



**MADISON SQUARE GARDEN  
ENTERTAINMENT**

**AUGUST 2024**

# FORWARD LOOKING STATEMENTS AND MARKET DATA

Madison Square Garden Entertainment Corp. (the "Company" or "MSG Entertainment") has filed with the Securities and Exchange Commission an Annual Report on Form 10-K for the year ended June 30, 2024 (the "Annual Report"). The Annual Report contains extensive disclosure about the Company and its business, including selected historical 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 and the factors described in the Annual Report and the Company's subsequent 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. 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.

## Market Data

This presentation also contains market data and other information based on industry publications, reports by market research firms or published independent sources. The Company believes that these external sources and estimates are reliable but has not independently verified them. Statements as to the Company's market position are based on market data currently available to the Company. Although the Company is not aware of any misstatements regarding the market data and other information presented herein, these estimates involve inherent risks and uncertainties and are based on assumptions that are subject to change. Some market data and information is also based on the Company's good faith estimates, which are derived from management's knowledge of its industry and such independent sources.

# NON-GAAP FINANCIAL MEASURES

During the fiscal 2024 third quarter, we amended the definition of adjusted operating income (loss) ("AOI") so that the impact of the non-cash portion of operating lease revenue related to our Arena License Agreements with Madison Square Garden Sports Corp. ("MSG Sports") is no longer excluded in all periods presented, as well as in our financial guidance.

We define AOI, which is a non-GAAP financial measure, as operating income (loss) excluding (i) depreciation, amortization and impairments of property and equipment, goodwill and other intangible assets, (ii) share-based compensation expense or benefit, (iii) restructuring charges or credits, (iv) merger, spin-off and acquisition-related costs, including merger related litigation expenses, (v) gains or losses on sales or dispositions of businesses and associated settlements, (vi) the impact of purchase accounting adjustments related to business acquisitions, (vii) gains and losses related to the remeasurement of liabilities under the executive deferred compensation plan, and (viii) amortization for capitalized cloud computing arrangement costs. 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, spin-off 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 the executive deferred compensation plan, 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 the executive deferred compensation plan are recognized in Operating (income) loss whereas gains and losses related to the remeasurement of the assets under the 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 consolidated and 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**





# OVERVIEW OF MSG ENTERTAINMENT SPIN-OFF

- On April 20, 2023, MSG Entertainment (NYSE: MSGE) was spun-off by Sphere Entertainment Co.
- ~67% of shares were distributed to shareholders, while 33% were retained by Sphere Entertainment Co.
- As of September 22, 2023, Sphere Entertainment Co. no longer owns any of the Company's Class A common stock
- Spin-off created a pure-play live entertainment company, poised to benefit from strong demand for shared experiences



