

The Madison Square Garden Company Reports Fiscal 2017 First Quarter Results

NEW YORK, Nov. 04, 2016 (GLOBE NEWSWIRE) -- The Madison Square Garden Company (NYSE:MSG) today reported financial results for the first quarter ended September 30, 2016.

On September 30, 2015, The Madison Square Garden Company completed its spin-off from MSG Networks Inc. The fiscal 2017 first quarter reflects the Company's financial results on a standalone basis, including the Company's actual corporate general and administrative costs.

Reported results for the fiscal 2016 first quarter are presented as the combined results of the sports and entertainment businesses, which, prior to the completion of the spin-off, had been consolidated with MSG Networks Inc. Please note that results for the fiscal 2016 first quarter reflect the allocation of corporate general and administrative costs based on accounting requirements for the preparation of carve-out financial statements. As a result, fiscal 2016 first quarter results do not reflect all of the actual expenses that the Company would have incurred had it been a standalone public company for that quarter. Had The Madison Square Garden Company operated as a standalone public company for the fiscal 2016 first quarter, the Company estimates that these expenses would have been higher by approximately \$10 million.

On a reported basis for the fiscal 2017 first quarter, the Company generated revenues of \$181.7 million, operating loss of \$32.8 million, and adjusted operating income of \$1.6 million. (1) (2)

President and CEO David O'Connor said, "As we enter our second year as a standalone live sports and entertainment company, we remain focused on delivering the very best in premium live experiences for our customers and partners. In our first quarter, we saw continued evidence that this approach - along with the important steps we took last year to position the Company for growth - is generating positive results. Looking ahead, we remain confident that our efforts will position the Company for attractive long-term growth and asset value creation for our shareholders."

Results from Operations

Segment results for the quarters ended September 30, 2016 and 2015 are as follows:

\$ millions
MSG Entertainment
MSG Sports
Other
Total Company

	ı	Revenue	s	Operating	e (Loss)	Adjusted Operating Income (Loss)					
	<u>F'Q1</u>	F'Q1	%	<u>F'Q1</u>	F'Q1	%		<u>F'Q1</u>		F'Q1	%
	<u>2017</u>	<u>2016</u>	Change	<u>2017</u>	<u>2016</u>	Change		<u>2017</u>	2	<u> 2016</u>	<u>Change</u>
t	\$110.7	\$ 77.0	44%	\$ (7.3)\$	(0.4)	NM	\$	(1.1)	\$	3.1	NM
	71.0	73.1	(3)%	9.3	20.0	(53)%		15.4		24.4	(37)%
	_	0.2	NM	(34.9)	(24.2)	(44)%		(12.7)		(3.8)	(237)%
	\$181.7	\$150.4	21%	\$ (32.8)\$	(4.6)	NM	\$	1.6	\$	23.8	(93)%

Note: Does not foot due to rounding

- (1) The Company formerly referred to adjusted operating income (loss) as adjusted operating cash flow. The components of adjusted operating income (loss) are identical to the components of adjusted operating cash flow. See page 3 of this earnings release for the definition of adjusted operating income (loss) included in the discussion of non-GAAP financial measures.
- (2) During the fiscal 2017 first quarter, the Company refined its approach to allocating its corporate, venue operating and other shared expenses. Prior period results are reflected as originally reported and have not been restated. Had this approach been used in fiscal 2016, MSG Sports and MSG Entertainment operating income (loss) for the fiscal 2016 first quarter would have improved by approximately \$1.9 million and \$0.5 million, respectively, while Other operating loss would have increased by \$2.5 million. Further, MSG Sports and MSG Entertainment adjusted operating income for the fiscal 2016 first quarter would have improved by approximately \$1.6 million and \$0.9 million, respectively, while Other adjusted operating loss would have increased by \$2.6 million.

MSG Entertainment

For the fiscal 2017 first quarter as compared to the prior year period, MSG Entertainment revenues of \$110.7 million increased 44%. The increase was primarily due to higher overall event-related revenues at the Company's venues (led by

The Garden and the Forum) and, to a lesser extent, revenues from the *New York Spectacular Starring The Radio City Rockettes* production. The increase in revenues from the *New York Spectacular Starring the Radio City Rockettes* production was driven by 56 scheduled performances presented in the current year period as compared to no scheduled performances in the prior year period. This was a result of the Company's decision to shift the timing of the production's run from the spring to the summer.

Fiscal 2017 first quarter operating loss of \$7.3 million increased by \$6.9 million as compared to the prior year period and adjusted operating income decreased from \$3.1 million in the prior year period to an adjusted operating loss of \$1.1 million. The increase in operating loss and decrease in adjusted operating income as compared to the prior year period primarily reflects higher direct operating expenses and, to a lesser extent, higher selling, general and administrative expenses, largely offset by the increase in revenues.

