

Live Nation, Inc.  
Form S-4/A  
November 06, 2009  
Table of Contents

As filed with the Securities and Exchange Commission on November 6, 2009

Registration No. 333-159991

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## Amendment No. 5

to

## Form S-4

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

# LIVE NATION, INC.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

7900  
(Primary Standard Industrial  
Classification Code Number)  
9348 Civic Center Drive

Beverly Hills, California 90210

(310) 867-7000

20-3247759  
(I.R.S. Employer  
Identification Number)

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(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Michael G. Rowles, Esq.**

**Executive Vice President, General Counsel and Secretary**

**Live Nation, Inc.**

**9348 Civic Center Drive**

**Beverly Hills, California 90210**

**(310) 867-7000**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

*Copies to:*

**Charles M. Nathan, Esq.**

**Chris Riley, Esq.**

**Pamela S. Seymon, Esq.**

**James P. Beaubien, Esq.**

**General Counsel, Secretary and**

**Wachtell, Lipton, Rosen & Katz**

**Latham & Watkins LLP**

**Senior Vice President**

**51 West 52nd Street**

**355 South Grand Avenue**

**Ticketmaster Entertainment, Inc.**

**New York, New York 10019**

**Los Angeles, California 90071-1560**

**8800 West Sunset Blvd.**

**(212) 403-1000**

**(213) 485-1234**

**West Hollywood, California 90069**

**(310) 360-3300**

**Approximate date of commencement of proposed sale of the securities to the public:** As soon as practicable after this registration statement becomes effective and all other conditions to the proposed merger described herein have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further Amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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**Table of Contents**

**The information in this joint proxy statement/prospectus is not complete and may be changed. We may not sell the securities offered by this joint proxy statement/prospectus until the registration statement filed with the Securities and Exchange Commission is effective. This joint proxy statement/prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction where an offer, solicitation or sale is not permitted.**

**PRELIMINARY SUBJECT TO COMPLETION DATED NOVEMBER 6, 2009**

**PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT**

Live Nation, Inc. and Ticketmaster Entertainment, Inc. have entered into a merger agreement which provides for the combination of the two companies. Under the merger agreement, Ticketmaster Entertainment will merge with and into a wholly owned subsidiary of Live Nation. After the completion of the merger, Ticketmaster Entertainment's business will be conducted by Ticketmaster Entertainment, LLC, a wholly owned subsidiary of the combined company, which will be named Live Nation Entertainment, Inc.

In the proposed merger, holders of Ticketmaster Entertainment common stock will have the right to receive 1.384 shares of Live Nation common stock for each share of Ticketmaster Entertainment common stock. This exchange ratio will be adjusted as provided in the merger agreement to ensure that holders of Ticketmaster Entertainment common stock immediately prior to the merger receive 50.01% of the voting power of the equity interests of the combined company, which voting equity interests are expected to consist solely of Live Nation common stock after the completion of the merger.

Based on the closing sale price for Live Nation common stock on February 9, 2009, the last trading day before public announcement of the merger, the 1.384 exchange ratio represented an implied value of approximately \$7.32 for each share of Ticketmaster Entertainment common stock. If the exchange ratio were adjusted as of October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus, and based on the outstanding voting equity interests of the two companies as of such date, the 1.384 exchange ratio would have been hypothetically adjusted to 1.474. This hypothetically adjusted exchange ratio would represent an implied value of approximately \$9.99 for each share of Ticketmaster Entertainment common stock based on the closing sale price for Live Nation common stock on October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus.

It is currently estimated that Live Nation will issue or reserve for issuance approximately 100 million shares of Live Nation common stock in connection with the merger, including common stock issuable pursuant to outstanding Ticketmaster Entertainment options and other equity-based awards, although Live Nation may issue or reserve for issuance up to 120 million shares of Live Nation common stock pursuant to this joint proxy statement/prospectus. Live Nation common stock is listed on the New York Stock Exchange under the symbol LYV. Ticketmaster Entertainment common stock is listed on the NASDAQ Global Select Market under the symbol TKTM. You are urged to obtain current market quotations for the shares of Live Nation and Ticketmaster Entertainment.

The boards of directors of Live Nation and Ticketmaster Entertainment believe that the combination of the two companies will produce a financially strong, well-diversified combined company that will be better positioned to enhance stockholder value by establishing itself as the world's premier live entertainment company through the combination of Live Nation's concert promotion expertise and Ticketmaster Entertainment's world-class ticketing solutions and artist relationships and that the merger will present the combined company with a unique opportunity to improve the live entertainment experience and drive major innovations in ticketing technology, marketing and service.

**Your vote is very important.** The merger cannot be completed unless Live Nation stockholders approve the issuance of Live Nation common stock in connection with the merger and Ticketmaster Entertainment stockholders adopt the merger agreement. Each of Live Nation and Ticketmaster Entertainment is holding an annual meeting of its stockholders to vote on the proposals necessary to complete the merger, as well as other matters. **Whether or not you plan to attend your respective company's annual meeting of stockholders, please submit your proxy as soon as possible to make sure that your shares are represented at that meeting.** Information about these meetings, the merger and the other business to be considered by stockholders is contained in this joint proxy statement/prospectus. You are urged to read this joint proxy statement/prospectus carefully. **You should also carefully consider the risk factors beginning on page 33.**

**The Live Nation board of directors recommends that Live Nation stockholders vote FOR the proposal to approve the issuance of Live Nation common stock in connection with the merger, which is necessary to complete the merger.**

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**The Ticketmaster Entertainment board of directors recommends that Ticketmaster Entertainment stockholders vote FOR the proposal to adopt the merger agreement.**

Michael Rapino  
Chief Executive Officer  
Live Nation, Inc.

Irving Azoff  
Chief Executive Officer  
Ticketmaster Entertainment, Inc.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the merger or determined if this joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

This joint proxy statement/prospectus is dated [ ], and is first being mailed to stockholders of Live Nation and Ticketmaster Entertainment on or about [ ].

**Table of Contents**

**ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates by reference important business and financial information about Live Nation and Ticketmaster Entertainment from other documents that are not included in or delivered with this joint proxy statement/prospectus. For a listing of the documents incorporated by reference into this joint proxy statement/prospectus, see "Where You Can Find More Information" beginning on page 353. This information is available to you without charge upon your written or oral request. You can obtain the documents incorporated by reference into this document through the Securities and Exchange Commission website at [www.sec.gov](http://www.sec.gov) or by requesting them in writing or by telephone at the appropriate address below:

By Mail: Live Nation, Inc.  
9348 Civic Center Drive  
Beverly Hills, California 90210  
Attention: Investor Relations

By Telephone: (310) 867-7000

By Mail: Ticketmaster Entertainment, Inc.  
8800 West Sunset Boulevard  
West Hollywood, California 90069  
Attention: Investor Relations

By Telephone: (310) 360-3300

You may also obtain documents incorporated by reference into this joint proxy statement/prospectus by requesting them in writing or by telephone from MacKenzie Partners, Inc., Live Nation's proxy solicitor, or Innisfree M&A Incorporated, Ticketmaster Entertainment's proxy solicitor, at the following addresses and telephone numbers:

By Mail: MacKenzie Partners, Inc.  
105 Madison Avenue  
New York, New York 10016

By Telephone: (800) 322-2885 (toll free)  
(212) 929-5500 (collect)

By Mail: Innisfree M&A Incorporated  
501 Madison Avenue, 20<sup>th</sup> Floor  
New York, New York 10022

By Telephone: (877) 687-1866 (toll free)  
(212) 750-5833 (banks and brokers only)

**To receive timely delivery of the documents in advance of the annual meetings, you should make your request no later than December 30, 2009.**

**SUBMITTING PROXIES ELECTRONICALLY OR**

**BY TELEPHONE**

Live Nation stockholders of record on the close of business on November 25, 2009, the record date for the Live Nation annual meeting, may submit their proxies by telephone or Internet by following the instructions on their proxy card or voting instruction form. If you have any questions regarding whether you are eligible to submit your proxy by telephone or by Internet, please contact MacKenzie Partners, Inc. by telephone at (800) 322-2885 (toll free) or (212) 929-5500 (collect) or via email at [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com).

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Ticketmaster Entertainment stockholders of record on the close of business on November 25, 2009, the record date for the Ticketmaster Entertainment annual meeting, may submit their proxies by telephone or Internet by following the instructions on their proxy card or voting instruction form. If you have any questions regarding whether you are eligible to submit your proxy by telephone or by Internet, please contact Innisfree M&A Incorporated by telephone at (877) 687-1866 (toll free) (banks and brokers call: (212) 750-5833). You can also submit document requests via email at [info@innisfreema.com](mailto:info@innisfreema.com).

**Table of Contents**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON JANUARY 8, 2010**

To the Stockholders of Live Nation, Inc.:

The annual meeting of stockholders of Live Nation, Inc., a Delaware corporation, will be held on January 8, 2010, at 9:00 a.m., local time, at House of Blues Sunset Strip, 8430 Sunset Boulevard, West Hollywood, California 90069, for the following purposes:

1. to approve the issuance of Live Nation common stock, par value \$0.01 per share, in the merger contemplated by the Agreement and Plan of Merger, dated as of February 10, 2009, as it may be amended from time to time, among Live Nation, Inc., Ticketmaster Entertainment, Inc. and, from and after its accession thereto, Merger Sub, a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice;
2. to amend the Live Nation certificate of incorporation to change Live Nation's name to Live Nation Entertainment, Inc. after the completion of the merger of Ticketmaster Entertainment with and into Merger Sub;
3. to elect three directors to hold office until the 2012 annual meeting of stockholders and until their respective successors have been elected and qualified;
4. to ratify the appointment of Ernst & Young LLP as Live Nation's independent registered public accounting firm for the 2009 fiscal year;
5. to approve the amendment of the Live Nation, Inc. 2005 Stock Incentive Plan, as Amended and Restated, to, among other things, increase the aggregate number of shares of Live Nation common stock that may be issued under the plan;
6. to approve the adjournment of the Live Nation annual meeting, if necessary, to solicit additional proxies; and
7. to conduct any other business as may properly come before the Live Nation annual meeting or any adjournment or postponement thereof.

Only the approval of the share issuance proposal is required for the completion of the merger. The approval of the share issuance proposal is not conditioned on the approval of the Live Nation name change proposal or any other Live Nation proposal; however, the Live Nation name change will be effected only if the merger has taken place and is therefore contingent on approval of the share issuance proposal.



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**The Live Nation board of directors recommends that Live Nation stockholders vote FOR each of the director nominees, FOR the proposal to approve the issuance of Live Nation common stock in the merger, FOR the proposal to amend the Live Nation certificate of incorporation to change Live Nation's name to Live Nation Entertainment, Inc. after the completion of the merger and FOR each of the other Live Nation proposals described in the joint proxy statement/prospectus accompanying this notice.**

The Live Nation board of directors has set November 25, 2009 as the record date for the 2009 Live Nation annual meeting of stockholders. Only holders of record of Live Nation common stock at the close of business on November 25, 2009 will be entitled to notice of and to vote at the Live Nation annual meeting and any adjournments or postponements thereof. A complete list of stockholders entitled to vote at the Live Nation annual meeting will be available for examination by any Live Nation stockholder at Live Nation's headquarters, 9348 Civic Center Drive, Beverly Hills, California 90210 for purposes pertaining to the Live Nation annual meeting, during normal business hours for a period of ten days before the Live Nation annual meeting and at the

**Table of Contents**

time and place of the Live Nation annual meeting. Any stockholder entitled to attend and vote at the Live Nation annual meeting is entitled to appoint a proxy to attend and vote on such stockholder's behalf. Such proxy need not be a holder of Live Nation common stock. **To ensure your representation at the 2009 Live Nation annual meeting of stockholders, please complete and return the enclosed proxy card or submit your proxy by telephone or through the Internet.** Please submit your proxy promptly whether or not you expect to attend the Live Nation annual meeting. Submitting a proxy now will not prevent you from being able to vote at the Live Nation annual meeting by attending in person and casting a vote.

The joint proxy statement/prospectus accompanying this notice provides a detailed description of the merger, the merger agreement and the other matters to be considered at the 2009 Live Nation annual meeting of stockholders. You are urged to read carefully the entire joint proxy statement/prospectus, including the annexes and other documents referred to therein. **If you have any questions concerning the merger, the other Live Nation annual meeting matters or the joint proxy statement/prospectus, would like additional copies of the joint proxy statement/prospectus or need help voting your shares of Live Nation common stock, please contact Live Nation's proxy solicitor, MacKenzie Partners, Inc., at (800) 322-2885 (toll free) or (212) 929-5500 (collect) or via email at [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com).**

**By Order of the Board of Directors,**

Michael G. Rowles

Secretary

[ ], 2009

**Table of Contents**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON JANUARY 8, 2010**

To the Stockholders of Ticketmaster Entertainment, Inc.:

You are invited to attend the annual meeting of stockholders of Ticketmaster Entertainment, Inc., a Delaware corporation, which will be held at Ticketmaster Entertainment's headquarters, located at 8800 West Sunset Blvd., West Hollywood, California 90069, on January 8, 2010 at 9:00 a.m., local time, for the following purposes:

1. to approve a proposal to adopt the Agreement and Plan of Merger, dated as of February 10, 2009, as it may be amended from time to time, among Live Nation, Inc., Ticketmaster Entertainment, Inc. and, from and after its accession thereto, Merger Sub, a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice;
2. to elect 11 directors to hold office until the 2010 annual meeting of stockholders and until their respective successors have been elected and qualified;
3. to ratify the appointment of Ernst & Young LLP as Ticketmaster Entertainment's independent registered public accounting firm for the 2009 fiscal year;
4. to approve the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan;
5. to approve the adjournment of the Ticketmaster Entertainment annual meeting, if necessary, to solicit additional proxies; and
6. to conduct any other business as may properly come before the Ticketmaster Entertainment annual meeting or any adjournment or postponement thereof.

Please refer to the joint proxy statement/prospectus accompanying this notice for further information with respect to the business to be transacted at the Ticketmaster Entertainment annual meeting.

The Ticketmaster Entertainment board of directors has fixed the close of business on November 25, 2009 as the record date for determination of the Ticketmaster Entertainment stockholders entitled to receive notice of, and to vote at, the Ticketmaster Entertainment annual meeting or any adjournments or postponements thereof. Only holders of record of Ticketmaster Entertainment common stock and Ticketmaster Entertainment Series A preferred stock at the close of business on the record date are entitled to receive notice of, and to vote at, the Ticketmaster Entertainment annual meeting. Approval of the proposal to adopt the Agreement and Plan of Merger requires the affirmative vote of holders of a majority of the voting power of the outstanding shares of Ticketmaster Entertainment common stock and Ticketmaster Entertainment Series A preferred stock, voting together as a single class. Approval of the other matters to be considered at the Ticketmaster Entertainment annual meeting is not a condition to the merger. A list of the names of Ticketmaster Entertainment stockholders of record will be available at the

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Ticketmaster Entertainment annual meeting and for ten days prior to the Ticketmaster Entertainment annual meeting for any purpose germane to the Ticketmaster Entertainment annual meeting between the hours of 9:00 a.m. and 5:00 p.m., local time, at Ticketmaster Entertainment's headquarters, 8800 West Sunset Blvd., West Hollywood, California 90069.

**The Ticketmaster Entertainment board of directors recommends that Ticketmaster Entertainment stockholders vote FOR each of the director nominees, FOR the proposal to adopt the Agreement and Plan of Merger and FOR each of the other Ticketmaster Entertainment proposals described in the joint proxy statement/prospectus accompanying this notice.**

**Table of Contents**

**Your vote is important. Whether or not you expect to attend in person, you are urged to submit a proxy for your shares as promptly as possible by (1) accessing the website specified below and on your proxy card, (2) calling the toll-free number specified on your proxy card or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Ticketmaster Entertainment annual meeting.** If your shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder.

The joint proxy statement/prospectus accompanying this notice provides a detailed description of the merger, the Agreement and Plan of Merger and the other matters to be considered at the Ticketmaster Entertainment annual meeting. You are urged to read the entire joint proxy statement/prospectus, including the annexes and other documents referred to therein. If you have any questions concerning the merger, the other Ticketmaster Entertainment annual meeting matters or the joint proxy statement/prospectus; would like additional copies of the joint proxy statement/prospectus; or need help voting your shares, please contact Ticketmaster Entertainment's proxy solicitor:

Innisfree M&A Incorporated

501 Madison Avenue, 20<sup>th</sup> Floor

New York, New York 10022

(877) 687-1866 (toll free)

(212) 750-5833 (banks and brokers only)

**By Order of the Board of Directors,**

Chris Riley

Secretary

[ ], 2009

**Table of Contents**

**Table of Contents**

	<b>Page</b>
<u>QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE ANNUAL MEETINGS</u>	1
<u>SUMMARY</u>	10
<u>The Parties</u>	10
<u>The Merger</u>	11
<u>Treatment of Stock Options and Other Equity Awards</u>	12
<u>Directors and Executive Officers After the Completion of the Merger</u>	12
<u>Recommendations of the Live Nation Board of Directors</u>	13
<u>Recommendation of the Ticketmaster Entertainment Board of Directors</u>	14
<u>Opinions of Financial Advisors</u>	14
<u>Interests of Directors and Executive Officers in the Merger</u>	15
<u>Material U.S. Federal Income Tax Consequences of the Merger</u>	16
<u>Accounting Treatment of the Merger</u>	17
<u>No Appraisal Rights</u>	17
<u>Regulatory Matters</u>	17
<u>Conditions to Completion of the Merger</u>	17
<u>No Solicitation of Other Offers</u>	19
<u>Termination of the Merger Agreement</u>	19
<u>Termination Fees and Expenses</u>	20
<u>Agreements Related to the Merger</u>	21
<u>Matters to Be Considered at the Annual Meetings</u>	21
<u>Voting by Live Nation and Ticketmaster Entertainment Directors and Executive Officers and Liberty Media</u>	22
<u>Rights of Ticketmaster Entertainment Stockholders Will Change as a Result of the Merger</u>	23
<u>Litigation Relating to the Merger</u>	23
<u>SELECTED HISTORICAL FINANCIAL DATA OF LIVE NATION</u>	24
<u>SELECTED HISTORICAL FINANCIAL DATA OF TICKETMASTER ENTERTAINMENT</u>	26
<u>SUMMARY UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA</u>	27
<u>COMPARATIVE PER SHARE DATA (UNAUDITED)</u>	29
<u>MARKET PRICES, DIVIDENDS AND OTHER DISTRIBUTIONS</u>	30
<u>Stock Prices</u>	30
<u>Dividends and Other Distributions</u>	30
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	32
<u>RISK FACTORS</u>	33
<u>Risks Relating to the Pending Merger</u>	33
<u>Risks Related to the Combined Company if the Merger Is Completed</u>	36
<u>Risks Relating to the Ticketmaster Entertainment Spin-Off</u>	44
<u>Risks Relating to Ticketmaster Entertainment's Business (and, Following the Completion of the Merger, the Combined Company)</u>	46
<u>Risks Relating to Ticketmaster Entertainment's Business Prior to the Completion of the Merger</u>	55
<u>THE MERGER</u>	58
<u>Background of the Merger</u>	58
<u>Live Nation's Reasons for the Merger</u>	63
<u>Recommendations of the Live Nation Board of Directors with Respect to the Merger</u>	67
<u>Ticketmaster Entertainment's Reasons for the Merger</u>	67
<u>Recommendations of the Ticketmaster Entertainment Board of Directors with Respect to the Merger</u>	71
<u>Certain Financial Forecasts Utilized by the Live Nation Board of Directors and Live Nation's Financial Advisors</u>	71
<u>Opinions of Live Nation's Financial Advisors</u>	76

