

August 6, 2013



Live Nation Entertainment Reports Second Quarter 2013 Financial Results

- Second Quarter Revenue up 8% and Concert Attendance up 8% -
- All Core Businesses Deliver Improved Revenue, AOI and Operating Income for the Quarter -

LOS ANGELES, Aug. 6, 2013 /PRNewswire-FirstCall/ -- Live Nation Entertainment (NYSE: LYV) today released financial results for the three and six months ended June 30, 2013.

"We saw continued strong consumer demand for the live business over the past quarter, and further accelerated our top line growth by continuing to build share in our concerts and ticketing businesses. As a result, we are well on our way to achieving our 2013 goals with strong performance across our core business segments with revenue growth of 8% in the second quarter as compared to last year. The positive trend in our concert ticket sales from the beginning of the year has continued with concert attendance up 8% for the quarter," said Michael Rapino, President and Chief Executive Officer of Live Nation Entertainment.

"Sponsorship & Advertising delivered a 16% increase in revenue during the second quarter driven by new sponsors and improved online activity and Ticketmaster revenue was up 3% with 2% higher ticket volume. We strongly believe that the strategies and investments we are implementing today position the company for long-term growth and delivery of our three-year plan."

The company will webcast a teleconference today at 5:00 p.m. Eastern Time to discuss its financial performance. Interested parties should visit the Investor Relations section of the company's website at www.livenation.com/investors to listen to the webcast. Supplemental statistical and financial information provided on the call, if any, will be available under the same link. A replay of the webcast will also be available on the Live Nation website.

FINANCIAL HIGHLIGHTS – 2nd QUARTER

(unaudited; \$ in millions)

| | Q2 2013 | Q2 2012 | Growth | 6 months 2013 | 6 months 2012 | Growth |
|---------------|------------|------------|--------|---------------|---------------|---------|
| Revenue | | | | | | |
| Concerts | \$ 1,193.0 | \$ 1,076.0 | 10.9% | \$ 1,706.5 | \$ 1,524.7 | 11.9% |
| Ticketing | 337.8 | 328.9 | 2.7% | 663.0 | 655.5 | 1.1% |
| Artist Nation | 99.7 | 109.2 | (8.7%) | 150.0 | 170.6 | (12.1%) |

| | | | | | | |
|------------------------------|-------------------|-------------------|-------------|-------------------|-------------------|------------|
| Sponsorship & Advertising | 71.2 | 61.3 | 16.2% | 111.4 | 97.4 | 14.4 |
| Other & Eliminations | (22.2) | (24.7) | 10.1% | (27.7) | (29.5) | 6.7 |
| | <u>\$ 1,679.5</u> | <u>\$ 1,550.7</u> | <u>8.3%</u> | <u>\$ 2,603.2</u> | <u>\$ 2,418.7</u> | <u>7.4</u> |

**Adjusted
Operating
Income (Loss)**

| | | | | | | |
|------------------------------|-----------------|-----------------|-------------|-----------------|-----------------|------------|
| Concerts | \$ 42.6 | \$ 36.2 | 17.7% | \$ 29.4 | \$ 11.3 | |
| Ticketing | 77.6 | 71.4 | 8.7% | 137.2 | 143.9 | (4.7) |
| Artist Nation | 8.5 | 14.9 | (43.0%) | 7.5 | 11.9 | (37.0) |
| Sponsorship & Advertising | 47.2 | 42.9 | 10.0% | 70.9 | 63.6 | 11.4 |
| Other & Eliminations | 1.6 | 0.8 | 100.0% | 2.4 | (0.4) | |
| Corporate | (17.6) | (20.2) | 12.9% | (34.6) | (36.1) | 4.4 |
| | <u>\$ 159.9</u> | <u>\$ 146.0</u> | <u>9.5%</u> | <u>\$ 212.8</u> | <u>\$ 194.2</u> | <u>9.6</u> |