The increase in direct operating expenses primarily reflects higher expenses for the *New York Spectacular Starring The Radio City Rockettes* production due to the shift in the timing of the production's run and higher event-related expenses at the Company's venues, slightly offset by lower venue operating costs. The increase in selling, general and administrative expenses primarily reflects higher corporate general and administrative costs, employee compensation and related benefits and professional fees. As noted above, selling, general and administrative expenses in the prior year first quarter do not include all of the actual expenses that the Company would have incurred had it been a standalone public company for that period.

MSG Sports

For the fiscal 2017 first quarter as compared to the prior year period, MSG Sports revenues of \$71.0 million decreased 3%. The decrease in revenues was primarily due to lower professional sports teams' pre/regular season ticket-related revenue and food, beverage and merchandise sales (both primarily due to one fewer Rangers pre-season game and two fewer Liberty regular season games versus the prior year period). This decrease was partially offset by higher suite rental fee revenue, ad sales commission and professional sports teams' sponsorship and signage revenues, and local media rights fees from MSG Networks Inc.

First quarter operating income decreased by \$10.7 million to \$9.3 million and adjusted operating income decreased by \$9.0 million to \$15.4 million. The decrease in operating income and adjusted operating income primarily reflects higher direct operating expenses and selling, general and administrative expenses, and the decrease in revenues.

The increase in direct operating expenses was primarily due to a \$5 million provision for a team personnel transaction and higher net provisions for NBA and NHL revenue sharing expense, partially offset by lower other team operating expenses, team personnel compensation and expenses associated with professional sports teams' food, beverage and merchandise sales. The increase in selling, general and administrative expenses was primarily due to higher employee compensation and related benefits, costs associated with the new advertising sales representation agreement with MSG Networks Inc., and corporate general and administrative costs, slightly offset by lower marketing and other expenses. As noted above, selling, general and administrative expenses in the prior year first quarter do not include all of the actual expenses that the Company would have incurred had it been a standalone public company for that period.

<u>Other</u>

For the fiscal 2017 first quarter, Other operating loss of \$34.9 million and adjusted operating loss of \$12.7 million increased by \$10.7 million and \$9.0 million, respectively, primarily due to an increase in employee compensation and related benefits, the Company being subject to New York State and City capital tax in the fiscal 2017 first quarter and higher professional fees. As noted above, selling, general and administrative expenses in the prior year first quarter do not include all of the actual expenses that the Company would have incurred had it been a standalone public company for that period.

About The Madison Square Garden Company

The Madison Square Garden Company (MSG) is a world leader in live sports and entertainment that presents or hosts a broad array of world-class events - including concerts, sporting events, family shows and special events - in an unparalleled mix of celebrated venues that span four of the nation's largest entertainment markets. Those venues are: New York's Madison Square Garden, The 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. In addition, MSG has a diverse collection of properties that includes some of the most widely-recognized sports franchises: the New York Knicks (NBA), the New York Rangers (NHL) and the New York Liberty (WNBA), along with two development league teams -- the Westchester Knicks (NBADL) and the Hartford Wolf Pack (AHL). The Company also features popular original entertainment productions -- the Christmas Spectacular and New York Spectacular - both starring the Radio City Rockettes, and through Boston Calling Events, produces outdoor festivals, including New England's premier Boston Calling Music Festival. More information is available at www.themadisonsquaregardencompany.com.

Non-GAAP Financial Measures

We define adjusted operating income (loss), which is a non-GAAP financial measure, as operating income (loss) before 1) depreciation, amortization and impairments of property and equipment and intangible assets, 2) share-based compensation

expense or benefit, 3) restructuring charges or credits and 4) gains or losses on sales or dispositions of businesses. Because it is based upon operating income (loss), adjusted operating income (loss) also excludes interest expense (including cash interest expense) and other non-operating income and expense items. We believe that the exclusion of share-based compensation expense or benefit allows investors to better track the performance of the various operating units of our business without regard to either the distortive effects of fluctuating stock prices or the settlement of an obligation that is not expected to be made in cash.

The Company formerly referred to adjusted operating income (loss) as adjusted operating cash flow. The components of adjusted operating income (loss) are identical to the components of adjusted operating cash flow.