**Table of Contents**

	<b>Page</b>
<u>Goldman Sachs</u>	76
<u>Deutsche Bank</u>	83
<u>Certain Financial Forecasts Utilized by the Ticketmaster Entertainment Board of Directors and Ticketmaster Entertainment's Financial Advisor</u>	90
<u>Opinion of Ticketmaster Entertainment's Financial Advisor</u>	94
<u>Board of Directors and Executive Officers of Live Nation After the Completion of the Merger; Amendments to Live Nation's Bylaws</u>	103
<u>Interests of Live Nation Directors, Executive Officers and Certain Key Employees in the Merger</u>	105
<u>Interests of Ticketmaster Entertainment Directors and Executive Officers in the Merger</u>	111
<u>Consents and Amendments Under Ticketmaster Entertainment Credit Facility</u>	117
<u>Accounting Treatment</u>	118
<u>Regulatory Approvals Required for the Merger</u>	120
<u>Restrictions on Sales of Shares of Live Nation Common Stock Received in the Merger</u>	121
<u>Appraisal Rights</u>	121
<u>NYSE Listing of Live Nation Common Stock; Delisting and Deregistration of Ticketmaster Entertainment Common Stock</u>	121
<b><u>LITIGATION RELATING TO THE MERGER</u></b>	122
<b><u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES</u></b>	123
<b><u>THE MERGER AGREEMENT</u></b>	126
<u>Terms of the Merger</u>	126
<u>Exchange of Ticketmaster Entertainment Stock Certificates</u>	126
<u>Treatment of Ticketmaster Entertainment Stock Options and Other Equity Awards</u>	127
<u>Governance Matters upon Completion of the Merger</u>	128
<u>Completion of the Merger</u>	129
<u>Conditions to Completion of the Merger</u>	129
<u>Representations and Warranties</u>	130
<u>Conduct of Business Prior to Closing</u>	133
<u>No Solicitations</u>	135
<u>Board Recommendations</u>	136
<u>Reasonable Best Efforts to Obtain Required Stockholder Approval</u>	137
<u>Agreement to Take Further Action and to Use Reasonable Best Efforts</u>	138
<u>Employee Benefits Matters</u>	138
<u>Reciprocal Employee No Solicitation/No Hire</u>	139
<u>Other Covenants and Agreements</u>	139
<u>Termination of the Merger Agreement</u>	141
<u>Effect of Termination; Termination Fees and Expenses</u>	142
<u>Alternative Structures</u>	144
<u>Amendment, Extension and Waiver</u>	144
<u>Governing Law</u>	144
<b><u>AGREEMENTS RELATED TO THE MERGER</u></b>	145
<u>Liberty Voting Agreement</u>	145
<u>Liberty Stockholder Agreement</u>	146
<u>Live Nation Stockholder Rights Plan Amendment</u>	148
<u>New Employment Arrangements</u>	148
<b><u>INFORMATION ABOUT THE COMPANIES</u></b>	150
<u>Live Nation</u>	150
<u>Ticketmaster Entertainment</u>	150
<u>Merger Sub</u>	150
<b><u>LIVE NATION ANNUAL MEETING</u></b>	151
<u>Date, Time and Place</u>	151
<u>Purpose of the Live Nation Annual Meeting</u>	151

**Table of Contents**

	<b>Page</b>
<u>Live Nation Record Date: Shares Entitled to Vote</u>	151
<u>Quorum</u>	151
<u>Required Vote</u>	152
<u>Treatment of Abstentions, Not Voting and Incomplete Proxies</u>	152
<u>Voting by Live Nation Directors and Executive Officers</u>	153
<u>Voting of Proxies by Registered Holders</u>	153
<u>Shares Held in Street Name</u>	154
<u>Shares Held in Live Nation's 401(k) Savings Plan</u>	154
<u>Revocability of Proxies and Changes to a Live Nation Stockholder's Vote</u>	154
<u>Solicitation of Proxies</u>	155
<u>Delivery of Proxy Materials to Households Where Two or More Stockholders Reside</u>	155
<u>Attending the Live Nation Annual Meeting</u>	155
<u>LIVE NATION PROPOSALS</u>	156
<u>Live Nation Proposal 1: Approval of the Issuance of Live Nation Common Stock in Connection with the Merger</u>	156
<u>Live Nation Proposal 2: Approval of an Amendment to Live Nation's Certificate of Incorporation to Change Live Nation's Name to Live Nation Entertainment, Inc. After the Completion of the Merger</u>	156
<u>Live Nation Proposal 3: Election of Directors</u>	157
<u>Live Nation Proposal 4: Ratification of the Appointment of the Independent Registered Public Accounting Firm</u>	164
<u>Live Nation Proposal 5: Approval of an Amendment to the Live Nation 2005 Stock Incentive Plan to, Among Other Things, Increase the Aggregate Number of Shares That May Be Issued Under the Plan by Four Million, Nine Hundred Thousand (4,900,000) Shares</u>	166
<u>Live Nation Proposal 6: Approval of the Adjournment of the Live Nation Annual Meeting, if Necessary and Appropriate</u>	173
<u>Other Matters</u>	174
<u>LIVE NATION CORPORATE GOVERNANCE</u>	174
<u>Independence</u>	174
<u>Board Composition and Director Qualifications</u>	175
<u>Code of Business Conduct and Ethics</u>	175
<u>Director and Executive Officer Stock Ownership Guidelines</u>	175
<u>Communication with the Board</u>	176
<u>Certain Relationships and Transactions</u>	176
<u>LIVE NATION SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	177
<u>Security Ownership</u>	177
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	179
<u>LIVE NATION EXECUTIVE COMPENSATION</u>	180
<u>Compensation Discussion and Analysis</u>	180
<u>Employment Agreements</u>	191
<u>Report of the Compensation Committee of the Live Nation Board of Directors</u>	204
<u>Compensation Committee Interlocks and Insider Participation</u>	204
<u>TICKETMASTER ENTERTAINMENT ANNUAL MEETING</u>	205
<u>Date, Time and Place</u>	205
<u>Purpose of the Ticketmaster Entertainment Annual Meeting</u>	205
<u>Ticketmaster Entertainment Record Date: Stock Entitled to Vote</u>	205
<u>Quorum</u>	206
<u>Required Vote</u>	206
<u>Treatment of Abstentions, Not Voting and Incomplete Proxies</u>	207
<u>Voting by Ticketmaster Entertainment Directors and Executive Officers and Liberty Media</u>	207



**Table of Contents**

	<b>Page</b>
<u>Voting of Proxies by Holders of Record</u>	208
<u>Shares Held in Street Name</u>	208
<u>Revocability of Proxies and Changes to a Ticketmaster Entertainment Stockholder's Vote</u>	209
<u>Solicitation of Proxies</u>	209
<u>Delivery of Proxy Materials to Households Where Two or More Stockholders Reside</u>	210
<u>Attending the Ticketmaster Entertainment Annual Meeting</u>	210
<b><u>TICKETMASTER ENTERTAINMENT PROPOSALS</u></b>	<b>211</b>
<u>Ticketmaster Entertainment Proposal 1: Adoption of the Merger Agreement</u>	211
<u>Ticketmaster Entertainment Proposal 2: Election of Directors</u>	211
<u>Ticketmaster Entertainment Proposal 3: Ratification of Selection of Independent Auditors</u>	216
<u>Ticketmaster Entertainment Proposal 4: Approval of the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan</u>	219
<u>Ticketmaster Entertainment Proposal 5: Approval of the Adjournment of the Ticketmaster Entertainment Annual Meeting, if Necessary and Appropriate</u>	226
<u>Other Matters</u>	226
<b><u>TICKETMASTER ENTERTAINMENT CORPORATE GOVERNANCE</u></b>	<b>228</b>
<u>Director Independence</u>	228
<u>Director Nomination Process</u>	229
<u>Code of Business Conduct and Ethics</u>	229
<u>Communications with the Ticketmaster Entertainment Board of Directors</u>	230
<u>Certain Relationships and Related Person Transactions</u>	230
<b><u>INFORMATION ABOUT TICKETMASTER ENTERTAINMENT'S BUSINESS</u></b>	<b>240</b>
<u>Overview of Ticketmaster Entertainment's Business</u>	240
<u>Properties</u>	247
<u>Legal Proceedings</u>	248
<u>Quantitative and Qualitative Disclosures about Market Risk</u>	250
<u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	251
<b><u>TICKETMASTER ENTERTAINMENT'S MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u></b>	<b>252</b>
<b><u>TICKETMASTER ENTERTAINMENT STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u></b>	<b>285</b>
<b><u>TICKETMASTER ENTERTAINMENT EXECUTIVE COMPENSATION</u></b>	<b>287</b>
<u>Report of the Compensation and Human Resources Committee of the Ticketmaster Entertainment Board of Directors</u>	287
<u>Compensation Committee Interlocks and Insider Participation</u>	287
<u>Compensation Discussion and Analysis</u>	287
<u>Executive Compensation</u>	297
<u>Director Compensation</u>	313
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	315
<b><u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS</u></b>	<b>316</b>
<b><u>DESCRIPTION OF LIVE NATION CAPITAL STOCK</u></b>	<b>339</b>
<u>General</u>	339
<u>Common Stock</u>	339
<u>Preferred Stock</u>	339
<u>Provisions of Live Nation's Certificate of Incorporation Relating to Related-Party Transactions and Corporate Opportunities</u>	339
<u>Provisions of Live Nation's Certificate of Incorporation and Bylaws Restricting a Change of Control</u>	340
<u>Transfer Agent and Registrar</u>	340
<u>New York Stock Exchange Listing</u>	340

**Table of Contents**

	<b>Page</b>
<u>COMPARISON OF RIGHTS OF LIVE NATION STOCKHOLDERS AND TICKETMASTER ENTERTAINMENT STOCKHOLDERS</u>	341
<u>LEGAL MATTERS</u>	351
<u>EXPERTS</u>	351
<u>FUTURE STOCKHOLDER PROPOSALS</u>	351
<u>Live Nation</u>	351
<u>Ticketmaster Entertainment</u>	352
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	353
<u>INDEX TO TICKETMASTER ENTERTAINMENT'S FINANCIAL STATEMENTS</u>	FIN-1

Annex A	<u>Merger Agreement</u>
Annex B	<u>Liberty Voting Agreement</u>
Annex C	<u>Liberty Stockholder Agreement</u>
Annex D	<u>Live Nation Stockholder Rights Plan Amendment</u>
Annex E	<u>Opinion of Goldman, Sachs &amp; Co.</u>
Annex F	<u>Opinion of Deutsche Bank Securities Inc.</u>
Annex G	<u>Opinion of Allen &amp; Company LLC</u>
Annex H	<u>Form of Amended and Restated Bylaws of Live Nation, Inc.</u>
Annex I	<u>Form of Certificate of Amendment to Amended and Restated Certificate of Incorporation of Live Nation, Inc.</u>
Annex J	<u>First Amendment to the Live Nation, Inc. Amended and Restated 2005 Stock Incentive Plan</u>
Annex K	<u>Form of Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan</u>

**Table of Contents**

**QUESTIONS AND ANSWERS ABOUT THE MERGER  
AND THE ANNUAL MEETINGS**

*The following questions and answers briefly address some commonly asked questions about the Merger (as defined below) and the annual meetings. They may not include all the information that is important to stockholders of Live Nation, Inc. and Ticketmaster Entertainment, Inc. Stockholders should read carefully this entire joint proxy statement/prospectus, including the annexes and other documents referred to in this document.*

**Q: What is the Merger?**

A: Live Nation, Inc., which is referred to as Live Nation, and Ticketmaster Entertainment, Inc., which is referred to as Ticketmaster Entertainment, have entered into an Agreement and Plan of Merger, dated as of February 10, 2009, which (as it may be amended from time to time) is referred to as the Merger Agreement. A copy of the Merger Agreement is attached as Annex A to this joint proxy statement/prospectus. The Merger Agreement contains the terms and conditions of the proposed business combination of Live Nation and Ticketmaster Entertainment. Under the Merger Agreement, Ticketmaster Entertainment will merge with and into a wholly owned subsidiary of Live Nation, which is referred to as Merger Sub, with Merger Sub continuing as the surviving entity, in a transaction which is referred to as the Merger. After the completion of the Merger, Merger Sub will change its name to Ticketmaster Entertainment, LLC and operate Ticketmaster Entertainment's business as a wholly owned subsidiary of Live Nation.

**Q: Why am I receiving these materials?**

A: Live Nation and Ticketmaster Entertainment are sending these materials to their respective stockholders to help them decide how to vote their shares of Live Nation or Ticketmaster Entertainment stock, as the case may be, with respect to the proposed Merger and the other matters to be considered at the annual meetings.

The Merger cannot be completed unless Ticketmaster Entertainment stockholders adopt the Merger Agreement and Live Nation stockholders approve the issuance of Live Nation common stock in the Merger. Each of Live Nation and Ticketmaster Entertainment is holding its 2009 annual meeting of stockholders to vote on the proposals necessary to complete the Merger in addition to the other proposals described in Live Nation Annual Meeting and Ticketmaster Entertainment Annual Meeting beginning on pages 151 and 205, respectively. Information about these meetings, the Merger and the other business to be considered by stockholders is contained in this joint proxy statement/prospectus.

This document constitutes both a joint proxy statement of Live Nation and Ticketmaster Entertainment and a prospectus of Live Nation. It is a joint proxy statement because the boards of directors of both companies are soliciting proxies from their respective stockholders. It is a prospectus because Live Nation will issue shares of its common stock in exchange for shares of Ticketmaster Entertainment common stock in the Merger.

**Q: What will stockholders receive in the Merger?**

A: In the proposed Merger, holders of Ticketmaster Entertainment common stock will have the right to receive 1.384 shares of Live Nation common stock, which is referred to as the exchange ratio as it may be adjusted as described in the following sentence, for each share of Ticketmaster Entertainment common stock, which is referred to as the Merger consideration. The exchange ratio will be adjusted as provided in the Merger Agreement to ensure that holders of Ticketmaster Entertainment common stock immediately prior to the Merger collectively receive 50.01% of the voting power of the equity interests of the combined company, which voting equity interests are expected to consist solely of Live Nation common stock after the completion of the Merger.

The exchange ratio of 1.384 was calculated based on the voting equity interests of Live Nation and Ticketmaster Entertainment outstanding near the time of the signing of the Merger Agreement and, if the



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**Table of Contents**

Merger had been completed on that date, would have resulted in the holders of Ticketmaster Entertainment common stock collectively receiving 50.01% of the voting power of the combined company. Accordingly, issuances of voting equity securities by Live Nation after the date of the Merger Agreement will have the effect of increasing the exchange ratio, and issuances of voting equity securities by Ticketmaster Entertainment after the date of the Merger Agreement will have the effect of decreasing the exchange ratio. If the exchange ratio were adjusted as of October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus, and based on the outstanding voting equity interests of the two companies as of such date, the 1.384 exchange ratio would have been hypothetically adjusted to 1.474. This hypothetically adjusted exchange ratio assumes that there are no shares of Ticketmaster Entertainment Series A Convertible Preferred Stock, which is referred to as the Ticketmaster Entertainment Series A preferred stock, outstanding at the time of the adjustment because the Merger Agreement provides that Ticketmaster Entertainment will take certain specified actions to ensure that there are no shares of Ticketmaster Entertainment Series A preferred stock outstanding at the time the parties complete the Merger.

Live Nation and Ticketmaster Entertainment will, at bi-weekly intervals following the mailing of this joint proxy statement/prospectus through the dates of the Live Nation annual meeting and the Ticketmaster Entertainment annual meeting, recalculate the hypothetical adjusted exchange ratio based on the voting equity securities of Live Nation and Ticketmaster Entertainment outstanding at such time. Live Nation stockholders and Ticketmaster Entertainment stockholders will be able to obtain the updated hypothetical adjusted exchange ratio by accessing Live Nation's website at: [www.livenation.com/investors](http://www.livenation.com/investors) or by accessing Ticketmaster Entertainment's website at: [investors.ticketmaster.com/financials.cfm](http://investors.ticketmaster.com/financials.cfm). In addition, the final adjusted exchange ratio will be included in the materials provided to Ticketmaster Entertainment stockholders by Live Nation's exchange agent.

Live Nation stockholders will continue to own their existing shares, which will not be affected by the Merger.

**Q: When do Live Nation and Ticketmaster Entertainment expect to complete the Merger?**

A: Live Nation and Ticketmaster Entertainment expect to complete the Merger after all conditions to the Merger in the Merger Agreement are satisfied or waived, including after stockholder approvals are received at the respective annual meetings of Live Nation and Ticketmaster Entertainment and all required regulatory approvals are received. Live Nation and Ticketmaster Entertainment currently expect to complete the Merger in the first quarter of 2010. It is possible, however, that factors outside of either company's control could result in Live Nation and Ticketmaster Entertainment completing the Merger at a later time or not completing it at all.

**Q: What am I being asked to vote on?**

A: Live Nation stockholders are being asked to vote on the following proposals:

1. to approve the issuance of Live Nation common stock, par value \$0.01 per share, in the Merger contemplated by the Merger Agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus (which is referred to as the share issuance proposal);
2. to amend the Live Nation certificate of incorporation to change Live Nation's name to Live Nation Entertainment, Inc. after the completion of the Merger (which is referred to as the Live Nation name change proposal);
3. to elect three directors to hold office until the 2012 annual meeting of stockholders and until their respective successors have been elected and qualified;
4. to ratify the appointment of Ernst & Young LLP as Live Nation's independent registered public accounting firm for the 2009 fiscal year;



**Table of Contents**

5. to approve the amendment of the Live Nation, Inc. 2005 Stock Incentive Plan, as Amended and Restated (which is referred to as the Live Nation 2005 Stock Incentive Plan), to, among other things, increase the aggregate number of shares of Live Nation common stock that may be issued under the plan (which is referred to as the Live Nation plan amendment proposal);
6. to approve the adjournment of the Live Nation annual meeting, if necessary, to solicit additional proxies; and
7. to conduct any other business as may properly come before the Live Nation annual meeting or any adjournment or postponement thereof.

The approval of the share issuance proposal is not conditioned on the approval of the Live Nation name change proposal; however, the Live Nation name change will be effected only if the Merger has taken place and is therefore contingent on approval of the share issuance proposal.

Ticketmaster Entertainment stockholders are being asked to vote on the following proposals:

1. to adopt the Merger Agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus (which is referred to as the Merger proposal);
2. to elect 11 directors to hold office until the 2010 annual meeting of stockholders and until their respective successors have been elected and qualified;
3. to ratify the appointment of Ernst & Young LLP as Ticketmaster Entertainment's independent registered public accounting firm for the 2009 fiscal year;
4. to approve the Amended and Restated Ticketmaster Entertainment, Inc. 2008 Stock and Annual Incentive Plan (which is referred to as the Ticketmaster Entertainment incentive plan proposal);
5. to approve the adjournment of the Ticketmaster Entertainment annual meeting, if necessary, to solicit additional proxies; and
6. to conduct any other business as may properly come before the Ticketmaster Entertainment annual meeting or any adjournment or postponement thereof.

