

Quarterly Segment and Other Financial Information

The following is provided to reclassify Live Nation Entertainment's financial information to conform to the current segment presentation. The Company's reportable segments are Concerts, Ticketing, Artist Nation and Sponsorship & Advertising. Prior to 2012, the Company reported an eCommerce segment, which is now included in the Ticketing and Sponsorship & Advertising segments. Specifically, all online advertising and online sponsorships are now part of the Sponsorship & Advertising segment while all other activity has been included in the Ticketing segment. This change was made to be consistent with how the four key components of the business are now being managed.

The Concerts segment involves the promotion of live music events globally in the Company's owned and/or operated venues and in rented third-party venues, the production of music festivals and the operation and management of music venues and is the aggregation of the Company's North American Concerts and International Concerts operating segments. The Ticketing segment involves the management of the Company's global ticketing operations including providing ticketing software and services to clients and online access for customers relating to ticket and event information and is responsible for the Company's primary websites, *www.livenation.com* and *www.ticketmaster.com*. The Ticketing segment is the aggregation of the Company's North American Ticketing and International Ticketing operating segments. The Artist Nation segment provides management services to artists and other services including merchandise, artist fan sites and VIP tickets and is the aggregation of the Company's Artist Management and Artist Services operating segments. The Sponsorship & Advertising segment manages the development of strategic sponsorship programs in addition to the sale of international, national and local sponsorships and placement of advertising including signage, promotional programs and banner ads in the Company's owned and/or operated venues and on its primary websites.

The Company has reclassified all periods to conform to the current period presentation. Revenue and expenses earned and charged between segments are eliminated in consolidation. Corporate expenses and all line items below operating income (loss) are managed on a total company basis.

Live Nation Entertainment, Inc. Operating Income (Loss) (Unaudited)

