
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 16, 2023

**MADISON SQUARE GARDEN ENTERTAINMENT
CORP.**

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39245
(Commission
File Number)

84-3755666
(IRS Employer
Identification No.)

Two Pennsylvania Plaza, New York, NY
(Address of principal executive offices)

10121
(Zip Code)

Registrant's telephone number, including area code: (212) 465-6000

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Class A Common Stock	MSGE	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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.

Item 7.01 Regulation FD Disclosure

On February 16, 2023, Madison Square Garden Entertainment Corp. (the “Company”) issued a press release announcing that a publicly available registration statement on Form 10 has been filed with the U.S. Securities and Exchange Commission under the name MSGE Spinco, Inc. in connection with the proposed spin-off of its live entertainment business. The Company also issued an investor presentation containing information related to the new live entertainment company. The press release and investor presentation are attached hereto as Exhibits 99.1 and 99.2, respectively, and are incorporated by reference in their entirety.

The information in this Item 7.01, including Exhibits 99.1 and 99.2, are furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to liabilities under that section, and shall not be deemed to be incorporated by reference into the filings of the Company under the Securities Act of 1933 or the Exchange Act, regardless of any general incorporation language in such filings.

Forward-Looking Statements

This document may contain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that any such forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties, and that actual results, developments or events may differ materially from those in the forward-looking statements as a result of various factors, including financial community perceptions of the Company and its business, operations, financial condition and the industries in which it operates, the impact of the COVID-19 pandemic, the potential spin-off of the live entertainment business and the factors described in the Company’s filings with the Securities and Exchange Commission, including the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained therein. The Company disclaims any obligation to update any forward-looking statements contained herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated February 16, 2023.
99.2	Investor Presentation, dated February 16, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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 hereunto duly authorized.

**MADISON SQUARE GARDEN ENTERTAINMENT
CORP.**

(Registrant)

By: /s/ David F. Byrnes

Name: David F. Byrnes

Title: Executive Vice President and
Chief Financial Officer

Date: February 16, 2023



MADISON SQUARE GARDEN ENTERTAINMENT CORP. PROVIDES UPDATE ON PROPOSED SPIN-OFF TRANSACTION

NEW YORK, NY – February 16, 2023 – Madison Square Garden Entertainment Corp. (NYSE: MSGE) today announced that it is continuing to make progress on the proposed tax-free spin-off of its traditional live entertainment businesses.

The Company (to be renamed MSG Sphere Corp. following the spin-off) has filed a publicly available Form 10 Registration Statement with the U.S. Securities and Exchange Commission (“SEC”) for the new live entertainment company, which would take on the name Madison Square Garden Entertainment Corp. (“MSG Entertainment”). The Company has also published an investor presentation, available at investor.msgentertainment.com, highlighting the new live entertainment company’s assets and financial profile.

The proposed spin-off would create two distinct companies for shareholders – MSG Entertainment, a pure-play live entertainment company with a diverse collection of venues in New York and Chicago, the Company’s entertainment and sports bookings business, as well as the *Christmas Spectacular Starring the Radio City Rockettes* production; and MSG Sphere Corp., which would be comprised of the Company’s MSG Sphere, MSG Networks and Tao Group Hospitality businesses.

The Company also announced that James L. Dolan is expected to serve as Executive Chairman and Chief Executive Officer of MSG Entertainment, and remain the Executive Chairman and Chief Executive Officer of MSG Sphere Corp.

Completion of the transaction remains subject to various conditions, including effectiveness of the Form 10 Registration Statement, certain league and other approvals, receipt of a tax opinion from counsel and final Board approval. Securities of MSG Entertainment may not be sold, nor may offers to buy be accepted, prior to the time the Form 10 becomes effective. This release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities of MSG Entertainment in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

The Form 10 Registration Statement is filed under the name MSGE Spinco, Inc. (to be renamed Madison Square Garden Entertainment Corp. following the spin-off).

About Madison Square Garden Entertainment Corp.

