

**LIVE NATION ENTERTAINMENT, INC.**  
**THIRD QUARTER 2011**  
**SUPPLEMENTAL OPERATIONAL AND FINANCIAL INFORMATION**

**\*\* Information presented is as of November 3, 2011 unless otherwise indicated \*\***

**Artist Nation**

The company's key artists have been far more active during 2011 as compared to 2010, delivering management results for the full nine months 33% above last year.

The balance of the year will see some reduction in activity due to the deferral of tour plans by Van Halen, Neil Diamond, Jimmy Buffett and a reduced schedule from The Eagles. Both Neil Diamond and Van Halen have already confirmed extended U.S. tours beginning in the second quarter of 2012.

**Concerts**

To date in 2011, the company has completed approximately 15,700 concerts, entertaining approximately 36 million fans across 40 countries.

Excluding amphitheaters, concert attendance was up 6% for the third quarter of 2011, and year-to-date attendance was up 8%, outperforming the overall industry average which was up 1%. The company is continuing to see solid demand in October 2011, with Live Nation global concert attendance expected to be roughly flat for the month.

The company reduced the number of shows in its amphitheaters by over 15%, while increasing profitability per show by 18%.

The company grew global arena attendance year-to-date by 10%, with its profitability per show for arena events improving 33% over the prior year.

The club business has improved its adjusted operating income by 30% year-over-year, with show count up 13% and per capita spending up 3% over 2010.

The company has increased its festival portfolio in both the United States and Europe this year, launching ten new festivals, for a current total of 45 festivals worldwide. The number of the company's electronic festivals has doubled to six in 2011 versus three in 2010.

**Ticketing**

For October 2011, the company's Ticketing segment's sales were up 2% compared to October 2010.

On a pro forma basis, ticket sales were flat for the first nine months of 2011, in line with the company's expectation that ticket sales will be flat to slightly down for the full year 2011.

The company currently expects that ticket sales will be down for the fourth quarter of 2011 as compared to the prior year, primarily due to a decrease of approximately 3 million tickets from:

- the NBA lock-out, which the company now believes will result in the loss of approximately \$10 million of adjusted operating income, based on the expectation that there will be no basketball in 2011; and
- comparisons against the sales of *Wicked* tickets and the U2 and Take That stadium tours in 2010, with no similar-sized productions or tours on sale in 2011.

Given these anticipated fourth quarter impacts, the company currently expects tickets sales for the full year 2011 to be down approximately 1-2% over 2010.

Ticketmaster currently has approximately 12,000 clients, up almost 10% over 2010, and has put over 200,000 events on sale to date in 2011, an increase of 1% over the prior year. The company's global renewal rate to date in 2011 was 86%, and the company currently expects the rate to be about 90% for the full year. Factoring in new clients, the net client retention rate was 104% on a global basis through the third quarter of 2011.

The company's GrouponLive venture has delivered meaningful sales, with over 2,400 offers and 1.2 million tickets sold through October 2011.

Year-to-date over 300,000 tickets have been sold through Wal-Mart kiosks. Kiosks are currently in only about 30% of Wal-Mart locations in the United States, so there remain opportunities to grow the company's footprint in 2012.

### **eCommerce**

The company's Live Analytics business now has 38 customers, of which 17 are major league sports teams.

During 2011 the company launched Pricemaster, its dynamic pricing tool, and currently expects it to be used on over 300 beta events in 2011, with a full roll-out anticipated for 2012.

The company has increased its focus on mobile technology, in both its Live Nation applications and its Ticketmaster mobile website, which together have generated approximately one million ticket sales year-to-date.

The company has also continued to improve the effectiveness of its shopping cart experience, with revenue from up-selling up 54% for the year.

### **Sponsorship**

Approximately 80% of the adjusted operating income generated by the company's Sponsorship segment is directly attributable to the company's concerts business.

Through September 2011, the company had a total of 713 sponsors. Year-to-date, the company has sold two billion impressions worldwide, an increase of 9% over last year. At the same time, CPMs grew by double digits both internationally and in North America.

### **Debt Covenants**

As of September 30, 2011, the company's total debt-to-EBITDA ratio was under 4.0x versus the new maximum of 4.5x, and its interest coverage ratio was over 4.5x versus the new minimum ratio of 2.75x.

### **Outlook**

The company currently remains confident in its ability to deliver full-year revenue and adjusted operating income growth along with overall margin improvement for 2011. The company also currently anticipates that all of its segments will deliver higher adjusted operating income in 2011 compared to 2010, that Concerts will more than double its adjusted operating income, and that Sponsorship and online advertising-related adjusted operating income will grow by more than 10% for the full year.

### **Forward-Looking Statements**

The supplemental information provided above contains certain forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ, including statements regarding Live Nation's anticipated future operational and financial performance. Please refer to Live Nation's SEC filings (including its recently-filed Quarterly Report on Form 10-Q for the quarter ended September 30, 2011), available on its website at [www.livenation.com/investors](http://www.livenation.com/investors), for a description of risks and uncertainties that could impact the actual results.