THE  
**Beacon** THEATRE™

CHICAGO  
THE  
**CHICAGO**  
THEATRE



**MADISON SQUARE GARDEN**  
— THE WORLD'S MOST FAMOUS ARENA® —

**THE THEATER**  
AT MADISON SQUARE GARDEN

RADIO CITY MUSIC HALL®

The RADIO CITY  
**ROCKETTES**®

**Christmas Spectacular**®  
— STARRING THE —  
RADIO CITY ROCKETTES

PRESENTED BY  QVC



# KEY INVESTMENT HIGHLIGHTS

WORLD-CLASS  
ENTERTAINMENT  
VENUES

ENDURING  
POPULARITY OF  
*CHRISTMAS*  
SPECTACULAR

PROFITABLE  
BUSINESS  
POISED FOR  
GROWTH

LEADING PRESENCE  
IN  
NEW YORK MARKET

POTENTIAL FOR  
ONGOING  
RETURN OF CAPITAL



# OUR PORTFOLIO







**5 ICONIC VENUES**

ACROSS NEW YORK AND CHICAGO

**+960 LIVE EVENTS**

IN FISCAL 2024

**~6.3 MILLION GUESTS**

IN FISCAL 2024

**35 YEAR DEALS**

TO HOST HOME GAMES FOR  
NEW YORK KNICKS & RANGERS

**90 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 world<sup>1</sup>

~21,000 seat maximum capacity



<sup>1</sup>BILLBOARD MAGAZINE AS OF YEAR END 2023



## RADIO CITY MUSIC HALL

#1 grossing venue of its size in the world<sup>1</sup>

New York City and national landmark

~6,000 seat maximum capacity



## THE THEATER AT MADISON SQUARE GARDEN

Versatile venue in central New York City location

~5,600 seat maximum capacity





## BEACON THEATRE

#3 grossing venue of its size in the world<sup>1</sup>

Iconic rock and roll landmark venue

~2,800 seat maximum capacity



## THE CHICAGO THEATRE

Top 10 grossing venue of its size in the world<sup>1</sup>

Chicago landmark

~3,600 seat maximum capacity



<sup>1</sup>BILLBOARD MAGAZINE AS OF YEAR END 2023



# CHRISTMAS SPECTACULAR STARRING THE RADIO CITY ROCKETTES

Own the Radio City Rockettes and *Christmas Spectacular* brands  
90 years of New York's cherished holiday tradition





# 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 MUSIC HALL™	NEW YORK CITY	~577K SQ. FT. BUILDING	2038 <sup>1</sup>
 THE BEACON THEATRE™	NEW YORK CITY	~57K SQ. FT. BUILDING	2036 <sup>2</sup>	

<sup>1</sup>RADIO CITY MUSIC HALL'S LEASE EXPIRES IN 2038 WITH AN OPTION TO RENEW FOR AN ADDITIONAL TEN YEARS

<sup>2</sup>BEACON THEATRE'S LEASE EXPIRES IN 2036 WITH AN OPTION TO RENEW FOR AN ADDITIONAL TEN YEARS



# OUR BUSINESS





# LEADING PRESENCE IN NEW YORK CITY METRO AREA

THE ENTERTAINMENT CAPITAL OF THE WORLD

**23 MILLION+**  
POPULATION<sup>1</sup>

**61 MILLION+**  
ANNUAL TOURISTS<sup>2</sup>

**HOME TO GREATEST #**  
OF FORTUNE 500 COMPANIES<sup>3</sup>

**RANKED #1 OF 210**  
DESIGNATED MARKET AREAS<sup>4</sup>

**#1 CONCERT MARKET**  
IN THE U.S.<sup>5</sup>

<sup>1</sup>NEW-YORK-NEWARK (UNITED STATES CENSUS BUREAU)

<sup>2</sup>NYC & COMPANY FY23 FACT SHEET

<sup>3</sup>FORTUNE 500 COMPANIES BY REGION REPORT 2022

<sup>4</sup>TRACKED BY NIELSEN RESEARCH

<sup>5</sup>2023 POLLSTAR CONCERT MARKET RANKINGS (AS OF JANUARY 2024)

# ESTABLISHED LEADER IN LIVE ENTERTAINMENT

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 to increase sell-through*

## ARTIST-FIRST APPROACH

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



- *Increase venue utilization*

## ESTABLISHED RELATIONSHIPS

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



- *Improve revenue and engagement across assets*
- *Enable tailored offerings and cross-promotion to drive sell-through*

