



## The Madison Square Garden Company Board of Directors Unanimously Approves Plan to Explore Possible Spin-Off

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### *Would Separate Sports Businesses from Live Entertainment Businesses to Create Two Distinct Public Companies*

### *Proposed Spin-Off Would Further Highlight Unique Value of Company's Live Sports and Entertainment Assets and Brands*

NEW YORK, June 27, 2018 (GLOBE NEWSWIRE) -- The Madison Square Garden Company (NYSE:MSG) today announced that its board of directors has authorized the Company's management to explore a possible spin-off that would create a separately-traded public company comprised of its sports businesses, including the New York Knicks and New York Rangers professional sports franchises.

The proposed separation of the sports and entertainment businesses would enable shareholders to more clearly evaluate each company's assets and future potential, while allowing both companies to pursue their own distinct business strategy and capital allocation policy.

If the Company proceeds with the spin-off, it would be structured as a tax-free transaction to all MSG shareholders. Upon completion of the contemplated separation, 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, expected to be equivalent to an approximately one-third economic interest in the sports company, would be retained by the live entertainment company. These shares are expected to be used to raise capital and/or exchange for the common stock of the entertainment company. James L. Dolan is expected to be the Executive Chairman and Chief Executive Officer of both companies.

Mr. Dolan said, "We are exploring the opportunity to further create value by separating our businesses into two distinct companies. One company would be a leader in live entertainment with a growing portfolio of assets that will include state-of-the-art music and entertainment-focused venues – called MSG Sphere. The other entity would be a pure-play sports company driven by the strong financial performance of the storied Knicks and Rangers franchises. We believe this proposed transaction would provide each company with enhanced strategic flexibility, its own defined business focus and clear investment characteristics."

The pure-play sports company is expected to include:

- The New York Knicks professional NBA sports franchise and its development team, the Westchester Knicks;
- The New York Rangers professional NHL sports franchise and its development team, the Hartford Wolf Pack;
- The New York Liberty professional WNBA sports 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 is expected to include:

- A 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;
- MSG Bookings, an established industry leader, which effectively fills MSG's venues with a wide variety of the most exciting and unforgettable entertainment events. This business is expected to 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 Sports segment. In fiscal 2017, the entertainment and sports bookings businesses attracted more than 800 events, which drew nearly 4 million people to MSG's venues;
- MSG Productions – which includes the Radio City Rockettes and the Christmas Spectacular, the nation's number one live family holiday show with over 1 million tickets sold this past holiday season;
- 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 will also continue to move forward with plans to create state-of-the-art venues – called MSG Sphere. The goal is to open the first MSG Sphere in Las Vegas by the end of calendar 2020, followed by a second MSG Sphere in London approximately one year later.

There can be no assurance that the proposed transaction will be completed in the manner described above, or at all. The Company has not set a timetable for completion of this process. Completion of the transaction would be subject to various conditions, including certain league approvals, a private letter ruling from the IRS, receipt of a tax opinion from counsel and final MSG Board approval. J.P. Morgan and PJT Partners are serving as financial advisors and Sullivan & Cromwell LLP is serving 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 one of the leading North American esports organizations, Counter Logic Gaming. 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).

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