten (10) or more years of Credited Service. The Optionee is eligible for early retirement on the first day of the calendar month coincidental with or immediately following the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service, and "early retirement" shall mean retirement by an eligible Optionee at the Early Retirement Date.

* "Good Reason" shall have the meaning set forth in the Amended Employment Agreement.

* "Normal Retirement Date" shall mean: the day on which the Optionee retires after attaining age sixty-five (65) with five (5) or more years of Credited Service. The Optionee is eligible for normal retirement on the first day of the calendar month coincident with or immediately following the Optionee's attainment of age sixty-five (65) and completion of five (5) or more years of Credited Service, and "normal retirement" shall mean the retirement by an eligible Optionee at the Normal Retirement Date.

* "Release" shall have the meaning set forth in the Amended Employment Agreement.

6. The adjustment provisions set forth in Section 8 of the Plan shall apply to this Option.

7. This Option shall not be transferable by the Optionee, in whole or in part, except in accordance with Section 7 of the Plan, and shall be exercisable only as hereinbefore provided. Any purported assignment, transfer, pledge, hypothecation or other disposition of the Option or any interest therein contrary to the provisions of the Plan, and the levy of any execution to, or the attachment or similar process upon, the Option or any interest therein, shall be null and void and without effect.

8. Subject to the applicable provisions of the Plan, and particularly to Section 7 of the Plan, this Agreement shall be binding upon and shall inure to the benefit of Optionee, Optionee's successors and permitted assigns, and the Company and its successors and assigns.

9. In connection with a Change in Control the Option will be treated in the manner set forth in the Plan, as such Plan has been amended by the Company's shareholders through the date of such Change in Control.

10. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Rhode Island and Providence Plantations and applicable Federal law.

11. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Option or shares of Common Stock the Optionee may become entitled to under this Option in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the rulings or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Optionee understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Optionee agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement without the Optionee's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

IN WITNESS WHEREOF, the Company and the Optionee have entered into this Agreement effective as of the day and year first above written. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Optionee hereby agrees to the terms of this Agreement with the same effect as if the Optionee had signed this Agreement.

HASBRO, INC.

By: /s/Deborah Thomas

Deborah Thomas
Executive Vice President and
Chief Financial Officer

By: _____
Brian D. Goldner

more favorable treatment. Terms used herein and not otherwise defined shall have the meaning set forth in the Plan.

2. By accepting this award the Optionee hereby acknowledges and agrees that (i) this Option, and any shares the Optionee may acquire under this Option in the future or any of the proceeds of exercising this Option or selling any shares acquired pursuant to this Option, as well as any other incentive compensation the Optionee is granted, is subject to the Company's Clawback Policy, which was adopted by the Company's Board of Directors in October 2012, and (ii) this Option, and any shares the Optionee may acquire under this Option in the future or any of the proceeds of exercising this Option or selling any shares acquired pursuant to this Option, as well as any other incentive compensation the Optionee is granted will be subject to the terms of such Clawback Policy, as it may be amended from time to time by the Board in the future. Such acknowledgement and agreement was a material condition to receiving this Option, which would not have been granted to the Optionee otherwise. Additionally, the Optionee acknowledges and agrees that if the Optionee is or becomes subject to the Hasbro, Inc. Executive Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), then by accepting this award and any shares that the Optionee may acquire in the future pursuant to this award, as well as any other equity-based incentive compensation the Optionee is granted after the Optionee becomes subject to the Stock Ownership Policy, the Optionee agrees that the Optionee will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Optionee's applicable requirement levels are met.

3. This Agreement relates to an Option to purchase the specified number of shares which have been communicated to the Optionee at an exercise price of \$_____ per share (the "Exercise Price Per Share"). (Hereinafter, the term "Exercise Price" shall mean the Exercise Price Per Share multiplied by the number of shares being exercised.) Subject to the provisions of the Plan and of this Agreement, the Optionee shall be entitled to exercise the Option on a cumulative basis until the day preceding the seventh anniversary of the date of the grant in accordance with the following schedule:

<u>Period</u>	<u>Cumulative Percent of Option Exercisable</u>
_____ to _____	0%
_____ to _____	33 1/3%
_____ to _____	66 2/3%
_____ to _____	100%

In determining the number of shares exercisable in accordance with the above table, fractional shares shall be disregarded.

4. In the event that Optionee wishes to purchase any of the shares then purchasable under the Option as provided in Paragraph 3 hereof, Optionee shall deliver or shall transmit to the Company or to the Company's designee, in the manner designated by or on behalf of the Company, a notice in the form and/or in the manner designated by or on behalf of the Company or its designee, as the same may be amended or supplemented from time to time by or on behalf the Company, together with a check payable to Hasbro, Inc. or its designee, if applicable, (or accompanied by wire transfer to such account of the Company or its designee as the Company may designate) in United States dollars, in the aggregate amount of the Exercise Price, or shares of Common Stock held by the Optionee for at least six (6) months (duly endorsed to the Company or its designee, if applicable, or accompanied by an executed stock power, in each case with signatures guaranteed by a bank or broker if required by the Company or its designee) having a Fair Market Value (as defined in the Plan) equal to the Exercise Price, or a combination of such shares having a Fair Market Value less than the Exercise Price and a check in United States dollars for the balance of the Exercise Price.

Unless an Optionee shall have made advance alternative arrangements satisfactory to the Company, or to the Company's designee, each Optionee shall deliver to the Company or its designee, together with the required notice of exercise and payment of the Exercise Price as aforesaid, a check payable to Hasbro, Inc. or its designee, if applicable, or a wire transfer to such account of the Company or its designee, if applicable, as the Company may designate, in United States dollars, in the amount of any withholding required by law for any and all federal, state, local or foreign taxes payable as a result of such exercise. Each Optionee shall consult with the Company or the Company's designee in advance of the exercise so as to determine the amount of withholding taxes due. An Optionee may also elect to satisfy any withholding taxes payable as a result of such exercise (the "Taxes"), in whole or in part, either (i) by having the Company or its designee withhold from the shares of Common Stock to be issued upon exercise of the Option or (ii) delivering to the Company or its designee shares of Common Stock already owned by the Optionee and held by the Optionee for at least six (6) months (represented by stock certificates duly endorsed to the Company or accompanied by an executed stock power in each case with signatures guaranteed by a bank or broker to the extent required by the Company or its designee), in each case in an amount whose Fair Market Value on the date of exercise is either equal to the Taxes or less than the Taxes, provided that a check payable to Hasbro, Inc. or its designee, if applicable, or a wire transfer to such account of the Company or its designee as the Company may designate, in United States dollars for the balance of the Taxes is also delivered to the Company, or its designee, at the time of exercise.

In addition, the Optionee shall comply with such other requirements and provide such additional

information and documentation as is reasonably required by the Company, or the Company's designee, to process any exercise of this option and resulting delivery of shares. As soon as practicable after receipt of the notice of exercise, Exercise Price, Taxes, and such other information and documentation as the Company or its designee shall require, the Company or its designee shall deliver or cause to be delivered to Optionee the shares in respect of which the Option was so exercised (less any shares deducted to pay Taxes in accordance with Optionee's election).

5. (a) If the Optionee retires at his Normal Retirement Date (as defined below), or the Optionee suffers a Disability (as defined below) or dies, in each case without the Optionee having fully exercised the Option granted to the Optionee, then the Optionee, the executor, administrator or trustee of the Optionee's estate, or the Optionee's legal representative, as the case may be, shall have the right to exercise any Option under the Plan, for a period of not more than one (1) year after such retirement, such Disability, or in the case of death, the appointment and qualification of such executor, administrator or trustee (except that in no event other than death may such Option be exercised later than the day preceding the seventh anniversary of the date of the grant of such Option). In each such case, the Option will be exercisable with respect to all or any part of the number of shares to which the Option relates, whether or not said Option was fully exercisable in accordance with the schedule set forth in Section 3 of this Agreement as of the date of such retirement, Disability or death. Thereafter, such Option, to the extent not so exercised during such one-year period shall be deemed to have expired regardless of the expiration date otherwise specified in Section 2 hereof.

(b) If, within 24 months following a Change in Control (as defined below), the Optionee's employment with the Company is either (i) terminated by the Optionee for Good Reason (as defined below), or (ii) terminated by the Company without Cause (as defined below), without the Optionee having fully exercised the Option granted to the Optionee, then, upon the Release becoming effective, the Option will be exercisable with respect to all or any part of the number of shares to which the Option relates, whether or not said Option was fully exercisable in accordance with the schedule set forth in Section 3 of this Agreement as of the date of such termination of employment, and the Optionee shall have the right to exercise any Option under the Plan, for a period of not more than one (1) year after the date of such termination of employment (except that in no event may such Option be exercised later than the day preceding the seventh anniversary of the date of the grant of such Option). Thereafter, such Option, to the extent not so exercised during such one-year period, shall be deemed to have expired regardless of the expiration date otherwise specified in Section 3 hereof. If, prior to a Change in Control or more than 24 months following a Change in Control, the Optionee's employment with the Company is either (i) terminated by the Optionee for Good Reason or (ii) terminated by the Company without Cause, without the Optionee having fully exercised the Option granted to the Optionee, then, upon the Release becoming effective, the Option will be exercisable with respect to the unexercised portion of the Option, but only to the extent said Option was then exercisable in

accordance with the schedule set forth in Section 3 of this Agreement as of the date of such termination of employment, and the Optionee shall have the right to exercise any Option under the Plan, for a period of not more than one (1) year after the date of such termination of employment (except that in no event may such Option be exercised later than the day preceding the seventh anniversary of the date of the grant of such Option). Thereafter, such Option, to the extent not so exercised during such one-year period, shall be deemed to have expired regardless of the expiration date otherwise specified in Section 3 hereof. For the avoidance of doubt, if the Optionee's employment with the Company is either (i) terminated by the Optionee for Good Reason, or (ii) terminated by the Company without Cause, without the Optionee having fully exercised the Option granted to the Optionee, and the Release does not become effective, then the Option will be treated in accordance with the provisions of Section 4(d) below.

(c) If the Optionee retires at an Early Retirement Date (as defined below), without the Optionee having fully exercised any Option granted to him, the Optionee shall have the right to exercise the unexercised portion of any Option theretofore granted, but only to the extent said Option was then exercisable in accordance with the schedule set forth in Section 3 of this Agreement, for a period of not more than three (3) months after the date of early retirement (but in no event shall the exercise period extend beyond the day preceding the seventh anniversary of the date of grant of the Option). Thereafter, the Option, to the extent not exercised during such three-month period, or such longer period as may have been approved by the Committee, shall be deemed to have expired, regardless of the expiration date otherwise specified in Section 3 hereof.

(d) If the Optionee ceases to be employed by the Company or by a direct or indirect subsidiary of the Company for any reason other than the reasons set forth in subsections (a), (b) and (c) of this Section 5, he shall have the right to exercise the unexercised portion of any Option theretofore granted to Optionee, but only to the extent said Option was then exercisable in accordance with the schedule set forth in Section 3 of this Agreement as of the date of termination, for a period of not more than three (3) months after any such termination, but not, in any event, later than the day preceding the seventh anniversary date of the grant of such Option. Thereafter, such Option, to the extent not so exercised during such three-month period, shall be deemed to have expired, regardless of the expiration date otherwise specified in Section 3 hereof.

For purposes of subsections (a), (b) and (c) above:

- * "Cause" shall have the meaning set forth in the Employment Agreement.
- * "Change in Control" shall have the meaning set forth in the Plan.

- * “Credited Service” shall mean a calendar year in which the Optionee is paid for at least 1,000 hours of service (as defined in the frozen Hasbro Pension Plan) as an employee of the Company or a subsidiary of the Company.
- * “Disability” shall have the meaning set forth in the Employment Agreement.
- * “Early Retirement Date” shall mean: the day on which the Optionee retires after attaining age fifty-five (55), but not age sixty-five (65), with ten (10) or more years of Credited Service. The Optionee is eligible for early retirement on the first day of the calendar month coincidental with or immediately following the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service, and “early retirement” shall mean retirement by an eligible Optionee at the Early Retirement Date.
- * “Employment Agreement” shall mean the Employment Agreement between the Optionee and the Company, dated August 1, 2018, as such agreement may be amended from time to time.
- * “Good Reason” shall have the meaning set forth in the Employment Agreement.
- * “Normal Retirement Date” shall mean: the day on which the Optionee retires after attaining age sixty-five (65) with five (5) or more years of Credited Service. The Optionee is eligible for normal retirement on the first day of the calendar month coincident with or immediately following the Optionee's attainment of age sixty-five (65) and completion of five (5) or more years of Credited Service, and “normal retirement” shall mean the retirement by an eligible Optionee at the Normal Retirement Date.
- * “Release” shall have the meaning set forth in the Employment Agreement.

6. The adjustment provisions set forth in Section 8 of the Plan shall apply to this Option.

7. This Option shall not be transferable by the Optionee, in whole or in part, except in accordance with Section 7 of the Plan, and shall be exercisable only as hereinbefore provided. Any purported assignment, transfer, pledge, hypothecation or other disposition of the Option or any interest therein contrary to the provisions of the Plan, and the levy of any execution to, or the attachment or similar process upon, the Option or any interest therein, shall be null and void and without effect.

8. Subject to the applicable provisions of the Plan, and particularly to Section 7 of the Plan, this Agreement shall be binding upon and shall inure to the benefit of Optionee, Optionee's successors and permitted assigns, and the Company and its successors and assigns.

9. In connection with a Change in Control the Option will be treated in the manner set forth in the Plan, as such Plan has been amended by the Company's shareholders through the date of such Change in Control.

10. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Rhode Island and Providence Plantations and applicable Federal law.

11. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Option or shares of Common Stock the Optionee may become entitled to under this Option in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the rulings or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Optionee understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Optionee agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement without the Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

IN WITNESS WHEREOF, the Company and the Optionee have entered into this Agreement effective as of the day and year first above written. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Optionee hereby agrees to the terms of this Agreement with the same effect as if the Optionee had signed this Agreement.

HASBRO, INC.

By: /s/Brian Goldner

Brian Goldner

Chairman and

Chief Executive Officer

By: _____
John Frascotti

**RESTRICTED STOCK UNIT AGREEMENT
(WITH NON-COMPETE)
_____, 2020 GRANT**

THIS AGREEMENT, entered into effective as of the Grant Date (as defined in paragraph 1), is made by and between the Participant (as defined in paragraph 1) and Hasbro, Inc. (the "Company").

WHEREAS, the Company maintains the Restated 2003 Stock Incentive Performance Plan, as amended (the "Plan"), a copy of which is annexed hereto as Exhibit A and the provisions of which are incorporated herein as if set forth in full, and the Participant has been selected by the Compensation Committee of the Board of Directors of the Company (the "Committee"), which administers the Plan, to receive an award of restricted stock units under the Plan;

NOW, THEREFORE, IT IS AGREED, by and between the Company and the Participant, as follows:

1. Terms of Award. The following terms used in this Agreement shall have the meanings set forth in this paragraph 1:

A. The "Participant" is the designated restricted stock unit award recipient.

B. The "Grant Date" is _____, 2020.

C. The "Vesting Period" is the period beginning on the Grant Date and ending on _____, with the Participant becoming vested, subject to the terms of this Agreement, in one-third (33 1/3%) of the Stock Units and the Stock Unit Account on each of _____, _____ and _____ (each of such dates referred to hereafter as an "Annual Vesting Date").

D. Stock Units are notional shares of the Company's common stock, par value \$.50 per share ("Common Stock") granted under this Agreement and subject to the terms of this Agreement and the Plan.

E. Contingent upon and in consideration for the Participant having executed and delivered to the Company's designated contact no later than _____, 2020 a Non-Competition, Non-Solicitation and Confidentiality Agreement (the "Non-Compete Agreement") between the Participant and the Company in the form provided to the Participant by the Company (or otherwise confirming the terms of the Participant's existing Non-Compete Agreement are still effective), the Company hereby grants to the Participant effective on the Grant Date, pursuant to the Plan, the Stock Units. For the avoidance of doubt, if the Participant has not executed and delivered to the Company's designated contact the Non-Compete Agreement (or otherwise confirmed the effectiveness of the Participant's existing Non-Compete Agreement) on or before _____, 2020, the grant of the Stock Units represented by this Agreement will never take effect and will be null and void.

F. By accepting this Award the Participant hereby acknowledges and agrees that (i) this Award, and any Stock Units or shares of Common Stock the Participant may become entitled to under this Award in the future, and any proceeds from selling any such shares of Common Stock, as well as any other incentive compensation the Participant is granted, is subject to the Company's Clawback Policy, which was adopted by the Company's Board of Directors in October 2012, and (ii) this Award, and any

Stock Units or shares of Common Stock the Participant may become entitled to under this Award in the future, and any proceeds from selling any such shares of Common Stock, as well as any other incentive compensation the Participant is granted will be subject to the terms of such Clawback Policy, as it may be amended from time to time by the Board in the future. Such acknowledgement and agreement was a material condition to receiving this Award, which would not have been made to the Participant otherwise. Additionally, the Participant acknowledges and agrees that if the Participant is or becomes subject to the Hasbro, Inc. Executive Stock Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), then by accepting this Award and any shares that the Participant may acquire in the future pursuant to this Award, as well as any other equity-based incentive compensation the Participant is granted after the Participant becomes subject to the Stock Ownership Policy, the Participant agrees that the Participant will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Participant's applicable requirement levels are met.

G. For record-keeping purposes only, the Company shall maintain an account with respect to this restricted stock unit award (a "Stock Unit Account") for the Participant where Stock Units related to this award shall be accumulated and accounted for by the Company. Without limiting the provisions of Section 8(b) of the Plan, in the event the Company pays a stock dividend or reclassifies or divides or combines its outstanding Common Stock then an appropriate adjustment shall be made in the number of Stock Units held in the Stock Unit Account. The Stock Unit Account will reflect notional fractional shares of Common Stock to the nearest hundredth of a share on a one Stock Unit for one share of Common Stock basis.

Other terms used in this Agreement are defined pursuant to paragraph 7 or elsewhere in this Agreement.

2. Award. The Participant is hereby granted the number of Stock Units referenced in the Participant's Stock Unit Account.
3. No Dividends and No Voting Rights. The Participant shall not be entitled to any (i) dividends, other than stock dividends (which will be reflected in an adjustment to the number of Units), or (ii) voting rights with respect to the Stock Units or the Stock Unit Account.
4. Vesting and Forfeiture of Units. Subject to earlier vesting (either in whole or in part as applicable) only in the situations and under the terms which are explicitly provided for in the following paragraphs, on each Annual Vesting Date the Participant shall become vested in the portion of the Stock Units and Stock Unit Account subject to this Agreement that is specified in Section 1.C. of this Agreement, provided that the Participant has remained employed and remains employed with the Company through and including the last day of the period ending on the applicable Annual Vesting Date.

A. If a Change in Control (as defined below), occurs prior to the end of the Vesting Period, then in connection with such Change in Control the Stock Units will be treated in the manner set forth in the Plan, as such Plan has been amended by the Company's shareholders through the date of such Change in Control.

