



**SECOND QUARTER 2021
SUPPLEMENTAL OPERATIONAL AND FINANCIAL INFORMATION**

***** Information presented is as of August 3, 2021 unless otherwise indicated *****

Operating Results

The company's second quarter adjusted operating income of \$10 million consisted of approximately \$351 million of contribution margin, which included approximately \$364 million from operations, along with various one-time items including gains from insurance recoveries and government support, and losses from ticketing service fee refunds paid out, which was then offset by approximately \$341 million in operational fixed costs.

The company's monthly gross burn for the first half of 2021 was lower than the monthly burn during the last three quarters of 2020, due to structural cost-savings and continued cost discipline.

The company currently plans to reduce costs for 2021 by over \$800 million, and reduce cash spend by approximately \$1.5 billion, relative to pre-pandemic plans.

Ticketing

Contribution margin for the company's ticketing segment the second quarter of 2021 was approximately \$204 million, or nearly 60% of the company's total contribution margin.

North America accounted for over 75% of total transacted tickets in the second quarter of 2021, as compared to approximately two-thirds of transacted tickets for the 2019 year. Concert tickets drove much of this activity, and, as a result, the top 10 artists sold over \$513 million in gross transaction value (GTV) during the second quarter of 2021 compared to approximately \$329 million in the second quarter of 2019.

June 2021 GTV for secondary ticketing was only approximately 8% below the GTV for June of 2019. That trend has continued into the third quarter of 2021, with July 12th marking the highest resale GTV day in the company's history.

Concerts

Part of the company's event-related deferred revenue at the end of the second quarter of 2021 is associated with over 25 million tickets the company has sold for its concerts in the second half of 2021. Also contributing to this was the approximately 14 million tickets that the company has already sold for concerts in 2022, reflecting strong double-digit growth in the company's 2022 pipeline for show count and fans relative to 2019.

Sponsorship & Advertising

The company currently anticipates that its sponsorship and advertising segment's full-scale activity will return somewhere between its ticketing and concerts segments' timing.

Confirmed activity for 2022 is currently pacing well-ahead of 2019 levels.

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.

Non-GAAP Financial Measures

Contribution margin is a non-GAAP measure that we calculate as revenue before amortization of non-recoupable ticketing contract advances less direct operating expenses. We use contribution margin to evaluate the performance of our operating segments. We believe that information about contribution margin assists investors by allowing them to evaluate changes in the operating results of our portfolio of business separate from non-operational factors that affect net income (loss), thus providing insights into both operations and the other factors that affect reported results. Contribution margin is not calculated or presented in accordance with GAAP. A limitation of the use of contribution margin as a performance measure is that it does not reflect the periodic costs of fixed overhead costs or certain amortizing assets used in generating revenue in our business. Contribution margin should be considered in addition to, and not as a substitute for, operating income (loss), net income (loss), and other measures of financial performance reported in accordance with GAAP. Furthermore, this measure may vary among other companies; thus, contribution margin as presented herein may not be comparable to similarly titled measures of other companies.

Reconciliation of Contribution Margin to Revenue

<i>(in millions)</i>	Revenue	Amortization of Non-Recoupable Ticketing Contract Advances	Adjusted Revenue	Direct Operating Expenses	Contribution Margin
		Three Months Ended June 30, 2021			
Ticketing	\$ 244	\$ 19	\$ 263	\$ 59	\$ 204
Consolidated	\$ 576	\$ 18	\$ 594	\$ 243	\$ 351