**Operating
Income (Loss)**

| | | | | | | |
|------------------------------|----------------|----------------|-----------|----------------|---------------|--------|
| Concerts | \$ 36.9 | \$ (7.0) | ** | \$ (2.9) | \$ (62.0) | 95.0 |
| Ticketing | 39.2 | 31.5 | 24.4% | 54.5 | 63.8 | (14.6) |
| Artist Nation | (2.9) | 2.8 | ** | (13.8) | (12.2) | (13.7) |
| Sponsorship & Advertising | 46.4 | 42.7 | 8.7% | 69.8 | 63.3 | 10.5 |
| Other & Eliminations | 2.1 | 1.4 | 50.0% | 3.2 | 0.1 | |
| Corporate | (23.9) | (28.4) | 15.8% | (46.2) | (52.8) | 12.4 |
| | <u>\$ 97.8</u> | <u>\$ 43.0</u> | <u>**</u> | <u>\$ 64.6</u> | <u>\$ 0.2</u> | |

**** percentages are not meaningful**

For the three months ending June 30, 2013, revenue was \$1.7 billion up 8% compared to prior year revenue of \$1.6 billion. For the first six months of 2013, revenue was \$2.6 billion, up 8% compared to \$2.4 billion for the same period of 2012.

As of June 30, 2013, total cash and cash equivalents were \$1.4 billion, which includes \$479 million in ticketing client cash and \$331 million in free cash. Event-related deferred revenue was \$868 million as of June 30, 2013, compared to \$707 million as of the same date in 2012. Free cash flow was \$102 million for the second quarter of 2013 as compared to \$99

million in the second quarter of last year, and \$116 million for the first six months of 2013 versus \$123 million for the same period in 2012.

About Live Nation Entertainment:

Live Nation Entertainment is the world's leading live entertainment company comprised of four market leaders: Ticketmaster.com, Live Nation Concerts, Artist Nation Management and Live Nation Media/Sponsorship. For additional information, visit

www.livenation.com/investors.

Follow us @twitter.com/LiveNationInc

LIVE NATION ENTERTAINMENT, INC.

KEY OPERATING METRICS

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|--------------------------------|------------|------------------------------|------------|
| | 2013 | 2012 | 2013 | 2012 |
| Concerts ⁽¹⁾ | | | | |
| Total estimated events: | | | | |
| North America | 4,076 | 3,983 | 7,339 | 7,188 |
| International | 1,842 | 1,709 | 3,464 | 3,309 |
| Total estimated events | 5,918 | 5,692 | 10,803 | 10,497 |
| Total estimated attendance <i>(rounded)</i> : | | | | |
| North America | 9,321,000 | 9,282,000 | 14,376,000 | 13,642,000 |
| International | 6,021,000 | 4,877,000 | 9,071,000 | 7,728,000 |
| Total estimated attendance | 15,342,000 | 14,159,000 | 23,447,000 | 21,370,000 |
| Ancillary net revenue per attendee ⁽²⁾ : | | | | |
| North America amphitheaters | | | \$ 18.59 | \$ 18.87 |
| International festivals | | | \$ 16.81 | \$ 17.83 |
| Ticketing ⁽³⁾ | | | | |
| Number of tickets sold <i>(in thousands)</i> : | | | | |

| | | | | |
|---|---------------|---------------|---------------|---------------|
| | 19,526 | 18,604 | 36,197 | 35,412 |
| Concerts | | | | |
| Sports | 8,099 | 7,734 | 16,620 | 16,540 |
| Arts and theater | 3,962 | 4,371 | 8,226 | 9,190 |
| Family | 3,264 | 3,073 | 7,834 | 7,601 |
| Other ⁽⁴⁾ | 1,417 | 1,699 | 3,138 | 3,449 |
| | <u>36,268</u> | <u>35,481</u> | <u>72,015</u> | <u>72,192</u> |
| Gross value of tickets sold <i>(in thousands)</i> | \$ 2,326,378 | \$ 2,191,152 | \$ 4,508,229 | \$ 4,411,351 |

Sponsorship & Advertising

| | | | | |
|--|-----------|-----------|-----------|-----------|
| Sponsorship revenue <i>(in thousands)</i> | \$ 54,322 | \$ 48,223 | \$ 82,575 | \$ 73,940 |
| Online advertising revenue <i>(in thousands)</i> | \$ 16,918 | \$ 13,055 | \$ 28,812 | \$ 23,466 |