B. The Participant shall otherwise become vested in a pro-rata portion of any then unvested Stock Units and Stock Unit Account subject to this Agreement as of the Participant's Date of Termination prior to the end of the Vesting Period, but only if the Participant's Date of Termination occurs by reason of either (i) the Participant's retirement at his or her Normal Retirement Date (as defined below) or Early Retirement Date (as defined below), or (ii) for a Participant who has at least one year of Credited Service

(as defined below), the Participant's death or Participant's suffering a Permanent Physical or Mental Disability (as defined below). In the case of a Termination of Employment covered by this paragraph 4.B., the Participant will become entitled, as of the date of the Termination of Employment, to a portion of any then unvested Stock Units and Stock Unit Account subject to this Agreement, which portion is computed by multiplying the full number of any then unvested Stock Units subject to this Agreement by a fraction, the numerator of which is the number of days in the remaining Vesting Period after the most recent Annual Vesting Date that has been achieved, if any (i.e. the number of days elapsed since the Grant Date or any later Annual Vesting Date that has occurred) which have already elapsed as of the day of the Participant's Termination of Employment, inclusive of the actual day on which there is a Termination of Employment, and the denominator of which is the total number of days in the Vesting Period remaining since either the Grant Date or any later Annual Vesting Date that has occurred. The Participant will forfeit that portion of the Stock Unit Account which has not vested in accordance with the foregoing provision.

C. If the Participant's Date of Termination occurs prior to the end of the Vesting Period for any reason other than the reasons set forth in the preceding Section 4.B., including, without limitation, if the Participant's employment is terminated by the Company for cause or for such other reason that casts such discredit on the Participant as to make termination of the Participant's employment appropriate (cause or such other reasons being determined in the sole discretion of the Administrator and the Administrator not being limited to any definition of Cause in the Plan), then the remaining award of Stock Units pursuant to this Agreement shall be forfeited and terminate effective as of such Date of Termination, and the Participant shall not be entitled to any further stock pursuant to this award or any other benefits of this award.

D. The Stock Units and the Stock Unit Account may not be sold, assigned, transferred, pledged or otherwise encumbered, except to the extent otherwise provided by either the terms of the Plan or by the Committee.

5. Settlement in Shares of Common Stock. Provided that a portion of the Participant's interest in the Stock Units and the Stock Unit Account has vested in accordance with the provisions of Section 4 above, the Participant's Stock Unit Account, or applicable portion thereof, shall be converted into actual shares of Common Stock upon the date of such vesting. Such conversion: (i) if it occurs in connection with a termination of the Participant's employment following a Change in Control under the conditions set forth in the Plan, will occur upon the Date of Termination, (ii) will occur upon the Date of Termination, in the case that Section 4.B. is applicable, or (iii) will occur on the applicable Annual Vesting Date, in the case that the Participant has remained employed through the end of the applicable Annual Vesting Date. The conversion will occur on the basis of one share of Common Stock for every one Stock Unit which vests. Such shares of Common Stock shall be registered in the name of the Participant effective as of the date of conversion and delivered to the Participant within a reasonable time thereafter in the manner determined by the Company in the Company's election, which may be by electronic delivery of such shares of Common Stock to an account of the Participant or in such other manner as designated by the Company, subject to any different treatment called for or allowed by the terms of the Plan relating to a Change in Control. To the extent that there are notional fractional shares of Common Stock in a Stock Unit Account which have vested upon settlement, such notional fractional shares shall be rounded to the nearest whole share in determining the number of shares of Common Stock to be received upon conversion.

6. Income Taxes. The Participant shall pay to the Company promptly upon request, and in any event at the time the Participant recognizes taxable income in respect of the shares of Common Stock received by the Participant upon the conversion of all or a portion of the Participant's Stock Unit Account, an amount equal to the taxes the Company determines it is required to withhold under applicable tax laws with respect to such shares of Common Stock. Such payment shall be made in the form of cash, the

delivery of shares of Common Stock already owned or by withholding such number of actual shares otherwise deliverable pursuant to this Agreement as is equal to the withholding tax due, or in a combination of such methods. In the event that the Participant does not affirmatively instruct the Company ahead of the applicable vesting date that he or she wishes to pay withholding taxes in another manner specified above, the Company shall withhold shares from the settlement of the Award.

7. Definitions. For purposes of this Agreement, the terms used in this Agreement shall be subject to the following:

A. Change in Control. The term "Change in Control" shall have the meaning ascribed to it in the Plan.

B. Credited Service. A year of "Credited Service" shall mean a calendar year in which the Participant is paid for at least 1,000 hours of service (as defined in the frozen Hasbro Pension Plan) as an employee of the Company or of a Subsidiary of the Company. A Participant does not need to be, or have been, a participant in the Hasbro Pension Plan.

C. Date of Termination. The Participant's "Date of Termination" shall be the first day occurring on or after the Grant Date on which the Participant is not employed (a "Termination of Employment") by the Company or any entity directly or indirectly controlled by the Company (a "Subsidiary"), regardless of the reason for the Termination of Employment; provided that a Termination of Employment shall not be deemed to occur by reason of a transfer of the Participant between the Company and a Subsidiary or between two Subsidiaries; and further provided that the Participant's employment shall not be considered terminated while the Participant is on a leave of absence from the Company or a Subsidiary approved by the Participant's employer. If, as a result of a sale or other transaction, the Participant's employer ceases to be a Subsidiary (and the Participant's employer is or becomes an entity that is separate from the Company), the occurrence of such transaction shall be treated as the Participant's Date of Termination caused by the Participant being discharged by the employer.

D. Early Retirement Date. The term "Early Retirement Date" shall mean: the day on which a Participant who has attained age fifty-five (55), but has not reached age sixty-five (65), with ten (10) or more years of Credited Service, retires. A Participant is eligible for early retirement on the first day of the calendar month coincidental with or immediately following the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service, and "early retirement" shall mean retirement by an eligible Participant at the Early Retirement Date.

E. Normal Retirement Date. The term "Normal Retirement Date" shall mean the day on which a Participant who has attained age sixty-five (65), with five (5) years of Credited Service, retires. A Participant is eligible for normal retirement on the first day of the calendar month coincident with or immediately following the Participant's attainment of age sixty-five (65) and completion of five (5) years of Credited Service, and "normal retirement" shall mean the retirement by an eligible Participant at the Normal Retirement Date.

F. Permanent Physical or Mental Disability. The term "Permanent Physical or Mental Disability" shall mean the Participant's inability to perform his or her job or any position which the Participant can perform with his or her background and training by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued and indefinite duration.

G. Plan Definitions. Except where the context clearly implies or indicates the contrary, a word, term, or phrase used in the Plan is similarly used in this Agreement.

8. Heirs and Successors. This Agreement shall be binding upon, and inure to the benefit of, the Company and its successors and assigns, including upon any person acquiring, whether by merger, consolidation, purchase of assets or otherwise, all or substantially all of the Company's assets and business, and the Participant and the successors and permitted assigns of the Participant, including but not limited to, the estate of the Participant and the executor, administrator or trustee of such estate, and the guardian or legal representative of the Participant.

9. Administration. The authority to manage and control the operation and administration of this Agreement shall be vested in the Committee, and the Committee shall have all powers with respect to this Agreement as it has with respect to the Plan. Any interpretation of the Agreement by the Committee and any decision made by it with respect to the Agreement is final and binding.

10. Plan Governs. Notwithstanding anything in this Agreement to the contrary, the terms of this Agreement shall be subject to the terms of the Plan.

11. No Employment Contract. The Participant acknowledges that this Agreement does not constitute a contract for employment for any period of time and does not modify the at will nature of the Participant's employment with the Company, pursuant to which both the Company and the Participant may terminate the employment relationship at any time, for any or no reason, with or without notice.

12. Amendment. This Agreement may be amended by written Agreement of the Participant and the Company, without the consent of any other person.

13. Entire Agreement. This Agreement, any Appendix hereto, and the Plan contain the entire agreement and understanding of the parties hereto with respect of the award contained herein and therein and supersede all prior communications, representations and negotiations in respect thereof.

14. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law and any court determining the unenforceability of any provisions shall have the power to reduce the scope or duration of such provision to render such provision enforceable.

15. Non-U.S. Securities Law. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Award or and any Stock Units or shares of Common Stock the Participant may become entitled to under this Award in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the rulings or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Participant agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement

without the Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Participant has executed this Agreement, and the Company has caused these presents to be executed in its name and on its behalf, all effective as of the Grant Date. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Participant hereby agrees to the terms of this Agreement with the same effect as if the Participant had signed this Agreement.

HASBRO, INC.

By: /s/ Brian Goldner

Name: Brian Goldner

Title: Chairman and Chief Executive Officer

Participant

RESTRICTED STOCK UNIT AGREEMENT
(WITHOUT NON-COMPETE)
_____, 2020 GRANT

THIS AGREEMENT, entered into effective as of the Grant Date (as defined in paragraph 1), is made by and between the Participant (as defined in paragraph 1) and Hasbro, Inc. (the "Company").

WHEREAS, the Company maintains the Restated 2003 Stock Incentive Performance Plan, as amended (the "Plan"), a copy of which is annexed hereto as Exhibit A and the provisions of which are incorporated herein as if set forth in full, and the Participant has been selected by the Compensation Committee of the Board of Directors of the Company (the "Committee"), which administers the Plan, to receive an award of restricted stock units under the Plan;

NOW, THEREFORE, IT IS AGREED, by and between the Company and the Participant, as follows:

1. Terms of Award. The following terms used in this Agreement shall have the meanings set forth in this paragraph 1:

A. The "Participant" is the designated restricted stock unit award recipient.

B. The "Grant Date" is _____, 2020.

C. The "Vesting Period" is the period beginning on the Grant Date and ending on _____, with the Participant becoming vested, subject to the terms of this Agreement, in one-third (33 1/3%) of the Stock Units and the Stock Unit Account on each of _____, _____ and _____ (each of such dates referred to hereafter as an "Annual Vesting Date").

D. Stock Units are notional shares of the Company's common stock, par value \$.50 per share ("Common Stock") granted under this Agreement and subject to the terms of this Agreement and the Plan.

E. By accepting this Award the Participant hereby acknowledges and agrees that (i) this Award, and any Stock Units or shares of Common Stock the Participant may become entitled to under this Award in the future, and any proceeds from selling any such shares of Common Stock, as well as any other incentive compensation the Participant is granted, is subject to the Company's Clawback Policy, which was adopted by the Company's Board of Directors in October 2012, and (ii) this Award, and any Stock Units or shares of Common Stock the Participant may become entitled to under this Award in the future, and any proceeds from selling any such shares of Common Stock, as well as any other incentive compensation the Participant is granted will be subject to the terms of such Clawback Policy, as it may be amended from time to time by the Board in the future. Such acknowledgement and agreement was a material condition to receiving this Award, which would not have been made to the Participant otherwise. Additionally, the Participant acknowledges and agrees that if the Participant is or becomes subject to the Hasbro, Inc. Executive Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), then by accepting this Award and any shares that the Participant may acquire in the future pursuant to this Award, as well as any other equity-based incentive compensation the Participant is granted after the Participant becomes subject to the Stock Ownership Policy, the Participant agrees that the Participant will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an

amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Participant's applicable requirement levels are met.

F. For record-keeping purposes only, the Company shall maintain an account with respect to this restricted stock unit award (a "Stock Unit Account") for the Participant where Stock Units related to this award shall be accumulated and accounted for by the Company. Without limiting the provisions of Section 8(b) of the Plan, in the event the Company pays a stock dividend or reclassifies or divides or combines its outstanding Common Stock then an appropriate adjustment shall be made in the number of Stock Units held in the Stock Unit Account. The Stock Unit Account will reflect notional fractional shares of Common Stock to the nearest hundredth of a share on a one Stock Unit for one share of Common Stock basis.

G. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan shall govern, provided that to the extent the provisions of the Plan or this Agreement are inconsistent with the terms of the Employment Agreement (as defined in paragraph 7 below), the provisions of the Employment Agreement shall govern.

Other terms used in this Agreement are defined pursuant to paragraph 7 or elsewhere in this Agreement.

2. Award. The Participant is hereby granted the number of Stock Units referenced in the Participant's Stock Unit Account.

3. No Dividends and No Voting Rights. The Participant shall not be entitled to any (i) dividends, other than stock dividends (which will be reflected in an adjustment to the number of Units), or (ii) voting rights with respect to the Stock Units or the Stock Unit Account.

4. Vesting and Forfeiture of Units. Subject to earlier vesting (either in whole or in part as applicable) only in the situations and under the terms which are explicitly provided for in the following paragraphs, on each Annual Vesting Date the Participant shall become vested in the portion of the Stock Units and Stock Unit Account subject to this Agreement that is specified in Section 1.C. of this Agreement, provided that the Participant has remained employed and remains employed with the Company through and including the last day of the period ending on the applicable Annual Vesting Date.

A. If, within 24 months following a Change in Control (as defined below), the Participant's employment with the Company is either (i) terminated by the Participant for Good Reason (as defined below) or (ii) terminated by the Company without Cause (as defined below), then, upon the Release (as defined below) becoming effective, there shall be an acceleration of vesting of (and lapse of restrictions on) any unvested Stock Units and Stock Unit Accounts as of the Date of Termination, such that such Stock Units shall become fully vested. If, prior to a Change in Control or more than 24 months following a Change in Control, the Participant's employment with the Company is either (i) terminated by the Participant for Good Reason or (ii) terminated by the Company without Cause, then, following the Date of Termination and upon the Release becoming effective, the Participant shall become entitled, as of the Date of Termination, to a portion of any then unvested Stock Units and Stock Unit Account subject to this Agreement, which portion is computed by multiplying the full number of any then unvested Stock Units subject to this Agreement by a fraction, the numerator of which is the number of days remaining in the Vesting Period after the most recent Annual Vesting Date that has been achieved, if any (i.e., the number of days elapsed since the Grant Date or any later Annual Vesting Date that has occurred) which have already elapsed as of the Date of Termination, inclusive of such date, and the denominator of which is the total number of days in the Vesting Period remaining since either the Grant Date or any later Annual

Vesting Date that has occurred. The Participant will forfeit that portion of the Stock Unit Account which has not vested in accordance with the foregoing provision.

B. The Participant shall otherwise become vested in a pro-rata portion of any then unvested Stock Units and Stock Unit Account subject to this Agreement as of the Participant's Date of Termination prior to the end of the Vesting Period, but only if the Participant's Date of Termination occurs by reason of either (i) the Participant's retirement at his or her Normal Retirement Date (as defined below) or Early Retirement Date (as defined below), or (ii) for a Participant who has at least one year of Credited Service (as defined below), the Participant's death or Participant's suffering a Disability (as defined below). In the case of a Termination of Employment covered by this paragraph 4.B., the Participant will become entitled, as of the date of the Termination of Employment, to a portion of any then unvested Stock Units and Stock Unit Account subject to this Agreement, which portion is computed by multiplying the full number of any then unvested Stock Units subject to this Agreement by a fraction, the numerator of which is the number of days in the remaining Vesting Period after the most recent Annual Vesting Date that has been achieved, if any (i.e. the number of days elapsed since the Grant Date or any later Annual Vesting Date that has occurred) which have already elapsed as of the day of the Participant's Termination of Employment, inclusive of the actual day on which there is a Termination of Employment, and the denominator of which is the total number of days in the Vesting Period remaining since either the Grant Date or any later Annual Vesting Date that has occurred. The Participant will forfeit that portion of the Stock Unit Account which has not vested in accordance with the foregoing provision.

C. If the Participant's Date of Termination occurs prior to the end of the Vesting Period for any reason other than the reasons set forth in the preceding Section 4.B., including, without limitation, if the Participant's employment is terminated by the Company for Cause (as defined below) or for such other reason that casts such discredit on the Participant as to make termination of the Participant's employment appropriate (cause or such other reasons being determined in the sole discretion of the Administrator and the Administrator not being limited to any definition of Cause in the Plan), then the remaining award of Stock Units pursuant to this Agreement shall be forfeited and terminate effective as of such Date of Termination, and the Participant shall not be entitled to any further stock pursuant to this award or any other benefits of this award.

D. The Stock Units and the Stock Unit Account may not be sold, assigned, transferred, pledged or otherwise encumbered, except to the extent otherwise provided by either the terms of the Plan or by the Committee.

5. Settlement in Shares of Common Stock. Provided that a portion of the Participant's interest in the Stock Units and the Stock Unit Account has vested, in accordance with the provisions of Section 4 above, the Participant's Stock Unit Account, or applicable portion thereof, shall be converted into actual shares of Common Stock upon the date of such vesting. Such conversion: (i) if it occurs in connection with a termination of the Participant's employment following a Change in Control under the conditions set forth in the Plan and this Agreement, will occur upon the Date of Termination, (ii) will occur upon the Date of Termination, in the case that Section 4.B. is applicable, or (iii) will occur on the applicable Annual Vesting Date, in the case that the Participant has remained employed through the end of the applicable Annual Vesting Date. The conversion will occur on the basis of one share of Common Stock for every one Stock Unit which vests. Such shares of Common Stock shall be registered in the name of the Participant effective as of the date of conversion and delivered to the Participant within a reasonable time thereafter in the manner determined by the Company in the Company's election, which may be by electronic delivery of such shares of Common Stock to an account of the Participant or in such other manner as designated by the Company, subject to any different treatment called for or allowed by the terms of the Plan relating to a Change in Control. To the extent that there are notional fractional shares of Common Stock in a Stock

Unit Account which have vested upon settlement, such notional fractional shares shall be rounded to the nearest whole share in determining the number of shares of Common Stock to be received upon conversion.

6. Income Taxes. The Participant shall pay to the Company promptly upon request, and in any event at the time the Participant recognizes taxable income in respect of the shares of Common Stock received by the Participant upon the conversion of all or a portion of the Participant's Stock Unit Account, an amount equal to the taxes the Company determines it is required to withhold under applicable tax laws with respect to such shares of Common Stock. Such payment shall be made in the form of cash, the delivery of shares of Common Stock already owned or by withholding such number of actual shares otherwise deliverable pursuant to this Agreement as is equal to the withholding tax due, or in a combination of such methods. In the event that the Participant does not affirmatively instruct the Company ahead of the applicable vesting date that he or she wishes to pay withholding taxes in another manner specified above, the Company shall withhold shares from the settlement of the Award.

7. Definitions. For purposes of this Agreement, the terms used in this Agreement shall be subject to the following:

A. Cause. The term "Cause" shall have the meaning set forth in the Employment Agreement.

B. Change in Control. The term "Change in Control" shall have the meaning ascribed to it in the Plan.

C. Credited Service. A year of "Credited Service" shall mean a calendar year in which the Participant is paid for at least 1,000 hours of service (as defined in the frozen Hasbro Pension Plan) as an employee of the Company or of a Subsidiary of the Company. A Participant does not need to be, or have been, a participant in the Hasbro Pension Plan.

D. Date of Termination. The Participant's "Date of Termination" shall be the first day occurring on or after the Grant Date on which the Participant is not employed (a "Termination of Employment") by the Company or any entity directly or indirectly controlled by the Company (a "Subsidiary"), regardless of the reason for the Termination of Employment; provided that a Termination of Employment shall not be deemed to occur by reason of a transfer of the Participant between the Company and a Subsidiary or between two Subsidiaries; and further provided that the Participant's employment shall not be considered terminated while the Participant is on a leave of absence from the Company or a Subsidiary approved by the Participant's employer. If, as a result of a sale or other transaction, the Participant's employer ceases to be a Subsidiary (and the Participant's employer is or becomes an entity that is separate from the Company), the occurrence of such transaction shall be treated as the Participant's Date of Termination caused by the Participant being discharged by the employer.

E. Disability. The term "Disability" shall have the meaning set forth in the Employment Agreement.

F. Early Retirement Date. The term "Early Retirement Date" shall mean: the day on which a Participant who has attained age fifty-five (55), but has not reached age sixty-five (65), with ten (10) or more years of Credited Service, retires. A Participant is eligible for early retirement on the first day of the calendar month coincidental with or immediately following the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service, and "early retirement" shall mean retirement by an eligible Participant at the Early Retirement Date.

G. Employment Agreement. The term “Employment Agreement” between the Optionee and the Company, dated August 1, 2018, as such agreement may be amended from time to time.