	Sponsorship							
	Concerts	Ticketing	Artist Nation	Advertising	Other	Corporate	Eliminations	Consolidated
	<i>(in thousands)</i>							
Three Months Ended March 31, 2011								
Revenue	\$ 449,270	\$ 317,509	\$ 54,136	\$ 33,071	\$ 799	\$ 332	\$ (5,708)	\$ 849,409
Direct operating expenses	366,154	144,679	34,881	6,207	-	711	(5,508)	547,124
Selling, general and administrative expenses	126,301	90,192	47,306	8,613	557	-	-	272,969
Depreciation and amortization	26,413	37,252	13,481	99	14	422	(200)	77,481
Loss (gain) on sale of operating assets	(12)	(10)	1,241	-	76	-	-	1,295
Corporate expenses	-	-	-	-	-	21,036	-	21,036
Acquisition transaction expenses	(4,854)	269	592	-	-	5,658	-	1,665
Operating income (loss)	<u>\$ (64,732)</u>	<u>\$ 45,127</u>	<u>\$ (43,365)</u>	<u>\$ 18,152</u>	<u>\$ 152</u>	<u>\$ (27,495)</u>	<u>\$ -</u>	<u>\$ (72,161)</u>
Three Months Ended June 30, 2011								
Revenue	\$ 1,082,229	\$ 307,830	\$ 118,430	\$ 62,994	\$ 807	\$ 1	\$ (13,409)	\$ 1,558,882
Direct operating expenses	921,480	140,409	81,386	9,793	-	(1,713)	(13,204)	1,138,151
Selling, general and administrative expenses	142,315	93,254	21,609	9,114	503	-	-	266,795
Depreciation and amortization	28,302	35,153	13,131	89	13	444	(205)	76,927
Loss (gain) on sale of operating assets	(678)	(76)	-	-	94	-	-	(660)
Corporate expenses	-	-	-	-	-	24,590	-	24,590
Acquisition transaction expenses	(1,261)	682	(2,774)	-	-	4,059	-	706
Operating income (loss)	<u>\$ (7,929)</u>	<u>\$ 38,408</u>	<u>\$ 5,078</u>	<u>\$ 43,998</u>	<u>\$ 197</u>	<u>\$ (27,379)</u>	<u>\$ -</u>	<u>\$ 52,373</u>
Three Months Ended September 30, 2011								
Revenue	\$ 1,280,297	\$ 310,005	\$ 121,375	\$ 86,388	\$ 779	\$ -	\$ (8,819)	\$ 1,790,025
Direct operating expenses	1,066,140	136,153	80,994	12,528	-	(893)	(8,618)	1,286,304
Selling, general and administrative expenses	131,805	120,947	20,551	8,036	1,123	-	-	282,462
Depreciation and amortization	33,103	38,954	10,693	88	13	691	(201)	83,341
Loss (gain) on sale of operating assets	13	(2)	15	-	204	1	-	231
Corporate expenses	-	-	-	-	-	27,385	-	27,385
Acquisition transaction expenses	826	216	276	-	-	4,175	-	5,493
Operating income (loss)	<u>\$ 48,410</u>	<u>\$ 13,737</u>	<u>\$ 8,846</u>	<u>\$ 65,736</u>	<u>\$ (561)</u>	<u>\$ (31,359)</u>	<u>\$ -</u>	<u>\$ 104,809</u>
Three Months Ended December 31, 2011								
Revenue	\$ 694,392	\$ 348,565	\$ 99,188	\$ 48,338	\$ 1,102	\$ (333)	\$ (5,570)	\$ 1,185,682
Direct operating expenses	592,636	161,707	63,623	5,154	(1,839)	1,895	(5,267)	817,909
Selling, general and administrative expenses	135,079	123,971	23,733	7,024	(64)	-	-	289,743
Depreciation and amortization	44,623	46,712	13,107	207	14	909	(303)	105,269
Loss (gain) on sale of operating assets	(203)	(8)	8	-	315	-	-	112
Corporate expenses	-	-	-	-	-	39,146	-	39,146
Acquisition transaction expenses	3,003	147	(5,852)	-	-	2,889	-	187
Operating income (loss)	<u>\$ (80,746)</u>	<u>\$ 16,036</u>	<u>\$ 4,569</u>	<u>\$ 35,953</u>	<u>\$ 2,676</u>	<u>\$ (45,172)</u>	<u>\$ -</u>	<u>\$ (66,684)</u>
Twelve Months Ended December 31, 2011								
Revenue	\$ 3,506,188	\$ 1,283,909	\$ 393,129	\$ 230,791	\$ 3,487	\$ -	\$ (33,506)	\$ 5,383,998
Direct operating expenses	2,946,410	582,948	260,884	33,682	(1,839)	-	(32,597)	3,789,488
Selling, general and administrative expenses	535,500	428,364	113,199	32,787	2,119	-	-	1,111,969
Depreciation and amortization	132,441	158,071	50,412	483	54	2,466	(909)	343,018
Loss (gain) on sale of operating assets	(880)	(96)	1,264	-	689	1	-	978
Corporate expenses	-	-	-	-	-	112,157	-	112,157
Acquisition transaction expenses	(2,286)	1,314	(7,758)	-	-	16,781	-	8,051
Operating income (loss)	<u>\$ (104,997)</u>	<u>\$ 113,308</u>	<u>\$ (24,872)</u>	<u>\$ 163,839</u>	<u>\$ 2,464</u>	<u>\$ (131,405)</u>	<u>\$ -</u>	<u>\$ 18,337</u>

Live Nation Entertainment, Inc. Operating Income (Loss) (Unaudited)

