



**FOURTH QUARTER & FULL YEAR 2022  
SUPPLEMENTAL OPERATIONAL AND FINANCIAL INFORMATION**

***\*\* Information presented is as of February 23, 2023 unless otherwise indicated \*\****

**Concerts**

Full-year 2022 spending growth by venue type was the following:

- North American amphitheaters: Ancillary per fan revenue was \$37, an increase of \$8 per fan, or 25% growth, over 2019 levels.
- Major festivals globally: Increased spending on concessions, camping, and VIP experiences drove ancillary per fan revenue up by nearly 30% compared to 2019.
- U.S. and U.K. theaters and clubs: Ancillary per fan revenue increased by 20% compared to 2019, driven by higher concession sales, Fast Lane entry, night of show upgrades, and the move to cashless payments.

Despite some headwinds associated with labor and supply chain cost pressures at venues the company operates, notably amphitheaters and festivals, as well as costs related to the reopening of international markets during the year, the company still increased its per fan profitability in 2022 taking into account company-wide revenue streams for fans attending shows at its venues. The company has seen these pressures subside in recent months, and does not expect the same level of impact in 2023 compared to 2022. Due to this, along with the company's ongoing revenue initiatives and continued cost focus, the company expects to continue to grow per fan profitability in 2023.

**Ticketing**

Secondary ticketing accounted for a mid-teens percent of the company's overall 2022 gross transaction value (GTV) of \$27.5 billion.

Average ticket prices on primary tickets rose by 17% in 2022 compared to 2019, driven by fan demand for the best seats at premier concert and sporting events.

Secondary ticket pricing rose by 12% on average for 2022 compared to 2019, with the average secondary ticket price in the U.S. remaining more than double that of a primary ticket.

The company saw revenue from non-service fees grow double digits in 2022 compared to 2019, as the company further builds ancillary revenue streams, including insurance, upgrades, and other upsells.

The company expects that the client wins that resulted in 23 million net new tickets added in 2022 will help drive an increase in fee-bearing tickets sold for 2023, positioning the company for ongoing growth.

## **Sponsorship & Advertising**

The company's festival business increased its contribution margin by 75% for 2022 compared to 2019, and platform integrations more than doubled.

On-site and online sponsorship adjusted operating income was up 61% and 64%, respectively, for 2022 compared to 2019.

## **Miscellaneous & Outlook**

Based on current forward foreign exchange (FX) rates at this early point in 2023, the company projects very little impact on its revenue and adjusted operating income from FX, with a less than 1% overall impact currently anticipated.

The company expects approximately two-thirds of its projected capital expenditures of \$450 million in 2023 to be spent on revenue-generating projects, including new venue builds and renewals, as well as other organic investments to support growth.

As part of the company's January 2023 issuance of \$1.0 billion principal amount of 3.125% convertible senior notes due in 2029, it entered into a hedge transaction to increase the effective convert price for the notes to \$144. The company used roughly half the net proceeds from the offering to repurchase its 2.5% convertible notes that were due in 2023, so it expects minimal dilution from the offering.

For line items below adjusted operating income that impact the company's earnings per share calculation, for 2023:

- The company anticipates that non-cash compensation will largely be in line with 2022, and acquisition transaction expenses will be about two-thirds of that in 2022.
- The company expects depreciation and amortization to grow by approximately \$50 million for the year over 2022 levels, evenly phased amongst the quarters, as the company continues its global expansion.
- The company expects interest expense will increase to approximately \$90 million per quarter in 2023, given the company's recent refinancing.
- The company projects accretion to be about 25% higher than 2022 levels, resulting from stronger forecasted future performance at a number of the company's joint ventures.
- The company anticipates non-controlling interest and income tax expense to grow in line with adjusted operating income for the year.

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