H. Good Reason. The term “Good Reason” shall have the meaning set forth in the Employment Agreement.

I. Normal Retirement Date. The term “Normal Retirement Date” shall mean the day on which a Participant who has attained age sixty-five (65), with five (5) years of Credited Service, retires. A Participant is eligible for normal retirement on the first day of the calendar month coincident with or immediately following the Participant’s attainment of age sixty-five (65) and completion of five (5) years of Credited Service, and “normal retirement” shall mean the retirement by an eligible Participant at the Normal Retirement Date.

J. Plan Definitions. Except where the context clearly implies or indicates the contrary, a word, term, or phrase used in the Plan is similarly used in this Agreement.

K. Release. The term “Release” shall have the meaning set forth in the Employment Agreement.

8. Heirs and Successors. This Agreement shall be binding upon, and inure to the benefit of, the Company and its successors and assigns, including upon any person acquiring, whether by merger, consolidation, purchase of assets or otherwise, all or substantially all of the Company’s assets and business, and the Participant and the successors and permitted assigns of the Participant, including but not limited to, the estate of the Participant and the executor, administrator or trustee of such estate, and the guardian or legal representative of the Participant.

9. Administration. The authority to manage and control the operation and administration of this Agreement shall be vested in the Committee, and the Committee shall have all powers with respect to this Agreement as it has with respect to the Plan. Any interpretation of the Agreement by the Committee and any decision made by it with respect to the Agreement is final and binding.

10. Plan Governs. Notwithstanding anything in this Agreement to the contrary, the terms of this Agreement shall be subject to the terms of the Plan.

11. No Employment Contract. The Participant acknowledges that this Agreement does not constitute a contract for employment for any period of time and does not modify the at will nature of the Participant’s employment with the Company, pursuant to which both the Company and the Participant may terminate the employment relationship at any time, for any or no reason, with or without notice.

12. Amendment. This Agreement may be amended by written Agreement of the Participant and the Company, without the consent of any other person.

13. Entire Agreement. This Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect of the award contained herein and therein and supersede all prior communications, representations and negotiations in respect thereof.

14. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law and any court determining the unenforceability of any provisions shall have the power to reduce the scope or duration of such provision to render such provision enforceable.

15. Non-U.S. Securities Law. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Award or and any Stock Units or shares of Common Stock the Participant may become entitled to under this Award in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the rulings or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Participant agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement without the Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Participant has executed this Agreement, and the Company has caused these presents to be executed in its name and on its behalf, all effective as of the Grant Date. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Participant hereby agrees to the terms of this Agreement with the same effect as if the Participant had signed this Agreement.

HASBRO, INC.

By: /s/ Brian Goldner

Name: Brian Goldner

Title: Chairman and Chief Executive Officer

Participant

HASBRO, INC.
RESTATED 2003 STOCK INCENTIVE PERFORMANCE PLAN
CONTINGENT STOCK PERFORMANCE AWARD
(THREE PERFORMANCE METRICS WITHOUT NON-COMPETE)

_____, 2020 GRANT

BRIAN GOLDNER

AGREEMENT, made effective as of _____, 2020, by and between HASBRO, INC., a Rhode Island corporation (the "Company") and the designated contingent stock performance award recipient (the "Participant").

WHEREAS, the Participant is eligible to participate in the Company's Restated 2003 Stock Incentive Performance Plan, as amended (the "Plan"), and

WHEREAS, the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board"), acting in accordance with the provisions of the Plan, is granting to Participant a contingent stock performance award dated _____, 2020 designed to reward the Participant for the Participant's efforts in contributing to the Company's achievement of certain stated financial goals, and

WHEREAS, the stock performance award provides the Participant with the ability to earn shares of the Company's common stock, par value \$.50 per share (the "Common Stock"), contingent on the Company's performance in achieving pre-established cumulative diluted earnings per share ("EPS"), cumulative net revenue ("Revenues") and average return on invested capital ("ROIC") performance targets over the period beginning on December 30, 2019 and ending on December 25, 2022 (the "Performance Period"), subject to and upon the terms and conditions set forth in the Plan and as hereinafter set forth. For purposes of this Agreement average ROIC shall be computed as Net Income divided by the sum of Short-Term Debt plus Long-Term Debt plus Shareholder's Equity, averaged over the three fiscal years in the Performance Period.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the parties hereto agree as follows:

W I T N E S S E T H:

1. The Company hereby grants to the Participant effective on _____, 2020, and pursuant to the Plan, a copy of which is attached hereto as Appendix A and the provisions of which are incorporated herein as if set forth in full, a contingent stock performance award (the "Award") subject to and upon the terms and conditions set forth in the Plan and the additional terms and conditions hereinafter set forth. The Award is evidenced by this Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan shall govern, provided that to the extent the provisions of the Plan or this Agreement are inconsistent with the terms of the Amended

Employment Agreement (as defined below), the provisions of the Amended Employment Agreement shall govern. Terms used herein and not otherwise defined shall have the meaning set forth in the Plan.

2. By accepting this Award the Participant hereby acknowledges and agrees that this Award, and any shares the Participant may acquire under this Award in the future or any of the proceeds of selling any shares acquired pursuant to this Award, as well as any other incentive compensation the Participant is granted, is subject to the Company's Clawback Policy, which was adopted by the Company's Board of Directors in October 2012, as it may be amended from time to time by the Board in the future. Such acknowledgement and agreement was a material condition to receiving this Award, which would not have been granted to the Participant otherwise. Additionally, the Participant acknowledges and agrees that if the Participant is or becomes subject to the Hasbro, Inc. Executive Stock Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), then by accepting this Award and any shares that the Participant may acquire in the future pursuant to this Award, as well as any other equity-based incentive compensation the Participant is granted after the Participant becomes subject to the Stock Ownership Policy, the Participant agrees that the Participant will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Participant's applicable requirement levels are met.

3. This Agreement relates to an Award providing the Participant with the potential ability to earn shares of the Company's common stock, par value \$.50 per share (the "Common Stock"), contingent on the Company's performance in achieving its pre-established cumulative EPS and Revenues and average ROIC targets over the Performance Period. The cumulative EPS, cumulative Revenues and ROIC targets for the Performance Period are set forth below:

EPS	\$ _____
Revenues	\$ _____
Average ROIC	\$ _____

The threshold and maximum levels for cumulative EPS and Revenues and average ROIC contributing to shares being earned under this Award are set forth on Exhibit A to this Agreement. Except as is otherwise set forth in this Agreement, the Participant shall not have any ability to receive any shares of Common Stock pursuant to this Award until the Performance Period is completed. Following the end of the Performance Period, the Committee will determine the Company's cumulative EPS and Revenues and average ROIC over the Performance Period. The Committee will certify the Company's cumulative EPS, Revenues and average ROIC over the Performance Period as promptly as is reasonably possible following

the completion of the Performance Period, but in no event later than 75 days following the completion of the Performance Period.

4. For purposes of this Award, the Company's EPS, Revenues and average ROIC over the Performance Period will be computed on a consolidated basis in the same manner used by the Company in computing its consolidated financial performance under generally accepted accounting principles ("GAAP"), except for the following deviations from GAAP: (i) each of the metrics will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$10 million in any fiscal year during the Performance Period, which costs or expenses are related to changes in accounting rules or the U.S. tax code that are effective after the date of this Agreement, (ii) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$10 million in any fiscal year during the Performance Period, which costs or expenses are related to acquisitions (whether paid for in cash, shares of the Company's stock, other property, or any combination thereof) or dispositions consummated by the Company during the Performance Period, (iii) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$10 million in any fiscal year during the Performance Period, which costs or expenses are related to any restructuring activities undertaken by the Company after the date of this Agreement, (iv) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$25 million in any fiscal year during the Performance Period, which costs or expenses relate to judgements, fines, penalties or expenses associated with litigations, arbitrations, or regulatory matters, or settlements of ongoing or potential disputes or regulatory matters, (v) the metrics will be computed excluding the impact of any intangible asset amortization or unusual, one-time, non-operating or other unbudgeted costs or expenses associated with the acquisition of eOne, such as integration costs, non-cash stock compensation, capital expenditures, (vi) the metrics will be computed excluding the impact of the coronavirus on retailer and consumer demand or ability to supply full year required production, that has an impact on the net sales of \$100,000,000 or more in any fiscal year during the Performance Period, (vii) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses related to non-cash asset impairment charges in excess of \$25 million in any fiscal year during the Performance Period, and (viii) _____.

5. The target number of shares of Common Stock which may be issuable under this Award in the event of 100% achievement of the pre-established cumulative EPS and Revenue and average ROIC measures over the Performance Period is the specified number of shares communicated by separate

communication to the Participant (the “Target Shares”). The tables appearing on Exhibit A to this Agreement set forth the contingent number of shares of Common Stock which the Participant may actually earn under this Award, as a percentage of the Target Shares, based upon certain performances by the Company in achieving the EPS, Revenues and average ROIC targets.

To compute the actual number of shares of Common Stock, if any, which may be earned by the Participant the respective cumulative EPS and Revenues and average ROIC performances of the Company, as certified by the Committee following completion of the Performance Period, are applied to the tables on Exhibit A. The appropriate boxes in the tables corresponding with the highest threshold achieved by the Company’s actual cumulative EPS and Revenues and average ROIC performance, as so certified by the Committee, sets forth the number of shares of Common Stock, if any, as a percentage of the Target Shares, which are earned by the Participant over the Performance Period due to the Company’s performance in achieving those metrics. The Company’s achievement against its EPS metric is weighted at 34% in determining the final shares earned by the Participant. The Company’s achievement against its Revenues metric is weighted at 33%, and the Company’s achievement against its average ROIC metric is also weighted at 33%.

By way of illustration, if the Company’s cumulative Revenues over the Performance Period are at least \$_____ (but below \$_____), the percentage of the Revenues target achieved is ____% and the percentage of the target number of contingent shares earned due to that performance is ____%. If the Company’s cumulative EPS over the Performance Period is at least \$_____ (but less than \$_____), the percentage of the EPS target achieved is ____%, and the percentage of the target number of contingent shares earned due to that EPS performance is ____%. If the Company’s average ROIC over the Performance Period is at least ____% (but less than ____%), the percentage of the average ROIC target achieved is ____%, and the percentage of the target number of contingent shares earned due to that ROIC performance is ____%. In that case, the Participant would earn $(.33 * \text{____\%}) + (.34 * \text{____\%}) + (.33 * \text{____\%})$, or ____% of the Target Shares of Common Stock subject to the Award. If the number of Target Shares of Common Stock subject to the Award was ____ shares, the Participant would earn ____ shares of Common Stock. If the number of shares earned is not a whole number, the Participant will earn the next highest whole number of shares.

6. Once the Company has determined the number of shares of Common Stock, if any, which have been earned by the Participant based on the cumulative EPS and Revenues and average ROIC performance of the Company, the Company or its designee will as promptly as possible thereafter, but in all events not later than the 15th day of the third month following the end of the calendar year in which the Performance Period ends, issue any such shares of Common Stock which have been deemed earned to the Participant.

7. The Participant shall consult with the Company or its designee in advance of the issuance of any shares pursuant to this Award so as to designate the manner in which the Participant wishes to pay any withholding taxes due, and any such Participant's designation must be made by the Participant affirmatively to the Company, in the manner specified by the Company, and on or before the date selected by the Company. Each Participant who elects to pay withholding taxes in cash shall deliver to the Company or its designee, a check payable to Hasbro, Inc. or its designee, or a wire transfer to such account of the Company or its designee, as the Company may designate, in United States dollars, in the amount of any withholding required by law for any and all federal, state, local or foreign taxes payable as a result of the Participant earning any shares under this Award or being issued any shares pursuant to the provisions below based on certain other events. Alternatively, a Participant may elect to satisfy the minimum withholding taxes required by law payable as a result of the issuance of any shares pursuant to this Award (the "Taxes"), in whole or in part, either (i) by having the Company withhold from the shares of Common Stock to be issued pursuant to this Award or (ii) delivering to the Company or its designee shares of Common Stock already owned by the Participant and held by the Participant for at least six (6) months (represented by stock certificates duly endorsed to the Company or its designee or accompanied by an executed stock power in each case with signatures guaranteed by a bank or broker to the extent required by the Company or its designee), in each case in an amount whose Fair Market Value on the date the Participant has become entitled to such shares pursuant to this Award is either equal to the Taxes or less than the Taxes, provided that a check payable to Hasbro, Inc. or its designee, or a wire transfer to such account of the Company or its designee as the Company may designate, in United States dollars for the balance of the Taxes is also delivered to the Company, or its designee, at the time of issuance. If the Participant fails to timely elect to pay the withholding taxes in some other manner pursuant to the preceding provisions, or otherwise does not timely remit payment of the required withholding taxes, then the Participant's tax withholding requirements will be satisfied through the withholding of shares of Common Stock and to the extent a fractional share needs to be withheld, the Company or its designee will withhold the next highest number of full shares and will remit the value of the fraction of a share which exceeds the required withholding to the Participant. As soon as practicable after receipt of the withholding taxes and any other materials or information reasonably required by the Company or its designee, the Company or its designee shall deliver or cause to be delivered to the Participant, using the method of delivery determined by the Company or its designee, the shares payable pursuant to the Award (less any shares deducted to pay Taxes).

8. Until such time, if any, that actual shares of Common Stock become due and are issued to the Participant in accordance with the terms of this Agreement, the Participant will not have any dividend or voting rights with respect to any shares which may be issuable in the future pursuant to this Award. The Participant's rights under this Award shall be no greater than those of an unsecured general creditor of the

Company, and nothing herein shall be construed as requiring the Company or any other person to establish a trust or to set aside assets to meet the Company's obligations hereunder.

9. (a) If the Participant's employment is terminated by death or because of Disability (as defined in the Amended and Restated Employment Agreement, dated October 4, 2012, between the Participant and the Company, as such agreement may be amended from time to time (hereafter referred to as the "Amended Employment Agreement")), before the Performance Period is completed, then the Participant's Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any, shares of Common Stock would be issuable pursuant to the Award based upon the Company's performance against its cumulative EPS and Revenues and average ROIC targets, all over the Performance Period. That actual number of shares of Common Stock earned over the full Performance Period will then be issuable to the Participant in the same manner as shares are issued to other participants.

(b) If the Participant's employment is terminated at the election of the Company (or its successor, in the event there has been a Change in Control) without Cause or at the election of the Participant with Good Reason (as the terms Cause, Good Reason and Change in Control are defined in the Amended Employment Agreement, it being understood the Amended Employment Agreement provides different definitions of Cause and Good Reason based upon whether the termination occurs within three (3) years following a Change in Control, or occurs outside such a window), and provided Participant executes a full and complete Release (as defined in the Amended Employment Agreement) which becomes effective, all in accordance with the Amended Employment Agreement, then the Participant's Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any, shares of Common Stock would be issuable pursuant to the Award based upon the Company's performance against its cumulative EPS and Revenues and average ROIC targets, all over the Performance Period. That actual number of shares of Common Stock which would have been earned under the Award over the entire Performance Period, if any, will then be multiplied by a fraction the numerator of which is the number of days from the start of the Performance Period to the date that the Participant's employment was terminated and the denominator of which is the total number of days in the Performance Period. This pro-rated number of shares will then be issuable to the Participant in the same manner as shares are issued to other participants.

(c) If the Participant retires from employment with the Company before the Performance Period is completed, then the Participant's Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any, shares of Common Stock would be issuable pursuant to the Award based on the Company's performance against its cumulative EPS and Revenues and average ROIC targets. That actual number of shares of Common

Stock which would have been earned under the Award over the entire Performance Period will then be multiplied by a fraction the numerator of which is the number of days from the start of the Performance Period to the date that the Participant retired and the denominator of which is the total number of days in the Performance Period. This pro-rated number of shares will then be issuable to the Participant in the same manner as shares are issued to other Participants.

(d) If the Participant's employment is terminated by the Company for Cause (as defined in the Amended Employment Agreement), then the Award will be forfeited and become null and void and the Participant will not have any further rights under the Award, including, without limitation, any rights to receive shares of Common Stock.

10. The adjustment provisions set forth in Section 8 of the Plan shall apply to this Award.

11. This Award shall not be transferable by the Participant, in whole or in part, except in accordance with Section 7 of the Plan. Any purported assignment, transfer, pledge, hypothecation or other disposition of the Award or any interest therein contrary to the provisions of the Plan, and the levy of any execution to, or the attachment or similar process upon, the Award or any interest therein, shall be null and void and without effect.

12. Subject to the applicable provisions of the Plan, and particularly to Section 7 of the Plan, this Agreement shall be binding upon and shall inure to the benefit of Participant, Participant's successors and permitted assigns, and the Company and its successors and assigns.

13. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Rhode Island and Providence Plantations and applicable Federal law.

14. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Award or any shares of Common Stock and the Participant may become entitled to under the Award in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the ruling or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Participant agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement without the Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

IN WITNESS WHEREOF, the Company and the Participant have entered this Agreement effective as of the day and year first above written. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Participant hereby agrees to the terms of this Agreement with the same effect as if the Participant had signed this Agreement.

HASBRO, INC.

By: /s/ Deborah Thomas
Deborah Thomas
Executive Vice President and
Chief Financial Officer

By: _____
Brian D. Goldner

HASBRO, INC.
RESTATED 2003 STOCK INCENTIVE PERFORMANCE PLAN
CONTINGENT STOCK PERFORMANCE AWARD
(THREE PERFORMANCE METRICS WITHOUT NON-COMPETE)
_____, 2020 GRANT

JOHN FRASCOTTI

AGREEMENT, made effective as of _____, 2020, by and between HASBRO, INC., a Rhode Island corporation (the "Company") and the designated contingent stock performance award recipient (the "Participant").

WHEREAS, the Participant is eligible to participate in the Company's Restated 2003 Stock Incentive Performance Plan, as amended (the "Plan"), and

WHEREAS, the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board"), acting in accordance with the provisions of the Plan, is granting to Participant a contingent stock performance award dated _____, 2020 designed to reward the Participant for the Participant's efforts in contributing to the Company's achievement of certain stated financial goals, and

WHEREAS, the stock performance award provides the Participant with the ability to earn shares of the Company's common stock, par value \$.50 per share (the "Common Stock"), contingent on the Company's performance in achieving pre-established cumulative diluted earnings per share ("EPS"), cumulative net revenue ("Revenues") and average return on invested capital ("ROIC") performance targets over the period beginning on December 30, 2019 and ending on December 25, 2022 (the "Performance Period"), subject to and upon the terms and conditions set forth in the Plan and as hereinafter set forth. For purposes of this Agreement average ROIC shall be computed as Net Income divided by the sum of Short-Term Debt plus Long-Term Debt plus Shareholder's Equity, averaged over the three fiscal years in the Performance Period.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the parties hereto agree as follows:

W I T N E S S E T H:

1. The Company hereby grants to the Participant effective on _____, 2020, and pursuant to the Plan, a copy of which is attached hereto as Appendix A and the provisions of which are incorporated herein as if set forth in full, a contingent stock performance award (the "Award") subject to and upon the terms and conditions set forth in the Plan and the additional terms and conditions hereinafter set forth. The Award is evidenced by this Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan shall govern, provided that to the extent the provisions of the Plan or this Agreement are inconsistent with the terms of the

Employment Agreement (as defined below), the provisions of the Employment Agreement shall govern if such agreement provides for more favorable treatment. Terms used herein and not otherwise defined shall have the meaning set forth in the Plan.

2. By accepting this Award the Participant hereby acknowledges and agrees that this Award, and any shares the Participant may acquire under this Award in the future or any of the proceeds of selling any shares acquired pursuant to this Award, as well as any other incentive compensation the Participant is granted, is subject to the Company's Clawback Policy, which was adopted by the Company's Board of Directors in October 2012, as it may be amended from time to time by the Board in the future. Such acknowledgement and agreement was a material condition to receiving this Award, which would not have been granted to the Participant otherwise. Additionally, the Participant acknowledges and agrees that if the Participant is or becomes subject to the Hasbro, Inc. Executive Stock Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), then by accepting this Award and any shares that the Participant may acquire in the future pursuant to this Award, as well as any other equity-based incentive compensation the Participant is granted after the Participant becomes subject to the Stock Ownership Policy, the Participant agrees that the Participant will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Participant's applicable requirement levels are met.

