

Full Year and Fourth Quarter 2025 Earnings Conference Call Transcript February 19, 2026

Presenters

Michael Rapino – President & CEO
Joe Berchtold – President & CFO
Amy Yong – Head of Investor Relations

Q&A Participants

Stephen Laszczyk – Goldman Sachs
Brandon Ross – LightShed Partners
David Karnovsky – J.P. Morgan
Cameron Mansson-Perrone – Morgan Stanley
Robert Fishman – MoffettNathanson
Kutgun Maral – Evercore ISI
Batya Levi – UBS
Peter Henderson – Bank of America

Operator

Good afternoon. My name is John, and I will be your conference operator today. At this time, I would like to welcome everyone to Live Nation's Full Year and Fourth Quarter 2025 Earnings Call. I would now like to turn the call over to Ms. Yong. Thank you, Ms. Yong. You may begin your conference.

Amy Yong

Good afternoon, and welcome to the Live Nation Full Year and Fourth Quarter 2025 Earnings Conference Call. Joining us today is our President and CEO, Michael Rapino, and our President and CFO, Joe Berchtold. We would like to remind you that this afternoon's call will contain certain forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ, including statements related to the company's anticipated financial performance, business prospects, new developments and similar matters.

Please refer to Live Nation's SEC filings, including the risk factors and cautionary statements included in the company's most recent filings on Forms 10-K, 10-Q and 8-K for a description of risks and uncertainties that could impact the actual results. Live Nation will also refer to some non-GAAP measures on this call. In accordance with the SEC Regulation G, Live Nation has provided definitions of these measures and a full reconciliation to the most comparable GAAP measures in our earnings release. The release reconciliation can be found under the Financial Information section on Live Nation's website. And with that, we will now take your questions. Operator?

Operator

Thank you. We will now be conducting a question-and-answer session. If you would like to ask a question, please press star, one, on your telephone keypad. A confirmation tone will indicate that your line is in the queue. You may press star, two, if you'd like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys. One moment please while we poll for questions.

And the first question comes from the line of Stephen Laszczyk with Goldman Sachs. Please proceed with your question.

Stephen Laszczyk

Hey, guys. Thanks for taking the questions. Maybe to kick it off on the outlook, for Joe, I wanted to see if you'd be willing to talk a little bit more about the building blocks to the outlook for double-digit AOI growth in 2026. Just curious if you could talk a little bit more about the puts and takes investors should be keeping in mind as they think through segment contribution this year.

And ultimately, just at a high level, what's giving you confidence as you sit here today looking at the business, ahead for the next 12 months or so to guide for double-digit growth despite some of the headwinds I think we're seeing at Ticketmaster and then some of the preopening expense at Venue Nation on the back of some investment there, just the confidence in the double-digit guide despite some of those factors. Thank you.

Joe Berchtold

Sure. Happy to give you that guidance. So let's just take it by division. So sponsorship, straightforward, expect it to continue to be up double-digits AOI this year. We're over 70% booked and running double-digits ahead. So I think we've got a pretty good visibility into the pipeline there to give us that confidence.

On ticketing, I'd say we're not expecting a lot out of it this year. We've got some underlying mid-single-digit growth. We've got some onetime headwinds on secondary, and we'll let somebody else ask the question on that. We can go into more detail on it. So we're not expecting a lot there even with some underlying health and improvement on the fundamentals. And then it really comes down to concerts, getting some double-digit solid growth out of that, which, as we look to our supply-demand dynamics, we lay a lot of them out in the earnings release on the demand side, where we continue to see extremely robust demand on all aspects of the business globally.

On the supply side, we gave you that the large venues were up. Amps are up versus '24 and '25. We got about 80% of our shows booked. So we're optimistic that we can maintain staying ahead of '24 and '25. Arenas are up double-digits in terms of our show count right now, which is largely U.S.-driven. Last year, it was really international-driven. This year, you got more U.S.-driven. And then stadiums are up double-digits. We've managed because of the forward planning to get the U.S. to be up a bit, but it's really driven by international being well up on stadiums even after a banner growth last year. U.K. and Europe, in particular, really seeing strong growth in our stadium business.