**Q: Are there any other matters to be addressed at the annual meetings?**

A: Neither Live Nation nor Ticketmaster Entertainment knows of any other matters to be brought before its respective annual meeting, but if other matters are brought before such meeting or at any adjournment or postponement of such meeting, the officers named in your proxy intend to take such action as, in their judgment, is in the best interest of Live Nation and its stockholders or Ticketmaster Entertainment and its stockholders, as the case may be.

**Q: How do the boards of directors of Live Nation and Ticketmaster Entertainment recommend that I vote?**

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A: The Live Nation board of directors recommends that holders of Live Nation common stock vote **FOR** each of the director nominees, **FOR** the share issuance proposal, **FOR** the Live Nation name change proposal and **FOR** each of the other Live Nation proposals described in this joint proxy statement/prospectus.

The Ticketmaster Entertainment board of directors recommends that Ticketmaster Entertainment stockholders vote **FOR** each of the director nominees, **FOR** the Merger proposal and **FOR** each of the other Ticketmaster Entertainment proposals described in this joint proxy statement/prospectus.



**Table of Contents**

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in this joint proxy statement/prospectus, please submit your proxy as soon as possible so that your shares will be represented at your respective company's annual meeting. Please follow the instructions set forth on the proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker or other nominee.

**Q: How do I vote?**

A: If you are a stockholder of record of Live Nation as of November 25, 2009, which is referred to as the Live Nation record date, or a stockholder of record of Ticketmaster Entertainment as of November 25, 2009, which is referred to as the Ticketmaster Entertainment record date, you may submit a proxy before your company's annual meeting in one of the following ways:

use the toll-free number shown on your proxy card;

visit the website shown on your proxy card to submit a proxy via the Internet; or

complete, sign, date and return the enclosed proxy card in the enclosed postage-paid envelope.

You may also cast your vote in person at your company's annual meeting.

If your shares are held in street name through a broker, bank or other nominee, that institution will send you separate instructions describing the procedure for voting your shares. Street name stockholders who wish to vote in person at the applicable annual meeting will need to obtain a proxy form from the institution that holds their shares.

If you are a Live Nation employee who holds shares of Live Nation common stock through Live Nation's 401(k) Savings Plan, the proxy that you submit in accordance with any of the methods described above will provide your voting instructions to the plan trustee. If you do not submit a proxy, the plan trustee will vote your plan shares in the same proportion as the shares for which the trustee receives voting instructions from other participants in the plan, except as may otherwise be required by law.

**Q: When and where are the Live Nation and Ticketmaster Entertainment annual meetings of stockholders?**

A: The annual meeting of Live Nation stockholders will be held at House of Blues Sunset Strip, 8430 Sunset Boulevard, West Hollywood, California 90069, at 9:00 a.m., local time, on January 8, 2010. Subject to space availability, all stockholders as of the Live Nation record date, or their duly appointed proxies, may attend the Live Nation annual meeting. Since seating is limited, admission to the Live Nation annual meeting will be on a first-come, first-served basis. Registration and seating will begin at 8:30 a.m., local time.

The annual meeting of Ticketmaster Entertainment stockholders will be held at Ticketmaster Entertainment's headquarters, located at 8800 West Sunset Blvd., West Hollywood, California 90069, at 9:00 a.m., local time, on January 8, 2010. Subject to space availability, all stockholders as of the Ticketmaster Entertainment record date, or their duly appointed proxies, may attend the Ticketmaster Entertainment annual meeting. Since seating is limited, admission to the Ticketmaster Entertainment annual meeting will be on a first-come, first-served basis. Registration and seating will begin at 8:30 a.m., local time.

**Q: If my shares are held in street name by a broker or other nominee, will my broker or nominee vote my shares for me?**

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- A: If your shares are held in street name in a stock brokerage account or by a bank or other nominee, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank or broker. Please note that you may not vote shares held in street name by returning a proxy card directly to Live Nation or Ticketmaster Entertainment or by voting in person at your annual meeting unless you provide a legal proxy, which you must obtain from your bank or

**Table of Contents**

broker. Brokers or other nominees who hold shares in street name for a beneficial owner typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers or other nominees are not allowed to exercise their voting discretion on matters that are determined to be non-routine without specific instructions from the beneficial owner. Broker non-votes are shares held by a broker or other nominee that are represented at the applicable annual meeting but with respect to which the broker or other nominee is not instructed by the beneficial owner of such shares to vote on the particular proposal and the broker or other nominee does not have discretionary voting power on such proposal.

Under current rules of the New York Stock Exchange, which is referred to as the NYSE, Live Nation believes that brokers or other nominees do not have discretionary authority to vote on the share issuance proposal, the Live Nation plan amendment proposal or the proposal to elect Live Nation directors.

Therefore, if you are a Live Nation stockholder and you do not instruct your broker or other nominee on how to vote your shares:

your broker or other nominee may not vote your shares on the share issuance proposal, which broker non-votes will have no effect on the vote on this proposal, provided that the total votes cast on this proposal represent a majority of the shares of Live Nation common stock outstanding as of the Live Nation record date and entitled to vote at the Live Nation annual meeting;

your broker or other nominee may not vote your shares on the Live Nation plan amendment proposal, which broker non-votes will have no effect on the vote on this proposal, provided that the total votes cast on this proposal represent a majority of the shares of Live Nation common stock outstanding as of the Live Nation record date and entitled to vote at the Live Nation annual meeting;

your broker or other nominee may not vote your shares on the proposal to elect Live Nation directors, which broker non-votes will have no effect on the vote on this proposal, provided that the total votes cast on this proposal represent a majority of the shares of Live Nation common stock outstanding as of the Live Nation record date and entitled to vote at the Live Nation annual meeting; and

your broker or other nominee may vote your shares on the other proposals to be considered at the Live Nation annual meeting. Under the current rules of the NASDAQ Global Select Market, which is referred to as NASDAQ, Ticketmaster Entertainment believes that brokers or other nominees do not have discretionary authority to vote on the Merger proposal or the Ticketmaster Entertainment incentive plan proposal, or in the election of Ticketmaster Entertainment directors.

If you are a Ticketmaster Entertainment stockholder and you do not instruct your broker or other nominee on how to vote your shares:

your broker or other nominee may not vote your shares on the Merger proposal, which broker non-vote will have the same effect as a vote **AGAINST** this proposal;

your broker or other nominee may not vote your shares on the Ticketmaster Entertainment incentive plan proposal, which broker non-votes will have no effect on the vote on this proposal;

your broker or other nominee may not vote your shares in the election of Ticketmaster Entertainment directors, which broker non-votes will have no effect on the outcome of the election of Ticketmaster Entertainment directors; and

your broker or other nominee may vote your shares on the other proposals to be considered at the Ticketmaster Entertainment annual meeting.

**Q: What constitutes a quorum?**

A: Stockholders who hold a majority in voting power of the Live Nation common stock issued and outstanding as of the close of business on the Live Nation record date and who are entitled to vote must be present or represented by proxy in order to constitute a quorum to conduct business at the Live Nation annual meeting.

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**Table of Contents**

Stockholders who hold a majority of the aggregate voting power of the Ticketmaster Entertainment common stock and Ticketmaster Entertainment Series A preferred stock issued and outstanding as of the close of business on the Ticketmaster Entertainment record date and who are entitled to vote must be present or represented by proxy in order to constitute a quorum to conduct business at the Ticketmaster Entertainment annual meeting.

**Q: What vote is required to approve each proposal to be considered at the Live Nation annual meeting?**

A: *To issue Live Nation common stock in the Merger:* The affirmative vote of a majority of the voting power of the Live Nation shares present in person or represented by proxy at the Live Nation annual meeting and entitled to vote thereon is required to approve the share issuance proposal, provided that the total votes cast on the proposal represent a majority of the shares of Live Nation common stock outstanding as of the Live Nation record date and entitled to vote at the Live Nation annual meeting.

*To amend Live Nation's certificate of incorporation:* The affirmative vote of a majority of the shares of common stock of Live Nation outstanding as of the Live Nation record date and entitled to vote thereon is required to approve the Live Nation name change proposal.

*To elect Live Nation directors:* Election of the Class III directors of Live Nation requires the affirmative vote of a plurality of the votes cast at the Live Nation annual meeting. Accordingly, the three director nominees receiving the highest number of votes will be elected.

*To amend the Live Nation 2005 Stock Incentive Plan:* The affirmative vote of a majority of the total voting power of the Live Nation shares present in person or represented by proxy at the Live Nation annual meeting and entitled to vote thereon is required to approve the Live Nation plan amendment proposal, provided that the total votes cast on the proposal represent a majority of the shares of Live Nation common stock outstanding as of the Live Nation record date and entitled to vote at the Live Nation annual meeting.

*To act on all other matters:* All other matters on the agenda for the Live Nation annual meeting will be decided by the affirmative vote of the holders of a majority of the shares of Live Nation common stock present in person or represented by proxy at the Live Nation annual meeting and entitled to vote thereon.

**Q: What vote is required to approve each proposal to be considered at the Ticketmaster Entertainment annual meeting?**

A: *To adopt the Merger Agreement:* The affirmative vote of a majority of the aggregate voting power of the shares of Ticketmaster Entertainment common stock and Ticketmaster Entertainment Series A preferred stock, voting together as a single class, outstanding as of the Ticketmaster Entertainment record date and entitled to vote at the Ticketmaster Entertainment annual meeting, is required to approve the Merger proposal. Liberty USA Holdings LLC, Ticketmaster Entertainment's largest stockholder (which is referred to as Liberty Holdings), has agreed to vote the shares of Ticketmaster Entertainment common stock held by it or its affiliates, representing, based on its amended Schedule 13D filed on February 25, 2009, approximately 29% of the outstanding shares of Ticketmaster Entertainment common stock as of October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus, and approximately 28.2% of the votes expected to be entitled to be cast at the Ticketmaster Entertainment annual meeting as of that date, for the approval of the Merger proposal.

*To elect Ticketmaster Entertainment directors:* Election of the Ticketmaster Entertainment directors requires the affirmative vote of a plurality of the votes cast at the Ticketmaster Entertainment annual meeting by the holders of shares of Ticketmaster Entertainment common stock and Ticketmaster Entertainment Series A preferred stock, voting together as a single class. Accordingly, the 11 director nominees receiving the highest number of votes will be elected. Until August 20, 2010, Liberty Media Corporation (which is referred to as Liberty Media) and its affiliates have agreed to vote all of the shares of Ticketmaster Entertainment common stock beneficially owned by them in favor of the election of the full slate of director nominees recommended to stockholders by the Ticketmaster Entertainment board of

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**Table of Contents**

directors so long as the slate includes the director nominees that Liberty Media has the right to nominate. This voting obligation on Liberty Media's part arises under a Spinco Agreement (which agreement, as assumed by Ticketmaster Entertainment, is referred to as the Ticketmaster Entertainment Spinco Agreement), certain rights and obligations under which Ticketmaster Entertainment assumed from IAC/InterActiveCorp (which is referred to as IAC) in connection with Ticketmaster Entertainment's spin-off from IAC in August 2008. Ticketmaster Entertainment's spin-off from IAC is referred to as the Ticketmaster Entertainment spin-off. For further discussion of the Ticketmaster Entertainment Spinco Agreement, see Ticketmaster Entertainment Corporate Governance Certain Relationships and Related Person Transactions Agreements with Liberty Media Ticketmaster Entertainment Spinco Agreement beginning on page 230.

*To approve the Ticketmaster Entertainment incentive plan proposal:* Approval of the Ticketmaster Entertainment incentive plan proposal requires the affirmative vote of a majority of the votes cast affirmatively or negatively on the proposal by the holders of shares of Ticketmaster Entertainment common stock and Ticketmaster Entertainment Series A preferred stock, voting together as a single class. Liberty Holdings has agreed to vote the shares of Ticketmaster Entertainment common stock held by it or its affiliates, representing, based on its amended Schedule 13D filed on February 25, 2009, approximately 29.0% of the outstanding shares of Ticketmaster Entertainment common stock as of October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus, and approximately 28.2% of the votes expected to be entitled to be cast at the Ticketmaster Entertainment annual meeting as of that date, for the approval of the Ticketmaster Entertainment incentive plan proposal.

*To act on all other matters:* All other matters on the agenda for the Ticketmaster Entertainment annual meeting will be decided by the affirmative vote of a majority of the votes cast affirmatively or negatively on the proposal by the holders of shares of Ticketmaster Entertainment common stock and Ticketmaster Entertainment Series A preferred stock, voting together as a single class.

**Q: What if I abstain from voting or do not vote?**

A: For the purposes of the Live Nation annual meeting, an abstention, which occurs when a Live Nation stockholder attends the Live Nation annual meeting, either in person or by proxy, but abstains from voting, will have the same effect as a vote **AGAINST** each of the proposals to be considered at the Live Nation annual meeting with the exception of the proposal to elect three Class III Live Nation directors, for which an abstention will have no effect on the outcome of the election. If you are a Live Nation stockholder and you fail to vote (and do not abstain), (i) it will have no effect on the outcome of either the share issuance proposal or the Live Nation plan amendment proposal, but will make it more difficult to meet the NYSE requirement that the total votes cast on each of these proposals represents a majority of the shares of Live Nation common stock outstanding as of the Live Nation record date and entitled to vote at the Live Nation annual meeting; (ii) it will have the same effect as a vote **AGAINST** the Live Nation name change proposal; and (iii) it will have no effect on the outcome of the other proposals to be considered at the Live Nation annual meeting.

For the purposes of the Ticketmaster Entertainment annual meeting, an abstention, which occurs when a Ticketmaster Entertainment stockholder attends the Ticketmaster Entertainment annual meeting, either in person or by proxy, but abstains from voting, will have the same effect as a vote **AGAINST** the Merger proposal. For the other proposals to be considered at the Ticketmaster Entertainment annual meeting, an abstention will not be considered to be a vote cast under Ticketmaster Entertainment's bylaws or under the laws of Delaware (Ticketmaster Entertainment's state of incorporation), and will have no effect on the outcome of these proposals. If you are a Ticketmaster Entertainment stockholder and you fail to vote, it will have the same effect as a vote **AGAINST** the Merger proposal and will have no effect on the outcome of the other proposals to be considered at the Ticketmaster Entertainment annual meeting, assuming a quorum is present.

**Table of Contents**

**Q: What if I hold stock of both Live Nation and Ticketmaster Entertainment?**

A: If you are a stockholder of both Live Nation and Ticketmaster Entertainment, you will receive two separate packages of proxy materials. A vote as a Ticketmaster Entertainment stockholder for the Merger proposal will not constitute a vote as a Live Nation stockholder for the share issuance proposal or the Live Nation name change proposal, or vice versa. Therefore, please sign, date and return all proxy cards that you receive, whether from Live Nation or Ticketmaster Entertainment, or submit separate proxies as both a Live Nation and a Ticketmaster Entertainment stockholder by Internet or telephone.

**Q: May I change my vote after I have delivered my proxy or voting instruction card?**

A: Yes. You may change your vote at any time before your proxy is voted at the applicable annual meeting. You may do this in one of four ways:

by sending a notice of revocation to the corporate secretary of Live Nation or Ticketmaster Entertainment, as applicable;

by sending a completed proxy card bearing a later date than your original proxy card;

by logging onto the website specified on your proxy card in the same manner you would to submit your proxy electronically or by calling the telephone number specified on your proxy card, in each case if you are eligible to do so and following the instructions on the proxy card; or

by attending your annual meeting and voting in person; however, your attendance alone will not revoke any proxy.

If you choose any of the first three methods, you must take the described action no later than 11:59 p.m., Pacific time, on the day before the date of the applicable annual meeting.

If your shares are held in an account at a broker or other nominee, you should contact your broker or other nominee to change your vote.

**Q: What happens if I sell my shares after the applicable record date but before the applicable annual meeting?**

A: The applicable record date for the Live Nation annual meeting or the Ticketmaster Entertainment annual meeting, as the case may be, is earlier than both the date of such meeting and the date that the Merger is expected to be completed. If you transfer your Live Nation common stock or Ticketmaster Entertainment common stock after the applicable record date but before the date of the applicable meeting, you will retain your right to vote at the applicable meeting (provided that such shares remain outstanding on the date of the applicable meeting), but if you are a Ticketmaster Entertainment stockholder you will not have the right to receive any Merger consideration for the transferred shares. In order to receive the Merger consideration, you must hold your Ticketmaster Entertainment common stock through completion of the Merger.

**Q: What do I do if I receive more than one joint proxy statement/prospectus or set of voting instructions?**

A: If you hold shares directly as a record holder and also in street name, or otherwise through a nominee, you may receive more than one joint proxy statement/prospectus and/or set of voting instructions relating to the applicable annual meeting. These should each be voted and/or

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returned separately in order to ensure that all of your shares are voted.

**Q: Do I have appraisal rights?**

A: No. Under Delaware law, holders of Live Nation common stock, of Ticketmaster Entertainment common stock or of Ticketmaster Entertainment Series A preferred stock will not be entitled to exercise any appraisal rights in connection with the Merger.



**Table of Contents**

**Q: Should I send in my stock certificates now?**

A: No. Please do not send your stock certificates with your proxy card.

If you are a holder of Ticketmaster Entertainment common stock, you will receive written instructions from BNY Mellon Shareowner Services, the exchange agent, after the Merger is completed on how to exchange your stock certificates for Live Nation common stock.

Live Nation stockholders will not be required to exchange their stock certificates in connection with the Merger. Live Nation stockholders holding stock certificates should keep their stock certificates both now and after the Merger is completed.

**Q: What if I hold Live Nation or Ticketmaster Entertainment employee stock options or other stock-based awards?**

A: Upon the completion of the Merger, all outstanding Ticketmaster Entertainment employee stock options and other stock-based awards will be converted into options and stock-based awards of Live Nation, and those options and awards will entitle the holder to receive Live Nation common stock. The number of shares issuable under those options and awards, and, if applicable, the exercise prices for those options and awards, will be adjusted based on the exchange ratio.

Live Nation stock options and other equity-based awards will remain outstanding and generally will not be affected by the Merger.

**Q: Whom should I contact if I have any questions about the proxy materials or the annual meetings?**

A: If you have any questions about the Merger, need assistance in submitting your proxy or voting your shares or need additional copies of this joint proxy statement/prospectus or the enclosed proxy card, you should contact the proxy solicitation agent for the company in which you hold shares.

If you are a Live Nation stockholder, you should contact MacKenzie Partners, Inc., Live Nation's proxy solicitor. If you are a Ticketmaster Entertainment stockholder, you should contact Innisfree M&A Incorporated, Ticketmaster Entertainment's proxy solicitor. If your shares are held in a stock brokerage account or by a bank or other nominee, you should call your broker or other nominee for additional information.

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**Table of Contents**

**SUMMARY**

*This summary highlights selected information contained in this joint proxy statement/prospectus and does not contain all of the information that may be important to you. Live Nation and Ticketmaster Entertainment urge you to read carefully this entire joint proxy statement/prospectus, including the annexes. Additional, important information is also contained in the documents incorporated by reference into this joint proxy statement/prospectus; see *Where You Can Find More Information* beginning on page 353. Unless stated otherwise, all references in this joint proxy statement/prospectus to Live Nation are to Live Nation, Inc., all references to Ticketmaster Entertainment are to Ticketmaster Entertainment, Inc., all references to Liberty Media are to Liberty Media Corporation, all references to Liberty Holdings are to Liberty Holdings USA, LLC, all references to the Merger Agreement are to the Agreement and Plan of Merger, dated as of February 10, 2009, as it may be amended from time to time, by and among Live Nation, Ticketmaster Entertainment and, from and after its accession thereto, Merger Sub, a copy of which is attached as Annex A to this joint proxy statement/prospectus, and all references to the Merger are to the merger of Ticketmaster Entertainment with and into Merger Sub, a newly formed, wholly owned subsidiary of Live Nation.*

**The Parties**

***Live Nation***

Live Nation believes that it is the largest producer of live music concerts in the world, based on total attendance at Live Nation events as compared to events of other promoters, annually producing over 22,000 concerts for 1,600 artists in 33 countries. In 2008, Live Nation sold over 50 million concert tickets and drove over 70 million unique visitors to [www.livenation.com](http://www.livenation.com). Globally, Live Nation owns, operates, has booking rights for and/or has an equity interest in 159 venues, including *House of Blues*<sup>®</sup> music venues and prestigious locations such as *The Fillmore* in San Francisco, the Hollywood Palladium, the Heineken Music Hall in Amsterdam and the O<sub>2</sub> Dublin.