3. This Agreement relates to an Award providing the Participant with the potential ability to earn shares of the Company's common stock, par value \$.50 per share (the "Common Stock"), contingent on the Company's performance in achieving its pre-established cumulative EPS and Revenues and average ROIC targets over the Performance Period. The cumulative EPS, cumulative Revenues and ROIC targets for the Performance Period are set forth below:

EPS	\$ _____
Revenues	\$ _____
Average ROIC	\$ _____

The threshold and maximum levels for cumulative EPS and Revenues and average ROIC contributing to shares being earned under this Award are set forth on Exhibit A to this Agreement. Except as is otherwise set forth in this Agreement, the Participant shall not have any ability to receive any shares of Common Stock pursuant to this Award until the Performance Period is completed. Following the end of the Performance Period, the Committee will determine the Company's cumulative EPS and Revenues and average ROIC over the Performance Period. The Committee will certify the Company's cumulative EPS, Revenues and average ROIC over the Performance Period as promptly as is reasonably possible following

the completion of the Performance Period, but in no event later than 75 days following the completion of the Performance Period.

4. For purposes of this Award, the Company's EPS, Revenues and average ROIC over the Performance Period will be computed on a consolidated basis in the same manner used by the Company in computing its consolidated financial performance under generally accepted accounting principles ("GAAP"), except for the following deviations from GAAP: (i) each of the metrics will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$10 million in any fiscal year during the Performance Period, which costs or expenses are related to changes in accounting rules or the U.S. tax code that are effective after the date of this Agreement, (ii) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$10 million in any fiscal year during the Performance Period, which costs or expenses are related to acquisitions (whether paid for in cash, shares of the Company's stock, other property, or any combination thereof) or dispositions consummated by the Company during the Performance Period, (iii) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$10 million in any fiscal year during the Performance Period, which costs or expenses are related to any restructuring activities undertaken by the Company after the date of this Agreement, (iv) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$25 million in any fiscal year during the Performance Period, which costs or expenses relate to judgements, fines, penalties or expenses associated with litigations, arbitrations, or regulatory matters, or settlements of ongoing or potential disputes or regulatory matters, (v) the metrics will be computed excluding the impact of any intangible asset amortization or unusual, one-time, non-operating or other unbudgeted costs or expenses associated with the acquisition of eOne, such as integration costs, non-cash stock compensation, capital expenditures, (vi) the metrics will be computed excluding the impact of the coronavirus on retailer and consumer demand or ability to supply full year required production, that has an impact on the net sales of \$100,000,000 or more in any fiscal year during the Performance Period, (vii) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses related to non-cash asset impairment charges in excess of \$25 million in any fiscal year during the Performance Period, and (viii) _____.

5. The target number of shares of Common Stock which may be issuable under this Award in the event of 100% achievement of the pre-established cumulative EPS and Revenue and average ROIC measures over the Performance Period is the specified number of shares communicated by separate communication to the Participant (the "Target Shares"). The tables appearing on Exhibit A to this Agreement

set forth the contingent number of shares of Common Stock which the Participant may actually earn under this Award, as a percentage of the Target Shares, based upon certain performances by the Company in achieving the EPS, Revenues and average ROIC targets.

To compute the actual number of shares of Common Stock, if any, which may be earned by the Participant the respective cumulative EPS and Revenues and average ROIC performances of the Company, as certified by the Committee following completion of the Performance Period, are applied to the tables on Exhibit A. The appropriate boxes in the tables corresponding with the highest threshold achieved by the Company's actual cumulative EPS and Revenues and average ROIC performance, as so certified by the Committee, sets forth the number of shares of Common Stock, if any, as a percentage of the Target Shares, which are earned by the Participant over the Performance Period due to the Company's performance in achieving those metrics. The Company's achievement against its EPS metric is weighted at 34% in determining the final shares earned by the Participant. The Company's achievement against its Revenues metric is weighted at 33%, and the Company's achievement against its average ROIC metric is also weighted at 33%.

By way of illustration, if the Company's cumulative Revenues over the Performance Period are at least \$_____ (but below \$_____), the percentage of the Revenues target achieved is _____% and the percentage of the target number of contingent shares earned due to that performance is _____%. If the Company's cumulative EPS over the Performance Period is at least \$_____ (but less than \$_____), the percentage of the EPS target achieved is _____%, and the percentage of the target number of contingent shares earned due to that EPS performance is _____%. If the Company's average ROIC over the Performance Period is at least _____% (but less than _____%), the percentage of the average ROIC target achieved is _____%, and the percentage of the target number of contingent shares earned due to that ROIC performance is _____%. In that case, the Participant would earn $(.33 * \text{_____} \%) + (.34 * \text{_____} \%) + (.33 * \text{_____} \%)$, or _____% of the Target Shares of Common Stock subject to the Award. If the number of Target Shares of Common Stock subject to the Award was _____ shares, the Participant would earn _____ shares of Common Stock. If the number of shares earned is not a whole number, the Participant will earn the next highest whole number of shares.

6. Once the Company has determined the number of shares of Common Stock, if any, which have been earned by the Participant based on the cumulative EPS and Revenues and average ROIC performance of the Company, the Company or its designee will as promptly as possible thereafter, but in all events not later than the 15th day of the third month following the end of the calendar year in which the Performance Period ends, issue any such shares of Common Stock which have been deemed earned to the Participant.

7. The Participant shall consult with the Company or its designee in advance of the issuance of any shares pursuant to this Award so as to designate the manner in which the Participant wishes to pay any

withholding taxes due, and any such Participant's designation must be made by the Participant affirmatively to the Company, in the manner specified by the Company, and on or before the date selected by the Company. Each Participant who elects to pay withholding taxes in cash shall deliver to the Company or its designee, a check payable to Hasbro, Inc. or its designee, or a wire transfer to such account of the Company or its designee, as the Company may designate, in United States dollars, in the amount of any withholding required by law for any and all federal, state, local or foreign taxes payable as a result of the Participant earning any shares under this Award or being issued any shares pursuant to the provisions below based on certain other events. Alternatively, a Participant may elect to satisfy the minimum withholding taxes required by law payable as a result of the issuance of any shares pursuant to this Award (the "Taxes"), in whole or in part, either (i) by having the Company withhold from the shares of Common Stock to be issued pursuant to this Award or (ii) delivering to the Company or its designee shares of Common Stock already owned by the Participant and held by the Participant for at least six (6) months (represented by stock certificates duly endorsed to the Company or its designee or accompanied by an executed stock power in each case with signatures guaranteed by a bank or broker to the extent required by the Company or its designee), in each case in an amount whose Fair Market Value on the date the Participant has become entitled to such shares pursuant to this Award is either equal to the Taxes or less than the Taxes, provided that a check payable to Hasbro, Inc. or its designee, or a wire transfer to such account of the Company or its designee as the Company may designate, in United States dollars for the balance of the Taxes is also delivered to the Company, or its designee, at the time of issuance. If the Participant fails to timely elect to pay the withholding taxes in some other manner pursuant to the preceding provisions, or otherwise does not timely remit payment of the required withholding taxes, then the Participant's tax withholding requirements will be satisfied through the withholding of shares of Common Stock and to the extent a fractional share needs to be withheld, the Company or its designee will withhold the next highest number of full shares and will remit the value of the fraction of a share which exceeds the required withholding to the Participant. As soon as practicable after receipt of the withholding taxes and any other materials or information reasonably required by the Company or its designee, the Company or its designee shall deliver or cause to be delivered to the Participant, using the method of delivery determined by the Company or its designee, the shares payable pursuant to the Award (less any shares deducted to pay Taxes).

8. Until such time, if any, that actual shares of Common Stock become due and are issued to the Participant in accordance with the terms of this Agreement, the Participant will not have any dividend or voting rights with respect to any shares which may be issuable in the future pursuant to this Award. The Participant's rights under this Award shall be no greater than those of an unsecured general creditor of the Company, and nothing herein shall be construed as requiring the Company or any other person to establish a trust or to set aside assets to meet the Company's obligations hereunder.

9. (a) If the Participant's employment is terminated by death or because of Disability (as defined in the Employment Agreement, dated August 1, 2018, between the Participant and the Company, as such agreement may be amended from time to time (hereafter referred to as the "Employment Agreement")), before the Performance Period is completed, then the Participant's Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any, shares of Common Stock would be issuable pursuant to the Award based upon the Company's performance against its cumulative EPS and Revenues and average ROIC targets, all over the Performance Period. That actual number of shares of Common Stock which would have been earned under the Award over the entire Performance Period, if any, will then be multiplied by a fraction the numerator of which is the number of days from the start of the Performance Period to the date that the Participant's employment was terminated and the denominator of which is the total number of days in the Performance Period. This pro-rated number of shares will then be issuable to the Participant in the same manner as shares are issued to other participants.

(b) If the Participant's employment is terminated at the election of the Company (or its successor, in the event there has been a Change in Control) without Cause or at the election of the Participant with Good Reason (as the terms Cause, Good Reason and Change in Control are defined in the Employment Agreement, it being understood the Employment Agreement provides different definitions of Cause and Good Reason based upon whether the termination occurs within two (2) years following a Change in Control, or occurs outside such a window), and provided Participant executes a full and complete Release (as defined in the Employment Agreement) which becomes effective, all in accordance with the Employment Agreement, then the Participant's Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any, shares of Common Stock would be issuable pursuant to the Award based upon the Company's performance against its cumulative EPS and Revenues and average ROIC targets, all over the Performance Period. That actual number of shares of Common Stock which would have been earned under the Award over the entire Performance Period, if any, will then be multiplied by a fraction the numerator of which is the number of days from the start of the Performance Period to the date that the Participant's employment was terminated and the denominator of which is the total number of days in the Performance Period. This pro-rated number of shares will then be issuable to the Participant in the same manner as shares are issued to other participants. Notwithstanding the foregoing, the Plan shall govern the treatment of the Participant's Award in the case of the foregoing termination events if the terms of the Plan are more favorable to the Participant.

(c) If the Participant retires from employment with the Company before the Performance Period is completed, then the Participant's Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any,

shares of Common Stock would be issuable pursuant to the Award based on the Company's performance against its cumulative EPS and Revenues and average ROIC targets. That actual number of shares of Common Stock which would have been earned under the Award over the entire Performance Period will then be multiplied by a fraction the numerator of which is the number of days from the start of the Performance Period to the date that the Participant retired and the denominator of which is the total number of days in the Performance Period. This pro-rated number of shares will then be issuable to the Participant in the same manner as shares are issued to other Participants.

(d) If the Participant's employment is terminated by the Company for Cause (as defined in the Employment Agreement), then the Award will be forfeited and become null and void and the Participant will not have any further rights under the Award, including, without limitation, any rights to receive shares of Common Stock.

10. The adjustment provisions set forth in Section 8 of the Plan shall apply to this Award.

11. This Award shall not be transferable by the Participant, in whole or in part, except in accordance with Section 7 of the Plan. Any purported assignment, transfer, pledge, hypothecation or other disposition of the Award or any interest therein contrary to the provisions of the Plan, and the levy of any execution to, or the attachment or similar process upon, the Award or any interest therein, shall be null and void and without effect.

12. Subject to the applicable provisions of the Plan, and particularly to Section 7 of the Plan, this Agreement shall be binding upon and shall inure to the benefit of Participant, Participant's successors and permitted assigns, and the Company and its successors and assigns.

13. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Rhode Island and Providence Plantations and applicable Federal law.

14. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the issuance of this Award or any shares of Common Stock and the Participant may become entitled to under the Award in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the ruling or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Participant agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the

Agreement without the Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

IN WITNESS WHEREOF, the Company and the Participant have entered this Agreement effective as of the day and year first above written. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Participant hereby agrees to the terms of this Agreement with the same effect as if the Participant had signed this Agreement.

HASBRO, INC.

By: /s/ Brian Goldner
Brian Goldner
Chairman and
Chief Executive Officer

By: _____
John Frascotti

HASBRO, INC.

RESTATED 2003 STOCK INCENTIVE PERFORMANCE PLAN

CONTINGENT STOCK PERFORMANCE AWARD

(THREE PERFORMANCE METRICS WITH NON-COMPETE)

_____, 2020 GRANT

AGREEMENT, made effective as of _____, 2020, by and between HASBRO, INC., a Rhode Island corporation (the "Company") and the designated contingent stock performance award recipient (the "Participant").

WHEREAS, the Participant is eligible to participate in the Company's Restated 2003 Stock Incentive Performance Plan, as amended (the "Plan"), and

WHEREAS, contingent upon and in consideration for the Participant having executed and delivered to the Company's designated contact no later than _____, 2020 a Non-Competition, Non-Solicitation and Confidentiality Agreement between the Participant and the Company in the form provided to the Participant by the Company (or otherwise confirming the terms of the Participant's existing Non-Compete Agreement), the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board"), acting in accordance with the provisions of the Plan, is granting to Participant a contingent stock performance award dated _____, 2020 designed to reward the Participant for the Participant's efforts in contributing to the Company's achievement of certain stated financial goals, and

WHEREAS, the stock performance award provides the Participant with the ability to earn shares of the Company's common stock, par value \$.50 per share (the "Common Stock"), contingent on the Company's performance in achieving pre-established cumulative diluted earnings per share ("EPS"), cumulative net revenue ("Revenues") and average return on invested capital ("ROIC") performance targets over the period beginning on December 30, 2019 and ending on December 25, 2022 (the "Performance Period"), subject to and upon the terms and conditions set forth in the Plan and as hereinafter set forth. For purposes of this Agreement average ROIC shall be computed as Net Income divided by the sum of Short-Term Debt plus Long-Term Debt plus Shareholder's Equity, averaged over the three fiscal years in the Performance Period.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the parties hereto agree as follows:

W I T N E S S E T H:

1. Contingent upon and in consideration for the Participant having executed and delivered to the Company's designated contact no later than _____, 2020 a Non-Competition, Non-Solicitation and Confidentiality Agreement (the "Non-Compete Agreement") between the Participant and the Company

in the form provided to the Participant by the Company (or otherwise confirming the terms of the Participant's existing Non-Compete Agreement), the Company hereby grants to the Participant effective on _____, 2020, and pursuant to the Plan, a copy of which is attached hereto as Appendix A and the provisions of which are incorporated herein as if set forth in full, a contingent stock performance award (the "Award") subject to and upon the terms and conditions set forth in the Plan and in the Non-Compete Agreement and the additional terms and conditions hereinafter set forth. The Award is evidenced by this Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan shall govern. Terms used herein and not otherwise defined shall have the meaning set forth in the Plan. For the avoidance of doubt, if the Participant has not executed and delivered to the Company's designated contact the Non-Compete Agreement (or otherwise confirming the terms of the Participant's existing Non-Compete Agreement) on or before _____, 2020, the Award represented by this Agreement will never take effect and will be null and void.

2. By accepting this Award the Participant hereby acknowledges and agrees that this Award, and any shares the Participant may acquire under this Award in the future or any of the proceeds of selling any shares acquired pursuant to this Award, as well as any other incentive compensation the Participant is granted after, is subject to the Company's Clawback Policy, which was adopted by the Company's Board of Directors in October 2012, as it may be amended from time to time by the Board in the future. Such acknowledgement and agreement was a material condition to receiving this Award, which would not have been granted to the Participant otherwise. Additionally, the Participant acknowledges and agrees that if the Participant is or becomes subject to the Hasbro, Inc. Executive Stock Ownership Policy, effective as of March 1, 2014, as it may be amended from time to time by the Board in the future (the "Stock Ownership Policy"), then by accepting this Award and any shares that the Participant may acquire in the future pursuant to this Award, as well as any other equity-based incentive compensation the Participant is granted after the Participant becomes subject to the Stock Ownership Policy, the Participant agrees that the Participant will be subject to the terms of the Stock Ownership Policy, including without limitation the requirement to retain an amount equal to at least 50% of the net shares received as a result of the exercise, vesting or payment of any equity awards granted until the Participant's applicable requirement levels are met.

3. This Agreement relates to an Award providing the Participant with the potential ability to earn shares of the Company's common stock, par value \$.50 per share (the "Common Stock"), contingent on the Company's performance in achieving its pre-established cumulative EPS and Revenues and average ROIC targets over the Performance Period.

The cumulative EPS, cumulative Revenues and ROIC targets for the Performance Period are set forth below:

EPS	\$ _____
Revenues	\$ _____
Average ROIC	\$ _____

The threshold and maximum levels for cumulative EPS and Revenues and average ROIC contributing to shares being earned under this Award are set forth on Exhibit A to this Agreement. Except as is otherwise set forth in this Agreement, the Participant shall not have any ability to receive any shares of Common Stock pursuant to this Award until the Performance Period is completed. Following the end of the Performance Period, the Committee will determine the Company's cumulative EPS and Revenues and average ROIC over the Performance Period. The Committee will certify the Company's cumulative EPS, Revenues and average ROIC over the Performance Period as promptly as is reasonably possible following the completion of the Performance Period, but in no event later than 75 days following the completion of the Performance Period.

4. For purposes of this Award, the Company's EPS, Revenues and average ROIC over the Performance Period will be computed on a consolidated basis in the same manner used by the Company in computing its consolidated financial performance under generally accepted accounting principles ("GAAP"), except for the following deviations from GAAP: (i) each of the metrics will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$10 million in any fiscal year during the Performance Period, which costs or expenses are related to changes in accounting rules or the U.S. tax code that are effective after the date of this Agreement, (ii) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$10 million in any fiscal year during the Performance Period, which costs or expenses are related to acquisitions (whether paid for in cash, shares of the Company's stock, other property, or any combination thereof) or dispositions consummated by the Company during the Performance Period, (iii) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$10 million in any fiscal year during the Performance Period, which costs or expenses are related to any restructuring activities undertaken by the Company after the date of this Agreement, (iv) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses in excess of \$25 million in any fiscal year during the Performance Period, which costs or expenses relate to judgements, fines, penalties or expenses associated with litigations,

arbitrations, or regulatory matters, or settlements of ongoing or potential disputes or regulatory matters, (v) the metrics will be computed excluding the impact of any intangible asset amortization or unusual, one-time, non-operating or other unbudgeted costs or expenses associated with the acquisition of eOne, such as integration costs, non-cash stock compensation, capital expenditures, (vi) the metrics will be computed excluding the impact of the coronavirus on retailer and consumer demand or ability to supply full year required production, that has an impact on the net sales of \$100,000,000 or more in any fiscal year during the Performance Period, (vii) EPS and ROIC will be computed excluding the impact of any unusual, one-time, non-operating or other significant unbudgeted costs or expenses related to non-cash asset impairment charges in excess of \$25 million in any fiscal year during the Performance Period, and (viii) _____.

5. The target number of shares of Common Stock which may be issuable under this Award in the event of 100% achievement of the pre-established cumulative EPS and Revenue and average ROIC measures over the Performance Period is the specified number of shares communicated by separate communication to the Participant (the "Target Shares"). The tables appearing on Exhibit A to this Agreement set forth the contingent number of shares of Common Stock which the Participant may actually earn under this Award, as a percentage of the Target Shares, based upon certain performances by the Company in achieving the EPS, Revenues and average ROIC targets.