- (1) Events generally represent a single performance by an artist. Attendance generally represents the number of fans who were present at an event. Festivals are counted as one event in the quarter in which the festival begins but attendance is based on the days the fan was present at the festival and thus can be reported in multiple quarters. Events and attendance metrics are estimated each quarter.
- (2) Amounts are reported as of the latest period shown.
- (3) The number and gross value of tickets sold includes primary tickets only and excludes tickets sold for the 2012 Olympics. These metrics include tickets sold during the period regardless of event timing except for our promoted events in our owned and/or operated venues and in certain European territories where these tickets are reported as the events occur. The total number of tickets sold excludes approximately 25 million and 27 million tickets sold for the three months ended June 30, 2013 and 2012, respectively, and excludes approximately 53 million and 58 million tickets sold for the six months ended June 30, 2013 and 2012, respectively, through our venue clients' box offices for which we do not receive a fee.
- (4) Other category includes tickets for comedy shows, facility tours, donations, lectures, seminars and cinemas.

LIVE NATION ENTERTAINMENT, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited)

| Three Months Ended | | Six Months Ended | |
|--------------------|------|------------------|------|
| June 30, | | June 30, | |
| 2013 | 2012 | 2013 | 2012 |

(in thousands except share and per share data)

| | | | | |
|---|--------------|--------------|--------------|--------------|
| Revenue | \$ 1,679,513 | \$ 1,550,677 | \$ 2,603,211 | \$ 2,418,674 |
| Operating expenses: | | | | |
| Direct operating expenses | 1,209,918 | 1,106,869 | 1,786,852 | 1,645,583 |
| Selling, general and administrative expenses | 295,719 | 280,943 | 575,241 | 549,078 |
| Depreciation and amortization | 82,688 | 94,259 | 164,853 | 173,972 |
| Loss (gain) on disposal of operating assets | (30,199) | 93 | (33,796) | (195) |
| Corporate expenses | 21,812 | 27,415 | 42,467 | 50,632 |
| Acquisition transaction expenses | 1,769 | (1,870) | 2,977 | (561) |
| Operating income | 97,806 | 42,968 | 64,617 | 165 |
| Interest expense | 30,041 | 29,488 | 58,192 | 59,198 |
| Interest income | (890) | (931) | (2,658) | (1,831) |
| Equity in earnings of nonconsolidated affiliates | (2,629) | (1,801) | (5,211) | (5,682) |
| Other expense, net | 3,868 | 5,424 | 7,506 | 3,642 |
| Income (loss) before income taxes | 67,416 | 10,788 | 6,788 | (55,162) |
| Income tax expense | 8,401 | 5,228 | 11,960 | 9,506 |
| Net income (loss) | 59,015 | 5,560 | (5,172) | (64,668) |
| Net income (loss) attributable to noncontrolling interests | 885 | (2,132) | (63) | (3,210) |
| Net income (loss) attributable to common stockholders of Live Nation Entertainment, Inc. | \$ 58,130 | \$ 7,692 | \$ (5,109) | \$ (61,458) |
| Basic and diluted net income (loss) per common share attributable to common stockholders of Live Nation Entertainment, Inc. | \$ 0.30 | \$ 0.04 | \$ (0.03) | \$ (0.33) |
| Weighted average common shares outstanding: | | | | |
| Basic | 193,069,783 | 186,893,774 | 190,960,206 | 186,707,769 |
| Diluted | 196,770,405 | 189,325,338 | 190,960,206 | 186,707,769 |

LIVE NATION ENTERTAINMENT, INC.