We believe adjusted operating income (loss) is an appropriate measure for evaluating the operating performance of our business segments and the Company on a consolidated basis. Adjusted operating income (loss) and similar measures with similar titles are common performance measures used by investors and analysts to analyze our performance. Internally, we use revenues and adjusted operating income (loss) measures as the most important indicators of our business performance, and evaluate management's effectiveness with specific reference to these indicators. Adjusted operating income (loss) 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 adjusted operating income (loss) 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 of adjusted operating income (loss) to operating income (loss), please see page 4 of this release.

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 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.

Conference Call Information:

The conference call will be Webcast live today at 10:00 a.m. ET at www.themadisonsquaregardencompany.com Conference call dial-in number is 877-347-9170 / Conference ID Number 98561127 Conference call replay number is 855-859-2056 / Conference ID Number 98561127 until November 11, 2016

THE MADISON SQUARE GARDEN COMPANY

CONSOLIDATED/COMBINED STATEMENTS OF OPERATIONS (In thousands, except per share data) (Unaudited)

		nths Ended nber 30,
	2016	2015
Revenues	\$ 181,695	\$150,381
Direct operating expenses	111,407	71,350
Selling, general and administrative expenses	77,021	58,368
Depreciation and amortization	26,110	25,240
Operating loss	(32,843)	(4,577)
Other income (expense):		
Earnings (loss) in equity method investments	(994)	2,679
Interest income	2,399	957
Interest expense	(410)	(540)
Loss from operations before income taxes	(31,848)	(1,481)
Income tax benefit (expense)	2,934	(122)
Net loss	(28,914)	(1,603)
Less: Net loss attributable to noncontrolling interests	(288)	_
Net loss attributable to The Madison Square Garden Company's stockholders	\$ (28,626)	\$ (1,603)

Basic loss per common share attributable to The Madison Square Garden Company's stockholders \$	(1.19) \$	(0.06)
Diluted loss per common share attributable to The Madison Square Garden Company's stockholders \$	(1.19) \$	(0.06)
Basic weighted-average number of common shares outstanding	24,054	24,928
Diluted weighted-average number of common shares outstanding	24.054	24.928

ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO ADJUSTED OPERATING INCOME (LOSS)

The following is a description of the adjustments to operating income (loss) in arriving at adjusted operating income (loss) as described in this earnings release:

- Share-based compensation expense. This adjustment eliminates the compensation expense relating to restricted stock units granted under our employee stock plans and non-employee director plans in all periods.
- <u>Depreciation and amortization.</u> This adjustment eliminates depreciation, amortization and impairments of property and equipment and intangible assets in all periods.

	Three Months Ended					
	September 30,					
	2016 201					
Operating loss	\$(32,843)	\$ (4,577)				
Share-based compensation	8,355	3,105				
Depreciation and amortization	26,110	25,240				
Adjusted operating income	\$ 1,622	\$23,768				

THE MADISON SQUARE GARDEN COMPANY

CONSOLIDATED/COMBINED OPERATIONS DATA (Dollars in thousands) (Unaudited)

REVENUES

	Three Mo		
	Septer		
	2016	2015	% Change
MSG Entertainment	\$110,698	\$ 77,026	44 %
MSG Sports	70,997	73,148	(3)%
All other		207	NM
The Madison Square Garden Company Total	\$ 181,695	\$150,381	21 %

OPERATING INCOME (LOSS) AND ADJUSTED OPERATING INCOME (LOSS)

	Operating Income (Loss)					Adjusted Operating Income (Loss)				
	Three Month Septemb							Months Ended tember 30,		
		2016	20	15	% Change	20)16		2015	% Change
MSG Entertainment	\$	(7,286)	\$ (357)	NM	\$ (1,	,061)	\$	3,133	NM
MSG Sports		9,317	19,	979	(53)%	15,	419		24,413	(37)%
All other		(34,874)	(24,	199)	(44)%	(12,	736)		(3,778)	(237)%
The Madison Square Garden Company Total	\$	(32,843)	\$ (4,	577)	NM	\$ 1,	622	\$	23,768	(93)%

THE MADISON SQUARE GARDEN COMPANY

CONSOLIDATED BALANCE SHEETS (In thousands, except per share data)

(Unaudited)