Madison Square Garden Entertainment Corp. is a leader in live entertainment. Madison Square Garden Entertainment Corp. presents or hosts a broad array of events in its diverse collection of venues: New York’s Madison Square Garden, The Theater at Madison Square Garden, Radio City Music Hall, and Beacon Theatre; and The Chicago Theatre. Madison Square Garden Entertainment Corp. is also building a new state-of-the-art venue in Las Vegas, MSG Sphere at The Venetian. In addition, Madison Square Garden Entertainment Corp. features the original production, the *Christmas Spectacular Starring the Radio City Rockettes*, and delivers a wide range of live sports content and other programming through two regional sports and entertainment networks, MSG Network and MSG Sportsnet. Also under the Madison

Square Garden Entertainment Corp. umbrella is Tao Group Hospitality, with entertainment dining and nightlife brands including: Tao, Hakkasan, Omnia, Marquee, Lavo, Beauty & Essex, and Cathédrale. More information is available at www.msgentertainment.com.

Forward-Looking Statements

This press release may contain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that any such forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties, and that actual results, developments or events may differ materially from those in the forward-looking statements as a result of various factors, including financial community perceptions of the Company and its business, operations, financial condition and the industries in which it operates, the impact of the COVID-19 pandemic, the potential spin-off of the live entertainment business and the factors described in the Company's filings with the Securities and Exchange Commission, including the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained therein. The Company disclaims any obligation to update any forward-looking statements contained herein.

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Contact:

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**MADISON SQUARE GARDEN
ENTERTAINMENT**

FEBRUARY 2023

SAFE HARBOUR

MSGESpinco, Inc. (to be renamed "Madison Square Garden Entertainment Corp." in connection with the Distribution as defined in the Form 10) (the "Company") has filed with the Securities and Exchange Commission a registration statement on Form 10. The Form 10 contains extensive disclosure about the Company and its business, including selected historical and pro forma financial information and risk factors that an investor should consider before deciding whether to invest in securities of the Company.

This presentation may contain statements that constitute forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, certain expectations, goals, projections, and benefits. Words or phrases "expects," "anticipates," "believes," "estimates," "may," "will," "should," "could," "potential," "continue," "intends," "plans," and similar words and terms used in the discussion of future operating and future financial performance identify forward looking statements. Investors are cautioned that any such forward looking statements are not guarantees of future performance or results and are subject to known and unknown risks, uncertainties and other factors. Actual results, developments or events may differ materially from those in the forward looking statements as a result of various factors, including, but not limited to, the performance of the Company and its business and operations, its financial condition, factors affecting the industries in which it operates, the impact of the COVID 19 pandemic and the factors described in the Form 10, including the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained therein. Forward looking statements speak only as of the date they are made. The Company disclaims any obligation to update or revise any forward-looking statements contained herein, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or for any other reason, except to the extent required by law. Investors should not place undue reliance on such forward-looking statements and should not regard the inclusion of such statements as representations by the Company that its plans and objectives will be achieved or realized. Investors are further advised to consult any further disclosures by the Company in its subsequent filings with the Securities and Exchange Commission.