CONSOLIDATED BALANCE SHEETS

(unaudited)

| | June 30, 2013 | December 31, 2012 |
|--|------------------|----------------------|
| | <hr/> | |
| | (in thousands) | |
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 1,385,260 | \$ 1,001,055 |
| Accounts receivable, less allowance of \$20,175 and \$19,794, respectively | 634,509 | 415,790 |
| Prepaid expenses | 607,376 | 359,936 |
| Other current assets | 60,212 | 36,031 |
| | <hr/> | <hr/> |
| Total current assets | 2,687,357 | 1,812,812 |
| Property, plant and equipment | | |
| Land, buildings and improvements | 794,902 | 852,175 |
| Computer equipment and capitalized software | 372,704 | 338,919 |
| Furniture and other equipment | 199,478 | 200,743 |
| Construction in progress | 55,625 | 56,822 |
| | <hr/> | <hr/> |
| | 1,422,709 | 1,448,659 |
| Less accumulated depreciation | 730,014 | 726,873 |
| | <hr/> | <hr/> |
| | 692,695 | 721,786 |
| Intangible assets | | |
| Definite-lived intangible assets, net | 668,367 | 724,463 |
| Indefinite-lived intangible assets | 375,991 | 377,463 |
| Goodwill | 1,369,062 | 1,357,827 |
| Investments in nonconsolidated affiliates | 52,438 | 46,160 |
| Other long-term assets | 236,901 | 250,295 |
| | <hr/> | <hr/> |

| | | |
|---|---------------------|---------------------|
| Total assets | \$ 6,082,811 | \$ 5,290,806 |
| LIABILITIES AND EQUITY | | |
| Current liabilities | | |
| Accounts payable, client accounts | \$ 622,448 | \$ 557,953 |
| Accounts payable | 167,818 | 102,718 |
| Accrued expenses | 631,216 | 626,723 |
| Deferred revenue | 1,018,135 | 402,002 |
| Current portion of long-term debt | 61,658 | 62,050 |
| Other current liabilities | 15,274 | 16,726 |
| Total current liabilities | 2,516,549 | 1,768,172 |
| Long-term debt, net | 1,662,035 | 1,677,955 |
| Long-term deferred income taxes | 192,821 | 199,596 |
| Other long-term liabilities | 87,409 | 94,409 |
| Commitments and contingent liabilities | | |
| Redeemable noncontrolling interests | 78,759 | 42,100 |
| Stockholders' equity | | |
| Common stock | 1,959 | 1,877 |
| Additional paid-in capital | 2,355,798 | 2,272,882 |
| Accumulated deficit | (913,527) | (908,418) |
| Accumulated other comprehensive loss | (51,959) | (10,923) |
| Total Live Nation Entertainment, Inc. stockholders' equity | 1,392,271 | 1,355,418 |
| Noncontrolling interests | 152,967 | 153,156 |
| Total equity | 1,545,238 | 1,508,574 |
| Total liabilities and equity | \$ 6,082,811 | \$ 5,290,806 |

LIVE NATION ENTERTAINMENT, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

| | Six Months Ended | |
|---|------------------|-------------|
| | June 30, | |
| | 2013 | 2012 |
| | (in thousands) | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net loss | \$ (5,172) | \$ (64,668) |
| Reconciling items: | | |
| Depreciation | 59,410 | 59,691 |
| Amortization | 105,443 | 114,281 |
| Deferred income tax benefit | (6,305) | (6,946) |
| Amortization of debt issuance costs and discount/premium, net | 10,421 | 6,881 |
| Non-cash compensation expense | 14,119 | 17,919 |
| Gain on disposal of operating assets | (33,796) | (195) |
| Equity in earnings of nonconsolidated affiliates | (5,211) | (5,682) |
| Other, net | 1,468 | (1,773) |
| Changes in operating assets and liabilities, net of effects of acquisitions and dispositions: | | |
| Increase in accounts receivable | (205,361) | (103,344) |
| Increase in prepaid expenses | (230,247) | (305,090) |
| Increase in other assets | (65,252) | (62,284) |
| Increase in accounts payable, accrued expenses and other liabilities | 152,384 | 94,717 |
| Increase in deferred revenue | 588,446 | 566,621 |
| Net cash provided by operating activities | 380,347 | 310,128 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Distributions from nonconsolidated affiliates | 2,740 | 703 |
| Investments made in nonconsolidated affiliates | (3,032) | (2,858) |
| Purchases of property, plant and equipment | (76,685) | (62,785) |

