

LIVE NATION ENTERTAINMENT, INC.
FOURTH QUARTER AND FULL YEAR 2016
SUPPLEMENTAL OPERATIONAL AND FINANCIAL INFORMATION

**** Information presented is as of February 23, 2017, unless otherwise indicated ****

Concerts

North America stadium and amphitheater attendance were each up by about 2 million fans in 2016 versus the prior year, while growth in international attendance was driven by a 2 million fan increase in stadium attendance.

Globally, the company added 11 festivals in 2016, bringing the company's global portfolio to 85 festivals in 12 countries. Festival attendance increased by 15% to over 7 million fans for the year, with 23 festivals that each attracted over 100,000 fans.

Through February 17, 2017, ticket sales for 2017 shows are up with over 28 million tickets already sold for shows this year, and the company's confirmed show pipeline for amphitheaters, arenas and stadiums is up approximately 11% as compared to the prior period.

Ticketing

Primary ticketing fee-bearing gross transaction value (GTV) at constant currency was up approximately 15% for 2016, with concerts leading this growth with over a \$1 billion increase in GTV.

Ticket sales on the company's Front Gate festival platform and its Universe do-it-yourself business increased almost 30% and more than doubled, respectively.

In the fourth quarter of 2016, global fee-bearing GTV was up approximately 15%, while secondary GTV grew approximately 13% and primary GTV was up approximately 15%, all at constant currency.

In 2016, the company saw 36% growth in mobile tickets sold, to over 45 million tickets.

Artist Nation

In 2016, the company's managed artists performed for over 7 million fans at almost 600 of the company's shows.

Miscellaneous

In the fourth quarter of 2016, the company incurred additional interest expense of approximately \$5 million primarily due to the timing of its 7% senior notes redemption, and \$4 million due to the timing of income attributable to noncontrolling interests.

Outlook

In 2017, the company expects to continue its growth based on its leading indicators thus far in the year:

- in concerts, show count and ticket sales for 2017 shows are both up double digits;
- sponsorship & advertising has sold over 70% of its budgeted revenue for 2017, pacing double digits ahead of the prior year; and
- ticketing sales volume is up 9% through mid-February.

From a phasing standpoint, with the company's planned strong summer concert season (particularly with festivals and stadiums), the company currently expects its adjusted operating income to be even more third-quarter driven in 2017. As a result, the company currently expects the first quarter of 2017, as a percentage of full-year adjusted operating income, to be lower than in 2016.

The company's total deferred revenue for future shows was approximately \$722 million at the end of 2016, up 30% over the approximately \$533 million at the end of 2015.

The company currently expects accretion of redeemable noncontrolling interests from certain acquisition-related put/call arrangements that impact the calculation of earnings per share to be approximately \$60 million in total for 2017 based on current holdings.

For 2016, approximately \$26 million of the company's increased distributions to noncontrolling interests and nonconsolidated affiliates was driven by investing in new or increased equity interests along with a multi-year distribution that was paid in 2016. Without this impact, the company's free cash flow as a percentage of adjusted operating income would have been 59% (versus 55% actual), and the company currently expects this free cash flow percentage to return to historical levels for 2017.

The company currently expects that about half of its approximately \$220 million of budgeted capital expenditures for 2017 will go toward revenue-generating expenditures.

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.