Stephen Laszczyk

That's helpful. And then maybe just as a follow-up, Michael, if you could put a finer point on the outlook for supply in 2026. I think Joe mentioned up double-digits across a number of different verticals there, but just as you think about the quality of that supply and maybe some of the early demand indicators you're seeing across the footprint, whether that's stadiums, amps or arenas, domestic versus international, any trends or ways to compare what you're seeing play out today looking ahead for 2026, how that might have compared to where you were 12 months ago, looking ahead to '25?

Michael Rapino

Yes. I think we're continuing on our theme we've seen for multiple years now. It's a global business and continued markets are growing. So that will be an ongoing theme for many years to come, new markets, extended markets around the world doing more shows, more demand from the consumer from all corners of the globe.

Number two, you see it on all venue segments from my club business to stadium. It's all doing more, more business, more tickets, more shows. So the pie is growing on the complete supply side to fill the pipe and multiple pipes, as I said, from top to bottom. So we don't see any new trend that we haven't kind of stated for the last few years, that we think this is a continual growth industry on a global basis, high-single-digits industry-wide and hopefully, we'll continue to beat that because we do believe that both the supply of the artists, more bands on the road and more fans want to see those artists. Those two will continue to drive all segments, all geographies over time.

Operator

Thank you. The next question comes from the line of Brandon Ross with LightShed Partners. Please proceed with your question.

Brandon Ross

Hey. Thanks for taking the questions. Maybe switching gears to the DOJ. Yesterday, the judge partially granted your motion on the summary judgment, dismissing claims that you're a monopoly in promotion and booking. I guess you're still going to proceed to trial on venue-facing ticketing and amps tying, but can you tell us your opinion on what the dismissal means for a potential breakup of the company and other structural or behavioral remedies?

Joe Berchtold

Thanks, Brandon. Yeah. I mean, we were obviously very pleasantly surprised. We never expected to get much of anything on that ruling, but pleasantly surprised that they're seeing the facts laid out on the table. As you said, the first thing that they determined was that the promotion and booking services are not a monopoly. It's not an accurate market definition, which in our minds, really takes away the breakup of the company argument because the breakup of the company

argument was founded on some notion of mutually reinforcing monopolies, and they just found that the promotion and booking side isn't.

So we think that, that critical element takes away that edge risk that some folks had had. And then the other key thing that they decided was that the national consumer monopoly market was also dismissed. And so what that means on a practical basis, is they need to demonstrate that Ticketmaster's so-called monopoly harms the venues, not that they can just say it harms fans, which would be a more emotional topic. So we think that also makes the case somewhat more difficult for them. So we're very pleased with yesterday.

Brandon Ross

OK. And switching agencies to the FTC. It's been several months, since the FTC hoopla started and you took a bunch of steps aimed at bad secondary market behavior. You reiterated in your answer to Stephen's question that it's having a real impact on Ticketmaster's secondary business. But can you tell us your view of the impact that your initiatives are having on the broader industry? And then maybe in the wake of the Senate hearing and the secondary price cap legislation that we're seeing, how you see the future of the secondary industry playing out in general.

Joe Berchtold

Sure, I'll take the first part, and I'll let Michael take the back part. In terms of what we're doing, I would put it in two buckets, what we're doing. One is, as it relates to allowing brokers to sell tickets on our platform, we took some immediate action shortly after the FTC lawsuit that dramatically restricts the brokers who have tickets, from selling them on our platform, limiting them to one broker account per tax ID and the number of tickets being sold needing to stay within the limits.

So the impact of that has been to substantially reduce, roughly cut in half the number of tickets that are being listed by brokers for concerts on our platform. Now, we think a lot of those are still being sold on the other platforms at this point, pending them taking similar steps. But we're also taking additional steps to stop the scalpers from getting the tickets in the first place, so we have ramped up our efforts starting with account creation and using identity verification more in account creation.

We are increasing the use of various tools, including identity verification for artist sign up and for queues, to try to give real fans a better chance than the brokers in terms of buying the tickets. We're increasing our use of Face Value Exchange. All of these tools, we think, have been effective in helping shrink the overall industry and keeping the artists with more control over the tickets and their relationship with their fans.