| | | |
|--|--------------|--------------|
| Proceeds from disposal of operating assets, net of cash divested | 81,070 | 5,648 |
| Cash paid for acquisitions, net of cash acquired | (23,766) | (68,093) |
| Purchases of intangible assets | (17) | (11,469) |
| (Increase) decrease other, net | (1,052) | 297 |
| | <hr/> | <hr/> |
| Net cash used in investing activities | (20,742) | (138,557) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from long-term debt, net of debt issuance costs | 89,369 | 58,270 |
| Payments on long-term debt | (106,388) | (44,222) |
| Contributions from noncontrolling interests | 267 | 130 |
| Distributions to noncontrolling interests | (1,936) | (8,189) |
| Proceeds from exercise of stock options | 73,449 | 859 |
| Payments for deferred and contingent consideration | (750) | (10,585) |
| | <hr/> | <hr/> |
| Net cash provided by (used in) financing activities | 54,011 | (3,737) |
| Effect of exchange rate changes on cash and cash equivalents | (29,411) | (7,048) |
| | <hr/> | <hr/> |
| Net increase in cash and cash equivalents | 384,205 | 160,786 |
| Cash and cash equivalents at beginning of period | 1,001,055 | 844,253 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at end of period | \$ 1,385,260 | \$ 1,005,039 |
| | <hr/> | <hr/> |

Forward-Looking Statements, Non-GAAP Financial Measures and Reconciliations:

Certain statements in this press release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements regarding the company's prospects for achieving its 2013 goals and the company's positioning for long-term growth and delivery of its three-year plan. Live Nation wishes to caution you that there are some known and unknown factors that could cause actual results to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements, including but not limited to operational challenges in achieving strategic objectives and executing on the company's plans, the risk that the company's markets do not evolve as anticipated, the potential impact of any economic slowdown and operational challenges associated with selling tickets and staging events.

Live Nation refers you to the documents it files from time to time with the U.S. Securities and Exchange Commission, or SEC, specifically the section titled "Item 1A. Risk Factors" of the company's most recent Annual Report filed on Form 10-K and Quarterly Reports on Form 10-Q and its Current Reports on Form 8-K, which contain and identify other important factors that could cause actual results to differ materially from those contained in the company's projections or forward-looking statements. You are cautioned not to place undue reliance on

these forward-looking statements which speak only as of the date on which they are made. All subsequent written and oral forward-looking statements by or concerning Live Nation are expressly qualified in their entirety by the cautionary statements above. Live Nation does not undertake any obligation to publicly update or revise any forward-looking statements because of new information, future events or otherwise.

This press release contains certain non-GAAP financial measures as defined by SEC Regulation G. A reconciliation of each such measure to its most directly comparable GAAP financial measure, together with an explanation of why management believes that these non-GAAP financial measures provide useful information to investors, is provided below.

Adjusted Operating Income (Loss), or AOI, is a non-GAAP financial measure that the company defines as operating income (loss) before acquisition expenses (including transaction costs, changes in the fair value of accrued acquisition-related contingent consideration arrangements, payments under the Azoff Trust note and acquisition-related severance), depreciation and amortization (including goodwill impairment), loss (gain) on disposal of operating assets and non-cash and certain stock-based compensation expense (including expense associated with grants of certain stock-based awards which were classified as liabilities). The company uses AOI to evaluate the performance of its operating segments. The company believes that information about AOI assists investors by allowing them to evaluate changes in the operating results of the portfolio of the businesses separate from non-operational factors that affect net income, thus providing insights into both operations and the other factors that affect reported results. AOI is not calculated or presented in accordance with GAAP. A limitation of the use of AOI as a performance measure is that it does not reflect the periodic costs of certain amortizing assets used in generating revenue in the company's business. Accordingly, AOI 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, AOI as presented herein may not be comparable to similarly titled measures of other companies.