	Sponsorship							Consolidated
	Concerts	Ticketing	Artist Nation	Advertising	Other	Corporate	Eliminations	
<i>(in thousands)</i>								
Three Months Ended March 31, 2010								
Revenue	\$ 408,109	\$ 218,706	\$ 69,596	\$ 29,741	\$ 940	\$ -	\$ (3,731)	\$ 723,361
Direct operating expenses	327,776	104,856	49,324	6,185	-	346	(3,731)	484,756
Selling, general and administrative expenses	124,847	77,088	21,127	7,782	752	-	-	231,596
Depreciation and amortization	28,403	26,203	7,236	59	5	727	-	62,633
Loss (gain) on sale of operating assets	13	4,559	-	6	(7)	-	-	4,571
Corporate expenses	-	-	-	-	-	37,124	-	37,124
Acquisition transaction expenses	(16)	-	-	-	-	9,033	-	9,017
Operating income (loss)	<u>\$ (72,914)</u>	<u>\$ 6,000</u>	<u>\$ (8,091)</u>	<u>\$ 15,709</u>	<u>\$ 190</u>	<u>\$ (47,230)</u>	<u>\$ -</u>	<u>\$ (106,336)</u>
Three Months Ended June 30, 2010								
Revenue	\$ 859,511	\$ 274,633	\$ 88,672	\$ 47,508	\$ 974	\$ -	\$ (4,563)	\$ 1,266,735
Direct operating expenses	706,079	133,008	55,907	5,932	-	(1,124)	(3,519)	896,283
Selling, general and administrative expenses	131,257	88,434	25,476	7,217	515	-	-	252,899
Depreciation and amortization	21,753	32,556	10,426	62	8	547	(1,044)	64,308
Loss (gain) on sale of operating assets	(1,282)	646	(1)	-	-	-	-	(637)
Corporate expenses	-	-	-	-	-	21,882	-	21,882
Acquisition transaction expenses	161	-	4,734	-	-	1,499	-	6,394
Operating income (loss)	<u>\$ 1,543</u>	<u>\$ 19,989</u>	<u>\$ (7,870)</u>	<u>\$ 34,297</u>	<u>\$ 451</u>	<u>\$ (22,804)</u>	<u>\$ -</u>	<u>\$ 25,606</u>
Three Months Ended September 30, 2010								
Revenue	\$ 1,380,527	\$ 276,941	\$ 110,960	\$ 79,590	\$ 1,569	\$ -	\$ (13,781)	\$ 1,835,806
Direct operating expenses	1,192,486	125,980	70,212	10,350	-	2,417	(13,150)	1,388,295
Selling, general and administrative expenses	128,680	84,420	22,984	7,650	960	-	-	244,694
Depreciation and amortization	29,741	28,159	12,285	66	6	623	(631)	70,249
Loss (gain) on sale of operating assets	(776)	(13)	7	-	(1)	4	-	(779)
Corporate expenses	-	-	-	-	-	27,660	-	27,660
Acquisition transaction expenses	(2,863)	373	1,290	-	-	3,781	-	2,581
Operating income (loss)	<u>\$ 33,259</u>	<u>\$ 38,022</u>	<u>\$ 4,182</u>	<u>\$ 61,524</u>	<u>\$ 604</u>	<u>\$ (34,485)</u>	<u>\$ -</u>	<u>\$ 103,106</u>
Three Months Ended December 31, 2010								
Revenue	\$ 790,203	\$ 319,060	\$ 92,931	\$ 43,307	\$ 841	\$ (333)	\$ (8,163)	\$ 1,237,846
Direct operating expenses	683,993	149,467	57,573	6,045	-	(137)	(7,965)	888,976
Selling, general and administrative expenses	139,888	112,474	24,408	8,058	474	-	-	285,302
Depreciation and amortization	59,232	52,089	11,573	68	1,343	369	(198)	124,476
Loss (gain) on sale of operating assets	(2,803)	(6)	14	-	14	-	-	(2,781)
Corporate expenses	-	-	-	-	-	23,586	-	23,586
Acquisition transaction expenses	294	407	253	-	-	3,409	-	4,363
Operating income (loss)	<u>\$ (90,401)</u>	<u>\$ 4,629</u>	<u>\$ (890)</u>	<u>\$ 29,136</u>	<u>\$ (990)</u>	<u>\$ (27,560)</u>	<u>\$ -</u>	<u>\$ (86,076)</u>
Twelve Months Ended December 31, 2010								
Revenue	\$ 3,438,350	\$ 1,089,340	\$ 362,159	\$ 200,146	\$ 4,324	\$ (333)	\$ (30,238)	\$ 5,063,748
Direct operating expenses	2,910,334	513,311	233,016	28,512	-	1,502	(28,365)	3,658,310
Selling, general and administrative expenses	524,672	362,416	93,995	30,707	2,701	-	-	1,014,491
Depreciation and amortization	139,129	139,007	41,520	255	1,362	2,266	(1,873)	321,666
Loss (gain) on sale of operating assets	(4,848)	5,186	20	6	6	4	-	374
Corporate expenses	-	-	-	-	-	110,252	-	110,252
Acquisition transaction expenses	(2,424)	780	6,277	-	-	17,722	-	22,355
Operating income (loss)	<u>\$ (128,513)</u>	<u>\$ 68,640</u>	<u>\$ (12,669)</u>	<u>\$ 140,666</u>	<u>\$ 255</u>	<u>\$ (132,079)</u>	<u>\$ -</u>	<u>\$ (63,700)</u>