I don't know, Michael, if you want to comment on legislation. I guess, legislation is, obviously – a lot of it's going on a state-by-state level. We've been very clear that we're supportive of giving more control to the artists. We're in support of price caps because we don't seem to be getting

more nuanced solutions to give the artists that control, and we'll continue to support that artist agenda.

Michael Rapino

Just to jump in on Joe, on where the – as the Canadian's say, where the puck is going. We clearly – we've been saying this for a few years. There is a momentum in the air around secondary in general on the consumer side, and then from the artist. So we like that. We're doing everything we can to build tools for the artists. We just launched something with Noah Kahan this week to do a better job. It's not perfect, but it's much better at identifying.

We've rolled out a program with Kid Rock, worked hard with Kid to figure out how we can help him. I think we have over 100 artists now using Face Value Exchange. So we're liking where this is headed. We believe that artists will continue to gain more control, want to find better ways to limit secondary and the company that has more of the tools will win in the end. And ultimately, I think legislation will creep in as it is state-by-state to aid in their fight against secondary.

Brandon Ross

Great. Thanks very much.

Operator

And the next question comes from the line of David Karnovsky with J.P. Morgan. Please proceed with your question.

David Karnovsky

Hey. Thank you. I guess, first for Joe. It'd be kind of helpful if you could dig in a bit more on the demand side of what you're seeing in terms of the indicators. If you could parse that by regions or venues or consumer segments, that would be helpful. And then for Michael, you've been quite active in arena acquisitions in Europe over the past few months, so I wanted to see if you can speak a bit more to the playbook there in terms of kind of the investments you're making into those venues and then just how it plays into your broader goals across the continent. Thanks.

Joe Berchtold

Sure. On the demand side, we're continuing to see very strong, consistent demand. We gave you on the earnings release, a number of specific points on just the volume of fans that are showing up for artists, how tremendously popular they continue to be. It also flows through to festivals. We continue to see strength of demand at the club and theater level.

I think, the thing to continue to remind ourselves, to continue to remind you guys is, if you look at the U.S., 75% of the tickets are under \$100. Artists are acutely aware of the need to have all of their fans be able to afford to buy a ticket, maybe not the front row, but to buy a ticket and they're very focused on keeping it affordable. So we're not seeing any pullback, any issues whatsoever in demand for any budget-conscious fans.

Operator

Thank you. And the next question comes from –

Joe Berchtold

Sorry, Michael. Michael, you're on mute, if you want to –

Michael Rapino

Sorry, I was just jumping in on answering your Venue Nation question. You've seen some announcements; we're thrilled with the progress we're making. We outlined in our Investor Day; we have a large pipe around the world in arenas. Some amphitheatres, 5,000 seats, key markets around the world where we can add into our portfolio. So we're thrilled that division is growing on a global basis, hitting all of our benchmarks, the returns we're looking for and much more to come.

David Karnovsky

Thanks.

Operator

Thank you. And the next question comes from the line of Cameron Mansson-Perrone with Morgan Stanley. Please proceed with your question.

Cameron Mansson-Perrone

Thanks. Two, if I could. On ticketing GTV growth, I know there was some lighter sports and third-party activity in the first half of the year, but curious how that subcategory grew in the second half of the year and just any kind of forward indications on how those kind of two areas of the ticketing business are pacing looking ahead to '26.

And then separately, Spotify, the other week reported facilitating about \$1 billion in, I think it was over \$1 billion in ticket purchase activity through the platform. I'm curious your thoughts on, do you think that integration is growing the industry overall, or is it just shifting the point of discovery? Any kind of feedback on how you view that integration and its success would be helpful. Thanks.

Joe Berchtold

Yeah, just on Ticketmaster in terms of the GTV, so we ended the year with GTV growing about 6%, which was driven by concerts, really, fully. 9% increase in concerts, with a 1% decline in sports and other third-party. So as we look to this year, we expect to see that probably accelerate a bit. I think we'll see some come back on the other pieces over the course of the year. You need to see it play out, but we feel good about the runway that Ticketmaster's on, on an operational basis. We, again, think the majority of it will come from concerts, but it won't be overwhelming, as it was this year.