To compute the actual number of shares of Common Stock, if any, which may be earned by the Participant the respective cumulative EPS and Revenues and average ROIC performances of the Company, as certified by the Committee following completion of the Performance Period, are applied to the tables on Exhibit A. The appropriate boxes in the tables corresponding with the highest threshold achieved by the Company's actual cumulative EPS and Revenues and average ROIC performance, as so certified by the Committee, sets forth the number of shares of Common Stock, if any, as a percentage of the Target Shares, which are earned by the Participant over the Performance Period due to the Company's performance in achieving those metrics. The Company's achievement against its EPS metric is weighted at 34% in determining the final shares earned by the Participant. The Company's achievement against its Revenues metric is weighted at 33%, and the Company's achievement against its average ROIC metric is also weighted at 33%.

By way of illustration, if the Company's cumulative Revenues over the Performance Period are at least \$_____ (but below \$_____), the percentage of the Revenues target achieved is _____% and the percentage of the target number of contingent shares earned due to that performance is _____%. If the Company's cumulative EPS over the Performance Period is at least \$_____ (but less than \$_____), the percentage of the EPS target achieved is _____%, and the percentage of the target number of contingent shares earned due to that EPS performance is _____%. If the Company's average ROIC over the

Performance Period is at least _____% (but less than _____%), the percentage of the average ROIC target achieved is _____%, and the percentage of the target number of contingent shares earned due to that ROIC performance is _____%. In that case, the Participant would earn $(.33 * \text{_____}\%) + (.34 * \text{_____}\%) + (.33 * \text{_____}\%)$, or _____% of the Target Shares of Common Stock subject to the Award. If the number of Target Shares of Common Stock subject to the Award was _____ shares, the Participant would earn _____ shares of Common Stock. If the number of shares earned is not a whole number, the Participant will earn the next highest whole number of shares.

6. Once the Company has determined the number of shares of Common Stock, if any, which have been earned by the Participant based on the cumulative EPS and Revenues and average ROIC performance of the Company, the Company or its designee will as promptly as possible thereafter, but in all events not later than the 15th day of the third month following the end of the calendar year in which the Performance Period ends, issue any such shares of Common Stock which have been deemed earned to the Participant.

7. The Participant shall consult with the Company or its designee in advance of the issuance of any shares pursuant to this Award so as to designate the manner in which the Participant wishes to pay any withholding taxes due, and any such Participant's designation must be made by the Participant affirmatively to the Company, in the manner specified by the Company, and on or before the date selected by the Company. Each Participant who elects to pay withholding taxes in cash shall deliver to the Company or its designee, a check payable to Hasbro, Inc. or its designee, or a wire transfer to such account of the Company or its designee, as the Company may designate, in United States dollars, in the amount of any withholding required by law for any and all federal, state, local or foreign taxes payable as a result of the Participant earning any shares under this Award or being issued any shares pursuant to the provisions below based on certain other events. Alternatively, a Participant may elect to satisfy the minimum withholding taxes required by law payable as a result of the issuance of any shares pursuant to this Award (the "Taxes"), in whole or in part, either (i) by having the Company withhold from the shares of Common Stock to be issued pursuant to this Award or (ii) delivering to the Company or its designee shares of Common Stock already owned by the Participant and held by the Participant for at least six (6) months (represented by stock certificates duly endorsed to the Company or its designee or accompanied by an executed stock power in each case with signatures guaranteed by a bank or broker to the extent required by the Company or its designee), in each case in an amount whose Fair Market Value on the date the Participant has become entitled to such shares pursuant to this Award is either equal to the Taxes or less than the Taxes, provided that a check payable to Hasbro, Inc. or its designee, or a wire transfer to such account of the Company or its designee as the Company may designate, in United States dollars for the balance of the Taxes is also delivered to the Company, or its designee, at the time of issuance. If the Participant fails to timely elect to pay the withholding taxes in some other manner pursuant to the preceding provisions, or otherwise does not timely remit payment of the required withholding taxes,

then the Participant's tax withholding requirements will be satisfied through the withholding of shares of Common Stock and to the extent a fractional share needs to be withheld, the Company or its designee will withhold the next highest number of full shares and will remit the value of the fraction of a share which exceeds the required withholding to the Participant. As soon as practicable after receipt of the withholding taxes and any other materials or information reasonably required by the Company or its designee, the Company or its designee shall deliver or cause to be delivered to the Participant, using the method of delivery determined by the Company or its designee, the shares payable pursuant to the Award (less any shares deducted to pay Taxes).

8. Until such time, if any, that actual shares of Common Stock become due and are issued to the Participant in accordance with the terms of this Agreement, the Participant will not have any dividend or voting rights with respect to any shares which may be issuable in the future pursuant to this Award. The Participant's rights under this Award shall be no greater than those of an unsecured general creditor of the Company, and nothing herein shall be construed as requiring the Company or any other person to establish a trust or to set aside assets to meet the Company's obligations hereunder.

9. (a) If a Participant who is an employee of the Company or of a direct or indirect subsidiary of the Company dies before the Performance Period is completed, then the Company will issue the number of shares of Common Stock to the executor, administrator or trustee of the Participant's estate, or the Participant's legal representative, as the case may be, that is computed by multiplying: (i) the number of shares of Common Stock which would have been issuable to the Participant pursuant to the Award assuming completion of the Performance Period and the Company's achievement over the Performance Period of cumulative EPS and Revenues and average ROIC equal to target in each case by (ii) a fraction, the numerator of which is the number of days from the start of the Performance Period to the date that the Participant died and the denominator of which is the total number of days in the Performance Period. This pro-rated target award will be payable as soon following the Participant's death as is reasonably practicable. If a Participant dies after the end of the Performance Period, but prior to the delivery of any shares of Common Stock issuable pursuant to this award, then the Company or its designee will issue to the Participant's estate, or the Participant's legal representative, as the case may be, the number of shares of Common Stock, if any, which would have otherwise been issuable to the Participant if the Participant had not died.

(b) If a Participant with at least one year of Credited Service of the Company suffers a permanent physical or mental disability (as defined below), before the Performance Period is completed, then the Participant's Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any, shares of Common Stock would be issuable pursuant to the Award based on the Company's performance against its cumulative EPS and Revenues and average ROIC targets. That actual number of shares of Common Stock which would

have been earned under the Award over the entire Performance Period will then be multiplied by a fraction the numerator of which is the number of days from the start of the Performance Period to the date that the Participant became disabled and the denominator of which is the total number of days in the Performance Period. This pro-rated number of shares will then be issuable to the Participant in the same manner as shares are issued to other Participants.

(c) If a Participant who is an employee of the Company or of a direct or indirect subsidiary of the Company retires at either an Early Retirement Date or a Normal Retirement Date (each as defined below), before the Performance Period is completed, then the Participant's Award will remain outstanding during the remaining portion of the Performance Period. At the end of the Performance Period the Committee will compute how many, if any, shares of Common Stock would be issuable pursuant to the Award based on the Company's performance against its cumulative EPS and Revenues and average ROIC targets. That actual number of shares of Common Stock which would have been earned under the Award over the entire Performance Period will then be multiplied by a fraction the numerator of which is the number of days from the start of the Performance Period to the date that the Participant retired and the denominator of which is the total number of days in the Performance Period. This pro-rated number of shares will then be issuable to the Participant in the same manner as shares are issued to other Participants.

(d) If a Participant ceases to be employed by the Company or by a direct or indirect subsidiary of the Company before the end of the Performance Period for any reason other than the reasons set forth in subsections (a), (b) and (c) of this Section 9, including, without limitation, if the Participant's employment is terminated by the Company for cause or for such other reason that casts such discredit on the Participant as to make termination of the Participant's employment appropriate (cause or such other reasons being determined in the sole discretion of the Administrator and the Administrator not being limited to any definition of Cause in the Plan), the Award will be forfeited and the Participant will not have any further rights under the Award, including, without limitation, any rights to receive shares of Common Stock.

For purposes of subsections (a), (b) and (c) above:

* A year of "Credited Service" shall mean a calendar year in which the Participant is paid for at least 1,000 hours of employment with the Company or of a subsidiary of the Company.

* "Early Retirement Date" shall mean: the day on which a Participant who has attained age fifty-five (55), but has not reached age sixty-five (65), with ten (10) or more years of Credited Service, retires. A Participant is eligible for early retirement on the first day of the calendar month coincidental with or immediately following the attainment of age fifty-five (55) and the completion of ten (10) years of Credited Service, and "early retirement" shall mean retirement by an eligible Participant at the Early Retirement Date.

* "Normal Retirement Date" shall mean: the day on which a Participant who has attained age sixty-five (65) with five (5) or more years of Credited Service, retires. A Participant is eligible for normal retirement on the first day of the calendar month coincident with or immediately following the Participant's attainment of age sixty-five (65) and completion of five (5) or more years of Credited Service, and "normal retirement" shall mean the retirement by an eligible Participant at the Normal Retirement Date.

* "permanent physical or mental disability" shall mean: a Participant's inability to perform his or her job or any position which the Participant can reasonably perform with his or her background and training by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued and indefinite duration, all as determined by the Committee in its discretion.

10. In the event of a Change in Control (as defined in the Plan) prior to the end of the Performance Period, this Award will be treated in accordance with the provisions of the Plan applicable to a Change in Control, provided, however, that for purposes of computing the payment due to the Participant as a result of a termination of employment following a Change in Control under the terms set forth in the Plan, (i) the full number of Target Shares will be used (as opposed to the actual number of shares, if any, that may be issuable based on performance through the date of the termination of employment following the Change in Control) and (ii) no pro-ration of the Award will be applied to account for less than the full Performance Period having had elapsed as of the date of the termination of employment following a Change in Control.

11. The adjustment provisions set forth in Section 8 of the Plan shall apply to this Award.

12. This Award shall not be transferable by the Participant, in whole or in part, except in accordance with Section 7 of the Plan. Any purported assignment, transfer, pledge, hypothecation or other disposition of the Award or any interest therein contrary to the provisions of the Plan, and the levy of any execution to, or the attachment or similar process upon, the Award or any interest therein, shall be null and void and without effect.

13. Subject to the applicable provisions of the Plan, and particularly to Section 7 of the Plan, this Agreement shall be binding upon and shall inure to the benefit of Participant, Participant's successors and permitted assigns, and the Company and its successors and assigns.

14. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Rhode Island and Providence Plantations and applicable Federal law.

15. Notwithstanding any other terms and conditions of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the

issuance of this Award or any shares of Common Stock and the Participant may become entitled to under the Award in the future, the Company shall not be required to deliver any such securities prior to the completion of any registration or qualification of any such securities under any non-U.S. securities, exchange control or other law, or under the ruling or regulations of any governmental regulatory body, or prior to obtaining any approval or other clearance from any governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify any such securities with any non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of any such securities. Further, the Participant agrees that his or her participation in the trade and acceptance of such securities is voluntary and that the Company shall have unilateral authority to amend the Plan and the Agreement without the Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of any such securities.

IN WITNESS WHEREOF, the Company and the Participant have entered this Agreement effective as of the day and year first above written. By accepting the terms of the award represented by this Agreement through an electronic form offered by the Company, or the Company's designee, the Participant hereby agrees to the terms of this Agreement with the same effect as if the Participant had signed this Agreement.

HASBRO, INC.

By: /s/ Brian Goldner
Brian Goldner
Chairman and Chief Executive Officer

By: _____
Participant

TRANSITIONAL ADVISORY SERVICES AGREEMENT

This TRANSITIONAL ADVISORY SERVICES AGREEMENT (the “Agreement”) is entered into by and between Hasbro, Inc., a Rhode Island corporation (“Hasbro”), Hasbro B.V., a *besloten vennootschap* incorporated under the laws of the Netherlands and a subsidiary of Hasbro (collectively with Hasbro and its subsidiaries, the “Company”), and Mr. Wiebe Tinga (the “Executive”), dated January 21, 2020 and effective as of such date (the “Effective Date”).

WITNESSETH:

WHEREAS, the Company and the Executive are parties to a Letter of Understanding, dated January 1, 2015, as modified by a Letter of Understanding: Assignment Extension, dated December 1, 2017, and the Latin America/Asia-Pacific Sales and Marketing Services Agreement, dated January 1, 2010 (the “Hasbro SA Services Agreement”) (collectively, the “Prior Agreements”), pursuant to which the Executive provides services to the Company and the Company provides certain compensation and benefits to the Executive;

WHEREAS, the Executive currently serves as the Executive Vice President, Chief Commercial Officer of Hasbro;

WHEREAS, the Executive wishes to begin transitioning towards retirement and the Company and the Executive want to provide for an orderly transition of the Executive’s responsibilities and knowledge and the Executive’s availability during this transitional period;

WHEREAS, the Executive and the Company have determined that it is in the Executive’s and the Company’s best interests for the Executive to cease to serve as the Executive Vice President, Chief Commercial Officer of Hasbro but to remain employed by the Company thereafter for a transitional services period during which the Executive will be employed as a special commercial retail advisor to the Company prior to retiring from all of his positions with the Company; and

WHEREAS, the Executive and the Company mutually desire to enter into this Agreement, which shall replace and supersede the Prior Agreements and the Legacy Agreements (as defined below) in their entirety as of the Effective Date and pursuant to which the Executive shall continue to provide services to the Company from and after the Effective Date in exchange for certain compensation and benefits as provided in this Agreement.

NOW, THEREFORE, it is hereby agreed as follows:

1. Effectiveness; Term. This Agreement shall become effective on the Effective Date. The term of employment of the Executive by the Company hereunder shall commence on the Effective Date and shall continue until December 31, 2021, with the term of employment ending at the end of the day on December 31, 2021 (the “Retirement Date” and, the Executive’s termination of employment on such date, “Retirement”), unless terminated earlier in accordance with Section 6 of this Agreement (such period of employment hereunder, the “Term”).

2. Transition; Position and Duties; Location.

(a) Transition. Effective as of the Effective Date, the Executive shall cease to serve as the Executive Vice President, Chief Commercial Officer of Hasbro and instead shall continue employment with the Company in the position of Commercial Retail Advisor (such position, "Special Advisor"). The Executive's employment in the position of Special Advisor shall continue until the Retirement Date (or, if earlier, the date the Executive's employment with the Company is terminated in accordance with Section 6 of this Agreement). The Executive shall, unless his employment with the Company is earlier terminated in accordance with Section 6 of this Agreement, be deemed to voluntarily retire from all positions of any kind with the Company on the Retirement Date. By executing this Agreement, the Company and the Executive agree to the termination of his employment with the Company as of the Retirement Date, that such retirement shall be automatic and without any further action on the part of the Executive or the Company and that the Executive shall execute such other documentation with respect thereto as reasonably requested by the Company. Notwithstanding the foregoing, the Retirement shall not be considered a "retirement" for purposes of any Company Plan (as defined below), including the Stock Plan (as defined below) and award agreements thereunder, unless the Executive's termination of employment with the Company on the Retirement Date satisfies the requirements for a "retirement" under such Company Plan.

(b) Other Positions. Following the Effective Date, at the first request of Hasbro, the Executive shall cease to serve in any and all other officer and board positions he has with the Company, including his role as Chair of the Board of Directors of Hasbro S.A., and the Executive shall execute such documentation with respect thereto as reasonably requested by the Company. The Hasbro SA Agreement and any services the Executive provides to Hasbro S.A. shall also terminate on the Effective Date pursuant to clause 6(vi) of such agreement.

(c) Duties; Availability. In his role as Special Advisor, the Executive shall report directly to the Chief Executive Officer of Hasbro (the "CEO") or his designee and shall have such duties and responsibilities as are assigned by the CEO or his designee from time to time, which may include providing advice and assistance on matters relating to the Executive's duties prior to the Effective Date to the CEO and, to the extent specified by the CEO, other senior executives of Hasbro, and otherwise assisting with transitional efforts and making the Executive's experience and expertise available to the Company. During the Term, the Executive shall devote the time and effort reasonably required to fulfill his duties and responsibilities hereunder in his role as Special Advisor, providing that the Executive will not be required to travel without the Executive's agreement.

3. Compensation and Benefits During the Term.

(a) Base Salary. During the Term, the Executive shall receive a base salary at an annualized rate of \$815,000 USD (such annualized amount, the "Base Salary"), payable in accordance with past practice and the Company's regular payroll practice for its senior executives, as in effect from time to time, it being expressly understood that the Executive will not be eligible for any annual increases during the Term.

(b) Annual Cash Bonus. During the Term, the Executive shall be eligible to receive annual cash incentive compensation as set forth below:

(i) 2019 Annual Cash Bonus. The Executive's annual cash bonus award for the Company's 2019 fiscal year ("FY 2019") shall be determined and settled in accordance with the terms of the Hasbro 2014 Senior Management Annual Incentive Plan (the "Bonus Plan"), based on the actual level of attainment of applicable performance goals for FY 2019. For the avoidance of doubt, such cash bonus award shall be equal to 75% of the Executive's FY 2019 base salary

earnings (i.e., the target bonus) multiplied by the corporate performance factor determined under the Bonus Plan for fiscal year 2019, subject to any other modifications required under the Bonus Plan, and paid in calendar year 2020 at the same time as for the senior executives of Hasbro, but in no event later than March 15, 2020.

(ii) 2020 Annual Cash Bonus. With respect to the Company's 2020 fiscal year, subject to the Executive's continued employment with the Company through December 31, 2020, the Executive shall receive an annual cash bonus award equal to the average of the annual cash bonuses received by the Executive for the Company's 2017, 2018 and 2019 fiscal years (for the avoidance of doubt, such bonuses are equal to \$550,000 USD, \$200,000 USD and the amount payable under Section 3(b)(i) of this Agreement, respectively). Such cash bonus award shall be paid in calendar year 2021, but no later than March 15, 2021. For the avoidance of doubt, if Executive's employment with the Company terminates for any reason prior to December 31, 2020 he shall not be entitled to any bonus in respect of the Company's 2020 fiscal year.

(iii) 2021 Annual Cash Bonus. The Executive shall not be eligible to receive an annual cash bonus award for the Company's 2021 fiscal year.

(c) Equity Awards. All equity awards granted to the Executive under Hasbro's 2003 Stock Incentive Performance Plan (the "Stock Plan") prior to the Effective Date and outstanding on the Effective Date shall remain outstanding and continue to vest in accordance with the terms of the Stock Plan and applicable award agreements as in effect immediately prior to the Effective Date, subject to the Executive's continued employment with the Company through the applicable vesting date and any other vesting and forfeiture provisions of the Stock Plan and applicable award agreements, including those relating to "retirement". The Retirement Date or, if earlier, the Termination Date, under this Agreement shall be considered the date of the Executive's retirement from employment with the Company for purposes of the treatment of any outstanding awards upon retirement, including "Early Retirement" as defined in the award agreements. Equity awards that are restricted stock units subject only to service-based vesting criteria that vest in accordance with this Section 3(c) shall be settled at the time that such awards are normally settled for Hasbro's senior executives, which, for the avoidance of doubt, means on or prior to March 15 of the year in which the applicable "Annual Vesting Date" occurs (as defined in the applicable award agreement). For the avoidance of doubt, such equity awards shall remain subject to Hasbro's Clawback Policy. The Executive shall not be eligible for grants of additional equity awards during the Term.

(d) Other Benefits. During the Term, the Executive shall be entitled to continue to participate in all broad-based health and welfare plans and programs in which he participated immediately prior to the Effective Time, subject to the requirements of applicable law, the terms of such plans and programs and the right of the Company to amend or terminate such plans and programs at any time. In addition, for each fiscal year during the Term, unless the Executive's employment is terminated by the Company for Cause during such fiscal year, the Executive shall receive a cash payment (a "Pension Make-Whole Payment") equal to (A) the amount by which the Base Salary earned in respect of such fiscal year through the Retirement Date or the Date of Termination, as applicable, exceeds the mandated cap on pensionable salary under the Company's defined benefit pension plan in the Netherlands pursuant to the requirements of applicable Dutch law multiplied by (B) a percentage, which shall be equal to the weighted-average of (1) 21.01% for any portion of the fiscal year elapsed prior to the date the Executive reaches age 60 and (2) 24.97% for any portion of the fiscal year elapsed on or after the date the Executive reaches age 60. Each Pension Make-Whole Payment shall be paid at the time such payments are normally made, consistent with the past such payments to the Executive, but no later than December 31 of the fiscal year to which it relates. The structure and amount of each Pension Make-Whole Payment is subject to

change in the event of further changes to pensionable salary and/or pension benefits mandated by Netherlands law.