ASSETS Quint Assets Casch and cash equivalents \$1,249,00		September 30,	June 30,
Current Assetts: \$1,249,08 \$1,444,07 \$1,249,08 \$1,447,07 \$1,249,08 \$1,449,07 \$1,249,08			·
Cash and cash equivalents \$1,204,081 \$1,41,47 Restricted cash 14,76 27,081 Not receivable, net 6,035 40,79 Not related party receivables, current 6,035 40,70 Other current assets 2,949 25,337 Net related party receivables, noncurrent 1,810,38 26,38 Net related party receivables, noncurrent 1,810,38 26,38 Property and equipment, net of accumulated depreciation and amortization of \$55,295 and \$540,001 as of 11,42,51 1,610,000 September 30, 2016 and June 30, 2016, respectively 1,142,51 1,610,000 Amortizable intangible assets 1,625,91 1,616,000 Codewill 2,539,13 1,610,000 Other assets 2,577,16 1,616,000 Codewill 3,539,20 1,525,10 Total asset 2,577,16 1,616,000 Codewill 1,525,10 1,525,10 Abbilities 1,525,10 1,525,10 Codewill 1,525,10 1,525,10 Codewill 1,525,10 1,525,10 Codew	ASSETS		
Restricted cash 14.74 27.091 Accounts receivable, net 88.32 75.998 Not related parry receivables, current 6.00 4.079 Propaid expenses 27.031 27.031 Other current assets 1,81,43 1,603,853 Not related parry receivables, noncurrent 2.08,367 1 Not related parry receivables, noncurrent 2.08,367 1 Not related parry receivables, noncurrent 2.08,368 2 Robert parry and equipment, net of accumulated depreciation and amortization of \$55,295 and \$54,000 2 15.02 Amortzable intrangible sasets, net 16.08,00 16.08,00 16.08,00 16.08,00 Codewill 2.08,00 2.07,00 16.08,00 17.04,00 17.04 Cother account ac	Current Assets:		
Accounts receivables, enf 88.36 75.988 Net related party receivables, current 6.00% 2.00% Other current assets 24.94 2.03.73 Total current assets 1.04 1.04 Net related party receivables, noncurrent 2.05.76 1.07.10 Investments and loans to nonconsididated affiliates 2.05.10 1.07.00 Properly and equipment, net of accumulated depreciation and amortization of \$565,295 and \$540,801 and \$1.00 2.05.00 1.06.00 Properly and equipment, net of accumulated depreciation and amortization of \$565,295 and \$540,801 and \$1.00 2.05.00 1.06.00 1.	Cash and cash equivalents	\$ 1,294,081	\$1,444,317
Picelated party receivables, current 4,074 Prepaid expenses 42,45 Other current assets 1,003,03 Net related party receivables, noncurrent 1,003,03 Investigating receivables, noncurrent 2,003,00 Investigating receivables, noncurrent 2,003,00 Property and edupmen, net all of accumulated depteciation and amortization of \$565,295 and \$50,000 1,142,51 Property and edupmen, net of accumulated depteciation and amortization of \$565,295 and \$50,000 1,142,51 Amortizable intrangule assets, net 1,606,60 Godwill 6,005,00 Other assets 8,705,00 Chiteriassets 8,705,00 Total assets 1,508,00 View Intellet Microstreture 1,508,00 Wire Intellet Agrange 1,508,00 Not related party peapable 1,508,00 Other accure diabilities 1,508,00 Deferred revenue 1,508,00 Other accure diabilities 1,508,00	Restricted cash	14,746	27,091
Prepaid expenses 48,474 (2013) 20,301	Accounts receivable, net	88,328	75,998
Other current assets 29,49 75,000,000 20,300	Net related party receivables, current	6,035	4,079
Total current assets 1,481,434 1,003,835 Net related party reservables, noncurrent 25,462 263,462 Investments and loans to nonconsolidated affiliates 25,642 263,462 Property and equipment, net of accumulated depreciation and amortization of \$565,295 and \$540,801 as of \$1,142,513 1,160,600 September 30, 2016 and June 30, 2016, respectively 1,142,513 1,160,600 Mondificilities (Intangible assets), net 269,070 1,606,600 Codowlill 289,070 277,160 Other assets 3,695 3,543,600 Total assets 3,752 3,543,600 Current Liabilities 3,930 15,275 Accounts payable 3,930 15,275 Accured liabilities 7,11,41 119,357 Active and liabilities 7,11,44 119,357 Other accrued liabilities 7,11,44 119,357 Other accrued liabilities 63,317 614,815 Defiered revenue 43,351 33,24 Other accrued liabilities 24,979 3,292,4 Defiered revenue 24,979	Prepaid expenses	48,745	27,031
Net related party receivables, noncurrent 10	Other current assets	29,499	25,337
Investments and loans to nonconsolidated affiliates 263,686 Property and equipment, net of accumulated depreciation and amortization of \$565,295 and \$540,801 as of \$26,913 1,162,610 September 30, 2016 and June 30, 2016, respectively 15,728 Indefinite-livel intangible assets, net 26,93 15,728 Indefinite-livel intangible assets 28,70 271,766 Other assets 8,79 54,487 Total assets \$1,50 5,43,950 Total assets \$1,71,41 \$1,30 Accounts payable \$1,71,41 \$1,30 Accounts payable \$1,11,42 \$1,30 Net related party payables \$1,11,43 \$1,33 Net related party payables \$1,11,43 \$1,33 Other accrued liabilities \$1,11,43 \$1,33 Employee related costs \$1,11,43 \$1,33,23 Other accrued liabilities \$3,31 \$1,31 Employee related costs \$1,11,43 \$1,33,23 Other accrued liabilities \$3,31 \$1,31 Employee related costs \$1,51 \$1,51 Other emp	Total current assets	1,481,434	1,603,853