Free Cash Flow is a non-GAAP financial measure that the company defines as Adjusted Operating Income (Loss) less maintenance capital expenditures, less net cash interest expense, less cash taxes, less net distributions to noncontrolling interest partners, plus distributions from investments in nonconsolidated affiliates net of contributions to investments in nonconsolidated affiliates. The company uses free cash flow, among other measures, to evaluate the ability of its operations to generate cash that is available for purposes other than maintenance capital expenditures. The company believes that information about free cash flow provides investors with an important perspective on the cash available to service debt and make acquisitions. Free cash flow is not calculated or presented in accordance with GAAP. A limitation of the use of free cash flow as a performance measure is that it does not necessarily represent funds available for operations and is not necessarily a measure of the company's ability to fund its cash needs. Accordingly, free cash flow should be considered in addition to, and not as a substitute for, operating income (loss) and other measures of financial performance reported in accordance with GAAP. Furthermore, this measure may vary among other companies; thus, free cash flow as presented herein may not be comparable to similarly titled measures of other companies.

Free Cash is a non-GAAP financial measure that the company defines as cash and cash equivalents less ticketing-related client funds, less event-related deferred revenue, less accrued expenses due to artists and cash collected on behalf of others for ticket sales, plus event-related prepaids. The company uses free cash as a proxy for how much cash it has available to, among other things, optionally repay debt balances, make acquisitions and fund revenue generating capital expenditures. Free cash is not calculated or presented in accordance with GAAP. A limitation of the use of free cash as a performance measure is that it does not necessarily represent funds available from operations and it is not necessarily a measure of our ability to fund our cash needs. Accordingly, free cash should be considered in addition to, and not as a substitute for, cash and cash equivalents and other measures of financial performance reported in accordance with GAAP. Furthermore, this measure may vary among other companies; thus, free cash as presented herein may not be comparable to similarly titled measures of other companies.

Reconciliations of Non-GAAP Measures to Their Most Directly Comparable GAAP Measures (Unaudited)

Reconciliation of Adjusted Operating Income (Loss) to Operating Income (Loss)

| <i>(\$ in millions)</i> | Adjusted operating income (loss) | Non-cash and stock-based compensation expense | Loss (gain) on disposal of operating assets | Depreciation and amortization | Acquisition expenses | Operating income (loss) |
|---|---|--|--|----------------------------------|-------------------------|----------------------------|
| Three Months Ended June 30, 2013 | | | | | | |
| Concerts | \$ 42.6 | \$ 1.6 | \$ (31.3) | \$ 35.1 | \$ 0.3 | \$ 36.9 |
| Ticketing | 77.6 | 1.7 | — | 36.7 | — | 39.2 |
| Artist Nation | 8.5 | 0.2 | 1.1 | 10.1 | — | (2.9) |
| Sponsorship & Advertising | 47.2 | 0.2 | — | 0.6 | — | 46.4 |

| | | | | | | |
|---------------------------|----------|--------|-----------|---------|--------|---------|
| Other and Eliminations | 1.6 | (0.1) | — | (0.5) | 0.1 | 2.1 |
| Corporate | (17.6) | 4.2 | — | 0.7 | 1.4 | (23.9) |
| Total Live Nation | \$ 159.9 | \$ 7.8 | \$ (30.2) | \$ 82.7 | \$ 1.8 | \$ 97.8 |

Three Months Ended June 30, 2012

| | | | | | | |
|------------------------------|----------|--------|--------|---------|----------|----------|
| Concerts | \$ 36.2 | \$ 1.3 | \$ — | \$ 44.1 | \$ (2.2) | \$ (7.0) |
| Ticketing | 71.4 | 1.5 | (0.1) | 38.8 | (0.3) | 31.5 |
| Artist Nation | 14.9 | 0.3 | — | 11.5 | 0.3 | 2.8 |
| Sponsorship & Advertising | 42.9 | 0.2 | — | — | — | 42.7 |
| Other and Eliminations | 0.8 | — | 0.2 | (0.8) | — | 1.4 |
| Corporate | (20.2) | 5.6 | — | 0.7 | 1.9 | (28.4) |
| Total Live Nation | \$ 146.0 | \$ 8.9 | \$ 0.1 | \$ 94.3 | \$ (0.3) | \$ 43.0 |