For the year ended December 31, 2008, Live Nation had revenues of \$4.2 billion and a net loss of \$237.8 million, which included a charge related to the impairment of goodwill of \$269.9 million.

Live Nation is a holding company and was incorporated in the State of Delaware as CCE Spinco, Inc. on August 2, 2005. Live Nation's principal offices are located at 9348 Civic Center Drive, Beverly Hills, California, 90210, and its telephone number is (310) 867-7000. Live Nation's principal website is [www.livenation.com](http://www.livenation.com). Live Nation common stock is listed on the NYSE, trading under the symbol LYV.

***Ticketmaster Entertainment***

Ticketmaster Entertainment connects the world to live entertainment as the world's leading live entertainment ticketing and marketing company based on the number of tickets sold. Ticketmaster Entertainment operates in 20 global markets, providing ticket sales, ticket resale services, marketing and distribution through [www.ticketmaster.com](http://www.ticketmaster.com), one of the largest e-commerce sites on the Internet, approximately 7,100 retail outlets and 17 worldwide call centers. Established in 1976, Ticketmaster Entertainment serves more than 10,000 clients worldwide across multiple event categories, providing exclusive ticketing services for leading arenas, stadiums, professional sports franchises and leagues, college sports teams, performing arts venues, museums and theaters. In 2008, Ticketmaster Entertainment sold more than 141 million tickets valued at over \$8.9 billion on behalf of its clients. In addition, Ticketmaster Entertainment owns a controlling interest in Front Line Management Group, Inc., which is referred to as Front Line, a leading artist management company.

For the year ended December 31, 2008, Ticketmaster Entertainment had revenues of \$1.5 billion and a net loss of \$1.0 billion, which included a charge related to the impairment of goodwill of \$1.1 billion.

## **Table of Contents**

Ticketmaster Entertainment is a holding company and was incorporated in the State of Delaware as PerfectMarket, Inc. on September 20, 1995. Ticketmaster Entertainment's principal offices are located at 8800 West Sunset Blvd., West Hollywood, California 90069, and its telephone number is (310) 360-3300. Ticketmaster Entertainment's principal website is [www.ticketmaster.com](http://www.ticketmaster.com). Ticketmaster Entertainment common stock is listed on NASDAQ, trading under the symbol TKTM.

### ***Merger Sub***

Prior to the completion of the Merger, Live Nation will form Merger Sub as a Delaware limited liability company and an indirect, wholly owned subsidiary of Live Nation. At the completion of the Merger, Ticketmaster Entertainment will merge with and into Merger Sub with Merger Sub continuing as the surviving entity, and Merger Sub will change its name to Ticketmaster Entertainment, LLC and continue to operate as a wholly owned subsidiary of Live Nation.

Prior to the completion of the Merger, Merger Sub will not conduct any activities other than those incidental to its formation and the matters contemplated by the Merger Agreement.

### **The Merger**

Each of the boards of directors of Live Nation and Ticketmaster Entertainment has approved the combination of Live Nation and Ticketmaster Entertainment in what the parties intend to be a merger of equals. Live Nation and Ticketmaster Entertainment have entered into the Merger Agreement, which provides that, subject to the terms and conditions of the Merger Agreement, and in accordance with the Delaware General Corporation Law, which is referred to as the DGCL, and the Delaware Limited Liability Company Act, upon the completion of the Merger, Ticketmaster Entertainment will merge with and into Merger Sub, an indirect wholly owned subsidiary of Live Nation, with Merger Sub continuing as the surviving entity under the name Ticketmaster Entertainment, LLC and as a wholly owned subsidiary of Live Nation. Upon the completion of the Merger, each share of Ticketmaster Entertainment common stock that is issued and outstanding immediately before the completion of the Merger (other than any shares of Ticketmaster Entertainment common stock held by Live Nation, Ticketmaster Entertainment or Merger Sub which will be cancelled upon the completion of the Merger) will be converted into the right to receive shares of Live Nation common stock as determined by the exchange ratio.

The Merger Agreement provides that the exchange ratio of 1.384 set forth in the Merger Agreement is subject to adjustment to ensure that holders of Ticketmaster Entertainment common stock immediately prior to the Merger collectively receive 50.01% of the voting power of the equity interests of the combined company, which voting equity interests are expected to consist solely of Live Nation common stock after the completion of the Merger. For this purpose, equity interests means any capital stock (which includes shares, interests, participations, rights or other equivalents of corporate stock) and all warrants, options or other rights to acquire capital stock (but excluding any debt security that is convertible into or exchangeable for capital stock). The exchange ratio of 1.384 was calculated based on the voting equity interests of Live Nation and Ticketmaster Entertainment outstanding near the time of the signing of the Merger Agreement and, if the Merger had been completed on that date, would have resulted in the holders of Ticketmaster Entertainment common stock collectively receiving 50.01% of the voting power of the combined company. Accordingly, issuances of voting equity securities by Live Nation after the date of the Merger Agreement will have the effect of increasing the exchange ratio, and issuances of voting equity securities by Ticketmaster Entertainment after the date of the Merger Agreement will have the effect of decreasing the exchange ratio. If the exchange ratio were adjusted as of October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus, and based on the outstanding voting equity interests of the two companies as of such date, the 1.384 exchange ratio would have been hypothetically adjusted to 1.474. For information on how to obtain a more current calculation of the hypothetical adjusted exchange ratio, see Questions and Answers About the Merger and the Annual Meetings beginning on page 1.

## **Table of Contents**

It is currently estimated that Live Nation will issue or reserve for issuance approximately 100 million shares of Live Nation common stock in connection with the Merger, including common stock issuable pursuant to outstanding Ticketmaster Entertainment options and other equity-based awards, although Live Nation may issue or reserve for issuance up to 120 million shares of Live Nation common stock pursuant to this joint proxy statement/prospectus. No fractional shares of Live Nation common stock will be issued in connection with the Merger, and holders of Ticketmaster Entertainment common stock will be entitled to receive cash in lieu thereof. Live Nation stockholders will continue to own their existing shares, which will not be affected by the Merger.

For further discussion of the terms of the Merger, see *The Merger Agreement Terms of the Merger* beginning on page 126.

### **Treatment of Stock Options and Other Equity Awards**

#### ***Ticketmaster Entertainment***

Upon the completion of the Merger, all outstanding Ticketmaster Entertainment employee stock options, Ticketmaster Entertainment restricted stock, Ticketmaster Entertainment restricted stock units and Ticketmaster Entertainment director share units, which together are referred to as Ticketmaster Entertainment equity awards, will be converted into corresponding stock options or stock-based awards of Live Nation that will relate to Live Nation common stock instead of Ticketmaster Entertainment common stock, to the extent that they would otherwise be settled for Ticketmaster Entertainment common stock. The number of shares issuable pursuant to Ticketmaster Entertainment equity awards that are converted into corresponding Live Nation awards and, in the case of stock options, the exercise prices of such converted awards, will be adjusted based on the exchange ratio, and such converted awards will be subject to the same vesting and other conditions applicable to the underlying Ticketmaster Entertainment equity awards.

For further discussion of the treatment of Ticketmaster Entertainment equity awards generally, see *The Merger Agreement Treatment of Ticketmaster Entertainment Stock Options and Other Equity Awards* beginning on page 127. For further discussion of the treatment of Ticketmaster Entertainment equity awards held by certain directors and executive officers of Ticketmaster Entertainment, see *The Merger Interests of Ticketmaster Entertainment Directors and Executive Officers in the Merger* beginning on page 111.

#### ***Live Nation***

The Merger Agreement does not provide for the modification, accelerated vesting or termination of any Live Nation stock options, Live Nation restricted common stock or other outstanding equity awards of Live Nation, which together are referred to as Live Nation equity awards. Except as otherwise provided under individual employment and equity award grant agreements, Live Nation equity awards will remain outstanding and generally will not be affected by the Merger.

For further discussion of the treatment of Live Nation equity awards held by certain directors and executive officers of Live Nation, see *The Merger Interests of Live Nation Directors, Executive Officers and Certain Key Employees in the Merger* beginning on page 105.

### **Directors and Executive Officers After the Completion of the Merger**

As provided in the Merger Agreement, upon the completion of the Merger, the board of directors of the combined company will initially be made up of 14 directors, with seven individuals designated by Live Nation and seven individuals designated by Ticketmaster Entertainment. Of the seven individuals to be designated by Live Nation, five such individuals must meet the independence standards of the NYSE with respect to Live Nation. Live Nation expects to designate Michael Rapino, Live Nation's President and Chief Executive Officer and a member of the Live Nation board of directors, to the initial board of directors of the combined company.

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## **Table of Contents**

Of the seven individuals to be designated by Ticketmaster Entertainment (including up to two directors designated by Liberty Media as provided in the Liberty Stockholder Agreement, who are referred to as Liberty directors) at least three such individuals (including at least one Liberty director) must meet the independence standards of the NYSE with respect to Live Nation. Ticketmaster Entertainment expects to designate Barry Diller, the current chairman of the Ticketmaster Entertainment board of directors, and Irving Azoff, the current Chief Executive Officer of Ticketmaster Entertainment, to the initial board of directors of the combined company. The Merger Agreement provides that the chairman of the Ticketmaster Entertainment board of directors, currently Mr. Diller, will be the chairman of the initial board of directors of the combined company.

The board of directors of the combined company will be divided into three separate classes. The members of the first class will consist of three Ticketmaster Entertainment designees (including one Liberty director assuming Liberty Media designates two directors) and two Live Nation designees and will have terms expiring at the first annual meeting of the combined company's stockholders after the completion of the Merger. The members of the second class will consist of two Ticketmaster Entertainment designees and three Live Nation designees and will have terms expiring at the second annual meeting of the combined company's stockholders after the completion of the Merger. The members of the third class will consist of two Ticketmaster Entertainment designees (including one Liberty director assuming Liberty Media designates two directors) and two Live Nation designees and will have terms expiring at the third annual meeting of the combined company's stockholders after the completion of the Merger.

Upon the completion of the Merger, each committee of the board of directors of the combined company will consist of four directors, two of whom will be designated by the Live Nation directors and two of whom will be designated by the Ticketmaster Entertainment directors, provided that (assuming Liberty Media is eligible to and has designated Liberty directors) one of the two Ticketmaster Entertainment directors serving on each of the Audit Committee and the Compensation Committee will be a Liberty director, subject to such director meeting applicable independence and other requirements for such service.

Upon the completion of the Merger, Live Nation's President and Chief Executive Officer, currently Mr. Rapino, is expected to serve as the President and Chief Executive Officer of the combined company, and the Chief Executive Officer of Ticketmaster Entertainment, currently Mr. Azoff, is expected to serve as the Executive Chairman of the combined company, which is an executive office to be established in the Live Nation bylaws at the time of the Merger, and is not a board position, although Mr. Azoff is also expected to be designated by Ticketmaster Entertainment as a director of the combined company.

For further discussion of the directors and executive officers of Live Nation after completion of the Merger, see *The Merger Board of Directors and Executive Officers of Live Nation After the Completion of the Merger*; Amendments to Live Nation's Bylaws beginning on page 103.

### **Recommendations of the Live Nation Board of Directors**

The Live Nation board of directors recommends that holders of Live Nation common stock vote **FOR** each of the director nominees, **FOR** the share issuance proposal, **FOR** the Live Nation name change proposal and **FOR** each of the other Live Nation proposals described in this joint proxy statement/prospectus.

For further discussion of Live Nation's reasons for the Merger and the recommendations of the Live Nation board of directors, see *The Merger Background of the Merger*, *The Merger Live Nation's Reasons for the Merger* and *The Merger Recommendations of the Live Nation Board of Directors with Respect to the Merger* beginning on pages 58, 63 and 67, respectively.

## **Table of Contents**

### **Recommendation of the Ticketmaster Entertainment Board of Directors**

The Ticketmaster Entertainment board of directors recommends that holders of Ticketmaster Entertainment stock vote **FOR** each of the director nominees, **FOR** the Merger proposal and **FOR** each of the other Ticketmaster Entertainment proposals described in this joint proxy statement/prospectus.

For further discussion of Ticketmaster Entertainment's reasons for the Merger and the recommendation of the Ticketmaster Entertainment board of directors, see *The Merger Background of the Merger*, *The Merger Ticketmaster Entertainment's Reasons for the Merger* and *The Merger Recommendations of the Ticketmaster Entertainment Board of Directors with Respect to the Merger* beginning on pages 58, 67 and 71, respectively.

### **Opinions of Financial Advisors**

#### ***Live Nation's Financial Advisors***

The Live Nation board of directors considered the analyses of Goldman, Sachs & Co., which is referred to as Goldman Sachs, and Deutsche Bank Securities Inc., which is referred to as Deutsche Bank. Goldman Sachs rendered an opinion that, as of February 10, 2009 and based upon and subject to the factors and assumptions set forth in its opinion, the exchange ratio pursuant to the Merger Agreement, subject to adjustment as provided in the Merger Agreement, was fair, from a financial point of view, to Live Nation. Deutsche Bank rendered an opinion that, as of February 9, 2009 and based upon and subject to the factors and assumptions set forth in its opinion, the exchange ratio was fair, from a financial point of view, to Live Nation. The full text of the written Goldman Sachs and Deutsche Bank opinions, each of which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the respective opinion, are attached as Annexes E and F, respectively, to this joint proxy statement/prospectus. You are urged to read the opinions carefully in their entirety for a description of such assumptions, procedures, matters and limitations.

Goldman Sachs and Deutsche Bank provided their respective opinions for the use and benefit of the Live Nation board of directors in connection with its consideration of the Merger Agreement and the Merger. The Goldman Sachs and Deutsche Bank opinions were not intended to be and do not constitute a recommendation to any Live Nation stockholder as to how that stockholder should vote or act with respect to the share issuance proposal described in this joint proxy statement/prospectus or any other matter. Goldman Sachs and Deutsche Bank were not requested to opine as to, and their opinions did not in any manner address, Live Nation's underlying business decision to proceed with or effect the Merger. The summaries of the Goldman Sachs and Deutsche Bank opinions in this joint proxy statement/prospectus are qualified in their entireties by reference to the full text of the respective opinions.

For further discussion of Goldman Sachs' and Deutsche Bank's opinions, see *The Merger Opinions of Live Nation's Financial Advisors* beginning on page 76. See also Annexes E and F to this joint proxy statement/prospectus.

#### ***Ticketmaster Entertainment's Financial Advisor***

The Ticketmaster Entertainment board of directors considered the analyses of Allen & Company LLC, which is referred to as Allen & Co. On February 8, 2009, Allen & Co. delivered its oral opinion to the Ticketmaster Entertainment board of directors, which was subsequently confirmed in writing on February 10, 2009, to the effect that, as of the date of its opinion and based upon and subject to the qualifications, limitations and assumptions set forth therein, the Merger consideration to be received by the holders of Ticketmaster Entertainment common stock in the Merger was fair, from a financial point of view, to the holders of Ticketmaster Entertainment common stock.

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**Table of Contents**

The summary of Allen & Co. 's written opinion is qualified in its entirety by reference to the full text of Allen & Co. 's written opinion, dated February 10, 2009, attached as Annex G to this joint proxy statement/prospectus. You are urged to, and should, read Allen & Co. 's written opinion carefully and in its entirety for a description of the assumption and the review undertaken. Allen & Co. 's written opinion addresses only the fairness, from a financial point of view, of the Merger consideration to be received by the holders of Ticketmaster Entertainment common stock, as of the date of Allen & Co. 's written opinion, and does not constitute a recommendation to any Ticketmaster Entertainment stockholder as to how such stockholder should vote or act on any matter relating to the Merger.

For further discussion of Allen & Co. 's opinion, see "The Merger Opinion of Ticketmaster Entertainment 's Financial Advisor" beginning on page 94. See also Annex G to this joint proxy statement/prospectus.

**Interests of Directors and Executive Officers in the Merger**

You should be aware that certain directors and executive officers of Live Nation have interests in the Merger that are different from, or in addition to, the interests of stockholders generally. These interests relate to (i) the appointment of Michael Rapino, currently President and Chief Executive Officer of Live Nation, as President and Chief Executive Officer of the combined company after the Merger (including entry into an amendment to Mr. Rapino 's employment agreement that currently provides for certain compensation (for the amount of benefits, including salary and bonus amounts, accelerated vesting and severance benefits, provided for under Mr. Rapino 's employment agreement, see "The Merger Interests of Live Nation Directors, Executive Officers and Certain Key Employees in the Merger Executive Officers and Certain Key Employees President and Chief Executive Officer" beginning on page 106)), (ii) the appointment of seven designees of Live Nation (who are expected to include Mr. Rapino and may include other current Live Nation directors) as directors of the combined company after the Merger and (iii) existing employment agreements between Live Nation and certain officers that provide for certain benefits upon and after the completion of the Merger, including accelerated vesting of certain equity awards and/or certain severance benefits upon qualifying terminations that could occur in connection with the Merger (for the amount of benefits, including accelerated vesting and severance benefits, provided for under certain employment agreements, see "The Merger Interests of Live Nation Directors, Executive Officers and Certain Key Employees in the Merger Executive Officers and Certain Key Employees" beginning on page 106).

If the Merger had closed on October 28, 2009, the most recent practicable date before the printing of this joint proxy statement/prospectus, the aggregate value of benefits that officers and directors of Live Nation as a group would have received in the transaction which regular stockholders would not, including compensatory equity awards vesting on an accelerated basis and cash bonuses payable, in each case, upon closing of the Merger, would have been approximately \$6.4 million. For purposes of the preceding sentence, the value of accelerated equity awards vesting upon closing of the Merger has been determined by multiplying the closing price of a share of Live Nation common stock on October 28, 2009 (\$6.78) by the number of shares subject to equity awards vesting on an accelerated basis and, in the case of stock options, reducing such amount by the applicable exercise price. In addition, upon closing of the Merger, Mr. Rapino will receive an increase in annual salary of \$0.5 million, an increase in annual bonus opportunity of up to \$1.0 million and a grant of 350,000 restricted common shares of the combined company with a current value of approximately \$2.4 million (determined by multiplying the closing price of a share of Live Nation common stock on October 28, 2009 (\$6.78) by the number of restricted shares granted). For further discussion and quantification of interests of Live Nation directors and executive officers in the Merger, see "The Merger Interests of Live Nation Directors, Executive Officers and Certain Key Employees in the Merger" beginning on page 105.