(e) Vacation. The Executive acknowledges and agrees that as of the Effective Date he has used all accrued vacation or other paid time-off he is entitled to as of the Effective Date. During the Term, the Executive shall not accrue any additional vacation or other paid time-off.

(f) Expenses. The Company shall pay or reimburse the Executive for reasonable out-of-pocket expenses incurred by the Executive during the Term in the performance of the Executive's services under this Agreement, in accordance with Company policy for its senior executives, provided that any such expenses must be approved by the Company in advance in writing. In addition, the Company shall reimburse the Executive for up to \$5,000 USD in the aggregate for any documented legal fees expended or incurred by the Executive through the Effective Date in connection with negotiating the terms of this Agreement, payable within 60 days of the Executive's submission of reasonably satisfactory documentation of such fees.

(g) Tax Preparation Assistance. The Executive shall continue to receive tax preparation assistance at the Company's cost that is substantially similar to that provided prior to the Effective Date for any tax returns filed by the Executive in respect of any whole or partial tax year that occurs during the Term.

4. Payments and Benefits at Retirement. Upon the Executive's Retirement, without duplication, (a) the Company shall pay to the Executive (or his estate, beneficiary or legal representative, as applicable) in a lump sum in cash within 20 business days after the Retirement Date, (i) any portion of the Base Salary earned through the Retirement Date that has not yet been paid and (ii) any amount needed to reimburse the Executive for any unreimbursed business expenses properly incurred by the Executive in accordance with Company policy and this Agreement prior to the Retirement Date, subject to advance written approval of such expenses, (b) subject to Section 8 of this Agreement, the Company shall also pay or provide to the Executive (or the Executive's estate, beneficiary, or legal representative, as applicable) all other compensation and benefits that are earned and payable to the Executive under the terms of the Company Plans (as defined below) and applicable law as in effect immediately prior to the Retirement Date, in accordance with the terms of such Company Plans, (c) all outstanding equity awards will be treated in accordance with Section 3(c) of this Agreement, the terms of the Stock Plan and the applicable award agreements, including any applicable provisions of the Stock Plan and such award agreements relating to "retirement" (provided the Executive satisfies the conditions for retirement under the Stock Plan and such award agreements), (d) the Executive shall be entitled to outplacement services consistent with those provided under the Hasbro Severance Benefits Plan for senior executives of Hasbro and (e) the Executive shall be entitled to tax preparation assistance in accordance with Section 3(g) of this Agreement for purposes of filing his tax returns in respect of the fiscal year in which the Retirement Date occurs. For purposes of clarity, except for the payments and benefits set forth in this Section 4, Executive shall not be entitled to any other payments or benefits from the Company upon Retirement, including, but not limited to, any payments or benefits under Dutch law or any other applicable law, statutory scheme, policy or guideline.

5. Announcement. The contents of any announcements or communications, whether directed within the Company or externally, regarding the Executive's transition from Executive Vice President, Chief Commercial Officer of Hasbro to the position of Special Advisor shall be determined through mutual consultation between the Company and the Executive, except as required by applicable law, rule, regulation or other binding directive issued by any governmental or regulatory authority ("applicable law").

6. Termination of Employment Prior to the Retirement Date.

(a) Death or Disability. The Executive's employment shall terminate automatically upon the Executive's death during the Term. The Company shall be entitled to terminate the Executive's employment because of the Executive's Disability during the Term. "Disability" means that the Executive is disabled within the meaning of the Company's long-term disability policy applicable to the Executive or, if there is no such policy in effect, that (i) based upon appropriate medical evidence, the Executive has become physically or mentally incapacitated so as to render him incapable of performing his duties under this Agreement, with or without a reasonable accommodation, for 180 days or more within a 365-day consecutive period. A termination of the Executive's employment by the Company for Disability shall be communicated to the Executive by written notice, and shall be effective on the 30th day after receipt of such notice by the Executive (the "Disability Effective Date"), unless the Executive returns to full-time performance of the Executive's duties before the Disability Effective Date.

(b) Termination by the Company. The Company may terminate the Executive's employment during the Term for Cause.

For purposes of this Agreement, "Cause" means (i) an unauthorized use or disclosure of the Company's confidential information or trade secrets, which use or disclosure causes material harm to the Company, (ii) material breach of a material agreement with the Company, including this Agreement or any of the Restrictive Covenant Agreements (as defined below), (iii) a failure to comply with the Company's written policies or rules resulting in material harm to the Company, (iv) a conviction of, or plea of "guilty" or "no contest" to, a felony under the laws of the United States or any State thereof or the equivalent under the applicable laws outside of the United States, (v) gross negligence or willful misconduct resulting in material harm to the Company, (vi) violation of the Hasbro Code of Conduct, (vii) continuing failure to perform assigned duties after receiving written notification of such failure, (viii) failure to cooperate in good faith with a governmental or internal investigation of the Company or its directors, officers or employees, if the Company has requested such cooperation, (ix) an intentional violation of Federal or state securities laws or (x) fraud, embezzlement, theft or dishonesty against the Company; provided that no finding of Cause shall be made pursuant to subsections (i) through (iii) and (v) through (viii) above unless the Company has provided the Executive with written notice stating the facts and circumstances underlying the allegations of Cause and the Executive has failed to cure such violation, if curable, within 30 days following receipt thereof. The Board of Directors of Hasbro (the "Board") or the CEO shall determine whether a violation is curable and/or cured in its or his reasonable discretion.

If, subsequent to the Executive's termination of employment with the Company for any reason other than by the Company for Cause, it is determined in good faith by the Board or the CEO that the Executive's employment could have been terminated by the Company for Cause pursuant to this Section 6(b), the Executive's employment shall, at the election of the Board or the CEO, be deemed to have been terminated for Cause retroactively to the date the events giving rise to Cause occurred.

(c) Voluntary Termination.

(i) The Executive may voluntarily terminate employment during the Term at any time, which shall be effected by giving the Company 30 days advance written notice of such termination.

(ii) Notwithstanding Section 6(c)(i) of this Agreement to the contrary, if the Executive accepts employment with, or otherwise performs services for profit for, another entity or individual not affiliated with the Company, in each case, prior to the Retirement Date, then, provided that such employment or services do not violate the Restrictive Covenant Agreements,

the Executive shall be deemed to have voluntarily terminated employment effective as of the date such employment or services commence without the requirement to provide advance written notice. It is expressly agreed that the Executive will not be deemed to have voluntarily terminated his employment, if he is elected as an independent director to a Board of Directors with a company that does not engage in any business or enterprise that is competitive with any business of the Company in existence as of the date of the election and provided that the Company, in its sole discretion, provides advance written consent to his continued employment with the Company following the election.

(d) Date of Termination. The “Date of Termination” means, as applicable, (i) if the Executive’s employment is terminated by reason of death, the date of the Executive’s death, (ii) if the Executive’s employment is terminated by reason of Disability, the Disability Effective Date, (iii) if the Executive’s employment is terminated by the Company for Cause or by the Executive pursuant to Section 6(c)(i) of this Agreement, the date specified in the notice of such termination (which shall not be before any applicable cure period or notice period has expired) and (iv) if the Executive’s employment is terminated by the Executive pursuant to Section 6(c)(ii) of this Agreement, the date the Executive’s employment with, or provision of services to, another entity or individual has commenced.

7. Obligations of the Company on Termination Prior to the Retirement Date.

(a) Obligations on any Termination. If the Executive’s employment with the Company terminates for any reason prior to the Retirement Date, including by voluntary termination, then the Executive shall be entitled to the payments and benefits described in Section 4 of this Agreement, in each case, based on the Executive’s service through the Date of Termination instead of through the Retirement Date; provided that, in the event the Executive’s employment hereunder is terminated by the Company for Cause or by the Executive in accordance with Section 6(c)(ii) of this Agreement, he shall not be eligible for the benefit described in Section 4(d) of this Agreement. In addition, the Executive shall be entitled to any earned Pension Make-Whole Payments and earned annual cash bonuses that have not been paid as of the Date of Termination, payable in accordance with the applicable timing provided in Section 3 of this Agreement. Unless otherwise specifically set forth below, the Executive shall not be entitled to any other payments and benefits from the Company in connection with the termination of his employment with the Company, including, but not limited to, any payments or benefits under Dutch law or any other applicable law, statutory scheme, policy or guideline.

(b) Obligations on a Termination Due to Death or Disability. If the Executive’s employment with the Company terminates by reason of death or Disability, then in addition to the payments and benefits in Section 7(a) of this Agreement, the Executive, or his estate, beneficiary or legal representative, as applicable, shall be entitled to benefits as provided under the applicable death or disability benefit program of the Company in which the Executive was a participant (if any) and any outstanding equity awards will be treated in accordance with their terms applicable in the event of death or Disability.

(c) Certain Voluntary Resignations Prior to the Retirement Date. If, during the Term, the Executive’s employment with the Company terminates in accordance with Section 6(c)(ii) of this Agreement, then, in addition to the payments and benefits in Section 7(a) of this Agreement, the Company shall pay to the Executive an aggregate amount (the “Termination Amount”) equal to (A) the aggregate value of the Base Salary payments the Executive would otherwise have earned from the Date of Termination through the Retirement Date had he remained employed pursuant to this Agreement through the Retirement Date (the “Remaining Payments”) multiplied by (B) 50%.

The Termination Amount shall be paid as follows:

First, the portion of the Termination Amount equal to the Remaining Payments that would have been paid on or before March 15, 2021 had the Executive's employment not terminated shall be paid in a lump sum within 20 business days following the Date of Termination, but in no event later than March 15, 2021; and

Second, if the lump sum payment under the prior paragraph is less than the aggregate Termination Amount, the remaining portion of such Termination Amount shall be paid in installment payments on the same schedule and in the same amounts as the Remaining Payments payable after March 15, 2021 would have been paid had the Executive's employment not terminated until the aggregate amount paid to the Executive under this Section 7(c) equals the full Termination Amount.

In no event shall the amounts payable pursuant to this Section 7(c) exceed the Termination Amount.

8. Full Settlement. To the fullest extent permitted by law and provided an acceleration of income or the imposition of an additional tax under Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A") would not result, any amounts otherwise due to the Executive hereunder (including any payments pursuant to Section 7 of this Agreement) shall be subject to set-off with respect to any amounts the Executive otherwise owes the Company. The Executive hereby agrees that in consideration for the payments to be received under this Agreement, the Executive waives any and all rights to any payments or benefits under any severance (but not retirement) plans, programs, contracts or arrangements of the Company, including the Hasbro Change in Control Severance Plan for Designated Senior Executives and any payments or benefits under any applicable law or statutory scheme (including but not limited to any payments or benefits under Dutch law). The payments and benefits described herein are the maximum benefits that the Company shall provide to the Executive, and the Executive hereby acknowledges and agrees that such payments and benefits exceed the value of the payments and benefits he would otherwise be entitled to receive pursuant to any law or statutory scheme providing for payments or benefits in connection with a termination of employment, including in connection with the Retirement or an earlier termination of the Executive's employment with the Company in accordance with Section 6 of this Agreement.

9. Restrictive Covenants.

(a) Non-Competition, Non-Solicitation and Confidentiality Agreements. The Executive hereby acknowledges that each Non-Competition, Non-Solicitation and Confidentiality Agreement entered into between the Executive and the Company (collectively, the "Restrictive Covenant Agreements") shall remain in full force and effect and that the Retirement Date (or, if in the event of an earlier termination of the Executive's employment with the Company in accordance with Section 6 of this Agreement, the Date of Termination) shall constitute the "Date of Termination" (or term of similar import) for purposes of any Restrictive Covenant Agreement.

(b) Nondisparagement. During the Term and thereafter, (i) the Executive shall not make, either directly or indirectly, any oral or written negative, disparaging or adverse statements or representations of or concerning Hasbro or its subsidiaries, any of their clients, customers or businesses, or the business reputations or character of any of their current or former directors, officers, employees or shareholders and (ii) Hasbro shall instruct the Company Parties (as defined below) not to make any oral or written negative, disparaging or adverse statements or representations of or concerning the business reputation or character of the Executive; provided, however, that nothing herein shall prohibit (A) critical communications between the Executive and the Company Parties in connection with the Executive's employment, (B) the Executive or any Company Party from disclosing truthful information if legally

required (whether by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) or (C) either party from acting in good faith to enforce such party's rights under this Agreement. For purposes of this Agreement, the term "Company Parties" shall mean Brian Goldner, John Frascotti, Deborah Thomas, Dolph Johnson and Tarrant Sibley, and any of their successors, in each case, acting in his or her capacity as a representative of the Company.

10. Governing Law; Dispute Resolution. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Rhode Island, without reference to principles of conflict of laws. Any action, suit or other legal proceeding arising under or relating to any provision of this Agreement (an "Action"), shall be commenced only in a court of the State of Rhode Island (or, if appropriate, a federal court located within the State of Rhode Island). The Executive consents to the exclusive jurisdiction of the courts of Rhode Island to resolve all disputes arising out of or pertaining to the Executive's employment relationship with and/or separation from the Company. The Executive agrees to not contest the applicability of Rhode Island law in any Action. The Executive further agrees to be bound by any monetary and/or equitable order issued by a Federal or state court located within the State of Rhode Island, and to not contest any such order or the enforceability thereof in the court of any other state or country. The Executive and the Company each hereby irrevocably waive any right to a trial by jury in any Action.

11. Assignment; Successors. This Agreement is personal to the Executive and, without the prior written consent of the Company, shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors. In addition to any obligations imposed by law upon any successor to the Company, unless such assumption happens by operation of law, the Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

12. Miscellaneous.

(a) Headings; Construction. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

(b) Amendments. This Agreement may not be amended or modified except by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(c) Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed effective upon personal delivery or upon deposit in the United States Mail, by registered or certified mail, postage prepaid, addressed to:

If to the Executive: At his address on file with the Company;
and

If to the Company: Hasbro, Inc.
1011 Newport
Pawtucket, RI 02862
Attention: Tarrant Sibley, Executive Vice
President,
Chief Legal Officer and Corporate Secretary

or to such other address as either party furnishes to the other in writing in accordance with this Section 12(c).

(d) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. If any provision of this Agreement shall be held invalid or unenforceable in part, the remaining portion of such provision, together with all other provisions of this Agreement, shall remain valid and enforceable and continue in full force and effect to the fullest extent consistent with law.

(e) Section 21F; Defend Trade Secrets Act.

(i) Notwithstanding anything in this Agreement or any Restrictive Covenant Agreement to the contrary, nothing in or about this Agreement or any Restrictive Covenant Agreement prohibits the Executive from: (A) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, as amended ("Section 21F"), maintaining the confidentiality of a claim with the Securities and Exchange Commission ("SEC"); (B) providing confidential information to the SEC, to the extent permitted by Section 21F; (C) cooperating, participating or assisting in an SEC investigation or proceeding without notifying the Company; or (D) receiving a monetary award as set forth in Section 21F.

(ii) Furthermore, the Executive shall not be held criminally or civilly liable under any Federal or state trade secret law for the disclosure of any confidential information that constitutes a trade secret to which the Defend Trade Secrets Act (18 U.S.C. § 1833(b)) applies that is made (A) in confidence to a Federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law or (B) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal.

(f) Withholding. Notwithstanding any other provision of this Agreement, the Company may withhold from amounts payable under this Agreement all Federal, state, local and foreign taxes that are required to be withheld by applicable laws or regulations.

(g) Waiver. The Executive's or the Company's failure to insist upon strict compliance with any provisions of, or to assert any right under, this Agreement shall not be deemed to be a waiver of such provision or right or of any other provision of or right under this Agreement.

(h) Entire Agreement. The Executive and the Company acknowledge that this Agreement (collectively with the Release attached as Exhibit A hereto and executed simultaneously herewith and the Restrictive Covenant Agreements) constitutes the entire understanding of the parties with respect to the subject matter hereof and supersede any other prior agreement or other understanding, whether oral or written, express or implied, between them concerning, related to or otherwise in connection with, the subject matter hereof and that, following the date hereof, no such agreement or understanding shall be of any further force or effect, including, without limitation, the Prior Agreements, the letter agreement between the Company and the Executive, dated March 4, 2013, as amended (the "2013 Legacy Agreement"), the letter agreement between the Company and the Executive dated April 1,

2008 (the “2008 Legacy Agreement”), the Deed of Settlement between MB International B.V., Hasbro B.V. and the Executive, dated May 20, 2003 (collectively with the 2013 Legacy Agreement and the 2008 Legacy Agreement, the “Legacy Agreements”) and, with respect to the Executive, the Hasbro Change in Control Severance Plan for Designated Senior Executives and any other severance plan or policy sponsored or maintained by the Company. The Executive and the Company further acknowledge that the Release attached as Exhibit A hereto and executed simultaneously herewith is an integral part of this Agreement and that if the Executive revokes the Release in accordance with its terms, then this Agreement shall be null and void *ab initio* and the Company shall not have any obligations to the Executive hereunder. By executing this Agreement, the Executive and the Company agree to waive any requirement under the Prior Agreements or, to the extent applicable, any Legacy Agreement to provide advance written notice prior to their termination.

(i) Section 409A.

(i) It is intended that the provisions of this Agreement comply with Section 409A, and all provisions of this Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(ii) Neither the Executive nor any of his creditors or beneficiaries shall have the right to subject any deferred compensation (within the meaning of Section 409A) payable under this Agreement or under any other plan, policy, arrangement or agreement of or with the Company (this Agreement and such other plans, policies, arrangements and agreements, the “Company Plans”) to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A, any deferred compensation (within the meaning of Section 409A) payable to the Executive or for the Executive’s benefit under any Company Plan may not be reduced by, or offset against, any amount owing by the Executive to the Company.

(iii) Each payment under this Agreement shall be considered a “separate payment” and not of a series of payments for purposes of Section 409A, as permitted under Treasury Regulation Section 1.409A-2(b)(2)(iii).

(iv) Notwithstanding any provisions of this Agreement to the contrary, if the Executive is a “specified employee” (within the meaning of Section 409A and determined pursuant to procedures adopted by the Company) at the time of his “separation from service” (within the meaning of Section 409A) and if any portion of the payments or benefits to be received by the Executive upon such separation from service would be considered deferred compensation under Section 409A, amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Executive’s separation from service and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following the Executive’s separation from service on account of the Executive’s separation from service shall instead be paid or made available on the earlier of (i) the first business day of the seventh month following the date of the Executive’s separation from service or (ii) the Executive’s death.

(v) Except as specifically permitted by Section 409A or as otherwise specifically set forth in this Agreement, the benefits and reimbursements provided to the Executive under this Agreement and any Company Plan during any calendar year shall not affect the benefits and reimbursements to be provided to the Executive under the relevant section of this Agreement or any Company Plan in any other calendar year, and the right to such benefits and reimbursements cannot be liquidated or exchanged for any other benefit and shall be provided in accordance with

Treas. Reg. Section 1.409A-3(i)(1)(iv) or any successor thereto. Further, in the case of reimbursement payments, reimbursement payments shall be made to the Executive as soon as practicable following the date that the applicable expense is incurred, but in no event later than the last day of the calendar year following the calendar year in which the underlying expense is incurred.

