

See “Risk Factors” contained in Part I, Item 1A. *Risk Factors*, of this Form 10-K for a discussion of risks and uncertainties that may affect future results. Also see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained in Part II, Item 7. *Management’s Discussion and Analysis of Financial Condition and Results of Operation*, of this Form 10-K for a discussion of factors affecting the comparability of information contained in this Item 6.

Item 7. *Management’s Discussion and Analysis of Financial Condition and Results of Operations.*

The following discussion should be read in conjunction with the audited consolidated financial statements of the Company included in Part II, Item 8. *Financial Statements*, of this Form 10-K.

This Management’s Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements concerning the Company’s expectations and beliefs. See “Statement Regarding Forward-Looking Statements” and Part I, Item 1A. *Risk Factors*, of this Form 10-K for a discussion of other uncertainties, risks and assumptions associated with these statements.

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

Hasbro, Inc. (“Hasbro”) 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, and other entertainment experiences, we connect to global audiences by bringing to life great innovations, stories and brands across established and inventive platforms. Our iconic brands include NERF, MAGIC: THE GATHERING, MY LITTLE PONY, TRANSFORMERS, PLAY-DOH, MONOPOLY, BABY ALIVE, POWER RANGERS, PEPPA PIG and PJ MASKS, as well as premier partner brands. Through our recently acquired global entertainment studio, Entertainment One (“eOne”), we are building our brands globally through great storytelling and content on all screens. At Hasbro, we are committed to making the world a better place for all children, fans and families. We believe that doing well includes doing good in the world and for all our constituents. This is demonstrated in all we do, including through corporate social responsibility and philanthropy.

Our strategic plan is centered around Hasbro’s Brand Blueprint, a framework for bringing compelling and expansive brand experiences to consumers and audiences around the world. Our brands are story-led consumer franchises brought to life through a wide array of consumer products, compelling content across a multitude of platforms and media, including a variety of digital experiences, as well as music, publishing and location-based entertainment. Brands and content are at the center of the Hasbro Brand Blueprint. The development and execution of our brands and content are informed by our proprietary consumer insights, which help us understand the behavior of our consumers, from a consumption of content and play standpoint.

Hasbro generates revenue and earns cash by developing, marketing and selling products based on global brands in a broad variety of consumer goods categories. The Company also develops, acquires, produces, finances, distributes and sells entertainment content, some of which is based on the Company’s properties, in addition to 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.

For the periods presented in this Form 10-K, the Company’s business is separated into four principal business segments: U.S. and Canada, International, Entertainment, Licensing and Digital and eOne. 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 legacy consumer products licensing, digital licensing and gaming, and movie and television entertainment operations. The eOne segment, which was added to the Company’s reporting structure in the first quarter of 2020, engages in the development, acquisition, production, financing, distribution and sales of entertainment content and is comprised of all legacy eOne operations. In addition to these primary segments, the Company’s product sourcing operations are managed through its Global Operations segment.

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