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**Table of Contents**

You should also be aware that certain directors and executive officers of Ticketmaster Entertainment have interests in the Merger that are different from, or in addition to, the interests of stockholders generally. These interests include (i) the appointment of Irving Azoff, currently Chief Executive Officer of Ticketmaster Entertainment, as Executive Chairman of the combined company after the Merger, (ii) the appointment of seven designees of Ticketmaster Entertainment (who are expected to include Mr. Azoff and Mr. Diller and may include other current Ticketmaster Entertainment directors) as directors of the combined company after the Merger, (iii) existing employment agreements between Ticketmaster Entertainment and certain officers, including Mr. Azoff, that provide for severance benefits upon qualifying terminations that could occur in connection with the Merger (for the amount of severance benefits provided for under such employment agreements, see *The Merger Interests of Ticketmaster Entertainment Directors and Executive Officers in the Merger Executive Officers* beginning on page 106), (iv) in the case of Mr. Azoff, the acceleration of vesting of a stock option with respect to 2,000,000 shares of Ticketmaster Entertainment common stock (see *The Merger Interests of Ticketmaster Entertainment Directors and Executive Officers in the Merger Executive Officers Irving L. Azoff 2009 Employment Agreement* beginning on page 112) and (v) the right to continued indemnification and insurance coverage for directors and executive officers of Ticketmaster Entertainment pursuant to the terms of the Merger Agreement.

If the Merger had closed on October 28, 2009, the most recent practicable date before the printing of this joint proxy statement/prospectus, the aggregate value of benefits that officers and directors of Ticketmaster Entertainment as a group would have received in the transaction which regular stockholders would not, including cash bonuses payable, would have been approximately \$2.0 million. In addition, upon closing of the Merger, Mr. Azoff will receive an additional annual bonus opportunity of up to \$2.0 million, will become entitled to the right to a make-whole payment equal to the difference, on a specified future date, between \$15.0 million and the market value of 1,000,000 previously granted shares of restricted Ticketmaster Entertainment common stock, and will commence vesting with respect to 397,399 previously granted Ticketmaster Entertainment restricted stock units with a current value of approximately \$4.0 million (determined by multiplying the closing price of a share of Live Nation common stock on October 28, 2009 (\$6.78) by 585,766 (the product of the 397,399 times the hypothetical exchange ratio of 1.474)). For further discussion of interests of Ticketmaster Entertainment directors and executive officers in the Merger, see *The Merger Interests of Ticketmaster Entertainment Directors and Executive Officers in the Merger* beginning on page 111.

**Material U.S. Federal Income Tax Consequences of the Merger**

The Merger is intended to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which is referred to as the Code. It is a condition to the completion of the Merger that Live Nation and Ticketmaster Entertainment receive written opinions from their respective counsel, dated as of the closing date of the Merger, to the effect that the Merger will be treated as a reorganization within the meaning of Section 368(a) of the Code. In addition, in connection with the filing of the registration statement of which this joint proxy statement/prospectus is a part, each of Live Nation and Ticketmaster Entertainment has received a legal opinion to the same effect. Accordingly, holders of Ticketmaster Entertainment common stock generally will not recognize gain or loss for U.S. federal income tax purposes upon the exchange of their Ticketmaster Entertainment common stock for Live Nation common stock pursuant to the Merger, except with respect to cash received in lieu of fractional shares of Live Nation common stock.

For further discussion of the material U.S. federal income tax consequences of the Merger, see *Material U.S. Federal Income Tax Consequences* beginning on page 123.



## **Table of Contents**

Holders of Ticketmaster Entertainment common stock should consult their tax advisors to determine the tax consequences to them (including the application and effect of any state, local or non-U.S. income and other tax laws) of the Merger.

### **Accounting Treatment of the Merger**

Although management of Live Nation and Ticketmaster Entertainment consider the Merger to be a merger of equals, the Merger will be accounted for as a business combination under the acquisition method of accounting in accordance with U.S. generally accepted accounting principles, which are referred to as GAAP, and Live Nation is the deemed accounting acquirer and Ticketmaster Entertainment is the deemed accounting acquiree. For further discussion of the accounting treatment of the Merger, see *The Merger Accounting Treatment* beginning on page 118.

### **No Appraisal Rights**

Under Section 262 of the DGCL, neither holders of Live Nation common stock nor holders of Ticketmaster Entertainment common stock or Ticketmaster Entertainment Series A preferred stock will have appraisal rights in connection with the Merger.

### **Regulatory Matters**

The Merger is subject to the expiration or termination of the applicable waiting periods under the U.S. antitrust laws and certain foreign governments' merger control regulations. The Merger Agreement requires Live Nation and Ticketmaster Entertainment to satisfy any conditions or divestiture requirements imposed upon them by regulatory authorities, unless the conditions or divestitures would reasonably be expected to materially impair the business operations of the combined company after completion of the Merger. Subject to the terms and conditions of the Merger Agreement, each party agreed to use its reasonable best efforts to prepare and file as promptly as practicable all documentation to effect all necessary applications, notices, filings and other documents and to obtain, as promptly as practicable, the required regulatory approvals in order to complete the Merger or any of the other transactions contemplated by the Merger Agreement. The required regulatory approvals may not be obtained before stockholders vote on the Merger. For further discussion of regulatory matters relating to the Merger, see *The Merger Regulatory Approvals Required for the Merger* beginning on page 120.

### **Conditions to Completion of the Merger**

The parties expect to complete the Merger after all of the conditions to the Merger in the Merger Agreement are satisfied or waived, including after Live Nation and Ticketmaster Entertainment receive stockholder approvals at their respective annual meetings and receive all required regulatory approvals. The parties currently expect to complete the Merger in the first quarter of 2010. It is possible, however, that factors outside of each company's control could require them to complete the Merger at a later time or not to complete it at all.

The obligations of Live Nation and Ticketmaster Entertainment to complete the Merger are each subject to the satisfaction of the following conditions:

approval by Ticketmaster Entertainment stockholders of the Merger proposal;

approval by Live Nation stockholders of the share issuance proposal;

termination or expiration of any waiting period (and any extension thereof) applicable to the Merger under the Hart-Scott-Rodino Act, which is referred to as the HSR Act;

receipt of other required regulatory approvals;



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**Table of Contents**

other than with respect to foreign antitrust matters, absence of any injunctions or other legal restraints, or action taken by any government entity, preventing the completion of the Merger or that would reasonably be expected to impose any restriction upon the combined company that would reasonably be expected to have a material adverse effect on the combined company after the completion of the Merger;

effectiveness of this joint proxy statement/prospectus and the absence of a stop order or proceedings threatened or initiated by the Securities and Exchange Commission, which is referred to as the SEC, for that purpose;

authorization of the listing of the shares of Live Nation common stock to be issued in the Merger on the NYSE, subject to official notice of issuance;

receipt of all consents of lenders party to the Ticketmaster Entertainment credit facility necessary to allow the facility to remain in effect after the completion of the Merger with no default or event of default under the facility resulting from the Merger (on May 12, 2009, Ticketmaster Entertainment entered into an amendment to the Ticketmaster Entertainment credit facility, which, subject to certain conditions, will become effective at the completion of the Merger and, among other things, will permit the Ticketmaster Entertainment credit facility to remain outstanding following the Merger. For further discussion of the amendment to the Ticketmaster Entertainment credit facility, see The Merger Consents and Amendments Under Ticketmaster Entertainment Credit Facility beginning on page 117);

receipt by Ticketmaster Entertainment of an unqualified tax opinion (within the meaning of the tax sharing agreement by and among IAC, Ticketmaster Entertainment and certain other parties) with respect to the transactions contemplated by the Merger Agreement, dated as of the closing date of the Merger, and IAC's written acknowledgement that such opinion is in form and substance satisfactory to IAC;

the truth and correctness of the other party's representations and warranties in the Merger Agreement (in some instances without giving effect to any materiality qualifications);

the prior performance by the other party, in all material respects, of all of its material obligations under the Merger Agreement;

receipt of a certificate executed by an executive officer of the other party as to the satisfaction of the conditions described in the preceding two bullets;

the absence of any event or development that has had or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the other party; and

receipt of a legal opinion from that party's counsel, dated as of the closing date of the Merger, to the effect that the Merger will be treated as a reorganization within the meaning of Section 368(a) of the Code.

The Merger Agreement provides that any or all of these conditions may be waived, in whole or in part, by Live Nation or Ticketmaster Entertainment, to the extent legally allowed; provided that neither party may waive the tax opinion condition described in the last bullet above following the approval of the Merger by such party's stockholders, unless further stockholder approval is obtained with appropriate disclosure. Neither Ticketmaster Entertainment nor Live Nation currently expects to waive any material condition to the completion of the Merger. For further discussion of the conditions to the Merger, see The Merger Agreement Conditions to Completion of the Merger beginning on page 129.



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**Table of Contents**

**No Solicitation of Other Offers**

In the Merger Agreement, each of Live Nation and Ticketmaster Entertainment has agreed that it will not directly or indirectly:

solicit, initiate or knowingly encourage, induce or facilitate an alternative acquisition proposal with respect to it or any inquiry that may reasonably be expected to lead to such an alternative acquisition proposal (as described below under the section entitled "The Merger Agreement - No Solicitations" beginning on page 135);

participate in any discussions or negotiations regarding, or furnish any information with respect to, or cooperate in any way with respect to an alternative acquisition proposal with respect to it or any inquiry that may reasonably be expected to lead to such an alternative acquisition proposal;

enter into any letter of intent, memorandum of understanding, agreement or arrangement constituting or related to, or that would reasonably be expected to lead to, an alternative acquisition proposal with respect to it, or cause it to abandon or delay the Merger or otherwise interfere with or be inconsistent with the Merger; or

take any action to make the provisions of any fair price, moratorium, control share acquisition or similar anti-takeover statute or regulation, or any restrictive provision of any applicable anti-takeover provision in its certificate of incorporation or bylaws, inapplicable to any alternative transaction.

The Merger Agreement does not, however, prohibit either party from considering a *bona fide* written alternative acquisition proposal from a third party prior to the receipt of stockholder approval if specified conditions are met. For further discussion of the prohibition on solicitation of acquisition proposals from third parties, see "The Merger Agreement - No Solicitations" beginning on page 135.

**Termination of the Merger Agreement**

Generally, the Merger Agreement may be terminated and the Merger may be abandoned at any time prior to the completion of the Merger (except as specified below, including after the required Live Nation stockholder approval or Ticketmaster Entertainment stockholder approval is obtained):

by mutual written consent of Live Nation and Ticketmaster Entertainment; or

by either party, if:

- i the Merger has not been completed on or before 12:01 a.m., Eastern standard time, on February 10, 2010; provided that each party has the right, in its discretion, to extend such termination date to May 10, 2010 if the only unsatisfied conditions to the completion of the Merger are those involving expiration or termination of the applicable waiting period under U.S. antitrust laws, receipt of certain consents or absence of legal restraints;
- i other than with respect to foreign antitrust matters, a governmental entity issues a final and non-appealable order, decree or ruling or takes any other action (including the failure to have taken an action) having the effect of permanently restraining, enjoining or otherwise prohibiting the Merger;

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- i the required approval by the stockholders of Live Nation or Ticketmaster Entertainment has not been obtained at the respective stockholders meeting (or at any adjournment or postponement thereof);
  
- i the consents of lenders party to the Ticketmaster Entertainment credit facility necessary to allow the facility to remain in effect after the completion of the Merger with no default or event of default under the facility resulting from the Merger have not been obtained by June 10, 2009 (on May 12,

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**Table of Contents**

2009, Ticketmaster Entertainment entered into an amendment to the Ticketmaster Entertainment credit facility, which, subject to certain conditions, will become effective at the completion of the Merger and, among other things, will permit the Ticketmaster Entertainment credit facility to remain outstanding following the Merger. For further discussion of the amendment to the Ticketmaster Entertainment credit facility, see *The Merger Consents and Amendments Under Ticketmaster Entertainment Credit Facility* beginning on page 117);

i the other party has breached any of its agreements or representations in the Merger Agreement, in a way that the conditions to such non-breaching party's obligation to complete the Merger would not then be satisfied and such breach is either incurable or not cured by the earlier of 30 days after written notice of such breach is received by the breaching party or the termination date as described in the first bullet above; or

i prior to obtaining the requisite stockholder approval, the board of directors of the other party changes its recommendation that its stockholders vote in favor of the Merger.

For further discussion of termination of the Merger Agreement, see *The Merger Agreement Termination of the Merger Agreement* beginning on page 141.

**Termination Fees and Expenses**

The Merger Agreement contains a reciprocal termination fee of \$15 million, plus reasonable fees and expenses, payable under the circumstances described below:

to the terminating party by the other party if the termination is due to, or deemed to be due to, the board of directors of the other party making a recommendation change or the other party failing to substantially comply with its obligations relating to soliciting the requisite stockholder approval.

by Live Nation to Ticketmaster Entertainment or Ticketmaster Entertainment to Live Nation, as applicable, in a situation that satisfies each of the following conditions (with such termination fee payable by the party that entered into or completed the alternative acquisition proposal described below):

i Live Nation or Ticketmaster Entertainment or their respective stockholders receive an alternative acquisition proposal prior to such party's stockholder meeting for the purpose of obtaining the required stockholder approval;

i thereafter, the Merger Agreement is terminated due to either (i) the Merger not being completed on or before February 10, 2010 (only to the extent that the party receiving the alternative acquisition proposal has not held a meeting to obtain the requisite stockholder approval) or (ii) the party receiving the alternative acquisition proposal failing to receive the requisite stockholder approval at a duly convened meeting of its stockholders; and

i within 12 months following termination of the Merger Agreement, the party receiving the alternative acquisition proposal enters into or completes an alternative acquisition proposal with respect to at least 40% of such party's stock or assets.

by Live Nation to Ticketmaster Entertainment or Ticketmaster Entertainment to Live Nation, as applicable, in a situation that satisfies each of the following conditions (with such termination fee payable by the party that entered into or completed the alternative acquisition proposal described below):

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- i Live Nation or Ticketmaster Entertainment or their respective stockholders receive an alternative acquisition proposal prior to termination of the Merger Agreement;



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**Table of Contents**

i thereafter, the Merger Agreement is terminated due to a breach of, or failure by the party receiving the alternative acquisition proposal to perform, its covenants, agreements or representations and warranties contained in the Merger Agreement (other than the circumstance in which the party receiving an alternative acquisition proposal failing to substantially comply with its obligations relating to soliciting its requisite stockholder approval); and

i within 12 months following termination of the Merger Agreement, the party receiving the alternative acquisition proposal enters into or completes an alternative acquisition proposal with respect to at least 40% of such party's stock or assets.

This termination fee could discourage other companies from seeking to acquire or enter into a business combination transaction with either Live Nation or Ticketmaster Entertainment. For further discussion of termination fees and expenses, see *The Merger Agreement Effect of Termination; Termination Fees and Expenses* beginning on page 142.

**Agreements Related to the Merger**

In connection with the execution of the Merger Agreement, Liberty Holdings and Live Nation entered into a Voting Agreement, which is referred to as the Liberty Voting Agreement, pursuant to which, among other things, Liberty Holdings has agreed to vote shares of Ticketmaster Entertainment common stock owned by it or its affiliates as of the record date for any Ticketmaster Entertainment stockholder meeting in favor of the Merger proposal and the Ticketmaster Entertainment incentive plan proposal and any shares of Live Nation common stock held by it or its affiliates as of the record date for any Live Nation stockholder meeting in favor of the share issuance proposal. As of October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus, Liberty Holdings, based on its amended Schedule 13D filed on February 25, 2009, was the record and beneficial owner of 16,643,957 shares of Ticketmaster Entertainment common stock, representing approximately 29.0% of the shares of Ticketmaster Entertainment common stock outstanding as of that date. For further discussion of the Liberty Voting Agreement, see *Agreements Related to the Merger Liberty Voting Agreement* beginning on page 145.

Also in connection with the execution of the Merger Agreement, Liberty Media, Liberty Holdings, Live Nation and Ticketmaster Entertainment entered into the Liberty Stockholder Agreement granting Liberty Media certain board designation and registration rights, including the right to nominate up to two directors for election to the board of directors of the combined company so long as Liberty Media continues to meet specified stock ownership requirements. For further discussion of the Liberty Stockholder Agreement, see *Agreements Related to the Merger Liberty Stockholder Agreement* beginning on page 146.

**Matters to Be Considered at the Annual Meetings**

***Live Nation***

Live Nation stockholders will be asked to vote on the following proposals:

to approve the share issuance proposal;

to approve the Live Nation name change proposal;

to elect three directors to hold office until the 2012 annual meeting of stockholders and until their respective successors have been elected and qualified;

to ratify the appointment of Ernst & Young LLP as Live Nation's independent registered public accounting firm for the 2009 fiscal year;

to approve the Live Nation plan amendment proposal;



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**Table of Contents**

to approve the adjournment of the Live Nation annual meeting, if necessary, to solicit additional proxies; and

to conduct any other business as may properly come before the Live Nation annual meeting or any adjournment or postponement thereof.

Approval of the share issuance proposal is required for the completion of the Merger. The approval of the share issuance proposal is not conditioned on the approval of the Live Nation name change proposal or any other Live Nation proposal; however, the Live Nation name change will be effected only if the Merger has taken place and is therefore contingent on approval of the share issuance proposal.

The Live Nation board of directors recommends that Live Nation stockholders vote **FOR** all of the proposals set forth above. For further discussion of the Live Nation annual meeting, see *Live Nation Annual Meeting* beginning on page 151.

***Ticketmaster Entertainment***

Ticketmaster Entertainment stockholders will be asked to vote on the following proposals:

to approve the Merger proposal;

to elect 11 directors to hold office until the 2010 annual meeting of stockholders and until their respective successors have been elected and qualified;

to ratify the appointment of Ernst & Young LLP as Ticketmaster Entertainment's independent registered public accounting firm for the 2009 fiscal year;

to approve the Ticketmaster Entertainment incentive plan proposal;

to approve the adjournment of the Ticketmaster Entertainment annual meeting, if necessary, to solicit additional proxies; and

to conduct any other business as may properly come before the Ticketmaster Entertainment annual meeting or any adjournment or postponement thereof.

Only the approval of the Merger proposal is required for the completion of the Merger.

The Ticketmaster Entertainment board of directors recommends that Ticketmaster Entertainment stockholders vote **FOR** all of the proposals set forth above. For further discussion of the Ticketmaster Entertainment annual meeting, see *Ticketmaster Entertainment Annual Meeting* beginning on page 205.

**Voting by Live Nation and Ticketmaster Entertainment Directors and Executive Officers and Liberty Media**

As of October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus, directors and executive officers of Live Nation and their affiliates owned and were entitled to vote 9,128,220 shares of Live Nation common stock, or approximately 10.8% of the shares of Live Nation common stock outstanding on that date. As of October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus, directors and executive officers of Ticketmaster Entertainment and their affiliates owned and were entitled to vote 2,781,712 shares of Ticketmaster Entertainment common stock and 1,750,000 shares of Ticketmaster Entertainment Series A preferred stock, or approximately 4.8% of the shares of Ticketmaster Entertainment common stock outstanding on that date and 100% of the shares of Ticketmaster Entertainment Series A preferred stock outstanding on that date. Such Ticketmaster Entertainment shares represent collectively approximately 7.7% of the votes expected to be entitled to be cast at the Ticketmaster Entertainment annual meeting based on the number of Ticketmaster Entertainment shares outstanding as of October 28, 2009, the most recent practicable date before the date of this joint proxy

statement/prospectus. In

## **Table of Contents**

addition, as of October 28, 2009, the most recent practicable date before the date of this joint proxy statement/prospectus, Liberty Holdings, based on its amended Schedule 13D filed on February 25, 2009, was entitled to vote 16,643,957 shares of Ticketmaster Entertainment common stock, or approximately 29.0% of the shares of Ticketmaster Entertainment common stock outstanding on that date, and approximately 28.2% of the votes expected to be cast at the Ticketmaster Entertainment annual meeting based on the number of Ticketmaster Entertainment shares outstanding as of that date.