Property and equipment, net of accumulated depreciation and amortization of \$565,295 and \$500,801 and \$1,142,513 1,142,513 1,162,513 1,572,602 Amortizable intangible assets, net 25,913 16,525 166,850 166,850 166,850 166,850 166,850 166,850 166,850 167,716 166,850 167,716 167,717 167,717 167,717 167,717 167,717 167,717 167,717 167,717 167,717 167,717 167,717 167,717 167,717 167,717 167,717 167,71 167,717 167,717 167,717 167,717 167,717 167,71 167,71 167,71 167,71 167,71 167,71 167,71 167,71 167,71 167,71 167,71 167,71 167,71 167,71 167,71 167,71 <td>Net related party receivables, noncurrent</td> <td>_</td> <td>1,710</td>	Net related party receivables, noncurrent	_	1,710
September 30, 2016 and June 30, 2016, respectively 1,14,5,15 1,16,06,05 Amortizable intangible assets 16,65 16,72 Godwill 289,704 277,166 Other assets 28,70 2,48,70 Total assets 3,450,00 3,540,50 INSENTITION AND STOCKHOLDERS' EQUITY Urrent Liabilities Accounts payable 1,17,84 1,13,83 Ner leated party payables 1,17,84 1,13,83 Account liabilities 7,11,41 119,357 Employee related costs 7,11,41 119,357 Other accrued liabilities 1,08,48 1,33,83 Deferred venue 43,351 2,31,41 Other accrued liabilities 5,10 6,03,15 Other englove related costs 5,10 6,03,15 Other englove related costs 1,24 1,11,41 1,11,41 Other englove related costs 2,5 6,03,15 1,11,41 1,11,41 1,11,41 1,11,41 1,11,41 1,11,41 1,11,41 1,11,41 1,11,41 <th< td=""><td>Investments and loans to nonconsolidated affiliates</td><td>265,462</td><td>263,546</td></th<>	Investments and loans to nonconsolidated affiliates	265,462	263,546
Amortizable intangible assets, net Indefinite-lived intangible assets 15,239 15,279 Indefinite-lived intangible assets 166,805 16,805 Coodwill 28,705 54,807 Other assets 87,905 54,807 Total assets 87,905 55,805 CHISTIATION STOCKHOLDERS' EQUITY 87,800 13,008 Wire Placed party payables 17,104 13,035 Not related party payables 17,114 119,527 Accrued liabilities 71,144 119,527 Other accrued liabilities 17,144 119,358 Deferred revenue 433,512 33,214 Defined benefit and other postretirement obligations 56,05 33,317 Other employee related costs 194,75 34,852 Defined benefit and other postretirement obligations 24,97 32,921 Defined benefit and other postretirement obligations 194,75 34,94 Other accruel tiabilities 24,97 34,94 Other employee related costs 24,97 34,94 Other individual post and post accruel asset asset asset asset a	Property and equipment, net of accumulated depreciation and amortization of \$565,295 and \$540,801 as of		
Indefinite-lived intragible assets 166,805 168,805 Cookwill 287,776 54,875 Total assets \$1,905 54,875 INTRAGEDITION STOCKHOLDERS FEQUITY CURRITIES AND STOCKHOLDERS FEQUITY Accounts payable \$17,908 \$13,936 Accounts payables \$17,148 \$13,935 Net related party payables \$17,148 \$13,935 Accounted liabilities \$10,688 \$13,935 Other accrued liabilities \$10,688 \$13,332 Other accrued liabilities \$10,688 \$1,832 Other accrued liabilities \$1,942 \$1,848 Other accrued liabilities \$1,942 \$1,945 Other accrued liabilities \$1,943 \$1,945 Other proprietation other postretirement obligations \$1			
Godwill 28,90,40 277,16 Other assets 5,45,907 5,45,007 5		•	•
Other assets 8.79.95 5.49.407 Total assets 5.20.900 5.20.900 LABILITIES AMD STOCKHOLDERS' EQUITY Urant Liabilities: Accounts payable \$17.801 \$1.03.000 Ner leated party payables \$17.140 \$1.03.000 Accrued liabilities \$17.141 \$1.03.000 Employee related costs \$17.141 \$1.03.000 Deferred revenue 43.51 \$2.04.000 Total current liabilities \$6.00.000 \$6.00.000 Other accrued liabilities \$6.00.000 \$6.00.000 Total current liabilities \$6.00.000 \$6.00.000 Other ender evenue \$4.50.000 \$6.00.000 Other include enefit and other postretirement obligations \$6.00.000 \$6.00.000 Other liabilities \$1.00.000 \$6.00.000 \$6.00.000 Other liabilities \$1.00.000 \$6.00.000 \$6.00.000 Other liabilities \$1.00.000 \$6.00.000 \$6.00.000 \$6.00.000 \$6.00.000 \$6.00.000 \$6.00.000 \$6.00.000 \$6.0			·
Total assets \$ 3,459,670 \$ 3,543,080 LIABILITIES AND STOCKHOLDERS' EQUITY Current Liabilities: Accounts payable \$ 17,841 \$ 13,935 Net related party payables 3,936 15,275 Accrued liabilities 106,884 133,832 Other accrued liabilities 106,884 133,832 Deferred revenue 433,512 332,416 Total current liabilities 65,05 66,035 Defined benefit and other postretirement obligations 56,10 66,035 Other employee related costs 24,979 32,921 Defined benefit and other postretirement obligations 194,775 194,853 Other liabilities, net 36,06 66,035 Other polypee related costs 24,979 32,921 Defined benefit and other postretirement obligations 36,06 66,035 Other liabilities 48,489 95,752 Defined benefit and other postretirement obligations 24,979 32,921 Other liabilities 48,489 96,752 Total liabilities <td< td=""><td></td><td></td><td>277,166</td></td<>			277,166
