

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Sphere Entertainment Corp.		2 Issuer's employer identification number (EIN) 84-3755666	
3 Name of contact for additional information MSG Investor Relations	4 Telephone No. of contact (212)-465-6618	5 Email address of contact investor@msg.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 2 Penn Plaza, Tax Department		7 City, town, or post office, state, and ZIP code of contact New York, NY 10121	
8 Date of action April 20, 2023	9 Classification and description Tax free spin-off of Madison Square Garden Entertainment Corp.		
10 CUSIP number 55826T102	11 Serial number(s)	12 Ticker symbol SPHR (formerly MSGE)	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On April 20, 2023, Sphere Entertainment Co. (formerly Madison Square Garden Entertainment Corp., the "Company"), distributed approximately 67% of the outstanding common stock of Madison Square Garden Entertainment Corp. (formerly MSGE Spinco, Inc., "MSGE Spinco") to Class A and Class B shareholders of record as of the close of business on April 14, 2023. Class A stockholders of the Company received one share of MSGE Spinco Class A common stock for every one share of Company Class A common stock they held as of the record date. Each Class B stockholder of the Company received one share of MSGE Spinco Class B common stock for every one share of Company Class B common stock they held as of the record date. As a result of this distribution, MSGE Spinco became a separate publicly traded company. On April 20, 2023, the Company changes its NYSE symbol from "MSGE" to "SPHR." MSGE Spinco is listed on the NYSE under the symbol "MSGE."

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Based on the Volume Weighted Average Price ("VWAP") on April 21, 2023, the first full trading day after the distribution of both MSGE & SPHR, the Company believes it is appropriate for each Company stockholder to allocate 55% of their pre-distribution tax basis of common stock of the Company to MSGE common stock received in the distribution and the remaining 45% to SPHR common stock.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The allocation of pre-distribution federal income tax basis in the Company common stock is based on the Volume Weighted Average Price ("VWAP") of both MSGE & SPHR on April 21, 2023, the first full trading day after the distribution. The VWAP for SPHR common stock on April 21, 2023 was \$25.19. The VWAP for MSGE common stock on April 21, 2023 was \$30.57. Since each SPHR stockholder received one share of MSGE common stock as of the record date, the pre-distribution federal income tax basis is allocated proportionately based on the VWAP prices to both SPHR common stock and MSGE common stock received in the distribution.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____

The applicable Internal Revenue Code sections upon which the tax treatment is based are sections 355, 358, 368, 1001 and 1223.

18 Can any resulting loss be recognized? ▶ Generally, no gain or loss should be recognized by a SPHR stockholder upon receipt of MSGE common stock received in the distribution, except possibly with respect to cash received in lieu of fractional shares of SPHR.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ _____

On April 21, 2023, SPHR posted to its publicly available website a detailed description of the transaction and guidance with regard to federal income tax basis between SPHR common stock and MSGE common stock received in the distribution. A copy of this information posted to the SPHR website (<https://investor.sphereentertainmentco.com>) is attached to this Form 8937.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ▶ Trisha DeLorenzo Date ▶ 4/24/23
Print your name ▶ Trisha DeLorenzo Title ▶ Senior Vice President - Tax

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.