Pursuant to the Ticketmaster Entertainment Spinco Agreement, until August 20, 2010, Liberty Media and its affiliates have agreed to vote all of the shares of Ticketmaster Entertainment common stock beneficially owned by them in favor of the election of the full slate of director nominees recommended to stockholders by the Ticketmaster Entertainment board of directors so long as the slate includes the director nominees that Liberty Media has the right to nominate.

### **Rights of Ticketmaster Entertainment Stockholders Will Change as a Result of the Merger**

Ticketmaster Entertainment stockholders receiving Merger consideration will have different rights once they become Live Nation stockholders, due to differences between the governing documents of Live Nation and Ticketmaster Entertainment. These differences are described in detail under *Comparison of Rights of Live Nation Stockholders and Ticketmaster Entertainment Stockholders* beginning on page 341.

### **Litigation Relating to the Merger**

Ticketmaster Entertainment and each of its directors have been named as defendants in two lawsuits filed in the Superior Court of California, Los Angeles County, which is referred to as the Court, challenging the Merger: *McBride v. Ticketmaster Entertainment, Inc.*, No. BC407677, and *Police and Fire Retirement System of the City of Detroit v. Ticketmaster Entertainment, Inc.*, No. BC408228. These actions were consolidated under the caption *In re Ticketmaster Entertainment Shareholder Litigation*, Lead Case No. BC407677, by a court order dated March 30, 2009. The plaintiffs filed an amended complaint in the consolidated action on July 2, 2009 and a second amended complaint on September 10, 2009 which superseded the earlier complaints. The second amended consolidated complaint generally alleges that Ticketmaster Entertainment and its directors breached their fiduciary duties by entering into the Merger Agreement without regard to the fairness of the Merger Agreement to the Ticketmaster Entertainment stockholders and by failing to obtain adequate consideration for shares of Ticketmaster Entertainment common stock. The second amended consolidated complaint also alleges that the preliminary joint proxy statement/prospectus of Live Nation and Ticketmaster Entertainment, which is a part of Amendment No. 1 to the Registration Statement of Live Nation that was filed with the SEC on July 1, 2009, contains material omissions and misstatements. Live Nation and Ticketmaster Entertainment's financial advisor, Allen & Co., are also named as defendants in the consolidated action and are charged with aiding and abetting the Ticketmaster Entertainment directors' alleged breaches of fiduciary duty. Among other things, the second amended consolidated complaint seeks an injunction barring the completion of the Merger until an adequate proxy statement is filed and Ticketmaster Entertainment and its directors have completed a proper process for selling Ticketmaster Entertainment or evaluating its strategic alternatives, rescission of the Merger Agreement, compensatory damages, and attorneys' fees and expenses. Plaintiffs have filed a motion for leave to file a third amended complaint that is presently pending with the Court. Ticketmaster Entertainment and Live Nation believe the litigation is without merit and intend to defend it vigorously.

**Table of Contents****SELECTED HISTORICAL FINANCIAL DATA OF LIVE NATION**

The following table sets forth certain of Live Nation's consolidated or combined financial data as of and for each of the periods indicated. The financial information for each of the three years ended December 31, 2008, 2007 and 2006 and as of December 31, 2008 and 2007 is derived from Live Nation's audited consolidated financial statements, which are incorporated by reference into this joint proxy statement/prospectus, as updated by Live Nation's Current Report on Form 8-K filed with the SEC on May 28, 2009. The financial information for the years ended December 31, 2005 and 2004 and as of December 31, 2006, 2005 and 2004 is derived from Live Nation's historical consolidated or combined financial statements, which are not included or incorporated by reference into this joint proxy statement/prospectus. The consolidated financial information as of and for the six-month periods ended June 30, 2008 and 2009 is derived from Live Nation's unaudited consolidated financial statements incorporated by reference into this joint proxy statement/prospectus. In Live Nation's opinion, such unaudited consolidated financial statements include all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of its financial position and results of operations for such periods. Interim results for the six months ended June 30, 2009 are not necessarily indicative of, and are not projections for, the results to be expected for the full year ending December 31, 2009. For more information regarding Live Nation, see "Where You Can Find More Information" beginning on page 353.

The selected historical financial data below should be read in conjunction with the consolidated or combined financial statements and their accompanying notes that are incorporated by reference into this document.

(in thousands, except per share data)	Year Ended December 31, (1) (2)					Six Months Ended	
	2008	2007	2006	2005	2004	June 30, 2009	2008
<b>Results of Operations Data:</b>							
Revenue	\$ 4,166,838	\$ 3,755,470	\$ 3,294,471	\$ 2,571,883	\$ 2,461,363	\$ 1,562,273	\$ 1,662,424
Operating expenses:							
Direct operating expenses	3,324,672	3,003,610	2,678,869	2,026,881	1,936,527	1,218,723	1,294,027
Selling, general and administrative expenses	655,351	592,983	468,970	440,595	398,143	308,275	321,066
Depreciation and amortization	147,467	116,834	123,628	59,577	58,745	80,298	67,271
Goodwill impairment	269,902						
Loss (gain) on sale of operating assets	1,108	(20,654)	(9,987)	4,993	6,409	(986)	449
Corporate expenses	52,498	45,854	33,863	50,715	31,386	25,094	22,115
Acquisition transaction expenses						18,735	
Operating income (loss)	(284,160)	16,843	(872)	(10,878)	30,153	(87,866)	(42,504)
Interest expense	70,670	65,006	37,194	5,961	3,090	33,264	34,087
Interest expense with Clear Channel Communications				46,437	42,355		
Interest income	(10,192)	(13,476)	(11,025)	(1,461)	(2,499)	(1,671)	(5,428)
Equity in (earnings) losses of non-consolidated affiliates	(2,264)	5,058	(1,716)	3,437	(1,106)	(1,483)	1,108
Other expense (income) net	(28)	(147)	(489)	222	1,417	609	(1,115)
Loss from continuing operations before income taxes	(342,346)	(39,598)	(24,836)	(65,474)	(13,104)	(118,585)	(71,156)
Income tax expense (benefit):							
Current	(24,057)	5,625	8,268	(53,543)	(68,032)	12,672	(5,552)
Deferred	8,132	7,649	10,334	87,776	54,411	(1,292)	5,662
Income (loss) from continuing operations	(326,421)	(52,872)	(43,438)	(99,707)	517	(129,965)	(71,266)
Income (loss) from discontinued operations, net of taxes	88,596	45,552	24,205	(25,676)	19,043		28,906
Net income (loss)	(237,825)	(7,320)	(19,233)	(125,383)	19,560	(129,965)	(42,360)
Net income (loss) attributable to minority interests	1,587	7,869	12,209	5,236	3,300	(60)	(4,467)
Net income (loss) attributable to Live Nation, Inc.	\$ (239,412)	\$ (15,189)	\$ (31,442)	\$ (130,619)	\$ 16,260	\$ (129,905)	\$ (37,893)
Basic and diluted income (loss) per common share attributable to common stockholders:							
Loss from continuing operations attributable to Live Nation, Inc.	\$ (4.30)	\$ (0.89)	\$ (0.85)	\$ (1.57)		\$ (1.59)	\$ (0.89)
Income (loss) from discontinued operations	\$ 1.16	\$ 0.67	\$ 0.37	\$ (0.39)		\$	\$ 0.39

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Net loss attributable to Live Nation, Inc.	\$	(3.14)	\$	(0.22)	\$	(0.48)	\$	(1.96)	\$	(1.59)	\$	(0.50)
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Cash dividends per share

**Table of Contents**

(in thousands)	As of December 31, (1) (2)				As of June 30,		
	2008	2007	2006	2005	2004	2009	2008
<b>Balance Sheet Data:</b>							
Total assets	\$ 2,476,723	\$ 2,749,820	\$ 2,225,002	\$ 1,776,584	\$ 1,478,706	\$ 3,136,584	\$ 3,357,437
Long-term debt, net of discount (including current maturities)	\$ 824,120	\$ 753,017	\$ 639,146	\$ 366,841	\$ 650,675	\$ 791,463	\$ 728,394
Redeemable preferred stock	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$	\$ 40,000	\$ 40,000
Live Nation, Inc. business/stockholders equity	\$ 681,921	\$ 934,372	\$ 638,662	\$ 636,700	\$ 156,976	\$ 574,701	\$ 922,993

- (1) Acquisitions and dispositions significantly impact the comparability of the historical consolidated financial data reflected in this schedule of Selected Historical Financial Data.
- (2) Prior to Live Nation's December 2005 separation from Clear Channel Communications, Inc., which is referred to as Clear Channel, the combined financial statements include amounts that comprise businesses included in the consolidated financial statements and accounting records of Clear Channel, using the historical bases of assets and liabilities of the entertainment business. As a result of the separation, Live Nation recognized the par value and additional paid-in capital in connection with the issuance of Live Nation common stock in exchange for the net assets contributed at that time.



**Table of Contents****SELECTED HISTORICAL FINANCIAL DATA OF TICKETMASTER ENTERTAINMENT**

The following table sets forth certain of Ticketmaster Entertainment's consolidated financial data as of and for each of the periods indicated. The financial information for the years ended December 31, 2006, 2007 and 2008, and as of December 31, 2007 and 2008, is derived from Ticketmaster Entertainment's audited consolidated financial statements which are included elsewhere in this joint proxy statement/prospectus. The financial information for the year ended December 31, 2005 and as of December 31, 2006 is derived from Ticketmaster Entertainment's audited consolidated financial statements and the notes thereto. The financial information for the year ended December 31, 2004 and as of December 31, 2004 and 2005 is derived from Ticketmaster Entertainment's unaudited consolidated financial statements and the notes thereto. The consolidated financial information as of and for the six-month periods ended June 30, 2008 and 2009 is derived from Ticketmaster Entertainment's unaudited consolidated financial statements included elsewhere in this joint proxy statement/prospectus. In Ticketmaster Entertainment's opinion, such unaudited consolidated financial statements include all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of Ticketmaster Entertainment's financial position and results of operations for such periods. Interim results for the six months ended June 30, 2009 are not necessarily indicative of, and are not projections for, the results to be expected for the full year ending December 31, 2009.

The selected historical financial data below should be read in conjunction with the consolidated financial statements and their accompanying notes that are included elsewhere in this document.

(in thousands, except per share data)	Year Ended December 31,					Six Months Ended	
	2008 (2)	2007 (2)	2006 (2)	2005 (2)	2004 (2)	2009 (2)	2008 (2)
<b>Consolidated Statement of Operations Data:</b>							
Revenue	\$ 1,454,525	\$ 1,240,477	\$ 1,062,672	\$ 928,704	\$ 747,838	\$ 728,872	\$ 731,350
Operating (loss) income	(954,143)	216,316	224,891	166,015	112,404	40,322	86,967
Net (loss) income attributable to Ticketmaster Entertainment, Inc.	(1,005,499)	169,351	176,701	117,699	69,023	14,126	55,719
<b>Net (loss) earnings per share available to common stockholders:</b>							
Basic (1)	\$ (17.84)	\$ 3.01	\$ 3.15	\$ 2.10	\$ 1.23	\$ 0.25	\$ 0.99
Diluted (1)	\$ (17.84)	\$ 3.01	\$ 3.15	\$ 2.10	\$ 1.23	\$ 0.24	\$ 0.99
<b>Shares used in computing earnings per share:</b>							
Basic (1)	56,353	56,171	56,171	56,171	56,171	57,330	56,171
Diluted (1)	56,353	56,171	56,171	56,171	56,171	59,341	56,171
<b>Consolidated Balance Sheet Data (end of period):</b>							
Working capital	\$ 163,117	\$ 269,917	\$ 59,642	\$ 96,477	\$ 63,222	\$ 189,593	\$ 185,361
Total assets	1,706,567	2,306,534	1,815,711	1,772,430	1,593,879	1,866,645	2,734,035
Long-term debt	865,000					865,000	
Redeemable preferred stock	9,888					13,009	
Redeemable noncontrolling interests	42,483	7,812	669		3,485	45,736	7,331
Noncontrolling interests	28,172					25,015	
Total equity	193,631	N/A	N/A	N/A	N/A	214,063	N/A
Total invested equity (3)	N/A	1,739,177	1,357,837	1,353,045	1,270,899	N/A	2,052,615

- (1) For the years ended December 31, 2007, 2006, 2005 and 2004, and the period ended June 30, 2008, Ticketmaster Entertainment computed primary and diluted earnings per share using the number of shares of Ticketmaster Entertainment common stock outstanding immediately following the Ticketmaster Entertainment spin-off, as if such shares were outstanding for the entire period.
- (2) In December 2007, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 160, *Noncontrolling Interests in Financial Statements - An Amendment of Accounting Research Bulletin No. 151*, which is referred to as SFAS No. 160, which changes the accounting and reporting for minority interests. Ticketmaster Entertainment adopted SFAS No. 160 on January 1, 2009. SFAS No. 160 is applied prospectively, except for the presentation and disclosure requirements, which are applied retrospectively for all periods presented. As a result of the adoption, Ticketmaster Entertainment has reclassified its presentation of historical financial data for certain noncontrolling interests from liabilities to a component of equity.
- (3) Total invested equity includes invested capital and receivables from IAC prior to the Ticketmaster Entertainment spin-off.



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**Table of Contents**

**SUMMARY UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA**

The following summary unaudited pro forma condensed combined financial information is designed to show how the Merger might have affected historical financial statements if the Merger had been completed at an earlier time and was prepared based on the historical financial results reported by Live Nation and Ticketmaster Entertainment. The following should be read in connection with Unaudited Pro Forma Condensed Combined Financial Statements beginning on page 316 and the audited and unaudited consolidated financial statements of Live Nation, which are incorporated by reference into this joint proxy statement/prospectus (see Where You Can Find More Information beginning on page 353), and of Ticketmaster Entertainment, which are included elsewhere in this joint proxy statement/prospectus.

Although management of Live Nation and Ticketmaster Entertainment consider the Merger to be a merger of equals, the Merger will be accounted for as a business combination under the acquisition method of accounting and Live Nation is the deemed accounting acquirer and Ticketmaster Entertainment is the deemed accounting acquiree. The unaudited pro forma condensed combined financial statements were prepared in accordance with the regulations of the SEC. The pro forma adjustments reflecting the completion of the Merger are based upon the acquisition method of accounting in accordance with Statement of Financial Accounting Standards No. 141(R), *Business Combinations*, which is referred to as SFAS 141(R), and upon the assumptions set forth in the notes to the unaudited pro forma condensed combined financial statements. The unaudited pro forma condensed combined balance sheet as of June 30, 2009 combines the historical consolidated balance sheets of Live Nation and Ticketmaster Entertainment and gives effect to the Merger as if it had been completed on June 30, 2009. The unaudited pro forma condensed combined statements of operations for the six months ended June 30, 2009 and for the year ended December 31, 2008 combine the historical consolidated statements of operations of Live Nation and Ticketmaster Entertainment for their respective six months ended June 30, 2009 and year ended December 31, 2008 and give effect to the Merger as if it had been completed on January 1, 2008. The historical consolidated financial statement information has been adjusted to give pro forma effect to events that are (i) directly attributable to the Merger, (ii) factually supportable and (iii) with respect to the statements of operations, expected to have a continuing impact on the combined results. Additionally, the historical consolidated financial information has been adjusted to give pro forma effect to the Ticketmaster Entertainment spin-off as if it had occurred on January 1, 2008.

The unaudited pro forma condensed combined financial data is presented for illustrative purposes only and is not necessarily indicative of the financial condition or results of operations of future periods or the financial condition or results of operations that actually would have been realized had the entities been a single company during the periods presented or the results that the combined company will experience after the Merger is completed. The unaudited pro forma condensed combined financial statements do not give effect to the potential impact of current financial conditions, regulatory matters or any anticipated synergies, operating efficiencies or cost savings that may be associated with the Merger. These financial statements also do not include any integration costs, dissynergies or estimated future transaction costs, except for fixed contractual transaction costs, that the companies may incur related to the Merger as part of combining the operations of the companies. In addition, as explained in more detail in the accompanying notes to the unaudited pro forma condensed combined financial information (see Unaudited Pro Forma Condensed Combined Financial Statements beginning on page 316), the preliminary acquisition-date fair value of the identifiable assets acquired, liabilities assumed and Ticketmaster Entertainment noncontrolling interests reflected in the unaudited pro forma condensed combined financial information is subject to adjustment and may vary significantly from the actual amounts that will be recorded upon completion of the Merger.

**Table of Contents**

(in thousands, except per share data)	Year Ended December 31, 2008	Six Months Ended June 30, 2009
<b>Pro Forma Results of Operations Data:</b>		
Revenue	\$ 5,538,286	\$ 2,273,056
Operating loss	(1,263,423)	(26,504)
Loss from continuing operations before income taxes	(1,391,866)	(87,900)
Net loss from continuing operations attributable to Live Nation and Ticketmaster Entertainment	(1,377,309)	(99,638)
Net loss from continuing operations per common share attributable to common stockholders:		
Basic and diluted	\$ (8.64)	\$ (0.60)
Weighted average common shares outstanding:		
Basic and diluted	159,354	166,180

(in thousands)	As of June 30, 2009
<b>Pro Forma Balance Sheet Data:</b>	
Cash and cash equivalents	\$ 1,085,902
Total assets	5,627,552
Total current liabilities	2,231,726
Long-term debt, net of discount	1,570,996
Total Live Nation and Ticketmaster Entertainment stockholders' equity	1,275,856
Total stockholders' equity	1,362,654

**Table of Contents****COMPARATIVE PER SHARE DATA (UNAUDITED)**

The following table shows per share data regarding net income (loss) from continuing operations, book value and cash dividends for Live Nation and Ticketmaster Entertainment on a historical and pro forma combined basis. The pro forma book value information was computed as if the Merger had been completed on June 30, 2009. The pro forma net income (loss) from continuing operations information was computed as if the Merger had been completed on January 1, 2008. The Ticketmaster Entertainment pro forma equivalent information was calculated by multiplying the corresponding pro forma combined data by a hypothetical adjusted exchange ratio of 1.475 based on the outstanding voting equity interests of the two companies as of June 30, 2009, which exchange ratio will vary from the final adjusted exchange ratio at the time of the closing of the Merger. This information shows how each share of Ticketmaster Entertainment common stock would have participated in the combined company's net income (loss) from continuing operations and book value if the Merger had been completed on the relevant dates. These amounts do not necessarily reflect future per share amounts of net income (loss) from continuing operations and book value of the combined company.

The following unaudited comparative per share data are derived from the historical consolidated financial statements of each of Live Nation and Ticketmaster Entertainment. The information below should be read in conjunction with the audited and unaudited consolidated financial statements and accompanying notes of Live Nation, which are incorporated by reference into this joint proxy statement/prospectus (see "Where You Can Find More Information" beginning on page 353), and of Ticketmaster Entertainment, which are included elsewhere in this joint proxy statement/prospectus. You are urged to also read "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 316.

