

**LIVE NATION ENTERTAINMENT, INC.**  
**SECOND QUARTER 2014**  
**SUPPLEMENTAL OPERATIONAL AND FINANCIAL INFORMATION**

**\*\* Information presented is as of July 31, 2014, unless otherwise indicated \*\***

**Concerts**

Arena attendance decreased by 14% in the second quarter of 2014 compared to the prior year, due to the shift of shows into the first quarter, although it increased by 6% in total for the first half of 2014 compared to the prior year.

Similarly, attendance at the company's festivals was down 9% in the second quarter of 2014 compared to the prior year. The company currently expects its festival activity to weigh more heavily towards the third quarter in 2014, which the company anticipates will lead to mid-single-digit percentage festival attendance growth for the full year 2014 versus 2013.

Through June 30, 2014, the company's ticket sales for stadium events in the second half of 2014 are up more than 50% over 2013, and similarly the company currently expects this business to be up over 50% for the third quarter of 2014 versus the prior year.

For the full year 2014, the company currently expects to build its market share, grow attendance and deliver double-digit percentage adjusted operating income growth in its Concerts segment.

**Artist Nation**

For the full year 2014, the company currently expects double-digit percentage adjusted operating income growth for its Artist Nation segment.

**Sponsorship & Advertising**

With approximately 80% of the company's expected sponsorship and advertising already sold for 2014, the company currently expects that for the full year 2014, adjusted operating income growth for this segment will be consistent with that of the past few years.

**Ticketing**

The company's primary ticket sales are up 2% for the third quarter of 2014, and up 1% for the full year through July 21<sup>st</sup> over the same periods of the prior year.

The company's secondary ticket sales are up 30% for the first half of 2014 compared to the prior year, with the company expecting similar growth through the remainder of the year.

For the full year 2014, the company continues to expect low-single-digit percentage growth in primary ticketing volume, strong growth in secondary ticketing gross transaction value (GTV) and low mid-single-digit percentage growth in ticketing adjusted operating income, in each case as compared to the prior year, and believes that margins in ticketing for the full year will be consistent with those of 2013.

### **Debt Covenants & Miscellaneous**

As of June 30, 2014, the company was comfortably in compliance with its debt covenant that requires the total debt to EBITDA ratio to not exceed 5.25x. After adjusting for the expected repayment of the company's \$220 million of 2.875% convertible senior notes by September 2014, the company's debt leverage ratio is comfortably less than 4.0x as of June 30, 2014. Without this additional convertible debt, the company's weighted average cost of debt would have been 4.3% as of June 30, 2014.

Given its expected growth in adjusted operating income for the full year 2014, the company currently expects that free cash flow for 2014 as a percentage of adjusted operating income will be roughly in line with 2013, up from levels the company had seen in 2011 and 2012.

Of the company's anticipated total 2014 capital expenditures of approximately \$135 million, the company currently expects that around half of that amount will be spent on revenue generating projects, including Ticketmaster technology products.

### **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](http://investors.livenationentertainment.com), for a description of risks and uncertainties that could impact the actual results.