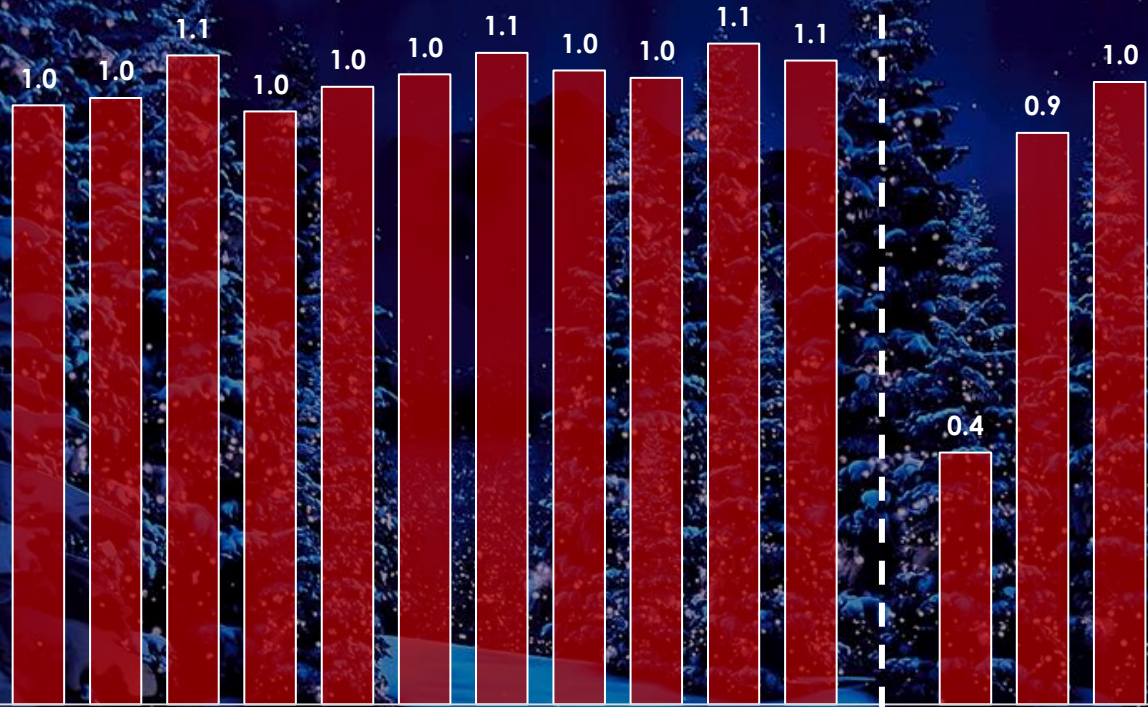




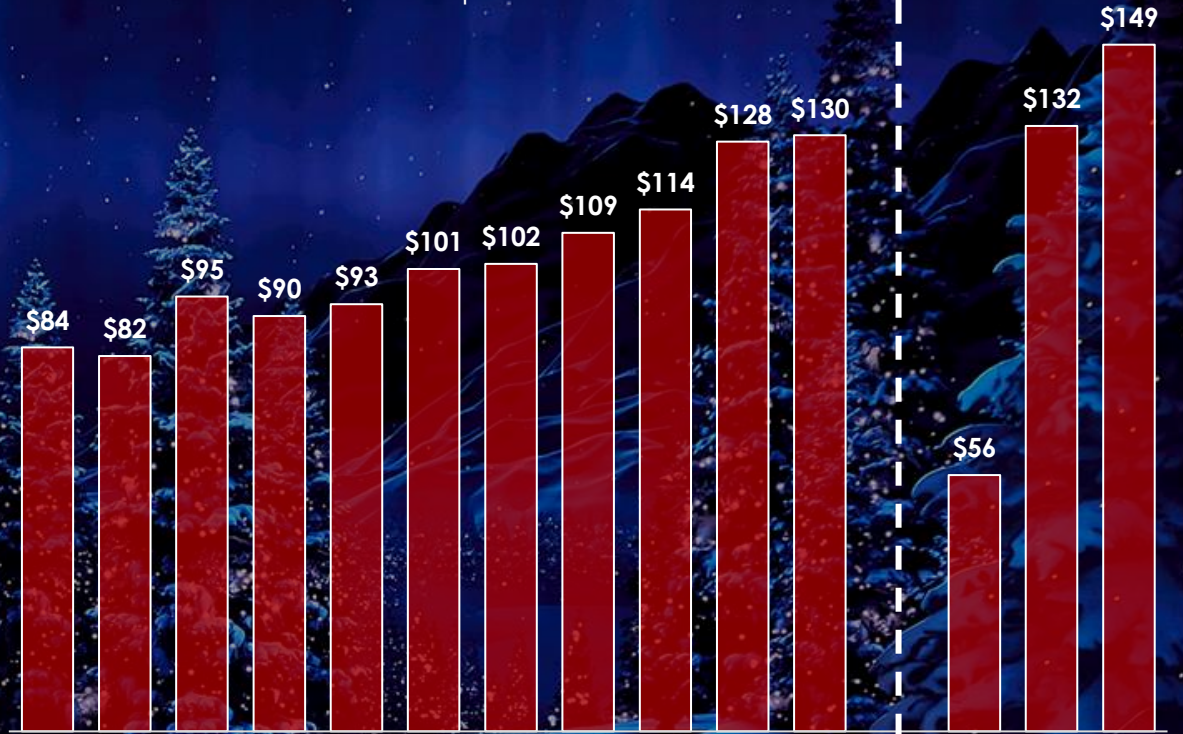
# THE ENDURING POPULARITY OF THE CHRISTMAS SPECTACULAR

90 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 | FY22<sup>1</sup> FY23 FY24 FY10 FY11 FY12 FY13 FY14 FY15 FY16 FY17 FY18 FY19 FY20 | FY22<sup>1</sup> FY23 FY24