	As of and for the Year Ended December 31, 2008	As of and for the Six Months Ended June 30, 2009
<b>Live Nation Historical Data</b>		
Net income (loss) from continuing operations per common share attributable to common stockholders – basic and diluted	\$ (4.30)	\$ (1.59)
Book value per share(1)	8.74	6.87
Cash dividends		
<b>Ticketmaster Entertainment Historical Data</b>		
Net income (loss) from continuing operations per common share attributable to common stockholders:		
Basic	\$ (17.84)	\$ 0.25
Diluted	(17.84)	0.24
Book value per share(1)	2.89	3.30
Cash dividends		
<b>Combined Company Pro Forma Data</b>		
Net income (loss) from continuing operations per common share attributable to common stockholders – basic and diluted	\$ (8.64)	\$ (0.60)
Book value per share(1)	N/A	7.58
Cash dividends		
<b>Ticketmaster Entertainment Pro Forma Equivalent Data(2)</b>		
Net income (loss) from continuing operations per common share attributable to common stockholders – basic and diluted	\$ (12.74)	\$ (0.89)
Book value per share(1)	N/A	11.18
Cash dividends		

(1) Computed using book value attributable to Live Nation and/or Ticketmaster Entertainment, as applicable, excluding book value attributable to minority interests, divided by the number of shares of common stock outstanding at the stated balance sheet date.

(2) Ticketmaster Entertainment pro forma equivalent amounts are calculated by multiplying pro forma combined per share amounts by a hypothetical adjusted exchange ratio of 1.475 calculated as of June 30, 2009.



**Table of Contents****MARKET PRICES, DIVIDENDS AND OTHER DISTRIBUTIONS****Stock Prices**

The table below sets forth, for the calendar quarters indicated, the high and low sales prices per share of Live Nation common stock, which trades on the NYSE under the symbol LYV, and Ticketmaster Entertainment common stock, which trades on NASDAQ under the symbol TKTM. Ticketmaster Entertainment common stock did not begin trading on NASDAQ until August 12, 2008; the Ticketmaster Entertainment spin-off occurred on August 20, 2008. Consequently, there is no stock price information for Ticketmaster Entertainment common stock prior to August 12, 2008.

	Live Nation Common Stock		Ticketmaster Entertainment Common Stock	
	High	Low	High	Low
<b>2007</b>				
First Quarter	\$ 25.63	\$ 21.07	N/A	N/A
Second Quarter	\$ 24.09	\$ 18.75	N/A	N/A
Third Quarter	\$ 23.27	\$ 16.85	N/A	N/A
Fourth Quarter	\$ 24.03	\$ 12.50	N/A	N/A
<b>2008</b>				
First Quarter	\$ 15.04	\$ 9.26	N/A	N/A
Second Quarter	\$ 16.15	\$ 10.23	N/A	N/A
Third Quarter	\$ 18.75	\$ 9.60	\$ 27.00	\$ 9.52
Fourth Quarter	\$ 16.75	\$ 2.73	\$ 13.33	\$ 3.33
<b>2009</b>				
First Quarter	\$ 6.55	\$ 2.47	\$ 7.22	\$ 3.42
Second Quarter	\$ 6.07	\$ 2.55	\$ 8.23	\$ 3.60
Third Quarter	\$ 8.88	\$ 3.98	\$ 12.90	\$ 5.49
Fourth Quarter(1)	\$ 8.84	\$ 6.59	\$ 12.81	\$ 9.54

(1) Through October 30, 2009.

On February 9, 2009, the last trading day before the public announcement of the signing of the Merger Agreement, the last sale price per share of Live Nation common stock was \$5.29 on the NYSE, and the last sale price per share of Ticketmaster Entertainment common stock was \$6.57 on NASDAQ. On February 3, 2009, the last trading day before various news outlets began reporting on a possible transaction involving Live Nation and Ticketmaster Entertainment, the last sale price per share of Live Nation common stock was \$4.99 on the NYSE, and the last sale price per share of Ticketmaster Entertainment common stock was \$6.14 on NASDAQ. On October 28, 2009, the latest practicable date before the date of this joint proxy statement/prospectus, the last sale price per share of Live Nation common stock was \$6.78 on the NYSE, and the last sale price per share of Ticketmaster Entertainment common stock was \$9.84 on NASDAQ.

**Dividends and Other Distributions**

Live Nation has never paid any dividends on its common stock. It currently intends to retain earnings, if any, for use in its business and does not anticipate paying any cash dividends in the foreseeable future. The designations of the redeemable preferred stock of Live Nation Holdco #2, Inc., an indirect subsidiary of Live Nation, and the terms of Live Nation's senior secured credit facility restrict Live Nation's ability to pay dividends.

Ticketmaster Entertainment has never paid any dividends on its common stock. It currently intends to retain earnings, if any, for use in its business and does not anticipate paying any cash dividends in the foreseeable





**Table of Contents**

future. Future dividend policy will depend on Ticketmaster Entertainment's earnings, capital requirements, financial condition and other factors considered relevant by the Ticketmaster Entertainment board of directors (subject to restrictions in the documents governing Ticketmaster Entertainment's indebtedness).

The board of directors of the combined company will determine the new dividend policy, but it is expected that no dividends will be paid in the foreseeable future.

**Table of Contents**

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This document contains certain forward-looking information about Live Nation, Ticketmaster Entertainment and the combined company that is intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. These statements may be made directly in this joint proxy statement/prospectus or may be incorporated into this joint proxy statement/prospectus by reference to other documents and may include statements for the period after the completion of the Merger. Representatives of Live Nation and Ticketmaster Entertainment may also make forward-looking statements. Forward-looking statements are statements that are not historical facts. Words such as expect, believe, will, may, anticipate, plan, estimate, intend, should, can, similar expressions are intended to identify forward-looking statements. These statements include statements about the expected benefits of the Merger, information about the combined company's objectives, plans and expectations, the likelihood of satisfaction of certain conditions to the completion of the Merger and whether and when the Merger will be completed. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of the management of each of Live Nation and Ticketmaster Entertainment and are subject to risks and uncertainties, including the risks described in this joint proxy statement/prospectus under the section Risk Factors and those that are incorporated by reference into this joint proxy statement/prospectus, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

In light of these risks, uncertainties, assumptions and factors, the results anticipated by the forward-looking statements discussed in this joint proxy statement/prospectus or made by representatives of Live Nation or Ticketmaster Entertainment may not occur. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof or, in the case of statements incorporated by reference, on the date of the document incorporated by reference, or, in the case of statements made by representatives of Live Nation or Ticketmaster Entertainment, on the date those statements are made. All subsequent written and oral forward-looking statements concerning the Merger or the combined company or other matters addressed in this joint proxy statement/prospectus and attributable to Live Nation or Ticketmaster Entertainment or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable law or regulation, neither Live Nation nor Ticketmaster Entertainment undertakes any obligation to update or publish revised forward-looking statements to reflect events or circumstances after the date hereof or the date of the forward-looking statements or to reflect the occurrence of unanticipated events.

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**Table of Contents**

**RISK FACTORS**

*In addition to the other information included and incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in **Cautionary Statement Regarding Forward-Looking Statements** above, you should carefully consider the following risk factors before deciding whether to vote to approve the share issuance proposal, in the case of Live Nation stockholders, or the Merger proposal, in the case of Ticketmaster Entertainment stockholders.*

*In addition to the risk factors set forth below, you should read and consider other risk factors specific to Live Nation's business that will also affect the combined company after the Merger. These risk factors are described in Part I, Item 1A of Live Nation's Annual Report on Form 10-K for the year ended December 31, 2008, which has been filed by Live Nation with the SEC, as such risks may be updated or supplemented in Live Nation's Current Report on Form 8-K filed with the SEC on May 28, 2009 and subsequently filed Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, both of which are incorporated by reference into this joint proxy statement/prospectus. If any of the risks described below or in the periodic reports incorporated by reference into this joint proxy statement/prospectus actually materialize, the businesses, financial condition, results of operations, prospects or stock prices of Live Nation, Ticketmaster Entertainment or the combined company could be materially adversely affected. See **Where You Can Find More Information** beginning on page 353. Risk factors specific to Ticketmaster Entertainment's business are included under the headings **Risks Relating to the Ticketmaster Entertainment Spin-Off**, **Risks Relating to Ticketmaster Entertainment's Business (and, Following the Completion of the Merger, the Combined Company)** and **Risks Relating to Ticketmaster Entertainment's Business Prior to the Completion of the Merger** below.*

**Risks Relating to the Pending Merger**

***The announcement and pendency of the Merger could have an adverse effect on Live Nation's or Ticketmaster Entertainment's stock price, business, financial condition, results of operations or business prospects.***

The announcement and pendency of the Merger could disrupt Live Nation's and/or Ticketmaster Entertainment's businesses in the following ways, among others:

employees may experience uncertainty regarding their future roles with the combined company, which might adversely affect Live Nation's and/or Ticketmaster Entertainment's ability to retain, recruit and motivate key personnel;

the attention of Live Nation and/or Ticketmaster Entertainment management may be directed toward the completion of the Merger and transaction-related considerations and may be diverted from the day-to-day business operations of their respective companies, and matters related to the Merger may require commitments of time and resources that could otherwise have been devoted to other opportunities that might have been beneficial to Live Nation or Ticketmaster Entertainment; and

venue operators, promoters, artists and other third parties with business relationships with Live Nation or Ticketmaster Entertainment may seek to terminate and/or renegotiate their relationships with Live Nation or Ticketmaster Entertainment as a result of the Merger, whether pursuant to the terms of their existing agreements with Live Nation and/or Ticketmaster Entertainment or otherwise.

Any of these matters could adversely affect the stock prices of, or harm the financial condition, results of operations or business prospects of, Live Nation and/or Ticketmaster Entertainment.

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**Table of Contents**

*The exchange ratio is subject to adjustment prior to the completion of the Merger in order to ensure that Ticketmaster Entertainment stockholders immediately prior to the Merger receive 50.01% of the voting power of all Live Nation equity interests immediately after the completion of the Merger. The price of Live Nation common stock and Ticketmaster Entertainment common stock will fluctuate during the pendency of the Merger.*

The exchange ratio has been fixed initially at 1.384 shares of Live Nation common stock for each share of Ticketmaster Entertainment common stock. This exchange ratio will not be adjusted for changes in the market price of either Live Nation common stock or Ticketmaster Entertainment common stock, but it will be adjusted prior to the completion of the Merger in order to ensure that the holders of Ticketmaster Entertainment common stock immediately prior to the completion of the Merger receive 50.01% of the voting power of the equity interests of the combined company outstanding immediately after the completion of the Merger, which voting equity interests are expected to consist solely of Live Nation common stock. For informational purposes only, a hypothetical adjusted exchange ratio as of the most recent practicable date before the date of this joint proxy statement/prospectus has been provided in this joint proxy statement/prospectus and Live Nation stockholders and Ticketmaster Entertainment stockholders may obtain an updated hypothetical adjusted exchange ratio, which will be based on the voting equity securities of Live Nation and Ticketmaster Entertainment outstanding as of a more recent date, by accessing Live Nation's website at: [www.livenation.com/investors](http://www.livenation.com/investors) or by accessing Ticketmaster Entertainment's website at: [investors.ticketmaster.com/financials.cfm](http://investors.ticketmaster.com/financials.cfm). The final adjusted exchange ratio will vary from the exchange ratio of 1.384 as of the date of the announcement of the Merger Agreement and the hypothetical exchange ratio (i) as of the last practicable date before the date of this joint proxy statement/prospectus and (ii) the dates of the Live Nation annual meeting and the Ticketmaster Entertainment annual meeting.

Although Live Nation and Ticketmaster Entertainment currently expect to complete the Merger in the first quarter of 2010, completion of the Merger is subject to the satisfaction or waiver of all conditions to the Merger set forth in the Merger Agreement, including receipt of stockholder approvals at the respective annual meetings of Live Nation and Ticketmaster Entertainment and receipt of all required regulatory approvals. For further discussion of the conditions to completion of the Merger, see The Merger Agreement Conditions to Completion of the Merger beginning on page 129. Because many of these conditions relate to matters outside of either company's control, the amount of time between the annual stockholders meetings and the completion of the Merger cannot be established at this time.

Changes in the price of Live Nation common stock or Ticketmaster Entertainment common stock prior to the completion of the Merger will affect the value of the Merger consideration received by Ticketmaster Entertainment stockholders and the value of shares of Live Nation common stock before and after the Merger. The value of the Merger consideration will vary from the date of the announcement of the Merger Agreement, the date that this joint proxy statement/prospectus was mailed to Live Nation and Ticketmaster Entertainment stockholders, the date of the Live Nation annual meeting, the date of the Ticketmaster Entertainment annual meeting and the date the Merger is completed and thereafter. Accordingly, at the time of the Live Nation annual meeting or the Ticketmaster Entertainment annual meeting, as the case may be, Live Nation stockholders or Ticketmaster Entertainment stockholders, as the case may be, will not know or be able to calculate the market value of the Merger consideration the Ticketmaster Entertainment stockholders would receive upon completion of the Merger.

The price of each of Live Nation common stock and Ticketmaster Entertainment common stock is subject to the general price fluctuations in the market for publicly traded equity securities. Stock price changes may result from a variety of factors, including, among others, general market and economic conditions, changes in Live Nation's and Ticketmaster Entertainment's respective businesses, operations and prospects, and regulatory considerations. Many of these factors are beyond Live Nation's and Ticketmaster Entertainment's control. Neither company is permitted to terminate the Merger Agreement, or resolicit the vote of Ticketmaster Entertainment stockholders on the Merger proposal or resolicit the vote of Live Nation stockholders on the share issuance proposal solely because of changes in the market prices of either company's stock. There will be no

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**Table of Contents**

adjustment to the Merger consideration for changes in the market price of either Live Nation common stock or Ticketmaster Entertainment common stock. You should obtain current market quotations for Live Nation common stock and Ticketmaster Entertainment common stock.

*Some of the directors and executive officers of Live Nation and Ticketmaster Entertainment have interests in seeing the Merger completed that are different from, or in addition to, those of the other Live Nation and Ticketmaster Entertainment stockholders. Therefore, some of the directors and executive officers of Live Nation may have a conflict of interest in recommending that Live Nation stockholders vote to approve the share issuance proposal and some of the directors and executive officers of Ticketmaster Entertainment may have a conflict of interest in recommending that Ticketmaster Entertainment stockholders vote to approve the Merger proposal.*

Some of the directors and executive officers of Live Nation and Ticketmaster Entertainment have arrangements that provide them with interests in the Merger that are different from, or in addition to, those of the stockholders of Live Nation and Ticketmaster Entertainment. These interests include, among others, ownership interests in the combined company, continued service as a director or an executive officer of the combined company, payments and equity grants, and the accelerated vesting of certain equity awards and/or certain severance benefits, in connection with the Merger. These interests, among others, may influence the directors and executive officers of Live Nation to support or approve the share issuance proposal and/or the directors and executive officers of Ticketmaster Entertainment to support or approve the Merger proposal.

*The Merger Agreement contains provisions that could discourage a potential acquirer that might be willing to acquire or merge with Ticketmaster Entertainment or Live Nation.*

The Merger Agreement contains no shop provisions that restrict Live Nation's and Ticketmaster Entertainment's ability to, among other things:

solicit, initiate or knowingly encourage, induce or facilitate an alternative acquisition proposal (as described below under the section entitled "The Merger Agreement - No Solicitations" beginning on page 135) with respect to it or any inquiry or proposal that may reasonably be expected to lead to such an alternative acquisition proposal;

participate in any discussions or negotiations regarding, or furnish any information with respect to, or cooperate in any way with respect to, an alternative acquisition proposal with respect to it or any inquiry or proposal that may reasonably be expected to lead to such an alternative acquisition proposal;

enter into any letter of intent, memorandum of understanding or arrangement constituting or related to, or that would reasonably be expected to lead to, an alternative acquisition proposal with respect to it, or cause it to abandon or delay the Merger or otherwise interfere with or be inconsistent with the Merger;

take any action to make the provisions of any fair price, moratorium, control share acquisition or similar anti-takeover statute or regulation, or any restrictive provision of any applicable anti-takeover provision in its certificate of incorporation or bylaws inapplicable to any alternative transaction; or

resolve, propose or agree to do any of the above.

The Merger Agreement also contains force the vote provisions that require Live Nation and Ticketmaster Entertainment to submit the share issuance proposal and the Merger proposal to their respective stockholders regardless of their receipt of a superior alternative proposal. There are only limited exceptions to Live Nation's or Ticketmaster Entertainment's agreement that their respective boards of directors will not withdraw or adversely modify their recommendation regarding the Merger, and neither the Live Nation board of directors nor the Ticketmaster Entertainment board of directors is permitted to terminate the Merger Agreement in response to a superior alternative proposal or if they determine, in response to a material development or unanticipated change in circumstances, that a failure to do so would be inconsistent with their fiduciary duties.

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## **Table of Contents**

In addition, in the event that the Merger Agreement is terminated due to the Live Nation board of directors or the Ticketmaster Entertainment board of directors adversely modifying its recommendation regarding the Merger or failing to hold a meeting of its respective stockholders to vote to obtain the respective approvals necessary for the completion of the Merger (as the case may be), the other party will be entitled to collect a termination fee of \$15 million from that party as well as the reimbursement of certain reasonable, out-of-pocket transaction expenses. Further, if a third party makes an alternative acquisition proposal for either Live Nation or Ticketmaster Entertainment under certain circumstances, the Merger Agreement is terminated for certain reasons specified in the Merger Agreement and the third party enters into an agreement with Live Nation or Ticketmaster Entertainment (as the case may be) to consummate an alternative acquisition proposal involving 40% or more of its assets or stock within a year after termination, that party will be required to pay the other party a termination fee of \$15 million in addition to reimbursing the other party for certain reasonable, out-of-pocket transaction expenses.

These provisions could discourage other potential acquirers of either company even if those parties might be willing to offer a greater amount of consideration than that proposed to be paid in the Merger, or may result in a potential competing acquirer proposing to pay a lower per share price than it may otherwise have proposed to pay because of the added expense of the termination fee.

***Failure to complete the Merger may negatively impact Live Nation's and Ticketmaster Entertainment's respective businesses, financial results, financial condition and stock prices.***

The Merger is subject to a number of closing conditions and there can be no assurance that the conditions to the completion of the Merger will be satisfied. If the Merger is not completed, Live Nation and Ticketmaster Entertainment will be subject to several risks, including:

the current market prices of the companies' common stock may reflect a market assumption that the Merger will occur and a failure to complete the Merger could result in a negative perception of either or both companies by equity investors and a resulting decline in the respective market prices of the common stock of that company;

Live Nation or Ticketmaster Entertainment, as the case may be, may be required to pay a termination fee of \$15 million to the other party, in addition to the reimbursement of certain reasonable, out-of-pocket transaction expenses, if the Merger Agreement is terminated under certain circumstances;

Live Nation and Ticketmaster Entertainment are expected to incur substantial transaction costs in connection with the Merger; and

neither Live Nation nor Ticketmaster Entertainment would realize any of the anticipated benefits of having completed the Merger. If the Merger is not completed, these risks may materialize and materially adversely affect either or both companies' respective businesses, financial results, financial condition and stock prices.