Current Liabilities	Other assets		
Current Liabilities:	Total assets	\$ 3,459,671	\$3,543,950
Accounts payable \$17,841 \$13,935 Net related party payables 3,936 15,275 Accrued liabilities: 119,357 Employee related costs 71,144 119,357 Other accrued liabilities 106,884 133,832 Deferred revenue 633,317 614,815 Total current liabilities 56,106 66,035 Other employee related costs 24,979 32,921 Defined benefit and other postretirement obligations 56,106 66,035 Other employee related costs 24,979 32,921 Deferred tax liabilities, net 957,675 194,583 Other liabilities 957,675 957,529 Commitments and contingencies 957,675 957,529 Total liabilities 2957,675 957,529 Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 204 204 Class B Common stock, par value \$0.01, 15,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01, 15,000 sha	LIABILITIES AND STOCKHOLDERS' EQUITY		
Net related party payables 3,936 15,275 Accrued liabilities: 11,144 119,357 Other accrued liabilities 106,884 133,832 Deferred revenue 433,512 332,416 Total current liabilities 633,317 614,815 Defined benefit and other postretirement obligations 66,005 66,005 Other employee related costs 24,979 32,921 Deferred tax liabilities, net 194,775 194,583 Other liabilities 48,498 49,175 Total liabilities 48,498 49,175 Total liabilities 957,675 957,529 Commitments and contingencies 70 70 114,475 194,583 Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 20 20 Class B Common stock, par value \$0.01, 130,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01, 15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 2,806,352 2,806,352	Current Liabilities:		
Accrued liabilities: T1,144 119,357 Employee related costs 106,884 133,832 Deferred revenue 433,512 332,416 Total current liabilities 633,317 614,815 Defined benefit and other postretirement obligations 56,006 66,035 Other employee related costs 24,979 32,921 Deferred tax liabilities, net 194,775 194,775 Other liabilities 48,498 49,175 Total liabilities 48,498 49,175 Total liabilities 957,675 957,529 Commitments and contingencies 7 144 The Madison Square Garden Company Stockholders' Equity: 204 204 Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 204 204 Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 45 45 Preferred stock, par value \$0.01, 15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016, respectively 2,800,545 2,806,352	Accounts payable	\$ 17,841	\$ 13,935
Employee related costs 71,144 119,357 Other accrued liabilities 106,884 133,832 Deferred revenue 433,512 332,416 Total current liabilities 633,317 614,815 Defined benefit and other postretirement obligations 56,106 66,035 Other employee related costs 24,979 32,921 Deferred tax liabilities, net 194,775 194,583 Other liabilities 48,498 49,175 Total liabilities 957,675 957,529 Commitments and contingencies 957,675 957,529 The Madison Square Garden Company Stockholders' Equity: 204 204 Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 25 45 Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01, 15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 2,800,545 2,806,352 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively	Net related party payables	3,936	15,275
Other accrued liabilities 106,884 133,832 Deferred revenue 433,512 332,416 Total current liabilities 633,317 614,815 Defined benefit and other postretirement obligations 56,106 66,035 Other employee related costs 24,979 32,921 Deferred tax liabilities, net 194,775 194,583 Other liabilities 48,498 49,175 Total liabilities 957,675 957,529 Commitments and contingencies 7 7 The Madison Square Garden Company Stockholders' Equity: Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 204 204 Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 September 30, 2016 and June 30, 2016 45 45 45 Preferred stock, par value \$0.01, 15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 45 45 Additional paid-in capital 2,800,545 2,806,352 Teasury stock, at cost, 1,015 and 671 shares as of Sep	Accrued liabilities:		
Deferred revenue 433,512 332,416 Total current liabilities 633,317 614,815 Defined benefit and other postretirement obligations 56,106 66,035 Other employee related costs 24,979 32,921 Deferred tax liabilities, net 194,775 194,583 Other liabilities 48,498 49,175 Total liabilities 957,675 957,529 Commitments and contingencies The Madison Square Garden Company Stockholders' Equity: Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 204 204 Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01, 15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 2,800,552 2,800,552 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June	Employee related costs	71,144	119,357