NON-GAAP FINANCIAL MEASURES

We define adjusted operating income (loss) ("AOI"), which is a non-GAAP financial measure, as operating income (loss) excluding (i) the impact of non-cash straight-line leasing revenue associated with the Arena License Agreements with Madison Square Garden Sports Corp. ("MSG Sports"), (ii) depreciation, amortization and impairments of property and equipment, goodwill and intangible assets, (iii) amortization for capitalized cloud computing arrangement costs, (iv) share-based compensation expense, (v) restructuring charges or credits, (vi) merger and acquisition-related costs, including litigation expenses, (vii) gains or losses on sales or dispositions of businesses and associated settlements, (viii) the impact of purchase accounting adjustments related to business acquisitions, and (ix) gains and losses related to the remeasurement of liabilities under Madison Square Garden Entertainment Corp. Executive Deferred Compensation Plan (which was established in November 2021). We believe that given the length of the Arena License Agreements and resulting magnitude of the difference in leasing revenue recognized and cash revenue received, the exclusion of non-cash leasing revenue provides investors with a clearer picture of the Company's operating performance. Management believes that this adjustment is beneficial for other incremental reasons as well. This adjustment provides senior management, investors and analysts with important information regarding a long-term related party agreement with MSG Sports. In addition, this adjustment is included under the Company's debt covenant compliance calculation and is a component of the performance measures used to evaluate, and compensate senior management of the Company. We believe that the exclusion of share-based compensation expense or benefit allows investors to better track the performance of our business without regard to the settlement of an obligation that is not expected to be made in cash. We eliminate merger and acquisition-related costs, when applicable, because the Company does not consider such costs to be indicative of the ongoing operating performance of the Company as they result from an event that is of a non-recurring nature, thereby enhancing comparability. In addition, management believes that the exclusion of gains and losses related to the remeasurement of liabilities under MSG Entertainment's Executive Deferred Compensation Plan, which were included for the first time in Fiscal Year 2022, provides investors with a clearer picture of the Company's operating performance given that, in accordance with GAAP, gains and losses related to the remeasurement of liabilities under MSG Entertainment's Executive Deferred Compensation Plan are recognized in Operating (income) loss whereas gains and losses related to the remeasurement of the assets under MSG Entertainment's Executive Deferred Compensation Plan, which are equal to and therefore fully offset the gains and losses related to the remeasurement of liabilities, are recognized in Other income (expense), net, which is not reflected in Operating income (loss).

We believe AOI is an appropriate measure for evaluating the operating performance of the Company on a combined basis. AOI and similar measures with similar titles are common performance measures used by investors and analysts to analyze our performance. Internally, we use revenues and AOI as the most important indicators of our business performance, and evaluate management's effectiveness with specific reference to these indicators. AOI should be viewed as a supplement to, and not a substitute for operating income (loss), net income (loss), cash flows from operating activities, and other measures of performance and/or liquidity presented in accordance with U.S. generally accepted accounting principles ("GAAP"). Since AOI is not a measure of performance calculated in accordance with GAAP, this measure may not be comparable to similar measures with similar titles used by other companies. For a reconciliation from Operating Income (U.S. GAAP Basis) to AOI please refer to the appendix within this presentation.



MADISON SQUARE GARDEN
ENTERTAINMENT

**LEGENDARY
BRANDS**

**ICONIC
VENUES**

**COMPELLING
OPPORTUNITIES**



TRANSACTION OVERVIEW

- 67% spin-off of live entertainment business to be named Madison Square Garden Entertainment Corp. (NYSE: MSGE)
- Current parent company to be renamed MSG Sphere Corp. (NYSE: SPHR)
- Separation creates more focused investment profiles as well as enhanced strategic and financial flexibility for both companies
- Spin-off expected to be completed by the end of March 2023



MADISON SQUARE GARDEN ENTERTAINMENT



MADISON SQUARE GARDEN
THE WORLD'S MOST FAMOUS ARENA



THE THEATER
AT MADISON SQUARE GARDEN



THE BEACON THEATRE



THE CHICAGO THEATRE



RADIO CITY MUSIC HALL



The RADIO CITY ROCKETTES



Christmas Spectacular
STARRING THE RADIO CITY ROCKETTES



PRESENTED BY **QVC**

MSG Sphere Corp.



MSG SPHERE



TAO GROUP
HOSPITALITY



MSG NETWORKS

33% Retained Stake¹
in the live entertainment company

¹MSG ENTERTAINMENT WILL BE REQUIRED BY APPLICABLE TAX RULES TO DISPOSE OF THE RETAINED INTEREST WITHIN A FIXED PERIOD OF TIME, WHICH MAY OCCUR THROUGH A SERIES OF STEPS INCLUDING SALES, EXCHANGE OFFERS OR PRO RATA DISTRIBUTIONS

KEY INVESTMENT HIGHLIGHTS

WORLD-CLASS
ENTERTAINMENT
VENUES

ENDURING
POPULARITY OF
CHRISTMAS
SPECTACULAR

PROFITABLE
BUSINESS
POISED FOR
GROWTH

SUBSTANTIAL
PRESENCE IN
NEW YORK MARKET

POTENTIAL FOR
RETURN OF CAPITAL
OVER TIME

OUR PORTFOLIO





5 ICONIC VENUES

ACROSS NEW YORK AND CHICAGO

OVER 900 LIVE EVENTS

PROJECTED IN FISCAL 2023

5+ MILLION GUESTS

PROJECTED IN FISCAL 2023

35 YEAR DEALS

TO HOST HOME GAMES FOR
NEW YORK KNICKS & RANGERS

89 YEARS

OF THE *CHRISTMAS SPECTACULAR*
STARRING *THE RADIO CITY ROCKETTES*

MADISON SQUARE GARDEN

"The World's Most Famous Arena"