Non-GAAP Financial Measures and Reconciliations:

This document 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, Merger bonuses, payments under the Azoff Trust note and acquisition-related severance), depreciation and amortization (including goodwill impairment), loss (gain) on sale of operating assets and non-cash and certain stock-based compensation expense (including expense associated with grants of certain stock-based awards which are 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 Company's portfolio of 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.

Reconciliations of Non-GAAP Measures to Their Most Directly Comparable GAAP Measures

Reconciliation of Adjusted Operating Income (Loss) to Operating Income (Loss) – 2011

Live Nation Entertainment, Inc. Adjusted Operating Income (Loss) (Unaudited)

	Adjusted operating income (loss)	Non-cash and stock-based compensation expense	Loss (gain) on sale of operating assets	Depreciation and amortization	Acquisition expenses	Operating income (loss)
	<i>(in thousands)</i>					
Three Months Ended March 31, 2011						
Concerts	\$ (41,250)	\$ 1,661	\$ (12)	\$ 26,413	\$ (4,580)	\$ (64,732)
Ticketing	83,921	1,439	(10)	37,252	113	45,127
Artist Nation	(827)	27,224	1,241	13,481	592	(43,365)
Sponsorship & Advertising	18,399	148	-	99	-	18,152
Other & Eliminations	42	-	76	(186)	-	152
Corporate	(15,229)	4,835	-	422	7,009	(27,495)
Total	\$ 45,056	\$ 35,307	\$ 1,295	\$ 77,481	\$ 3,134	\$ (72,161)
Three Months Ended June 30, 2011						
Concerts	\$ 19,762	\$ 1,328	\$ (678)	\$ 28,302	\$ (1,261)	\$ (7,929)
Ticketing	75,413	1,234	(76)	35,153	694	38,408
Artist Nation	15,853	418	-	13,131	(2,774)	5,078
Sponsorship & Advertising	44,205	119	-	89	(1)	43,998
Other & Eliminations	99	-	94	(192)	-	197
Corporate	(16,790)	4,551	-	444	5,594	(27,379)
Total	\$ 138,542	\$ 7,650	\$ (660)	\$ 76,927	\$ 2,252	\$ 52,373
Three Months Ended September 30, 2011						
Concerts	\$ 83,684	\$ 1,332	\$ 13	\$ 33,103	\$ 826	\$ 48,410
Ticketing	54,268	1,368	(2)	38,954	211	13,737
Artist Nation	19,964	134	15	10,693	276	8,846
Sponsorship & Advertising	66,032	210	-	88	(2)	65,736
Other & Eliminations	(545)	-	204	(188)	-	(561)
Corporate	(19,791)	5,153	1	691	5,723	(31,359)
Total	\$ 203,612	\$ 8,197	\$ 231	\$ 83,341	\$ 7,034	\$ 104,809
Three Months Ended December 31, 2011						
Concerts	\$ (31,921)	\$ 1,674	\$ (203)	\$ 44,623	\$ 2,731	\$ (80,746)
Ticketing	65,443	1,566	(8)	46,712	1,137	16,036
Artist Nation	12,188	356	8	13,107	(5,852)	4,569
Sponsorship & Advertising	36,445	286	-	207	(1)	35,953
Other & Eliminations	2,702	-	315	(289)	-	2,676
Corporate	(34,162)	5,609	-	909	4,492	(45,172)
Total	\$ 50,695	\$ 9,491	\$ 112	\$ 105,269	\$ 2,507	\$ (66,684)
Twelve Months Ended December 31, 2011						
Concerts	\$ 30,275	\$ 5,995	\$ (880)	\$ 132,441	\$ (2,284)	\$ (104,997)
Ticketing	279,045	5,607	(96)	158,071	2,155	113,308
Artist Nation	47,178	28,132	1,264	50,412	(7,758)	(24,872)
Sponsorship & Advertising	165,081	763	-	483	(4)	163,839
Other & Eliminations	2,298	-	689	(855)	-	2,464
Corporate	(85,972)	20,148	1	2,466	22,818	(131,405)
Total	\$ 437,905	\$ 60,645	\$ 978	\$ 343,018	\$ 14,927	\$ 18,337