(vi) The Executive shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on the Executive or for his account in connection with this Agreement or any Company Plan (including any taxes and penalties under Section 409A), and the Company shall not have any obligation to indemnify or otherwise hold the Executive harmless from any or all of such taxes or penalties. The Company makes no representations concerning the tax consequences of the Executive's participation in this Agreement under Section 409A or any other Federal, state or local tax law.

(j) Survival of Terms. To the extent necessary to effectuate the terms of this Agreement, terms of this Agreement which must survive the termination of the Executive's employment with the Company or the termination of this Agreement shall so survive.

(k) Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and said counterparts shall constitute but one and the same instrument.

(l) Each Party the Drafter. This Agreement and the provisions contained in it shall not be construed or interpreted for or against any party to this Agreement because that party drafted or caused that party's legal representative to draft any of its provisions.

(m) Reflection period. The Executive is hereby advised of his to right terminate this Agreement, without giving reasons, by means of a written statement addressed to the Executive Vice President, Chief Human Resources Officer, 1011 Newport Avenue, Pawtucket, RI 02816, dolph.johnson@hasbro.com. This statement must be received by the Company within fourteen days after this Agreement has been entered into.

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and Hasbro and Hasbro B.V. have caused this Agreement to be executed in their name on their behalf, all as of the day and year first above written, to become effective as of the Effective Date.

Hasbro, Inc.,

by

/s/ Brian Goldner

Name: Brian Goldner

Title: Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

January 10, 2020

Hasbro, B.V.,

by

/s/ Wijnhold Vos

Name: Wijnhold Vos

Title: Manager Finance

Date: January 21, 2020

Accepted and Agreed to:

/s/ Wiebe Tinga

Wiebe Tinga

Date: January 21, 2020

[Signature Page to Transition Advisory Agreement]

Exhibit A

RELEASE

Pursuant to the terms of the Transition Advisory Services Agreement (the "Agreement") between Hasbro, Inc. ("Hasbro"), Hasbro B.V. (collectively with Hasbro and its subsidiaries, the "Company") and Mr. Wiebe Tinga (the "Executive") entered into as of the date indicated therein, the Executive hereby fully, forever, irrevocably and unconditionally releases, remises and discharges the Company and any affiliated organization of the Company in any country or jurisdiction globally, including but not limited to Hasbro, Hasbro B.V. and Hasbro SA, and/or their current or former officers, directors, stockholders, corporate affiliates, attorneys, agents, plan administrators, fiduciaries, or employees (collectively, the "Released Parties") from any and all claims, charges, complaints, demands, actions, causes of action, suits, rights, debts, sums of money, costs, accounts, reckonings, covenants, contracts, agreements, promises, doings, omissions, damages, executions, obligations, liabilities and expenses (including attorneys' fees and costs), of every kind and nature, known or unknown, which the Executive ever had or now has against any and all the Released Parties, including, but not limited to:

- (a) all claims arising out of or related to the Executive's employment and his transition to the role of Special Advisor (as defined in the Agreement) (the "Transition");
- (b) all claims arising out of or relating to race, sex, national origin, handicap (disability), religion, gender identity or expression, sexual orientation and benefits, genetic information or marital status;
- (c) all claims under Title VII of the Civil Rights Act of 1964, 42 U.S.C. §2000 et seq., the Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act, 29 U.S.C. § 621 et seq., the Employee Retirement Income Security Act of 1974, 29 U.S.C. §1001 et seq., the Americans with Disabilities Act of 1990, 42 U.S.C. §12101 et seq., the Family and Medical Leave Act, 29 U.S.C. §2101 et seq., the Worker Adjustment and Retraining Notification Act, 29 U.S.C. §2101 et seq., the Rehabilitation Act of 1973, 29 U.S.C. § 701 et seq., the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq. and the Genetic Information Nondiscrimination Act, P.L. 110-233, all as amended;
- (d) all claims under state or local statutes including the Rhode Island Fair Employment Practices Act, R.I. Gen. Laws §28-5-1 et seq., the Rhode Island Sexual Harassment, Education and Training in the Workplace Law, R.I. Gen. Laws § 28-51-1 et seq., the Rhode Island Wage Discrimination Based on Sex Law, R.I. Gen. Laws § 28-6-17 et seq., the Rhode Island Parental and Family Medical Leave Act, R.I. Gen. Laws § 28-48-1 et seq., the R.I. Temporary Caregiver Leave Law §28-41-35 et seq., the Civil Rights Act, R.I. Gen. Laws § 42-112-1, and the Rhode Island Whistleblowers' Protection Act, R.I. Gen. Laws § 28-50-1 et seq., the Massachusetts Fair Employment Practices Act., M.G.L. c. 151B, § 1 et seq., the Massachusetts Civil Rights Act, M.G.L. c. 12, §§ 11H, the Massachusetts Wage Act, M.G.L. c. 149, §§ 148 and 150, and 11I, the Massachusetts Equal Rights Act, M.G.L. c. 93, § 102 and M.G.L. c. 214, § 1C, the Massachusetts Privacy Act, M.G.L. c. 214, § 1B, the Massachusetts Maternity Leave Act, M.G.L. c. 149, § 105D, the Massachusetts Earned Sick Time Law, M.G.L. c. 148(c), the Massachusetts Equal Pay Act, M.G.L. c. 149, § 105A, all as amended;

- (e) all wrongful discharge claims, common law tort, defamation, breach of contract and other common law claims; A-2
- (f) all state and federal whistleblower claims to the maximum extent permitted by law; and
- (g) any claim or damage arising out of your employment with the Company and the Transition (including a claim for retaliation) under any common law theory or any Federal, state or local statute or ordinance not expressly referenced above;

provided, however, that this release of claims does not (i) prevent the Executive from filing a charge with, cooperating with or participating in any investigation or proceeding before the Equal Employment Opportunity Commission or a state fair employment practices agency (except that the Executive acknowledges that he may not recover any monetary benefits in connection with any such charge, investigation or proceeding, and he further waives any rights or claims to any payment, benefit, attorneys' fees or other remedial relief in connection with any such charge, investigation or proceeding) or (ii) restrict the Executive's right to enforce the Agreement in accordance with its terms.

For the purpose of giving a full and complete release, the Executive understands and agrees that this Release includes all claims that the Executive may now have but does not know or suspect to exist in the Executive's favor against the Released Parties, and that this Release extinguishes those claims. Notwithstanding the foregoing, the waiver and release provisions set forth in this Release are not an attempt to cause the Executive to waive or release rights or claims that may arise after the date this Release is executed.

Acknowledgments.

The Executive affirms that he has fully reviewed the terms of this Release, affirms that he understand its terms and states that he is entering into this Release knowingly, voluntarily and in full settlement of all claims which existed in the past or which currently exist, that arise out of his employment with the Company and the Transition.

The Executive acknowledges that he has had at least 21 days to consider this Release thoroughly, and has been specifically advised to consult with an attorney, if he wishes, before he signs below. If the Executive signs and returns this Release before the end of the 21-day period, he certifies that his acceptance of a shortened time period is knowing and voluntary, and the Company did not improperly encourage him to sign through fraud, misrepresentation or a threat to withdraw or alter the offer before the 21-day period expires.

The Executive understands that he may revoke this Release within fourteen days after he signs it. The Executive's revocation must be in writing and submitted within the fourteen-day period.

If the Executive does not revoke this Release within the fourteen-day period, it becomes effective and irrevocable. The Executive further understands that if he revokes this Release during such fourteen-day period, the Agreement shall be null and void *ab initio* and the Executive will not be eligible to receive the payments and benefits provided for therein.

The Executive acknowledges that the waiver and release provisions set forth in this Release are in exchange for good and valuable consideration that is in addition to anything of value to which he was already entitled.

By: /s/ Wiebe Tinga
Wiebe Tinga

TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT (the “Agreement”) is entered into by and between Hasbro, Inc., a Rhode Island corporation (“Hasbro”), Hasbro Studios, LLC, a Delaware Limited Liability Company (“Hasbro Studios”) and a subsidiary of Hasbro (collectively with Hasbro and its subsidiaries, the “Company”), and Mr. Stephen Davis (the “Executive”), dated March 5, 2020 and effective as of such date (the “Effective Date”).

WITNESSETH:

WHEREAS, the Executive currently serves as the Executive Vice President, Chief Content Officer of Hasbro;

WHEREAS, the Executive wishes to transition his job responsibilities in preparation to pursue other opportunities and the Company and the Executive want to provide for an orderly transition of the Executive’s responsibilities and knowledge and the Executive’s availability during this transitional period;

WHEREAS, the Executive and the Company have determined that it is in the Executive’s and the Company’s best interests for the Executive to cease to serve as the Executive Vice President, Chief Content Officer of Hasbro but to remain employed by the Company thereafter for a transitional services period during which the Executive will be employed as a special advisor to the Company prior to exiting from all of his positions with the Company; and

WHEREAS, the Executive and the Company mutually desire to enter into this Agreement, which shall replace and supersede any prior agreements in their entirety unless otherwise noted below as of the Effective Date and pursuant to which the Executive shall continue to provide services to the Company from and after the Effective Date in exchange for certain compensation and benefits as provided in this Agreement.

NOW, THEREFORE, it is hereby agreed as follows:

1. Effectiveness; Term. This Agreement shall become effective on the Effective Date.
2. Transition; Position and Duties; Term.

(a) Transition. As of the Effective Date, the Executive shall cease to serve as the Executive Vice President, Chief Content Officer of Hasbro and instead shall continue employment with the Company in the position of Special Advisor, Entertainment (such position, “Special Advisor”). The Executive will continue to be employed in the position of Special Advisor until September 1, 2020, with the term of employment ending at the end of the day on September 1, 2020 (the “Retirement Date”) or, if earlier, the date the Executive’s employment with the Company is terminated in accordance with Section 6 of this Agreement (such period of employment hereunder, the “Term”). The Executive shall, unless his employment with the Company is earlier terminated in accordance with Section 6 of this Agreement, be deemed to voluntarily resign from all positions of any kind with the Company on the Retirement Date. The Company and the Executive agree to the termination of his employment with the Company as of the Retirement Date, that such separation from employment shall be automatic and without any further action on the part of the Executive or the Company. Notwithstanding the foregoing, the Executive’s separation of employment shall not be considered a “retirement” for purposes of any Company Plan (as defined below), including the Stock Plan (as defined below) and award agreements thereunder, unless the

Executive's termination of employment with the Company on the Retirement Date satisfies the requirements for a "retirement" under such Company Plan.

(b) Other Positions. As of the Effective Date, the Executive shall cease to serve in any and all other officer and board positions he has with the Company and the Executive shall execute such documentation with respect thereto as reasonably requested by the Company.

(c) Duties; Availability. In his role as Special Advisor, the Executive shall report directly to the Chief Executive Officer of Hasbro (the "CEO") or his designee (who is a member of the Senior Management Team and is a direct report to the CEO) and shall have such duties and responsibilities as are assigned by the CEO or such designee from time to time, which may include assisting with the integration of the Company's entertainment initiatives with the business of Entertainment One Ltd. and providing advice and assistance on other matters relating to the Executive's duties prior to the Retirement Date to the CEO and, to the extent specified by the CEO, other senior executives of Hasbro, and otherwise assisting with transitional efforts and making the Executive's experience and expertise available to the Company. During the Term, the Executive shall devote the time and effort reasonably required to fulfill his duties and responsibilities hereunder in his role as Special Advisor, providing that the Company will not require the Executive to travel without the Executive's agreement.

3. Compensation and Benefits During the Term.

(a) Base Salary. During the Term, the Executive shall receive a base salary at an annualized rate of \$830,000 USD (such annualized amount, the "Base Salary"), payable in accordance with past practice and the Company's regular payroll practice for its senior executives, as in effect from time to time, it being expressly understood that the Executive will not be eligible for any annual increases during the Transition Period.

(b) Annual Cash Bonus. During the Term, the Executive shall be eligible to receive annual cash incentive compensation as set forth below:

(i) 2019 Annual Cash Bonus. The Executive's annual cash bonus award for the Company's 2019 fiscal year ("FY 2019") shall be determined and settled in accordance with the terms of the Hasbro 2014 Senior Management Annual Incentive Plan (the "Bonus Plan"), based on the actual level of attainment of applicable corporate performance goals for FY 2019 as determined by the Company's Compensation Committee. For the avoidance of doubt, such cash bonus award shall be equal to 75% of the Executive's FY 2019 base salary earnings (i.e., the target bonus attributable to 100% achievement of the performance goals) multiplied by the corporate performance factor determined under the Bonus Plan for fiscal year 2019, subject to any other modifications required under the Bonus Plan, and paid in calendar year 2020 at the same time as for the senior executives of Hasbro, but in no event later than March 15, 2020.

(ii) 2020 Annual Cash Bonus. The Executive shall not be entitled to receive an annual cash bonus award for the Company's 2020 fiscal year

(c) Equity Awards. All equity awards granted to the Executive under Hasbro's 2003 Stock Incentive Performance Plan (the "Stock Plan") prior to the Effective Date and outstanding on the Effective Date shall remain outstanding and continue to vest in accordance with the terms of the Stock Plan and applicable award agreements as in effect immediately prior to the Effective Date, subject to the Executive's continued employment with the Company through the applicable vesting date and any other vesting and forfeiture provisions of the Stock Plan and applicable award agreements. The Retirement Date or, if earlier, the Termination Date, under this Agreement shall be considered the date of the Executive's termination of employment with the Company for purposes of the treatment of any

outstanding awards, including "Early Retirement" as defined in the award agreements. Equity awards that are restricted stock units subject only to service-based vesting criteria that vest in accordance with this Section 3(c) shall be settled at the time that such awards are settled in accordance with their terms, which, for the avoidance of doubt, will be no later than March 15 of the year following the year in which the applicable "Annual Vesting Date" occurs (as defined in the applicable award agreement). For the avoidance of doubt, such equity awards shall remain subject to Hasbro's Clawback Policy. The Executive shall not be eligible for grants of additional equity awards following the Effective Date.

(d) Other Benefits. During the Transition Period, the Executive shall be entitled to continue to participate in all broad-based health and welfare plans and programs in which he participated immediately prior to the Transition Period, subject to the requirements of applicable law, the terms of such plans and programs and the right of the Company to amend or terminate such plans and programs at any time.

(e) Vacation. The Executive will be paid his accrued and unused vacation on the Termination Date.

(f) Expenses. The Company shall pay or reimburse the Executive for reasonable out-of-pocket expenses incurred by the Executive during the Transition Period in the performance of the Executive's services under this Agreement, in accordance with Company policy for its senior executives, provided that any such expenses must be approved by the Company in advance in writing. In addition, the Company shall reimburse the Executive for up to \$11,000 USD in the aggregate for any documented legal fees expended or incurred by the Executive through the Effective Date in connection with negotiating the terms of this Agreement, payable within 60 days of the Executive's submission of reasonably satisfactory documentation of such fees.

(g) Tax Preparation Assistance. The Executive shall receive up to \$5,000 USD tax preparation assistance at the Company's cost for any tax returns filed by the Executive in respect of any whole or partial tax year that occurs during the Transition Period.

4. Severance Payments.

(a) If the Executive signs this Agreement and signs and does not revoke the attached Release and remains employed through the end of the Transition Period, the Company will pay the Executive a program of severance benefits consisting of:

(i) severance pay at the Executive's Base Salary (exclusive of any bonuses, commissions, overtime pay, or other extra forms of compensation) for 52 weeks following the Retirement Date (the "Severance Pay Period");

(ii) a one-time, lump sum payment of six hundred thousand dollars (\$600,000 USD) to be paid within thirty days of the Retirement Date;

(iii) continuance of the Executive's current level of basic, supplemental and dependent life insurance with the Company and the Executive sharing the cost for this coverage on the same basis as the cost is shared between the Company and similarly situated active employees during the Severance Pay Period;

(iv) continuance of the Executive's participation in Hasbro's medical, dental and vision plans during the Severance Pay Period, with the Company and the Executive sharing the cost for this coverage on the same basis as the cost is shared between the Company and similarly situated active employees during the same period, and with the Executive's right to continued coverage (or conversion to

an individual policy) at the Executive's own expense where available beginning when the extended coverage under this item (iv) ends;

(v) if the Executive is currently receiving an automobile allowance or have a company leased vehicle, this benefit will continue during the Severance Pay Period, or until the Executive begins new employment, whichever comes first.

(b) All severance payments will cease at the end of the Severance Pay Period and the severance benefits described herein are the maximum benefits that the Company will pay.

(c) If the Executive begins new employment during the Severance Pay Period, the Executive's continuance of basic, supplemental and dependent life insurance coverage, vision coverage, and of medical and dental coverage partially at Company expense shall end when Executive becomes eligible for comparable coverage with under a new employer's group plans, and further provided that the Executive shall be obligated to repay to the Company any premiums paid by the Company for basic life insurance coverage, and the Company's share of the cost for medical and dental coverage paid after the Executive begins the new employment but before the Executive notified the Company of the new employment;

(d) The Executive shall not be required to mitigate Executive's damages by seeking comparable employment, and no amount of any severance payment owed by Company pursuant to this Agreement shall be reduced or subject to offset by the amount of any compensation that Executive or his affiliates earn from other employment or self-employment activities.;

(e) In the event of the Executive's death during the Severance Pay Period, the severance pay shall cease at death.

(f) Except as provided above, the Executive's coverage and participation in the compensation and benefit plans and programs for the Company generally shall end on the Retirement Date. As of the Retirement Date, the Executive:

(i) shall not be eligible for continued short term or long-term disability coverage;

(ii) shall not continue to accrue seniority for any purpose, including, but not limited to, pension purposes;

(iii) shall not be eligible to contribute or to receive Company contributions to a Company 401(k) plan;

(iv) shall not be eligible for any bonus plan or equity grants;

(v) shall not have use of a Company car; and

(vi) shall not accrue vacation time.

5. Announcement. The contents of any formal or written announcements or communications, whether directed within the Company or externally, regarding the Executive's transition from Executive Vice President, Chief Content Officer of Hasbro to the position of Special Advisor shall be determined through mutual consultation between the Company and the Executive, except as required by applicable law, rule, regulation or other binding directive issued by any governmental or regulatory authority ("applicable law").

6. Termination of Employment Prior to the Retirement Date.

(a) Termination by the Company. The Company may terminate the Executive's employment during the Term for Cause.

For purposes of this Agreement, "Cause" means (i) an unauthorized use or disclosure of the Company's confidential information or trade secrets, which use or disclosure causes material harm to the Company, (ii) material breach of a material agreement with the Company, including this Agreement or any of the Confidentiality Agreements (as defined below), (iii) a failure to comply with the Company's written policies or rules resulting in material harm to the Company, (iv) a conviction of, or plea of "guilty" or "no contest" to, a felony under the laws of the United States or any State thereof or the equivalent under the applicable laws outside of the United States, (v) gross negligence or willful misconduct resulting in material harm to the Company, (vi) violation of the Hasbro Code of Conduct, (vii) continuing failure to perform assigned duties after receiving written notification of such failure, (viii) failure to cooperate in good faith with a governmental or internal investigation of the Company or its directors, officers or employees, if the Company has requested such cooperation, (ix) an intentional violation of Federal or state securities laws or (x) fraud, embezzlement, theft or dishonesty against the Company; provided that no finding of Cause shall be made pursuant to subsections (i) through (iii) and (v) through (viii) above unless the Company has provided the Executive with written notice stating the facts and circumstances underlying the allegations of Cause and the Executive has failed to cure such violation, if curable, within 30 days following receipt thereof. The Board of Directors of Hasbro (the "Board") or the CEO shall determine whether a violation has occurred, is curable and/or cured in its or his reasonable discretion.