#1 grossing venue of its size in the world¹

~21,000 seat capacity



¹BILLBOARD MAGAZINE AS OF YEAR END 2022

RADIO CITY MUSIC HALL

#3 grossing venue of its size in the world¹
New York City and national landmark
~6,000 seat capacity



THE THEATER AT MADISON SQUARE GARDEN

Intimate environment in central New York City location
~5,600 seat capacity



BEACON THEATRE

Top 10 grossing venue of its size in the world¹
Iconic rock and roll landmark venue
~2,800 seat capacity

THE CHICAGO THEATRE

#5 grossing venue of its size in the world¹
Chicago landmark
~3,600 seat capacity



¹BILLBOARD MAGAZINE AS OF YEAR END 2022

CHRISTMAS SPECTACULAR STARRING THE RADIO CITY ROCKETTES

Own the Radio City Rockettes and *Christmas Spectacular* brands
Averaging 1 million or more people annually!



¹AVERAGE ANNUAL VISITATION FROM FISCAL YEAR 2011-2020 AND 2023. FISCAL YEAR 2021 CHRISTMAS SPECTACULAR WAS CANCELLED DUE TO IMPACT OF COVID-19 AND FISCAL YEAR 2021 PRODUCTION RUN ENDED EARLY DUE TO OMICRON COVID-19 VARIANT

VALUABLE REAL ESTATE HOLDINGS

OUR VENUES

OWNED	VENUE	MARKET	SIZE
	 MADISON SQUARE GARDEN <small>THE WORLD'S MOST FAMOUS ARENA</small>	NEW YORK CITY	~1.1M SQ. FT. BUILDING
	 THE THEATER AT MADISON SQUARE GARDEN	NEW YORK CITY	PART OF THE GARDEN
	 THE CHICAGO THEATRE	CHICAGO	~73K SQ. FT. BUILDING

LEASED	VENUE	MARKET	SIZE	EXPIRATION
	 RADIO CITY	NEW YORK CITY	~577K SQ. FT. BUILDING	2038 ¹
	 THE BEACON THEATRE	NEW YORK CITY	~57K SQ. FT. BUILDING	2036 ²

¹RADIO CITY MUSIC HALL'S LEASE EXPIRES IN 2038 WITH AN OPTION TO RENEW FOR AN ADDITIONAL TEN YEARS
²BEACON THEATRE'S LEASE EXPIRES IN 2036 WITH AN OPTION TO RENEW FOR AN ADDITIONAL TEN YEARS

OUR BUSINESS



SUBSTANTIAL PRESENCE IN NEW YORK CITY METRO AREA

THE ENTERTAINMENT AND FINANCIAL CAPITAL OF THE WORLD

23 MILLION+
POPULATION¹

65 MILLION+
ANNUAL TOURISTS
PRE-PANDEMIC²

HOME TO GREATEST #
OF FORTUNE 500 COMPANIES³

RANKED #1 OF 210
DESIGNATED MARKET AREAS⁴

#1 CONCERT⁵ AND ENTERTAINMENT MARKET
IN THE WORLD

¹UNITED STATES CENSUS BUREAU
²2019 NEW YORK CITY TRAVEL & TOURISM REPORT
³FORTUNE 500 COMPANIES BY REGION REPORT 2022
⁴TRACKED BY NIELSEN RESEARCH
⁵2023 POLLSTAR CONCERT MARKET RANKINGS (AS OF DECEMBER 2022)

ESTABLISHED LEADER IN LIVE

UNIQUE APPROACH DRIVES BOOKING SUCCESS

UNMATCHED EXPERIENCES

- World-class facilities and operations
- Leveraging innovative technology



OPPORTUNITIES

- Grow per-event revenue and profitability
- Drive repeat visitation

ARTIST-FIRST APPROACH

- Talent-friendly venues and service
- Exclusive recurring programming
- Exploring new event types