Michael Rapino

On distribution, Cameron, there's almost two businesses. There's the superstar stuff that has incredible reach, tends to sell out on its own, and we don't need much help on that. The artist has such a medium and efficiency. But a lot of the stuff that doesn't sell out around the globe, we love all of our distribution partners, Spotify, the Facebooks, Verizon. We've had lots of different partners who help us reach fans and some of those shows, the Tuesday night show in Indianapolis that isn't sold out. We'll take all of the reach we can to help get to those customers.

Cameron Mansson-Perrone

That's helpful. Thanks.

Operator

And the next question comes from the line of Robert Fishman with MoffettNathanson. Please proceed with your question.

Robert Fishman

Hi, good afternoon. Two for Michael or Joe, please. First, I appreciate the extra disclosure on Venue Nation. Just given the preopening costs ramping up in '26, can you help us think about the overall ramp and trajectory for Venue Nation on a total portfolio AOI basis to reach that run-rate in '28 and '29, that you called out? And then separately, when you think about the longer-term Venue Nation opportunity, how big of a contributor is international versus U.S. when you're thinking about that going forward? Thank you.

Joe Berchtold

So just first on the specific numbers, so this is the first time we've given you the exact numbers, but I think we've been talking about this concept for a while, which is you've got a bit of a ramp-up cost as we build out Venue Nation. And some of those ramp-up costs are going to be large as a percentage of the benefit in your first few years. So you're seeing that \$25 million cost this year, ramping up to – sorry, last year, ramping up to \$50 million this year. I don't expect it to continue increasing at that level as we get to more of a steady state. And then we start to get the full mature, when the buildings have been open two to three years.

So I would expect – again, we give you the fan count for both buildings that we opened last year and buildings that we're opening this year and how that is going to a steady state. We've given you the profitability per fan in different forms. So I mean, I think you can probably model out how you see the increases and then look at that in the context of the Investor Day and what we gave you over the multiyear in terms of the Venue Nation potential. So that should help you triangulate on the rate of increase.

Robert Fishman

And just like when you think about international –

Joe Berchtold

Yeah, in terms of long-term, clearly, international is a huge focus for us, both Latin America, Europe, Asia, all areas. Really, you almost think about it in top cities, more than markets. But you are underdeveloped in the international markets on key arenas because you don't have the NBA, NHL infrastructure like you do in the U.S. So we're seeing tremendous opportunities, whether it's building a new venue. We're going into a market like Paris with La Défense, a tremendous arena, great potential there. Didn't have the full rigging to hang a modern arena show, modern arena production, so after that acquisition closes, we'll do some renovations. We expect it will help expand the marketplace, be able to draw a lot more shows to that market, help us grow the overall business.

Robert Fishman

Great. Thank you.

Operator

And the next question comes from the line of Kutgun Maral with Evercore ISI. Please proceed with your question.

Kutgun Maral

Great. Thanks for taking the questions. I had a few more on Venue Nation. First, Joe, to follow-up on what you just said, when we do use all the helpful detail you provided at the Investor Day and try to triangulate the rate of increase in the Venue Nation AOI, it really looks like this year, 2026, could be an inflection year. And when you look at the AOI – the fan count build and revenue and AOI, it seems like it could accelerate further in 2027 and 2028. I know you don't provide specific guidance, but is that just the right framework to perhaps think about what's going on underneath the hood with not just Venue Nation and concerts, but maybe on a consolidated basis as well?

And second, the acquisition of ForumNet Group in Italy was interesting. I know the heart of the deal was centered on their arena but there are two other venues in their portfolio as well. So I want to see if acquiring companies that operate in multiple venues could play a more prominent role in scaling Venue Nation going forward, or was that more of a one-off? Thanks.