Reconciliation of Adjusted Operating Income (Loss) to Operating Income (Loss) – 2010

Live Nation Entertainment, Inc. Adjusted Operating Income (Loss) (Unaudited)

	Adjusted operating income (loss)	Non-cash and stock-based compensation expense	Loss (gain) on sale of operating assets	Depreciation and amortization	Acquisition expenses	Operating income (loss)
	<i>(in thousands)</i>					
Three Months Ended March 31, 2010						
Concerts	\$ (42,504)	\$ 1,999	\$ 13	\$ 28,403	\$ (5)	\$ (72,914)
Ticketing	46,567	5,902	4,559	26,203	3,903	6,000
Artist Nation	927	1,595	-	7,236	187	(8,091)
Sponsorship & Advertising	16,215	116	6	59	325	15,709
Other & Eliminations	188	-	(7)	5	-	190
Corporate	(19,188)	13,111	-	727	14,204	(47,230)
Total	\$ 2,205	\$ 22,723	\$ 4,571	\$ 62,633	\$ 18,614	\$ (106,336)
Three Months Ended June 30, 2010						
Concerts	\$ 24,251	\$ 1,625	\$ (1,282)	\$ 21,753	\$ 612	\$ 1,543
Ticketing	60,098	3,675	646	32,556	3,232	19,989
Artist Nation	9,813	1,602	(1)	10,426	5,656	(7,870)
Sponsorship & Advertising	34,281	107	-	62	(185)	34,297
Other & Eliminations	(585)	-	-	(1,036)	-	451
Corporate	(14,695)	3,862	-	547	3,700	(22,804)
Total	\$ 113,163	\$ 10,871	\$ (637)	\$ 64,308	\$ 13,015	\$ 25,606
Three Months Ended September 30, 2010						
Concerts	\$ 61,914	\$ 2,610	\$ (776)	\$ 29,741	\$ (2,920)	\$ 33,259
Ticketing	68,749	1,574	(13)	28,159	1,007	38,022
Artist Nation	21,802	4,047	7	12,285	1,281	4,182
Sponsorship & Advertising	61,723	133	-	66	-	61,524
Other & Eliminations	(22)	-	(1)	(625)	-	604
Corporate	(23,491)	4,996	4	623	5,371	(34,485)
Total	\$ 190,675	\$ 13,360	\$ (779)	\$ 70,249	\$ 4,739	\$ 103,106
Three Months Ended December 31, 2010						
Concerts	\$ (28,295)	\$ 5,369	\$ (2,803)	\$ 59,232	\$ 308	\$ (90,401)
Ticketing	58,639	1,090	(6)	52,089	837	4,629
Artist Nation	14,011	2,961	14	11,573	353	(890)
Sponsorship & Advertising	29,318	103	-	68	11	29,136
Other & Eliminations	169	-	14	1,145	-	(990)
Corporate	(17,070)	5,130	-	369	4,991	(27,560)
Total	\$ 56,772	\$ 14,653	\$ (2,781)	\$ 124,476	\$ 6,500	\$ (86,076)
Twelve Months Ended December 31, 2010						
Concerts	\$ 15,366	\$ 11,603	\$ (4,848)	\$ 139,129	\$ (2,005)	\$ (128,513)
Ticketing	234,053	12,241	5,186	139,007	8,979	68,640
Artist Nation	46,553	10,205	20	41,520	7,477	(12,669)
Sponsorship & Advertising	141,537	459	6	255	151	140,666
Other & Eliminations	(250)	-	6	(511)	-	255
Corporate	(74,444)	27,099	4	2,266	28,266	(132,079)
Total	\$ 362,815	\$ 61,607	\$ 374	\$ 321,666	\$ 42,868	\$ (63,700)