Total current liabilities 633,317 614,815 Defined benefit and other postretirement obligations 56,106 66,035 Other employee related costs 24,979 32,921 Deferred tax liabilities, net 194,775 194,583 Other liabilities 48,498 49,175 Total liabilities 957,675 957,529 Commitments and contingencies 957,675 957,529 The Madison Square Garden Company Stockholders' Equity: 204 204 Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 204 204 Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01, 15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 2,800,552 2,800,552 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (104,313) (75,687) Accumulated officit (38,663) (42,611) Accumulated officit (38,663) (42,611) Total The Madison Square	Other accrued liabilities	106,884	133,832
Defined benefit and other postretirement obligations 56,106 60,035 Other employee related costs 24,979 32,921 Deferred tax liabilities, net 194,775 194,583 Other liabilities 48,498 49,175 Total liabilities 957,675 957,529 Commitments and contingencies The Madison Square Garden Company Stockholders' Equity: Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 204 204 Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01, 15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 2,800,545 2,806,352 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (166,928) (101,882) Accumulated other comprehensive loss (38,663) (42,611) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421	Deferred revenue	433,512	332,416
Other employee related costs 24,979 32,921 Deferred tax liabilities, net 194,775 194,583 Other liabilities 48,498 49,175 Total liabilities 957,675 957,529 Total liabilities 957,675 957,529 Total liabilities 957,675 957,529 Total liabilities 957,675 957,529 Total liabilities 48,498 49,175 Total liabilities 957,675 957,529 Total liabilities 48,498 49,175 Total liabilities 957,675 957,529 Total Radison Square Garden Company Stockholders' Equity 20 20 Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Febrember 30, 2016 and June 30, 2016 45 45 45 Febrember 30, 2016 and June	Total current liabilities	633,317	614,815
Deferred tax liabilities, net 194,775 194,583 Other liabilities 48,498 49,175 Total liabilities 957,675 957,529 Commitments and contingencies The Madison Square Garden Company Stockholders' Equity: Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 204 204 Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 2,800,545 45 Additional paid-in capital 2,800,545 2,806,352 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (166,928) (101,882) Accumulated deficit (104,313) (75,687) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 Total equity 2,501,9	Defined benefit and other postretirement obligations	56,106	66,035
Other liabilities 48,498 49,175 Total liabilities 957,675 957,529 Commitments and contingencies 57,675 957,529 The Madison Square Garden Company Stockholders' Equity: 204 204 Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 204 204 Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 — — Additional paid-in capital 2,800,545 2,806,352 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (166,928) (101,882) Accumulated deficit (104,313) (75,687) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 — Total equity 2,501,996 2,588,421	Other employee related costs	24,979	32,921
Total liabilities 957,675 957,529 Commitments and contingencies The Madison Square Garden Company Stockholders' Equity: Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively 204 204 Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 - - - Additional paid-in capital 2,800,545 2,806,352 2,800,545 2,806,352 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (166,928) (101,882) Accumulated deficit (104,313) (75,687) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 - Total equity 2,501,996 2,586,421	Deferred tax liabilities, net	194,775	194,583
Commitments and contingencies The Madison Square Garden Company Stockholders' Equity: Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 Additional paid-in capital Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively Accumulated deficit Accumulated other comprehensive loss Total The Madison Square Garden Company stockholders' equity Noncontrolling interests Total equity Class B Common stock, par value \$0.01, 120,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and 50, 2016	Other liabilities	48,498	49,175
The Madison Square Garden Company Stockholders' Equity: Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 Additional paid-in capital Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively Accumulated deficit Accumulated other comprehensive loss Total The Madison Square Garden Company stockholders' equity Noncontrolling interests Total equity Total equity Total The Madison Square Garden Company stockholders' equity Total The Madison Square Garden Company stockholders' equity Total equity Total equity Total The Madison Square Garden Company stockholders' equity Total Equity Tot	Total liabilities	957,675	957,529