- Increase venue utilization

ESTABLISHED RELATIONSHIPS

- Deep and diverse industry connections
- Promoter agnostic
- Large and growing proprietary customer database



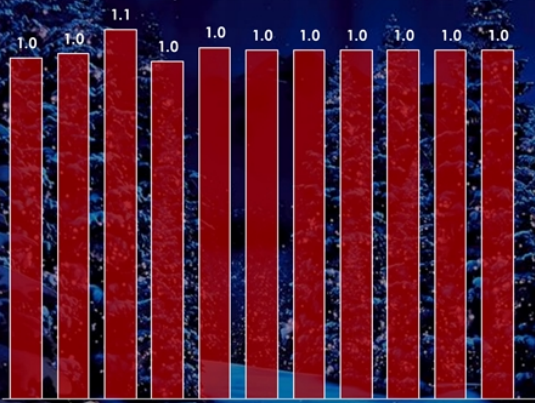
- Improve revenue and engagement across assets
- Enable tailored offerings and cross-promotion



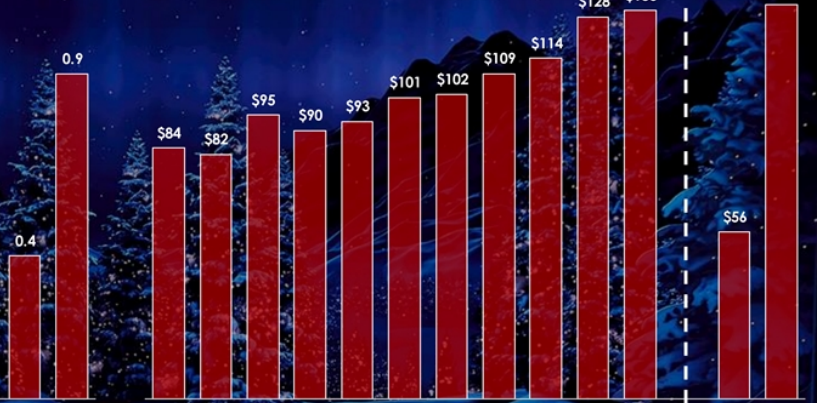
THE ENDURING POPULARITY OF THE CHRISTMAS SPECTACULAR

89 YEARS OF NEW YORK'S CHERISHED HOLIDAY TRADITION

PAID ATTENDANCE
IN MILLIONS



TOTAL REVENUE
\$ IN MILLIONS



	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21 ¹	FY22 ¹	FY23
Number of Shows	204	212	215	209	210	205	204	197	200	210	199	0	101	181

¹FY 2020 PRODUCTION CANCELLED DUE TO THE IMPACT OF COVID-19 AND FY 2021 PRODUCTION RUN ENDED EARLY DUE TO OMICRON COVID-19 VARIANT