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21 <sup>1</sup>	FY22 <sup>1</sup>	FY23	FY24
<b>Number of Shows</b>	204	212	215	209	210	205	204	197	200	210	199	0	101	181	193

<sup>1</sup>FY 2021 PRODUCTION CANCELLED DUE TO THE IMPACT OF COVID-19 AND FY 2022 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**

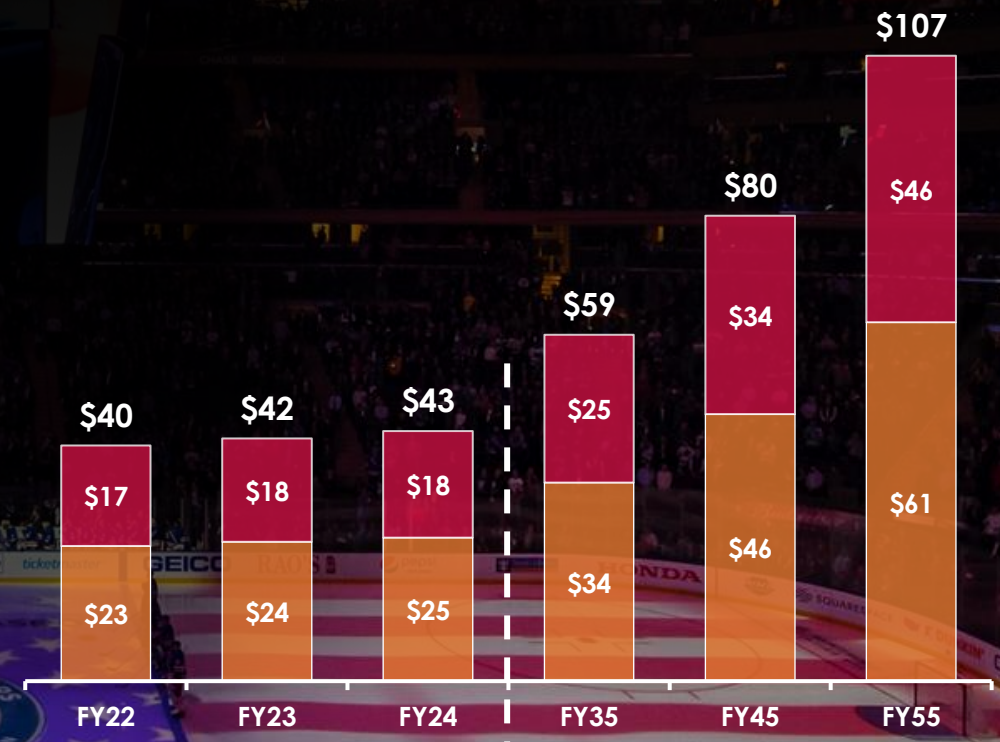
**88 PRE / REGULAR  
SEASON GAMES  
PER YEAR**

**3% ANNUAL  
ESCALATORS<sup>1</sup>**

**ARENA LICENSE AGREEMENTS INCLUDE ADDITIONAL REVENUE AND  
PROFIT-SHARING BETWEEN THE COMPANY AND MSG SPORTS<sup>2</sup>**

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

Knicks Rangers



<sup>1</sup>FOR ARENA LICENSE FEES UNDER THE ARENA LICENSE AGREEMENTS WITH MSG SPORTS

<sup>2</sup>INCLUDES SUITES, FOOD, BEVERAGE AND MERCHANDISE AND SHARED SPONSORSHIP AND SIGNAGE ASSETS



# 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
- Relationship formed with Oak View Group and Crown Properties Collection in September 2023



BETMGM



DELTA



HUB

Infosys®



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 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
- Two new event-level suite offerings opened in FY24