Joe Berchtold

Yeah, and just in terms of the ramp, I think you will see an acceleration that you would naturally have. If every set of venues that you get, if you build one, there's probably a three-ish year to run-rate. When you buy them, maybe a two year to run-rate. So as we build that base, you're going to naturally get the benefit of all the pieces. I mean, just to give you a little bit of context, so if you look at how we envision building our owned or operated fan count this year, I'd say it's kind of 20% from venues we opened in '25, about one-third from venues we opened in '26 and about half organic. So if you think about that playing out as you add new venues, yes, you're going to accelerate your rate of increase because you just have more pieces that you're adding into that funnel. So would absolutely expect each year to help grow that base of fans in our operated venues.

Michael Rapino

Venue Nation [errata note: "Venue Nation" should be "ForumNet Group"], it's just a one-off. We're not looking to buy venue management companies. We don't love the return on those businesses as much as we like owning the venue and fully taking over the P&L. So in this case, they were added bonuses but not a regular strategy.

Kutgun Maral

Perfect. Thank you, both.

Operator

And the next question comes from the line of Batya Levi with UBS. Please proceed with your question.

Batya Levi

Great. Thank you. Just a follow-up on the demand side. Can you provide a bit more color on the recent on-sale activity and sell-through rates, how they stack up against last year into the summer pipeline? And maybe a bit more color on consumers' willingness to pay up against higher ticket prices for the World Cup that we're seeing now? Thank you.

Michael Rapino

You can answer, Joe.

Joe Berchtold

Yeah, in terms of the on-sales, we're seeing consistent performance with overall demand, sell-through levels as we were seeing last year. Obviously, every tour is a little different. We gave you a few at the very high end in the release, with Harry Styles and BTS and Bruno Mars showing levels of demand higher than we've ever seen before. But in general, we are still seeing front to back, the tickets selling across all the different sizes of venues. And then we're – obviously, we're not involved in FIFA at all. We're not involved in selling their tickets, so we can't really opine on what they're doing.

What we do know is, is for the concerts, the artists are very acutely aware of who their fans are and how to manage that relationship with them and how to manage the brand. And as I said earlier, they're making sure they're pricing their tickets so all their fans can get in the building. And the front of house, where they think it's going to end up being somebody buying on secondary, if the brokers take them to get a big arbitrage, they'll take more of that money for themselves. So I think you're continuing to see that same macro story play out.

Batya Levi

Got it. Thank you.

Operator

And our final question comes from the line of Peter Henderson with Bank of America. Please proceed.

Peter Henderson

Yeah. Thank you. So I mean, it seems like you're seeing a great international momentum across all regions, but I'm just curious where you're seeing the best momentum. Is it in Europe, LatAm, Asia Pacific? And sort of what's the mix shift implication for margins and capital needs based on that? And then what's the biggest constraint internationally right now? Is it venues, local partners, regulation or talent-routing? And I have a follow-up.

Michael Rapino

Yeah, we're seeing all the countries equally have the appetite for that live show. So whether it's São Paulo or Milan, the major cities around the world all want to have superstar –

Peter Henderson

Great. And then I guess when a venue chooses Ticketmaster today, what are the top 2 or 3 differentiators that are consistently closing the deal for you guys? Is it the fact that you have the best technology? Is it the fact that you're investing tremendously in fraud tools or bot prevention? Just curious what your feedback is on why venues choose you so frequently.

Joe Berchtold

Yeah, I think number one reason why they choose us is because we just sell more tickets. Empirically, a promoter or a manager would tell you, they look at the shows on the tour, the Ticketmaster ones are most effective at helping them sell the most tickets, getting the highest grosses from their show. So what they can do in terms of using our distribution, using our marketing capabilities, in terms of using our pricing tools to make sure they understand what's the right level to get to all the fans, so that's the number one reason. And then depending on the marketplace in the U.S., where it's more mature, it's going to be more economics-driven. In other markets that are less mature, some of the other software tools on the venue level are going to matter more. But selling tickets is the overriding, that number one factor.

Peter Henderson

Thank you.

Michael Rapino

My apology, the line had dropped, but it looks like you took over, Joe, so thanks.

Operator

Thank you, ladies and gentlemen. That does conclude the question-and-answer session, and that also concludes today's teleconference. We thank you for your participation. You may disconnect your lines at this time.