VALUABLE LONG-TERM ARENA LICENSE AGREEMENTS WITH MSG SPORTS

MADISON SQUARE GARDEN SERVES AS HOME TO MARQUEE SPORTS FRANCHISES



ORIGINAL NBA
TEAM

"ORIGINAL SIX"
NHL TEAM

35 YEAR DEALS STARTING IN FY2021

**88 PRE / REGULAR
SEASON GAMES**

**3% ANNUAL
ESCALATORS¹**

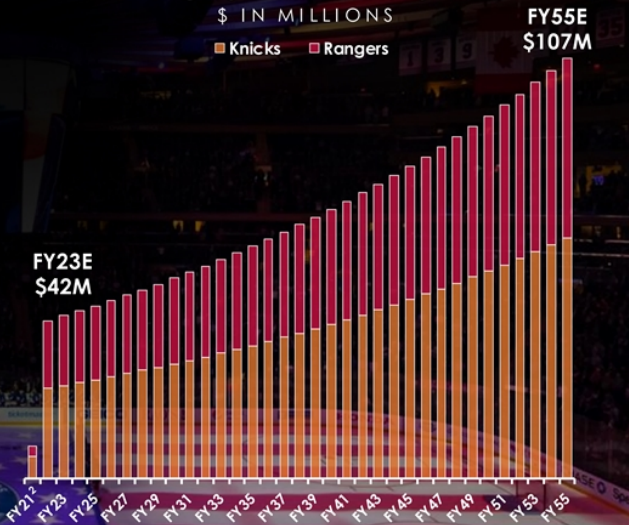
**ARENA LICENSE AGREEMENTS INCLUDE ADDITIONAL REVENUE
AND PROFIT-SHARING BETWEEN THE COMPANY AND MSG SPORTS**

**ARENA LICENSE FEE
CASH PAYMENTS**
\$ IN MILLIONS

Knicks Rangers

**FY55E
\$107M**

**FY23E
\$42M**



¹FOR ARENA LICENSE FEES UNDER THE ARENA LICENSE AGREEMENTS WITH MSG SPORTS

²PAYMENTS UNDER THE ARENA LICENSE AGREEMENTS WERE MATERIALLY IMPACTED IN FISCAL YEAR 2021 AS A RESULT OF THE COVID-19 PANDEMIC

STRONG MARKETING PARTNERSHIP TRACK RECORD

SPONSORSHIP RELATIONSHIPS DELIVER COMPELLING VALUE

INNOVATIVE MARKETING PARTNERSHIP OFFERINGS

- Sought-after entertainment brands
- Significant exposure in NYC
- Cross-selling opportunities with MSG Sports

VALUABLE MULTI-YEAR PARTNERSHIPS

- Signature and Marquee partners represent majority of sponsorship revenue

ATTRACTIVE GROWTH OPPORTUNITIES

- Utilizing integrated approach to renew existing partners
- Targeting emerging and underpenetrated verticals
- Selectively expanding reach through outdoor signage

CHASE

BETMGM

DRAFT KINGS

DELTA



HUB

Infosys

KIA

LEXUS

pepsi

Spectrum

ticketmaster®

verizon

EXCEPTIONAL HOSPITALITY OFFERINGS

DELIVERING FIRST-CLASS EXPERIENCES

WIDE ARRAY OF PREMIUM PRODUCTS

- Over 100 premium hospitality offerings
- Range of exclusive private spaces, first-class amenities and premier seating locations

PRIME POSITIONING IN NEW YORK CITY

- Primarily licensed to corporate customers
- Multi-year agreements for vast majority of suites
- Partnership with MSG Sports offers access to premium live sporting events

POISED FOR GROWTH

- Strength of product and content offerings bolsters ongoing renewal and new sales activity
- Plan to explore enhancing and expanding offerings, creating new monetization opportunities