23  
EVENT LEVEL  
SUITES<sup>1</sup>



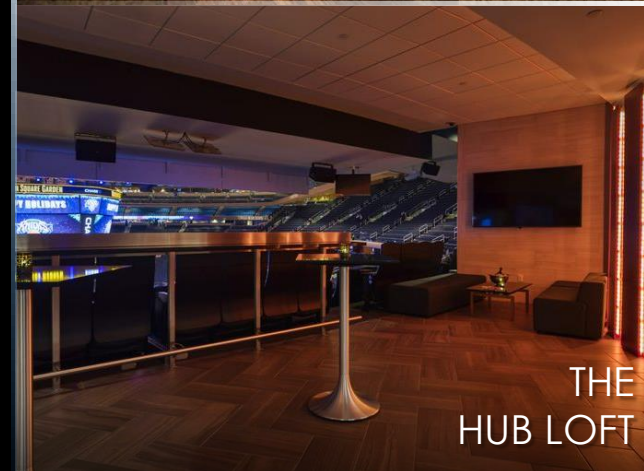
58  
LEXUS LEVEL  
SUITES



18  
INFOSYS  
LEVEL SUITES



18  
THE  
MADISON  
CLUB



18  
THE  
HUB LOFT



16  
SUITE  
SIXTEEN

<sup>1</sup>Includes 22 event-level suites and one event-level club offering



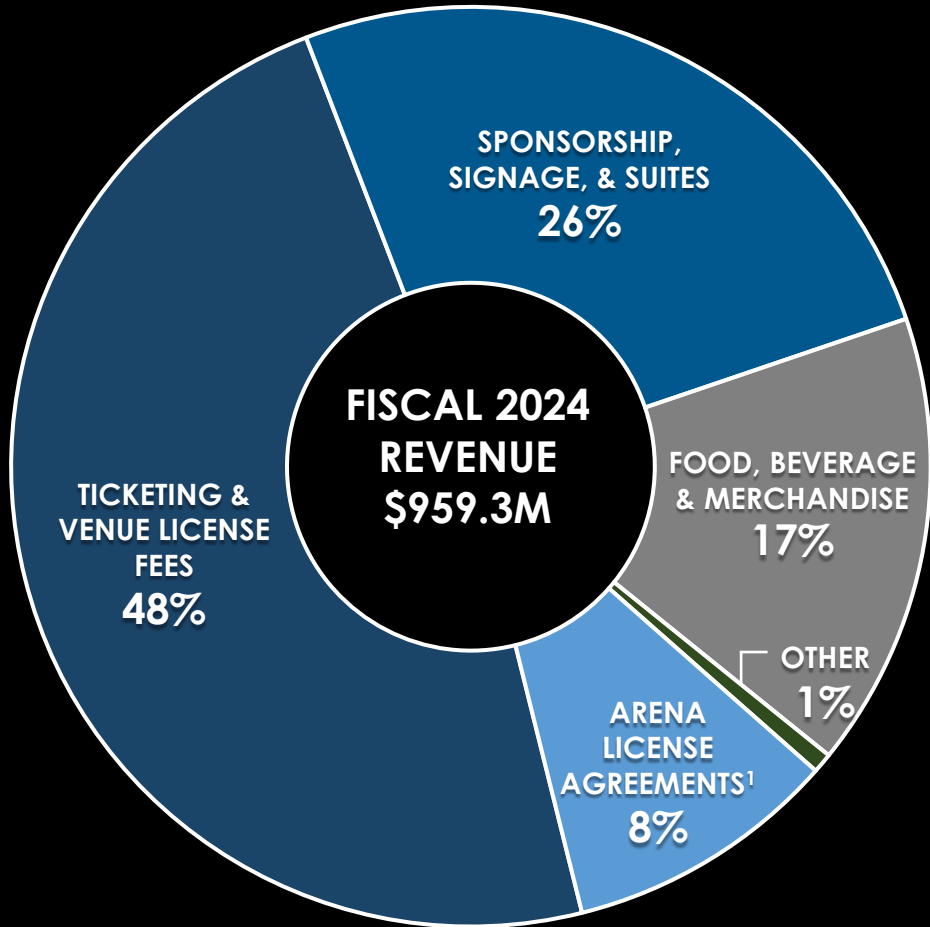
# FINANCIAL OVERVIEW





# FISCAL 2024 REPORTED FINANCIAL RESULTS

## DIVERSIFIED REVENUE BASE



**FISCAL 2024 REVENUE  
\$959.3 MILLION  
+13% GROWTH Y/Y**

**OPERATING INCOME<sup>2</sup>  
\$111.9 MILLION**

**ADJUSTED OPERATING INCOME<sup>2</sup>  
\$211.5 MILLION**

<sup>1</sup>INCLUDES OTHER REVENUE FROM LEASES AND SUBLEASES

<sup>2</sup>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



# BALANCE SHEET SNAPSHOT

POTENTIAL FOR ONGOING RETURN OF CAPITAL

## CAPITAL ALLOCATION PRIORITIES

- Focus on debt paydown and opportunistic return of capital to shareholders
- \$140M Class A Shares repurchased since April 2023<sup>1</sup>
  - \$110M remaining under share repurchase authorization