If, subsequent to the Executive's termination of employment with the Company for any reason other than by the Company for Cause, it is determined in good faith by the Board or the CEO that the Executive's employment could reasonably have been terminated by the Company for Cause pursuant to this Section 6(b), the Executive's employment shall, at the election of the Board or the CEO, be deemed to have been terminated for Cause retroactively to the date the events giving rise to Cause occurred.

(b) Voluntary Termination.

(i) The Executive may voluntarily terminate employment during the Transition Period at any time, which shall be effected by giving the Company written notice of such termination.

(ii) Notwithstanding Section 6(c)(i) of this Agreement to the contrary, if the Executive accepts employment with, or otherwise performs services for profit for, another entity or individual not affiliated with the Company, in each case, prior to the Retirement Date, the Executive shall be deemed to have voluntarily resigned as of the date such employment or services commence without the requirement to provide advance written notice.

(iii) If the Executive revokes the Release attached as Exhibit A within the seven-day revocation period, the Executive shall be deemed to have voluntarily resigned as of the date of the revocation.

(c) Date of Termination. The "Date of Termination" means, as applicable, (i) if the Executive's employment is terminated by reason of death, the date of the Executive's death, (ii) if the Executive's employment is terminated by the Company for Cause or by the Executive pursuant to Section 6(b)(i) of this Agreement, the date specified in the notice of such termination (which shall not be before any applicable cure period or notice period has expired), (iii) if the Executive's employment is terminated by the Executive pursuant to Section 6(b)(ii) of this Agreement, the date the Executive's employment with, or provision of services to, another entity or individual has commenced or (iv) the date of revocation set forth in Section 6(b)(iii).

7. Obligations of the Company on Termination Prior to the Retirement Date. If the Executive's employment with the Company terminates for any reason prior to the Retirement Date, including by voluntary termination, then the Executive shall be entitled to the payments and benefits described in Section 3 of this Agreement, in each case, based on the Executive's service through the Date of Termination instead of through the Retirement Date. In the event the Executive's employment hereunder is terminated by the Company for Cause or by the Executive in accordance with Section 6(b) of this Agreement, he shall not be eligible to the benefits described in Section 4 of this Agreement. Unless otherwise specifically set forth below, the Executive shall not be entitled to any other payments and benefits from the Company in connection with the termination of his employment with the Company.

8. Full Settlement. To the fullest extent permitted by law and provided an acceleration of income or the imposition of an additional tax under Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A") would not result, any amounts otherwise due to the Executive hereunder (including any payments pursuant to Section 7 of this Agreement) shall be subject to set-off with respect to any amounts the Executive otherwise owes the Company. The Executive hereby agrees that in consideration for the payments to be received under this Agreement, the Executive waives any and all rights to any payments or benefits under any severance (but not retirement) plans, programs, contracts or arrangements of the Company, including the Hasbro Change in Control Severance Plan for Designated Senior Executives and any payments or benefits under any applicable law. The payments and benefits described herein are the maximum benefits that the Company shall provide to the Executive, and the Executive hereby acknowledges and agrees that such payments and benefits exceed the value of the payments and benefits he would otherwise be entitled to receive pursuant to any applicable law providing for payments or benefits in connection with a termination of employment.

9. Non-Solicitation and Confidentiality Agreements.

(a) Non-Solicitation and Confidentiality Agreements. The Executive hereby acknowledges that each Non-Solicitation and Confidentiality Agreement entered into between the Executive and the Company (collectively, the "Confidentiality Agreements") shall remain in full force and effect and that the Retirement Date or the Date of Termination, if earlier, shall constitute the date of termination (or term of similar import) for purposes of any Confidentiality Agreement.

(b) Nondisparagement. To the extent permitted by law or required by law and subject to Section 13(e) below, during the Transition Period and thereafter, (i) the Executive shall not make, either directly or indirectly, any oral or written negative, disparaging or adverse statements or representations of or concerning Hasbro or its subsidiaries, any of their clients, customers or businesses, or the business reputations or character of any of their current or former directors, officers, employees or shareholders; provided, however, that nothing herein shall prohibit (A) the Executive from disclosing truthful information if legally required (whether by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) or (C) the Executive from acting in good faith to enforce his rights under this Agreement. The Executive also understands, and the Company agrees, that the Company will instruct the Senior Management Team that they shall not, either directly or indirectly, disparage or make negative or adverse comments about the Executive to any third party.

10. Indemnification. In the event that the Executive is made a party or is threatened to be made a party to any action, suit or proceeding (other than any action, suit or proceeding arising under or related to this Agreement), whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he is or was a director, officer, employee or agent of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, to the extent allowed by law, the Company shall indemnify the Executive and hold him harmless against all fees, costs, expenses (including reasonable

attorneys' fees, costs and expenses incurred by the Executive), judgments, fines and amounts paid in settlement (subject to the Company's prior written consent) actually and reasonably incurred by him, as and when incurred, in connection with any such Proceeding, provided, however, that the Company shall not be required to indemnify the Executive for any claims, causes of action, costs or liabilities resulting from or related to the Executive's fraud, gross negligence or willful misconduct. Fees, costs and expenses incurred by the Executive in defense of any such Proceeding (including reasonable attorneys' fees, costs and expenses and excluding judgments, fines and amounts paid in settlement) shall be paid by the Company in advance of the final disposition of such Proceeding upon receipt by the Company of: (i) a written request for payment; (ii) reasonable documentation evidencing the incurrence, amount and nature of the fees, costs and expenses for which payment is being sought; and (iii) an undertaking adequate under applicable law made by or on behalf of the Executive to repay the amounts so paid if it shall ultimately be determined that the Executive is not entitled to be indemnified by the Company under this Section 10.

11. Governing Law; Dispute Resolution. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Rhode Island, without reference to principles of conflict of laws. Any action, suit or other legal proceeding arising under or relating to any provision of this Agreement (an "Action"), shall be commenced only in a court of the State of Rhode Island (or, if appropriate, a federal court located within the State of Rhode Island). The Executive consents to the exclusive jurisdiction of the courts of Rhode Island to resolve all disputes arising out of or pertaining to the Executive's employment relationship with and/or separation from the Company. The Executive agrees to be bound by any monetary and/or equitable order issued by a Federal or state court located within the State of Rhode Island, and to not contest any such order or the enforceability thereof in the court of any other state or country. The Executive and the Company each hereby irrevocably waive any right to a trial by jury in any Action.

12. Cooperation. The Executive agrees to cooperate fully with the Company in the investigation, defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company. The Executive's full cooperation in connection with such claims or actions shall include, but not be limited to, being reasonably available to meet with Company counsel to prepare for trial or discovery or an administrative hearing or alternative dispute resolution and to act as a witness when requested by the Company at reasonable times designated by the Company. The Company agrees to take all reasonable steps to make sure its requests for cooperation do not interfere with the Executive's professional and personal obligations.

13. Assignment; Successors. This Agreement is personal to the Executive and, without the prior written consent of the Company, shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives. This Agreement shall inure to the benefit of and be binding upon the Company and its successors. In addition to any obligations imposed by law upon any successor to the Company, unless such assumption happens by operation of law, the Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

14. Miscellaneous.

(a) Headings; Construction. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

(b) Amendments. This Agreement may not be amended or modified except by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(c) Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed effective upon personal delivery or upon deposit in the United States Mail, by registered or certified mail, postage prepaid, addressed to:

If to the Executive: At his address on file with the Company;

and

If to the Company: Hasbro, Inc.
1011 Newport Avenue
Pawtucket, RI 02862
Attention: Tarrant Sibley, Executive Vice President, Chief Legal Officer and Corporate Secretary

or to such other address as either party furnishes to the other in writing in accordance with this Section 13(c).

(d) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. If any provision of this Agreement shall be held invalid or unenforceable in part, the remaining portion of such provision, together with all other provisions of this Agreement, shall remain valid and enforceable and continue in full force and effect to the fullest extent consistent with law.

(e) Section 21F; Defend Trade Secrets Act.

(i) Notwithstanding anything in this Agreement or any Confidentiality Agreement to the contrary, nothing in or about this Agreement or any Confidentiality Agreement prohibits the Executive from: (A) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, as amended ("Section 21F"), maintaining the confidentiality of a claim with the Securities and Exchange Commission ("SEC"); (B) providing confidential information to the SEC, to the extent permitted by Section 21F; (C) cooperating, participating or assisting in an SEC investigation or proceeding without notifying the Company; or (D) receiving a monetary award as set forth in Section 21F.

(ii) Furthermore, the Executive shall not be held criminally or civilly liable under any Federal or state trade secret law for the disclosure of any confidential information that constitutes a trade secret to which the Defend Trade Secrets Act (18 U.S.C. § 1833(b)) applies that is made (A) in confidence to a Federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law or (B) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal.

(f) Withholding. Notwithstanding any other provision of this Agreement, the Company may withhold from amounts payable under this Agreement all Federal, state, local and foreign taxes that are required to be withheld by applicable laws or regulations.

(g) Waiver. The Executive's or the Company's failure to insist upon strict compliance with any provisions of, or to assert any right under, this Agreement shall not be deemed to be a waiver of such provision or right or of any other provision of or right under this Agreement.

(h) Entire Agreement. The Executive and the Company acknowledge that this Agreement (collectively with the Release attached as Exhibit A hereto and executed simultaneously herewith and the

Confidentiality Agreements) constitutes the entire understanding of the parties with respect to the subject matter hereof and supersedes any other prior agreement or other understanding, whether oral or written, express or implied, between them concerning, related to or otherwise in connection with, the subject matter hereof and that, following the date hereof, no such agreement or understanding shall be of any further force or effect. The Executive and the Company further acknowledge that the Release attached as Exhibit A hereto and executed simultaneously herewith is an integral part of this Agreement and that if the Executive revokes the Release in accordance with its terms, then this Agreement shall be null and void *ab initio*, the Executive's employment shall end on the date of the revocation and the Company shall not have any obligations to the Executive under this Agreement or the Company's severance plan.

(i) Section 409A.

(i) It is intended that the provisions of this Agreement comply with Section 409A, and all provisions of this Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A.

(ii) Neither the Executive nor any of his creditors or beneficiaries shall have the right to subject any deferred compensation (within the meaning of Section 409A) payable under this Agreement or under any other plan, policy, arrangement or agreement of or with the Company (this Agreement and such other plans, policies, arrangements and agreements, the "Company Plans") to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A, any deferred compensation (within the meaning of Section 409A) payable to the Executive or for the Executive's benefit under any Company Plan may not be reduced by, or offset against, any amount owing by the Executive to the Company.

(iii) Each payment under this Agreement shall be considered a "separate payment" and not of a series of payments for purposes of Section 409A, as permitted under Treasury Regulation Section 1.409A-2(b)(2)(iii).

(iv) Notwithstanding any provisions of this Agreement to the contrary, if the Executive is a "specified employee" (within the meaning of Section 409A and determined pursuant to procedures adopted by the Company) at the time of his "separation from service" (within the meaning of Section 409A) and if any portion of the payments or benefits to be received by the Executive upon such separation from service would be considered deferred compensation under Section 409A, amounts that would otherwise be payable pursuant to this Agreement during the six-month period immediately following the Executive's separation from service and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following the Executive's separation from service on account of the Executive's separation from service shall instead be paid or made available on the earlier of (i) the first business day of the seventh month following the date of the Executive's separation from service or (ii) the Executive's death.

(v) Except as specifically permitted by Section 409A or as otherwise specifically set forth in this Agreement, the benefits and reimbursements provided to the Executive under this Agreement and any Company Plan during any calendar year shall not affect the benefits and reimbursements to be provided to the Executive under the relevant section of this Agreement or any Company Plan in any other calendar year, and the right to such benefits and reimbursements cannot be liquidated or exchanged for any other benefit and shall be provided in accordance with Treas. Reg. Section 1.409A-3(i)(1)(iv) or any successor thereto. Further, in the case of reimbursement payments, reimbursement payments shall be made to the Executive as soon as practicable following the date that the applicable expense is incurred, but in no event later than the last day of the calendar year following the calendar year in which the underlying expense is incurred.

(vi) The Executive shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on the Executive or for his account in connection with this Agreement or any Company Plan (including any taxes and penalties under Section 409A), and the Company shall not have any obligation to indemnify or otherwise hold the Executive harmless from any or all of such taxes or penalties. The Company makes no representations concerning the tax consequences of the Executive's participation in this Agreement under Section 409A or any other Federal, state or local tax law.

(j) Survival of Terms. To the extent necessary to effectuate the terms of this Agreement, terms of this Agreement which must survive the termination of the Executive's employment with the Company or the termination of this Agreement shall so survive.

(k) Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and said counterparts shall constitute but one and the same instrument.

(l) Each Party the Drafter. This Agreement and the provisions contained in it shall not be construed or interpreted for or against any party to this Agreement because that party drafted or caused that party's legal representative to draft any of its provisions.

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and Hasbro and Hasbro B.V. have caused this Agreement to be executed in their name on their behalf, all as of the day and year first above written, to become effective as of the Effective Date.

Hasbro, Inc.,
by

/s/ Deborah M. Thomas

Name: Deborah M. Thomas

Title: Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Date: March 5, 2020

Hasbro Studios, LLC
by

/s/ Deborah M. Thomas

Name: Deborah M. Thomas

Title: Executive Vice President and Chief Financial Officer (Principal
Financial and Accounting Officer)

Date: March 5, 2020

Accepted and Agreed to:

/s/ Stephen Davis
Stephen Davis

Date: March 4, 2020

Exhibit A

RELEASE

Pursuant to the terms of the Transition Services Agreement (the "Agreement") between Hasbro, Inc. ("Hasbro"), Hasbro Studios, LLC. (collectively with Hasbro and its subsidiaries, the "Company") and Mr. Stephen Davis (the "Executive") entered into as of the date indicated therein, the Executive hereby agrees that all rights under Section 1542 of the Civil Code of the State of California are hereby waived. Such section reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Notwithstanding the provisions of Section 1542 of the Civil Code of the State of California and for the purpose of implementing a full and complete settlement and release, the Executive hereby fully, forever, irrevocably and unconditionally release, remise and discharge the Company, and any subsidiary or affiliated organization of the Company and/or their current or former officers, directors, stockholders, corporate affiliates, attorneys, agents, plan administrators, fiduciaries, or employees (the "Released Parties") from any and all claims, charges, complaints, demands, actions, causes of action, suits, rights, debts, sums of money, costs, accounts, reckonings, covenants, contracts, agreements, promises, doings, omissions, damages, executions, obligations, liabilities and expenses (including attorneys' fees and costs), of every kind and nature, known or unknown, which the Executive ever had or now have against any and all Released Parties, including, but not limited to, all claims arising out of or related to the Executive's employment, his separation from employment, transition to the role of Special Advisor or failure to reemploy him; all claims arising out of or relating to race, sex, national origin, handicap (disability), religion, gender identity or expression, sexual orientation and benefits, genetic information, or marital status; all employment discrimination claims under Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000 et seq., the Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act, 29 U.S.C. § 621 et seq., the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq., the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq., the Family and Medical Leave Act, 29 U.S.C. § 2101 et seq. (regarding existing but not prospective claims), the Worker Adjustment and Retraining Notification Act ("WARN"), Section 806 of the Corporate and Criminal Fraud Accountability Act of 2002, 18 U.S.C. § 1514(A), 29 U.S.C. § 2101 et seq., the Rehabilitation Act of 1973, 29 U.S.C. § 701 et seq., the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq., the Genetic Information Nondiscrimination Act, P.L. 110-233, the Immigration Control Act (ICRA), all as amended; all claims under and similar state or local statutes including the California Fair Employment And Housing Act, Cal. Gov't Code § 12940 et seq., the California Constitution, the California Family and Medical Leave Law, Cal. Labor Code § 233 et seq., the California Unruh Civil Rights Act, Cal. Civil Code § 51 et seq., the California Lab.

Code, § 1102.5 (the California Whistleblower law); the California Family Rights Act, Cal. Gov't Code § 12945.2 and § 19702.3; the California Equal Pay Law, Cal. Labor Code, § 1197.5 et seq.; and the California Healthy Workplace Healthy Families Act of 2014, all as amended; all wrongful discharge claims, common law tort, defamation, breach of contract, infliction of emotional distress, and other common law claims; all state or federal whistleblower claims to the maximum extent permitted by law; and any claim or damages arising out of the Executive's employment with and/or separation from the Company (including a claim for retaliation) under any common law theory or any federal, state or local statute or ordinance not expressly referenced above; provided, however, that this release of claims does not prevent the Executive from filing a charge with, cooperating with, or participating in any investigation or proceeding before the EEOC or a state fair employment practices agency (except that the Executive acknowledges he may not recover any monetary benefits in connection with any such charge, investigation or proceeding and the Executive further waives any rights or claims to any payment, benefit, attorneys' fees or other remedial relief in connection with any such charge, investigation or proceeding).

Acknowledgments.

The Executive affirms that he has fully reviewed the terms of this Release, affirms that he understand its terms and states that he is entering into this Release knowingly, voluntarily and in full settlement of all claims which existed in the past or which currently exist, that arise out of his employment with the Company and the Transition.

The Executive acknowledges that he has had at least 21 days to consider this Release thoroughly, and has been specifically advised to consult with an attorney, if he wishes, before he signs below. If the Executive signs and returns this Release before the end of the 21-day period, he certifies that his acceptance of a shortened time period is knowing and voluntary, and the Company did not improperly encourage him to sign through fraud, misrepresentation or a threat to withdraw or alter the offer before the 21-day period expires.

The Executive acknowledges and agree that by entering into this Agreement and signing this Release, he is waiving any and all rights or claims he might have under The Age Discrimination in Employment Act, as amended by The Older Workers Benefit Protection Act, and that you have received consideration beyond that to which he was previously entitled.

The Executive understands that he may revoke this Release within seven days after he signs it. The Executive's revocation must be in writing and submitted within the seven-day period.

If the Executive does not revoke this Release within the seven-day period, it becomes effective and irrevocable. The Executive further understands that if he revokes this Release during such seven-day period, the Agreement shall be null and void *ab initio* and the Executive will not be eligible to receive the payments and benefits provided for therein or under Hasbro's severance plan.

The Executive acknowledges that the waiver and release provisions set forth in this Release are in exchange for good and valuable consideration that is in addition to anything of value to which he was already entitled.

By: /s/ Stephen Davis
Stephen Davis

CERTIFICATION

I, Brian Goldner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hasbro, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2020

/s/ Brian Goldner
Brian Goldner
Chairman and Chief
Executive Officer

CERTIFICATION

I, Deborah Thomas, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hasbro, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2020

/s/ Deborah Thomas

Deborah Thomas
Executive Vice President and
Chief Financial Officer

**CERTIFICATION PURSUANT TO
SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, as Chief Executive Officer of Hasbro, Inc., a Rhode Island corporation (the "Company"), does hereby certify that to the best of the undersigned's knowledge:

- 1) the Company's Quarterly Report on Form 10-Q for the quarter ended March 29, 2020, as filed with the Securities and Exchange Commission (the "10-Q Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) the information contained in the Company's 10-Q Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Brian Goldner
Brian Goldner
Chairman and Chief Executive Officer of Hasbro, Inc.

Dated: May 7, 2020

A signed original of this written statement required by Section 906 has been provided to Hasbro, Inc. and will be retained by Hasbro, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, as Chief Financial Officer of Hasbro, Inc., a Rhode Island corporation (the "Company"), does hereby certify that to the best of the undersigned's knowledge:

- 1) the Company's Quarterly Report on Form 10-Q for the quarter ended March 29, 2020, as filed with the Securities and Exchange Commission (the "10-Q Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) the information contained in the Company's 10-Q Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Deborah Thomas

Deborah Thomas

Executive Vice President and Chief Financial Officer of Hasbro, Inc.

Dated: May 7, 2020

A signed original of this written statement required by Section 906 has been provided to Hasbro, Inc. and will be retained by Hasbro, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.