



## The Madison Square Garden Company Files Initial Form 10 Registration Statement for Proposed Spin-Off of Sports Business

October 4, 2018

***Proposed transaction is expected to be completed during the first half of calendar 2019***

NEW YORK, Oct. 04, 2018 (GLOBE NEWSWIRE) -- The Madison Square Garden Company (NYSE: MSG) today announced that it has made important progress towards the potential spin-off of its sports business by filing a confidential initial Form 10 Registration Statement with the U.S. Securities and Exchange Commission ("SEC").

The proposed separation of the sports and entertainment businesses would enable investors to more clearly evaluate each company's assets and future potential, while providing both companies with increased strategic flexibility to pursue their own distinctive business plan and capital allocation policy.

The proposed separation would be structured as a tax-free spin-off to all MSG shareholders. Upon completion of the transaction, record holders of MSG common stock would receive a pro-rata distribution, expected to be equivalent, in aggregate, to an approximately two-thirds economic interest in the pure-play sports company. The remaining common stock would be retained by the live entertainment company and is expected to be used to raise capital and/or exchange for the common stock of the entertainment company. The Dolan family would maintain majority voting control of both companies through their ownership of Class B shares. The proposed transaction is currently expected to be completed during the first half of calendar 2019, subject to certain conditions.

The pure-play sports company would include:

- The New York Knicks professional NBA franchise and its development team, the Westchester Knicks;
- The New York Rangers professional NHL franchise and its development team, the Hartford Wolf Pack;
- The New York Liberty professional WNBA franchise, for which the Company is exploring a sale;
- Knicks Gaming, the official NBA 2K esports franchise of the New York Knicks, and a majority interest in Counter Logic Gaming, a leading North American esports organization; and
- A professional sports team Training Center in Greenburgh, NY.

The live entertainment company would include:

- World-class venues: New York's Madison Square Garden, The Hulu Theater at Madison Square Garden, Radio City Music Hall and Beacon Theatre; the Forum in Inglewood, CA; The Chicago Theatre; and the Wang Theatre in Boston;
- Our bookings business, which fills MSG's venues with a wide variety of the most exciting and unforgettable entertainment events. This business would also include the Company's bookings of live sporting events such as college basketball and professional boxing, the results of which are currently reported as part of the Company's MSG Sports segment;
- Productions, which includes the Radio City Rockettes and the Christmas Spectacular, the nation's number one live family holiday show;
- Majority interests in TAO Group, a world-class hospitality group, and Boston Calling Events, producer of New England's preeminent Boston Calling Music Festival;
- Strategic entertainment joint ventures -- Azoff-MSG Entertainment and Tribeca Enterprises;
- An approximately one-third economic interest in the pure-play sports company; and
- Approximately \$1 billion in cash on hand.

The live entertainment company would also continue to move forward with plans to create state-of-the-art venues – called MSG Sphere. The first MSG Sphere is expected to open in Las Vegas in fiscal 2021, followed by a second MSG Sphere in London approximately one year later.

Completion of the transaction remains subject to various conditions, including completion and effectiveness of the Form 10 Registration Statement, certain league approvals, a private letter ruling from the Internal Revenue Service, receipt of a tax opinion from counsel and final MSG Board approval.

J.P. Morgan and PJT Partners continue to serve as financial advisors and Sullivan & Cromwell LLP continues to serve as legal advisor.

### **About The Madison Square Garden Company**

The Madison Square Garden Company (MSG) is a world leader in live sports and entertainment experiences. The company presents or hosts a broad array of premier events in its diverse collection of iconic venues: New York's Madison Square Garden, The Hulu Theater at Madison Square Garden, Radio City Music Hall and Beacon Theatre; the Forum in Inglewood, CA; The Chicago Theatre; and the Wang Theatre in Boston. Other MSG properties include legendary sports franchises: the New York Knicks (NBA), the New York Rangers (NHL) and the New York Liberty (WNBA); two development league teams – the Westchester Knicks (NBAGL) and the Hartford Wolf Pack (AHL); and esports teams through Counter Logic Gaming, a leading North American esports organization, and Knicks Gaming, MSG's NBA 2K League franchise. In addition, the Company features the popular original production – the *Christmas Spectacular Starring the Radio City Rockettes* – and through Boston Calling Events, produces New England's preeminent Boston Calling Music Festival. Also under the MSG umbrella is TAO Group, a world-class hospitality group with globally-recognized entertainment dining and nightlife brands: Tao, Marquee, Lavo, Avenue, The Stanton Social, Beauty & Essex and Vandal. More information is

available at [www.themadisonsquaregardencompany.com](http://www.themadisonsquaregardencompany.com)

*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 and events may differ materially from those in the forward-looking statements as a result of various factors, including financial community and rating agency perceptions of the Company and its business, operations, financial condition and the industry in which it operates 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.*

Contacts:

Kimberly Kerns  
Communications  
[kimberly.kerns@msg.com](mailto:kimberly.kerns@msg.com)  
(212) 465-6442

Ari Danes, CFA  
Investor Relations  
[ari.danes@msg.com](mailto:ari.danes@msg.com)  
(212) 465-6072



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