Class A Common stock, par value \$0.01, 120,000 shares authorized; 19,432 and 19,777 shares outstanding as of September 30, 2016 and June 30, 2016, respectively Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 Additional paid-in capital Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively Accumulated deficit Accumulated other comprehensive loss Total The Madison Square Garden Company stockholders' equity Noncontrolling interests Total equity 204 204 204 204 204 204 204 20	Commitments and contingencies		
as of September 30, 2016 and June 30, 2016, respectively Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 Additional paid-in capital Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively Accumulated deficit Accumulated other comprehensive loss Total The Madison Square Garden Company stockholders' equity Noncontrolling interests Total equity 204 204 204 204 204 204 204 204 205 45 45 45 45 45 45 45 45 45 45 45 45 45	The Madison Square Garden Company Stockholders' Equity:		
Class B Common stock, par value \$0.01, 30,000 shares authorized; 4,530 shares outstanding as of September 30, 2016 and June 30, 2016 Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 Additional paid-in capital 2,800,545 2,806,352 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (166,928) (101,882) Accumulated deficit (104,313) (75,687) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 — Total equity 2,501,996 2,586,421			
September 30, 2016 and June 30, 2016 45 45 Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 — — Additional paid-in capital 2,800,545 2,806,352 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (166,928) (101,882) Accumulated deficit (104,313) (75,687) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 — Total equity 2,501,996 2,586,421	· · · · · · · · · · · · · · · · · · ·	204	204
Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 Additional paid-in capital Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively Accumulated deficit Accumulated other comprehensive loss Total The Madison Square Garden Company stockholders' equity Noncontrolling interests Total equity Preferred stock, par value \$0.01,15,000 shares authorized; none outstanding as of September 30, 2016 and June 30, 2016 and June 30, 2016, respectively (166,928) (101,882) (104,313) (75,687) (38,663) (42,611) (38,663) (42,611) (58,663) (42,611) (58,663) (42,611) (58,663) (42,611) (58,663) (42,611) (58,663) (42,611)			
June 30, 2016 — — — Additional paid-in capital 2,800,545 2,806,352 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (166,928) (101,882) Accumulated deficit (104,313) (75,687) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 — Total equity 2,501,996 2,586,421		45	45
Additional paid-in capital 2,800,545 2,806,352 Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (166,928) (101,882) Accumulated deficit (104,313) (75,687) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 — Total equity 2,501,996 2,586,421			
Treasury stock, at cost, 1,015 and 671 shares as of September 30, 2016 and June 30, 2016, respectively (166,928) (101,882) Accumulated deficit (104,313) (75,687) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 — Total equity 2,501,996 2,586,421			_
Accumulated deficit (104,313) (75,687) Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 — Total equity 2,501,996 2,586,421	·		
Accumulated other comprehensive loss (38,663) (42,611) Total The Madison Square Garden Company stockholders' equity 2,490,890 2,586,421 Noncontrolling interests 11,106 — Total equity 2,501,996 2,586,421			
Total The Madison Square Garden Company stockholders' equity Noncontrolling interests Total equity 2,490,890 2,586,421 2,501,996 2,586,421			
Noncontrolling interests 11,106 — Total equity 2,501,996 2,586,421			
Total equity 2,501,996 2,586,421			2,586,421
A 0 450 074 A 0 540 050	-		
Total liabilities and equity <u>\$ 3,459,671</u> <u>\$ 3,543,950</u>	I otal equity		
	Total liabilities and equity	\$ 3,459,671	\$3,543,950

THE MADISON SQUARE GARDEN COMPANY

SELECTED CASH FLOW INFORMATION (Dollars in thousands) (Unaudited) Three Months Ended September 30,

• • • • • • • • • • • • • • • • • • •				
	2016		2015	
\$	(21,650)	\$	(1,746)	
	(48,542)		(70,613)	
	(80,044)		1,525,241	
	(150,236)	_	1,452,882	
_1	,444,317		14,211	
\$1	,294,081	\$	1,467,093	
		\$ (21,650) (48,542) (80,044)	\$ (21,650) \$ (48,542) (80,044) (150,236) 1,444,317	

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Source: The Madison Square Garden Company

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