

November 6, 2008



O2 and Live Nation/Academy Music Group (AMG) Announce Strategic Alliance

Telefonica O2 UK Joins Forces With World's Largest Live Music Company To Launch O2 Academy Venues Reaching More Than 3.5 Million Music Fans Annually

LONDON and LOS ANGELES, Nov. 6 /PRNewswire-FirstCall/ -- O2 and Live Nation (NYSE: LYV)/AMG today announced a strategic alliance to launch O2 Academy venues across the UK, which are majority owned by Live Nation alongside fellow shareholders, leading UK concert promoters, Metropolis Music and SJM Concerts. The alliance will boost support for future music talent and enhance the music experience for fans visiting the venues as well as allow O2 to offer a number of benefits for its customers.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20070220/LATU096LOGO>)

From the 1st January 2009, the 11 AMG venues will be renamed O2 Academy. O2 customers will gain priority access to tickets to all gigs at the venues, as well as other Live Nation events across the country. In total, O2 customers will gain special access to as many as 4,000 Live Nation produced shows a year in the UK up to 48 hours before they go on general sale.

"Our customers tell us that they really value having priority access to tickets at The O2, so we want to bring this benefit to even more customers," said Ronan Dunne, Chief Executive at Telefonica O2 UK. "The O2 Academy venues are a hugely important part of the UK's music scene and we admire their role in musical heritage. Through this partnership we are not only looking to benefit O2 customers, but to also enhance the live experience for all artists and music fans."

Simon Lewis, President, Music Marketing Partnerships, International, added: "O2's credentials in supporting live music are unparalleled and we are very enthusiastic about working with a partner with such integrity and understanding of the fan/artist relationship. We intend this partnership to take O2's position in live music to new heights and allow us to market our concerts and artist-related products to millions of O2 customers and drive incremental ticket sales."

John Northcote, CEO Academy Music Group commented: "Academy Music Group is the UK's leading live music venue owner and operator and we have successfully built a nationwide network of premier concert venues across the country. It is very important that we continue to improve the artist and customer experience, working with like-minded partners. O2 has a dedicated programme and track record of rewarding their customers and embracing new methods of communication, as well as supporting new and emerging artists."

As part of the relationship with Live Nation, O2 plans to reinforce the Academy venues as key outlets for grassroots music in the UK, ensuring new musical talent is recognised and

supported. Over the past four years, O2 has supported up-and-coming artists with its O2 Undiscovered music programme which endeavours to open up careers in the music industry. O2 will ensure that the O2 Academy venues form a centrepiece for grassroots musical talent in their local communities as well as creating synergies with O2 It's Your Community, a nationwide 1 million pounds sterling community grants programme.

O2 will work closely with Live Nation/AMG to enhance the concert-going experience, developing technologies like mobile ticketing which is both convenient and environmentally friendly, and utilize the venues to assess the benefits of contact-less NFC (Near Field Communication) technology in the music industry.

O2 customers may also be able to enjoy other unique benefits that will significantly enhance their experience, including fast track entry, creating areas for O2 customers and their guests where they can relax before and after events, and opportunities to text ahead for special benefits.

O2 will also have first option to exclusive live content from O2 Academy gigs and will work closely with the artists to make this content available for download to mobile handsets. Through its Napster and MyPlay music services, O2 has a variety of platforms available for artists to distribute their music directly to fans.

The deal incorporates the following venues:

- O2 Academy Brixton
- O2 Academy Islington
- O2 Academy Birmingham
- O2 Academy Bristol
- O2 Academy Glasgow
- O2 Academy Liverpool
- O2 Academy Newcastle
- O2 Academy Oxford
- O2 Academy Sheffield
- O2 Academy Leeds
- O2 Shepherd's Bush Empire

About O2

- Telefonica O2 UK Limited is a leading communications company for consumers and businesses in the UK, with over 18.7 million mobile customers and over 190,000 fixed broadband customers as at 30 June 2008.
- Telefonica O2 UK Limited is part of Telefonica Europe plc which is a business division of Telefonica S.A. and which owns O2 in the UK, Ireland, Slovakia, Germany and the Czech Republic, and has 43.8 million customers.
- In 2006 Telefonica Europe acquired Be, the UK fixed broadband provider, and in October 2007 O2 launched its broadband service using the Be network.
- O2 is the naming rights partner of The O2, the world-class entertainment venue.
- O2 was ranked the 6th best place to work in the Best Companies to Work for 2008 List and has been awarded a three-star accreditation denoting an 'extraordinary' company.
- O2 was launched on 1 May 2002 and now has more customers than any other UK mobile network.
- O2's UK mobile network covers 99% of the UK's population.
- O2's 3G network covers 80% of the UK population and is fully

- HSDPA-enabled, providing speeds of up to 1.8 MBps for customers with an HSDPA-enabled device.
- Telefonica Europe also owns 50% of the Tesco Mobile joint venture in the UK and Ireland, and 50% of the Tchibo Mobilfunk joint venture business in Germany.
 - For b-roll footage of O2, please visit www.thenewshub.co.uk
 - For further press information about O2 go to <http://mediacentre.o2.co.uk>

About Live Nation:

Live Nation's mission is to maximize the live concert experience. Our core business is producing, marketing and selling live concerts for artists via our global concert pipe. Live Nation is the largest producer of live concerts in the world, annually producing over 16,000 concerts for 1,500 artists in 57 countries. The company sells over 45 million concert tickets a year and expects to drive over 60 million unique visitors to LiveNation.com in 2008. Live Nation is transforming the concert business by expanding its concert platform into ticketing and building the industry's first artist-to-fan vertically integrated concert platform. Headquartered in Los Angeles, California, Live Nation is listed on the New York Stock Exchange, trading under the symbol "LYV." Additional information about the company can be found at www.livenation.com/investors.

About Academy Music Group

Academy Music Group (AMG) is the UK's leading owner and operator of multi-award winning, nationwide live music and club venues including a network of Academy venues in Brixton (London) (NME Awards 'Best Venue 2007'), Islington (London), Glasgow, Newcastle, Liverpool, Sheffield, Birmingham, Bristol, Leeds, Oxford and Bar Academy venues in Birmingham and Islington (London) as well as Shepherd's Bush Empire (London). Its shareholders include Live Nation, SJM Concerts and Metropolis Music.

In June 2006, Academy Music Group won The Sunday Times' Profit Track 'One To Watch' award, honoured for its profit, growth and success as one of Britain's top private companies. In 2007, AMG announced it had acquired two more sites for future development, the former Dome Nightclub in Birmingham, scheduled to open in 2009 and The Hippodrome in Brighton (2010). www.academy-music-group.co.uk

SOURCE Live Nation