Six Months Ended June 30, 2013

| | | | | | | |
|------------------------------|----------|---------|-----------|----------|--------|----------|
| Concerts | \$ 29.4 | \$ 2.5 | \$ (34.5) | \$ 63.8 | \$ 0.5 | \$ (2.9) |
| Ticketing | 137.2 | 3.1 | — | 79.5 | 0.1 | 54.5 |
| Artist Nation | 7.5 | 0.3 | 0.7 | 20.2 | 0.1 | (13.8) |
| Sponsorship & Advertising | 70.9 | 0.4 | — | 0.7 | — | 69.8 |
| Other and Eliminations | 2.4 | — | — | (0.8) | — | 3.2 |
| Corporate | (34.6) | 7.8 | — | 1.5 | 2.3 | (46.2) |
| Total Live Nation | \$ 212.8 | \$ 14.1 | \$ (33.8) | \$ 164.9 | \$ 3.0 | \$ 64.6 |

Six Months Ended June 30, 2012

| | | | | | | |
|----------|---------|--------|----------|---------|----------|-----------|
| Concerts | \$ 11.3 | \$ 2.7 | \$ (0.5) | \$ 72.5 | \$ (1.4) | \$ (62.0) |
|----------|---------|--------|----------|---------|----------|-----------|

| | | | | | | |
|---------------|----------|---------|----------|----------|--------|--------|
| | 143.9 | 3.0 | (0.2) | 78.0 | (0.7) | 63.8 |
| Ticketing | | | | | | |
| Artist Nation | 11.9 | 0.6 | — | 23.1 | 0.4 | (12.2) |
| Sponsorship | | | | | | |
| & Advertising | 63.6 | 0.3 | — | — | — | 63.3 |
| Other and | | | | | | |
| Eliminations | (0.4) | — | 0.5 | (1.0) | — | 0.1 |
| Corporate | (36.1) | 11.3 | — | 1.4 | 4.0 | (52.8) |
| Total Live | | | | | | |
| Nation | \$ 194.2 | \$ 17.9 | \$ (0.2) | \$ 174.0 | \$ 2.3 | \$ 0.2 |

Reconciliation of Adjusted Operating Income (Loss) to Free Cash Flow

| <i>(\$ in millions)</i> | Q2 2013 | Q2 2012 |
|---|-----------------|----------------|
| Adjusted operating income | \$ 159.9 | \$ 146.0 |
| Less: Cash interest expense — net | (22.0) | (20.4) |
| Cash taxes | (19.5) | (3.4) |
| Maintenance capital expenditures | (15.3) | (16.6) |
| Distributions to noncontrolling interests | (0.7) | (5.0) |
| Distributions from (contributions to) investments in nonconsolidated affiliates | (0.1) | (1.9) |
| Free cash flow | \$ 102.3 | \$ 98.7 |
| Revenue generating capital expenditures | (18.5) | (18.8) |
| Net | \$ 83.8 | \$ 79.9 |

| <i>(\$ in millions)</i> | 6 months 2013 | 6 months 2012 |
|---|----------------------|----------------------|
| Adjusted operating income | \$ 212.8 | \$ 194.2 |
| Less: Cash interest expense — net | (44.5) | (48.9) |
| Cash taxes | (22.9) | 14.5 |
| Maintenance capital expenditures | (26.8) | (26.7) |
| Distributions to noncontrolling interests | (1.9) | (8.2) |
| Distributions from (contributions to) investments in nonconsolidated affiliates | (0.3) | (2.2) |

| | | | | |
|---|-----------|--------------|-----------|--------------|
| Free cash flow | \$ | 116.4 | \$ | 122.7 |
| Revenue generating capital expenditures | | (28.5) | | (32.1) |
| Net | \$ | 87.9 | \$ | 90.6 |

Reconciliation of Cash and Cash Equivalents to Free Cash

| <i>(\$ in millions)</i> | June 30, 2013 |
|--|--------------------------|
| Cash and cash equivalents | \$ 1,385.3 |
| Client cash | (479.1) |
| Deferred revenue — event-related | (868.3) |
| Accrued artist fees | (56.3) |
| Collections on behalf of others | (38.0) |
| Prepays related to artist settlements/events | 387.7 |
| Free cash | \$ 331.3 |

SOURCE Live Nation Entertainment