FINANCIAL OVERVIEW



FISCAL 2023 PROJECTED FINANCIALS

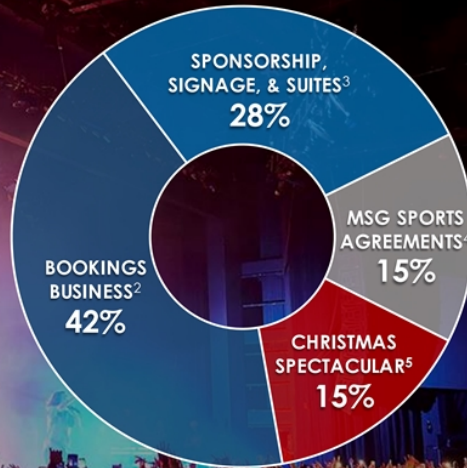
PROFITABLE BUSINESS WITH DIVERSIFIED REVENUE MIX

FY23 PROJECTED REVENUE MIX

FISCAL 2023 REVENUE¹
\$840M-\$860M

ADJUSTED OPERATING INCOME¹
\$145M-\$155M

OPERATING INCOME¹
\$90M-\$100M



NOTE: \$M REPRESENTS DOLLARS IN MILLIONS

¹FINANCIAL PROJECTIONS FOR FY23 PRESENT THE COMPANY AS A STANDALONE, INDEPENDENT ENTITY AS OF JULY 1, 2022, AND REFLECTS THE IMPACT OF THE ELIMINATION OF THE ADVERTISING SALES REPRESENTATION AGREEMENT WITH MSG NETWORKS, THE ESTIMATED IMPACT OF POST-SPIN-OFF INTERCOMPANY AGREEMENTS WITH MSG SPHERE CORP, AND A PUBLIC COMPANY OVERHEAD STRUCTURE. PLEASE REFER TO SLIDE NUMBER 3 FOR OUR DISCUSSION ON NON-GAAP FINANCIAL MEASURES AND THE APPENDIX FOR A RECONCILIATION FROM OPERATING INCOME (U.S. GAAP BASIS) TO AOI ²INCLUDES TICKETING, VENUE LICENSE FEE, FOOD, BEVERAGE AND MERCHANDISE REVENUES FOR ALL EVENTS EXCLUDING THE CHRISTMAS SPECTACULAR AND KNICKS AND RANGERS GAMES ³INCLUDES ALL SPONSORSHIP, SIGNAGE AND SUITE LICENSE FEE REVENUE FOR ALL EVENTS ⁴INCLUDES ARENA LICENSE FEES, FOOD, BEVERAGE AND MERCHANDISE REVENUES FROM THE ARENA LICENSE AGREEMENTS WITH MSG SPORTS ⁵EXCLUDES SPONSORSHIP REVENUE

BALANCE SHEET SNAPSHOT

POTENTIAL FOR RETURN OF CAPITAL OVER TIME

CAPITAL ALLOCATION PRIORITIES

- Near-term focus on deleveraging
- Long-term will evaluate all options, including return of capital

WELL POSITIONED FOR CASH GENERATION

- FY2023 Projected AOI \$145M-\$155M¹
- Capital expenditure plans primarily maintenance-related²
- Minimal cash taxpayer through FY2026

TOTAL DEBT OUTSTANDING ³	\$675M
CASH AND CASH EQUIVALENTS ⁴	\$50M
NET DEBT	\$625M
NET DEBT LEVERAGE	4.0x – 4.3x

NOTE: M REPRESENTS DOLLARS IN MILLIONS

¹FINANCIAL PROJECTIONS FOR FY23 PRESENT THE COMPANY AS A STANDALONE, INDEPENDENT ENTITY AS OF JULY 1, 2022, AND REFLECTS THE IMPACT OF THE ELIMINATION OF THE ADVERTISING SALES REPRESENTATION AGREEMENT WITH MSG NETWORKS, THE ESTIMATED IMPACT OF POST-SPIN-OFF INTERCOMPANY AGREEMENTS WITH MSG SPHERE CORP. AND A PUBLIC COMPANY OVERHEAD STRUCTURE. PLEASE REFER TO SLIDE NUMBER 3 FOR OUR DISCUSSION ON NON-GAAP FINANCIAL MEASURES AND THE APPENDIX FOR A RECONCILIATION FROM OPERATING INCOME (U.S. GAAP BASIS) TO AOI ²RENOVATIONS OF THE GARDEN, BEACON THEATRE, AND RADIO CITY MUSIC HALL WERE COMPLETED IN 2013, 2009, AND 1999, RESPECTIVELY ³PROJECTED TOTAL DEBT OUTSTANDING AS OF 3/31/23 ⁴PROJECTED STARTING CASH AND CASH EQUIVALENTS AT THE TIME OF THE SPIN-OFF

APPENDIX



APPENDIX

FY2023 RECONCILIATION OF OPERATING INCOME TO ADJUSTED OPERATING INCOME

PROJECTED FY2023 OPERATING INCOME (U.S.GAAP)	\$90M-\$100M
Non-cash portion of Arena License fees from MSGS	\$(27)M
Share-based compensation	\$20M
Depreciation and Amortization	\$55M
Restructuring Charges	\$10M
Gains, net on dispositions	\$(4)M
Amortization for capitalized cloud computing costs	\$1M
PROJECTED FY2023 ADJUSTED OPERATING INCOME	\$145M - \$155M

NOTE: M REPRESENTS DOLLARS IN MILLIONS



**MADISON SQUARE GARDEN
ENTERTAINMENT**