

LIVE NATION ENTERTAINMENT, INC.
SECOND QUARTER 2016
SUPPLEMENTAL OPERATIONAL AND FINANCIAL INFORMATION

**** Information presented is as of July 28, 2016, unless otherwise indicated ****

Concerts

Stadium attendance in the second quarter of 2016 was approximately six times greater than the prior year, with almost 3.5 million fans attending 83 shows, in what is shaping up to be the company's largest stadium year ever.

Amphitheater attendance was up approximately 17% in the second quarter of 2016 compared to the prior year, to almost 4.5 million fans.

The company's pipeline of shows in the second half of 2016, particularly stadiums and arenas, continues to be very strong and the company currently expects its total number of shows to be approximately 26,000 in 2016.

Sponsorship & Advertising

Segment growth in the second quarter of 2016 was weighted to its sponsorship business, where adjusted operating income increased approximately 14% versus the prior year.

The company's online advertising business increased its adjusted operating income by 7% in the second quarter of 2016 versus the prior year.

The sponsorship and advertising business's contracted net revenue for 2016 is currently over \$275 million.

Ticketing

Primary ticketing fee-bearing gross transaction value (GTV) was up approximately 20% for the second quarter of 2016, with North America up approximately 26% and international up approximately 5%, each compared to the prior year.

Secondary ticketing GTV grew approximately 48% in North America and 58% in international markets in the second quarter of 2016 as compared to the prior year.

The company continues to see much higher conversion rates on integrated inventory events than those with primary-only options, with integrated inventory conversion rates approximately 50% higher for the first half of 2016 versus the prior year.

Continued web and app improvements drove an increase in mobile ticket sales of approximately 47% in the second quarter of 2016 versus the prior year, with mobile now accounting for approximately 27% of overall ticket sales.

Outlook & Miscellaneous

The company currently expects to deliver record free cash flow in 2016, as it expects to convert adjusted operating income into free cash flow at approximately the same rate as in 2015.

From a timing perspective, the company was weighted heavier into the second quarter of 2016 from a concerts and ticketing perspective than it anticipated at the beginning of the quarter, and currently expects that most of its remaining growth in 2016 will come in the third quarter.

Based on current forecasted rates, the company currently expects that the impact of changes in foreign exchange rates on its revenue and adjusted operating income for 2016 will be in the 1-2% range.

By division, each on a constant currency basis:

- **Concerts** — The company currently expects that it will deliver continued strong adjusted operating income growth for its concerts business for the year.
- **Sponsorship & Advertising** — The company currently expects to deliver full-year adjusted operating income growth for its sponsorship & advertising business consistent with the past few years.
- **Ticketing** — The company currently expects to deliver high single-digit adjusted operating income growth in its ticketing business in 2016, with flat year-on-year margins.
- **Artist Nation** — The company currently expects revenue and adjusted operating income trends for the full year 2016 to be similar to the second quarter of 2016, where revenue was flat and adjusted operating income was slightly improved versus the prior year.

The company currently estimates that it will record approximately \$50 million of accretion of redeemable noncontrolling interests in 2016 based on the current asset base, which impacts the calculation of earnings per share. In addition, the company currently expects the amortization of nonrecoupable ticketing contract advances for the full year 2016 to be approximately in line with the total amount in 2015.

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 most recently filed Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K), available in the SEC Filings section of its website at investors.livenationentertainment.com, for a description of risks and uncertainties that could impact the actual results.