## STRONG CASH FLOW GENERATION

- FY2024 AOI of \$211.5M<sup>2</sup>
- FY2024 net interest payments \$51M<sup>3</sup>
- FY2024 capital expenditures \$24M
- Minimal cash taxpayer through FY2025

6/30/24

TOTAL DEBT OUTSTANDING	\$626M
UNRESTRICTED CASH AND CASH EQUIVALENTS	\$33M
NET DEBT	\$592M
NET DEBT LEVERAGE <sup>4</sup>	2.8x

NOTE: M REPRESENTS DOLLARS IN MILLIONS, AMOUNTS MAY NOT FOOT DUE TO ROUNDING

<sup>1</sup>INCLUDES (A) \$75M IN SHARE REPURCHASES FROM SPHERE ENTERTAINMENT CO. AND (B) THE REPAYMENT OF THE \$65M DELAYED DRAW TERM LOAN FACILITY, INCLUDING ACCRUED FEES AND INTEREST, FROM SPHERE ENTERTAINMENT CO. WITH SHARES OF CLASS A COMMON STOCK <sup>2</sup>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 <sup>3</sup>NET OF INTEREST INCOME <sup>4</sup>NET DEBT LEVERAGE IS CALCULATED USING FISCAL 2024 AOI OF \$211.5M. FISCAL 2024 AOI INCLUDES THE NON-CASH PORTION OF OPERATING LEASE REVENUE RELATED TO THE COMPANY'S ARENA LICENSE AGREEMENTS WITH MSG SPORTS WHICH WAS REPORTED AS \$25.3 MILLION FOR FISCAL 2024.



# FISCAL 2025 GROWTH OPPORTUNITIES

## IMPROVING VENUE UTILIZATION

- Growth in the number of events in bookings business

## BUILDING ON THE SUCCESS OF CHRISTMAS SPECTACULAR

- Increased number of shows and higher per-show revenue

## GROWING PREMIUM HOSPITALITY AND SPONSORSHIP

- Robust new sales and renewal activity
- Expanding capacity of the event-level club space
- Renovating a number of Event-level and Lexus-level suites

## AGREEMENTS WITH MSG SPORTS

- Contractual annual escalators in arena license fees
- Growth in revenues subject to sharing of economics with MSG Sports<sup>1</sup>

<sup>1</sup>INCLUDES SUITES, FOOD, BEVERAGE AND MERCHANDISE AND SHARED SPONSORSHIP AND SIGNAGE ASSETS



# APPENDIX





# APPENDIX

## FY2024 RECONCILIATION OF OPERATING INCOME TO ADJUSTED OPERATING INCOME

<b>FY2024 OPERATING INCOME (U.S.GAAP)</b>	<b>\$111.9M</b>
<b>Depreciation and Amortization</b>	<b>\$53.9M</b>
<b>Share-based compensation</b>	<b>\$24.5M</b>
<b>Restructuring charges</b>	<b>\$17.6M</b>
<b>Merger, spin-off and acquisition-related costs<sup>1</sup></b>	<b>\$2.0M</b>
<b>Other<sup>2</sup></b>	<b>\$1.5M</b>
<b>FY2024 ADJUSTED OPERATING INCOME<sup>3</sup></b>	<b>\$211.5M</b>

NOTE: M REPRESENTS DOLLARS IN MILLIONS, AMOUNTS MAY NOT FOOT DUE TO ROUNDING

<sup>1</sup>REPRESENTS NON-RECURRING COSTS INCURRED AND PAID BY THE COMPANY FOR THE SALE OF THE RETAINED INTEREST BY SPHERE ENTERTAINMENT CO. IN SEPTEMBER 2023

<sup>2</sup>REPRESENTS AMORTIZATION FOR CAPITALIZED CLOUD COMPUTING ARRANGEMENTS AND REMEASUREMENT OF DEFERRED COMPENSATION PLAN LIABILITIES

<sup>3</sup>PLEASE REFER TO SLIDE NUMBER 3 FOR OUR DISCUSSION ON NON-GAAP FINANCIAL MEASURES





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