### **Risks Related to the Combined Company if the Merger Is Completed**

*If the Merger is completed, Live Nation and Ticketmaster Entertainment will operate as a combined company in a market environment that is difficult to predict and involves significant risks, many of which will be beyond the control of the combined company. In determining whether you should vote to approve the share issuance proposal, in the case of Live Nation stockholders, or the Merger proposal, in the case of Ticketmaster Entertainment stockholders, you should carefully read and consider the following risk factors. If any of the events, contingencies, circumstances or conditions described in the following risks actually occur, the combined company's business, financial condition or results of operations could be adversely affected.*

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## **Table of Contents**

*The combined company may not fully realize the anticipated synergies and related benefits of the Merger or do so within the anticipated timeframe.*

Currently, Live Nation and Ticketmaster Entertainment operate as two independent companies. Achieving the anticipated benefits of the Merger will depend in large part upon how successfully the two companies are able to integrate their businesses in an efficient and effective manner. Due to legal restrictions, Live Nation and Ticketmaster Entertainment have been able to conduct only limited planning regarding the integration of the two companies after the completion of the Merger and have not yet determined the exact nature of how the businesses and operations of the two companies will be combined thereafter. The actual integration may result in additional and unforeseen expenses, and the anticipated benefits of the integration plan may not be realized in whole or in part. The companies may not be able to accomplish the integration process smoothly, successfully or on a timely basis. The companies may have to address potential differences in business backgrounds, corporate cultures and management philosophies to accomplish successful integration. Employee uncertainty during the integration process may also disrupt the business of the combined company. Regulatory agencies may impose terms and conditions on their approvals that would adversely impact the ability of the combined company to realize the synergies that are projected to occur in connection with the Merger. In addition, the combined company's plan to operate under separate credit facilities following the completion of the Merger may also limit the combined company's ability to realize the full benefits of synergies, cost savings, growth and operational efficiencies that may be otherwise obtained through the Merger. Any inability of management to successfully and timely integrate the operations of the two companies could have an adverse effect on the business, results of operations and the stock price of the combined company. Even if Live Nation and Ticketmaster Entertainment are able to integrate their business operations successfully, there can be no assurance that this integration will result in the realization of the full benefits of synergies, cost savings, growth and operational efficiencies that may be possible from this integration, or that these benefits will be achieved within a reasonable period of time.

*The trading price of shares of Live Nation common stock after the Merger may be affected by factors different from those affecting the price of shares of Live Nation common stock before the Merger.*

If the Merger is completed, holders of Ticketmaster Entertainment common stock will become holders of a majority of the outstanding shares of Live Nation common stock. The results of operations of Live Nation, as well as the trading price of Live Nation common stock, after the Merger may be affected by factors different from those currently affecting Live Nation's or Ticketmaster Entertainment's results of operations and the trading price of Live Nation common stock. These factors include:

a greater number of shares outstanding;

different stockholders;

different businesses; and

different assets and capitalizations.

Accordingly, the historical trading prices and financial results of Live Nation and Ticketmaster Entertainment may not be indicative of these matters for the combined company after the Merger. For a discussion of the business of Live Nation and of certain factors to consider in connection with that business, see the documents incorporated by reference by Live Nation into this joint proxy statement/prospectus referred to under "Where You Can Find More Information" beginning on page 353. For a discussion of the business of Ticketmaster Entertainment and of certain factors to consider in connection with that business, see "Information About Ticketmaster Entertainment's Business" beginning on page 240.

*The Merger is subject to the receipt of consents, approvals and non-objections from antitrust regulators, which may impose conditions on, jeopardize or delay the completion of the Merger, result in additional expenditures of money and resources or reduce the anticipated benefits of the Merger; alternatively, antitrust regulators may preclude the completion of the Merger altogether.*

The completion of the Merger is conditioned upon filings with, and the receipt of required consents, orders, approvals, non-objections or clearances from antitrust regulators, including the Antitrust Division of the U.S.





**Table of Contents**

Department of Justice under the HSR Act. Live Nation and Ticketmaster Entertainment intend to pursue, and have agreed to use reasonable best efforts to obtain from all governmental authorities, including antitrust regulators, these consents, orders, approvals, non-objections and clearances in accordance with the Merger Agreement. There can be no assurance, however, that these consents, orders, approvals, non-objections and clearances will be obtained or, if they are obtained, that they will not impose conditions on, or require divestitures relating to, the divisions, operations or assets of Live Nation or Ticketmaster Entertainment. These conditions or divestitures may jeopardize or delay the completion of the Merger, result in additional expenditures of money and resources or reduce the anticipated benefits of the Merger, including depleting or eliminating the value of the synergies anticipated to be achieved in the Merger. See *The Merger Regulatory Approvals Required for the Merger* beginning on page 120. The Merger Agreement requires Live Nation and Ticketmaster Entertainment to satisfy any conditions imposed upon them unless the conditions individually or in the aggregate would reasonably be expected to materially impair the business operations of the combined company. In this regard, Live Nation and Ticketmaster Entertainment have agreed that the failure to realize financial benefits and synergies anticipated to be received in the Merger would not, by itself, materially impair the business operations of the combined company.

***The combined company will have substantial indebtedness after the completion of the Merger and is expected to operate under two separate financing structures, each of which may limit its financial flexibility.***

After the completion of the Merger, the combined company is expected to have approximately \$1.6 billion in total debt outstanding and \$1.4 billion of stockholders' equity. This amount of indebtedness may limit the combined company's flexibility as a result of its debt service requirements, and may limit the combined company's ability to access additional capital and make capital expenditures and other investments in its business, to withstand economic downturns and interest rate increases, to plan for or react to changes in its business and its industry and to comply with financial and other restrictive covenants in its indebtedness.

The combined company is expected to operate under two separate financing structures, including two separate credit facilities, each with its own restrictive covenants. Live Nation Worldwide, Inc., Live Nation's principal operating company, will continue to be the principal borrower under the Live Nation credit facility, which will continue to apply to substantially all of its subsidiaries. Ticketmaster Entertainment, which will not be a subsidiary of Live Nation Worldwide, Inc., will continue to be the principal borrower under the Ticketmaster Entertainment credit facility, the covenants of which will apply to all of its subsidiaries. This will limit the combined company's ability to enter into intercompany business and financial transactions and therefore may prevent the combined company from fully realizing the potential benefits of the Merger.

The amendment to the Ticketmaster Entertainment credit facility to permit the Merger would also increase the interest spreads under each of the Term Loan A, Term Loan B and revolving credit facility by 1.25% following the effectiveness of the amendment immediately prior to the completion of the Merger (for a description of interest rates payable under the Ticketmaster Entertainment credit facility following the effectiveness of the amendment, see *Unaudited Pro Forma Condensed Combined Financial Statements Notes to Unaudited Pro Forma Condensed Combined Financial Statements Note 2: Pro Forma Adjustments footnote (u)* beginning on page 332). The amendment to the Ticketmaster Entertainment credit facility would also make the restricted payments covenant more restrictive, and would provide that, in the event there is a default under certain debt of Live Nation, Ticketmaster Entertainment will be prohibited from providing capital to Live Nation, either through dividends or other distributions or in the form of investments.

Additionally, the combined company's ability to comply with the financial and other covenants contained in its debt instruments may be affected by changes in economic or business conditions or other events beyond its control. If the combined company does not comply with these covenants and restrictions, it may be required to take actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing all or part of its existing debt, or seeking additional equity capital.

**Table of Contents**

***If the Merger is completed, the terms of Live Nation Worldwide's agreement with CTS will cause Live Nation Worldwide to incur ongoing costs and could reduce operational efficiencies that the combined company might otherwise obtain through the Merger.***

Live Nation Worldwide, Inc., which is referred to as Live Nation Worldwide, and CTS Eventim AG, which is referred to as CTS, are parties to an agreement, which is referred to as the CTS agreement, pursuant to which CTS licenses intellectual property to Live Nation Worldwide that is core to Live Nation's current ticketing platform. Under the terms of the CTS agreement, Live Nation Worldwide will be required to take actions and incur expenses, and may be limited in actions it can take, which could limit the ability of Live Nation and Ticketmaster Entertainment to fully integrate their ticketing platforms successfully and realize the full operational efficiencies that the combined company might otherwise obtain through the Merger. For events in North America, CTS will be generally entitled to receive, during the 10-year term of the agreement, a per ticket license fee upon the sale of certain tickets that Live Nation Worldwide or any of substantially all of its subsidiaries, which are collectively referred to as the Live Nation Worldwide entities, have the right to distribute. This per ticket fee for events in North America will be payable to CTS regardless of whether the combined company chooses to use the CTS ticketing platform, Ticketmaster Entertainment's ticketing platform or another ticketing platform for the sale of tickets that the Live Nation Worldwide entities have the right to distribute. In addition, for events in certain European countries outside of the United Kingdom, Live Nation Worldwide generally will be required, during a 10-year term, to exclusively book on the CTS ticketing platform all tickets that the Live Nation Worldwide entities have the right to distribute (or, to the extent other ticketing platforms are used, Live Nation Worldwide will generally be required to pay to CTS the same fee that would have been payable had the CTS platform been used). For events in the United Kingdom, Live Nation Worldwide will be required, provided that CTS first satisfies a significant threshold commitment, to offer for sale on the CTS UK website and pay a corresponding fee for a portion of the tickets that the Live Nation Worldwide entities have the right to distribute for events promoted by the Live Nation Worldwide entities for a 10-year term commencing on January 1, 2010. Finally, the Live Nation Worldwide entities may be precluded from offering ticketing services to third parties in certain European countries during the term of the CTS agreement. In addition, should the Merger be completed, for a period of two years thereafter, CTS will have the right to terminate the CTS agreement upon six months' advance notice.

***The Merger could cause the Ticketmaster Entertainment spin-off to become a taxable transaction, which would result in material indemnification obligations on the part of Ticketmaster Entertainment (and as a result, the combined company).***

Current U.S. federal income tax law creates a presumption that the Ticketmaster Entertainment spin-off would be taxable to IAC (but not its stockholders) if the Ticketmaster Entertainment spin-off is part of a plan or series of related transactions pursuant to which one or more persons acquire directly or indirectly stock representing a 50% or greater interest, by vote or value, in IAC or Ticketmaster Entertainment. Because the Merger would occur before the second anniversary of the Ticketmaster Entertainment spin-off, the acquisition by Live Nation of Ticketmaster Entertainment common stock in the Merger is presumed to occur pursuant to a plan or series of related transactions unless it is established that the acquisition is not pursuant to a plan or series of transactions that includes the Ticketmaster Entertainment spin-off. U.S. Treasury regulations currently in effect generally provide that whether an acquisition and a spin-off are part of a plan is determined based on all of the facts and circumstances, including, but not limited to, specific factors described in the Treasury regulations. In addition, the Treasury regulations provide several "safe harbors" for acquisitions that are not considered to be part of a plan.

The tax sharing agreement that IAC, Ticketmaster Entertainment and certain other parties entered into in connection with the Ticketmaster Entertainment spin-off requires Ticketmaster Entertainment to indemnify IAC and the other parties for any taxes resulting from the Ticketmaster Entertainment spin-off (and any related interest, penalties, legal and professional fees and certain other amounts) to the extent these amounts result, among other things, from an acquisition of equity securities of Ticketmaster Entertainment. In addition, the tax sharing agreement prohibits Ticketmaster Entertainment from entering into or consummating certain

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**Table of Contents**

transactions, such as the Merger, for a period of 25 months following the Ticketmaster Entertainment spin-off, unless it obtains IAC's prior written consent or provides IAC with an Internal Revenue Service, which is referred to as the IRS, private letter ruling or an unqualified opinion of tax counsel to the effect that such actions will not affect the tax-free nature of the Ticketmaster Entertainment spin-off, in each case satisfactory to IAC in its sole discretion.

Before entering into the Merger Agreement, Ticketmaster Entertainment provided IAC with such an unqualified opinion of tax counsel and IAC confirmed that the opinion was satisfactory to IAC. Moreover, the closing of the Merger is conditioned on Ticketmaster Entertainment having received another such unqualified opinion of tax counsel, dated as of the closing date of the Merger, and IAC's written acknowledgement that the opinion is in form and substance satisfactory to IAC. These opinions are based on, among other things, a number of assumptions as well as the accuracy of the representations that Ticketmaster Entertainment, Live Nation and other persons make to tax counsel. If any of these representations are, or become, inaccurate or incomplete, the opinions may be invalid. Live Nation and Ticketmaster Entertainment are not seeking a ruling from the IRS regarding the U.S. federal income tax consequences of the Merger, and an opinion of counsel is not binding on the IRS or any court. Accordingly, there can be no assurance that the IRS will not disagree with or challenge any of the conclusions in the opinions of counsel.

If the IRS were to take the position that the Merger caused the Ticketmaster Entertainment spin-off to be taxable to IAC and that position were sustained, IAC would incur material tax liabilities for which Ticketmaster Entertainment (and as a result, the combined company) would have an indemnification obligation under the tax sharing agreement. The tax liabilities of IAC for which Ticketmaster Entertainment (and, as a result, the combined company) would be responsible include taxes imposed with respect to income or gain recognized by IAC by reason of the failure of the Ticketmaster Entertainment spin-off or any of the related restructuring steps to qualify as tax-free transactions, together with any applicable interest, penalties and related losses. In the event the Ticketmaster Entertainment spin-off failed to qualify as a tax-free transaction, the taxable gain recognized by IAC with respect to such spin-off would be based on the excess of (i) the aggregate fair market value of the Ticketmaster Entertainment stock on the date of the Ticketmaster Entertainment spin-off over (ii) IAC's tax basis in such stock, which basis Ticketmaster Entertainment believes was minimal. Although the issue is not free from doubt, the IRS could assert that the fair market value of the Ticketmaster Entertainment stock on the date of the Ticketmaster Entertainment spin-off was equal to the product of the number of shares of Ticketmaster Entertainment common stock outstanding immediately following the Ticketmaster Entertainment spin-off and the average of the high and low trading prices of Ticketmaster Entertainment stock on the day following the Ticketmaster Entertainment spin-off.

***The issuance of shares of Live Nation common stock to Ticketmaster Entertainment stockholders in the Merger will substantially dilute the ownership of current Live Nation stockholders, and certain other factors may affect the relative percentage ownership of individual Live Nation and Ticketmaster Entertainment stockholders in the combined company.***

If the Merger is completed, it is currently estimated that Live Nation will issue or reserve for issuance approximately 100 million shares of Live Nation common stock in connection with the Merger, including common stock issuable pursuant to outstanding Ticketmaster Entertainment options and other equity-based awards, although Live Nation may issue or reserve for issuance up to 120 million shares of Live Nation common stock pursuant to this joint proxy statement/prospectus. Pursuant to the terms of the Merger Agreement, Ticketmaster Entertainment stockholders immediately prior to the Merger will own, in the aggregate, 50.01% of the voting power of the equity interests of the combined company immediately after the completion of the Merger, which voting equity interests are expected to consist solely of Live Nation common stock. Accordingly, the issuance of shares of Live Nation common stock to Ticketmaster Entertainment stockholders in the Merger will reduce the relative voting power of each share of Live Nation common stock outstanding prior to the Merger and the aggregate relative voting power of all Live Nation stockholders immediately prior to the Merger.

The exchange ratio will be adjusted prior to the completion of the Merger to preserve the percentage ownership of the combined company described above, and therefore, any issuances of voting securities by Live Nation prior to the completion of the Merger, including issuances under Live Nation's employee incentive plans,

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**Table of Contents**

will dilute the relative ownership interest of each Live Nation stockholder in the combined company as compared to the ownership interest of individual Ticketmaster Entertainment stockholders in the combined company. Similarly, any issuances of voting securities by Ticketmaster Entertainment prior to the completion of the Merger, including issuances under Ticketmaster Entertainment's employee incentive plans, will dilute the relative ownership interest of each Ticketmaster Entertainment stockholder in the combined company as compared to the ownership interest of individual Live Nation stockholders in the combined company. In addition, the relative ownership interests of Live Nation stockholders and Ticketmaster Entertainment stockholders in the combined company may be affected by convertible securities, which are not taken into consideration in the calculation of the exchange ratio.

***The Merger will result in changes to the Live Nation board of directors and management that may affect the combined company's strategy.***

If the parties complete the Merger, the composition of the Live Nation board of directors and management team will change in accordance with the Merger Agreement with the Live Nation board of directors consisting of 14 members with seven members being designated by each of Live Nation and Ticketmaster Entertainment. In addition, Liberty Holdings is expected to become the combined company's largest stockholder, and Liberty Media will be entitled to certain board designation rights that may be transferred to another stockholder under certain circumstances. Following completion of the Merger, the combined company will have a chairman of the board of directors that is different than the current chairman of the board of directors of Live Nation. This new composition of the board of directors and management may affect the business strategy and operating decisions of the combined company upon the completion of the Merger.

***The loss of key personnel could have a material adverse effect on the combined company's financial condition, results of operations and growth prospects.***

The success of the Merger will depend in part on the combined company's ability to retain key Live Nation and Ticketmaster Entertainment employees who continue employment with the combined company after the Merger. It is possible that these employees might decide not to remain with the combined company after the Merger is completed. If these key employees terminate their employment, the combined company's sales, marketing or development activities might be adversely affected, management's attention might be diverted from successfully integrating Ticketmaster Entertainment's operations to recruiting suitable replacements and the combined company's financial condition, results of operation and growth prospects could be adversely affected. In addition, the combined company might not be able to locate suitable replacements for any such key employees who leave the combined company or offer employment to potential replacements on reasonable terms.

***The continued turbulence in the U.S. and global economies and the financial markets may lead to a decrease in discretionary consumer spending and could adversely impact the combined company's business and results of operations.***

Recent global market and economic conditions have been unprecedented and challenging with tighter credit conditions and recession in most major economies continuing into 2009. Continued concerns about the systemic impact of potential long-term and widespread recession, energy costs, geopolitical issues, the availability and cost of credit and the global housing and mortgage markets have contributed to increased market volatility and diminished expectations for western and emerging economies. Added concerns fueled by the U.S. government conservatorship of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association, the declared bankruptcy of Lehman Brothers Holdings Inc., the U.S. government financial assistance to various financial institutions and other federal government interventions in the U.S. financial system led to increased market uncertainty and instability in both U.S. and international capital and credit markets. These conditions, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, have contributed to volatility of unprecedented levels.

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## **Table of Contents**

As a result of these market conditions, the cost and availability of credit have been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases, cease to provide credit to businesses and consumers. This turbulence in the U.S. and international markets and economies may lead to reduced consumer confidence and a decrease in spending in the entertainment industry, which may be particularly vulnerable to deterioration in economic conditions. The combined company's business depends significantly on discretionary consumer and corporate spending. Economic conditions affecting disposable consumer income such as employment, fuel prices, interest and tax rates and inflation may significantly impact the operating results of the combined company. Business conditions, as well as various industry conditions, including corporate marketing and promotional spending and interest levels, can also significantly impact the combined company's operating results. Any material decline in the amount of discretionary or corporate spending could hurt the combined company's revenues, results of operations, business and financial condition. Continued turbulence in the U.S. and international markets and economies and prolonged declines in consumer and corporate spending may adversely affect the combined company's liquidity and financial condition, and the liquidity and financial condition of its clients and customers, including its ability to refinance maturing liabilities and access the capital markets to meet liquidity needs. There can be no assurances that government responses to the disruptions in the financial markets will restore consumer confidence, stabilize the markets or increase liquidity and the availability of credit.

***The success of the combined company will depend, in significant part, on factors affecting the live entertainment industry and consumer demand and spending for entertainment, sporting and leisure events. Factors adversely affecting such events could have a material adverse effect on the combined company's business, financial condition and results of operations.***

In addition to the global economic crisis referenced above, consumer trends, work stoppages, natural disaster and terrorism could cause consumer demand and spending for music, sporting and other entertainment and leisure events to decline significantly, and may have a material adverse effect on the combined company's business, financial condition and results of operations.

***The success of the combined company will also depend upon relationships with third parties and pre-existing clients of Live Nation and Ticketmaster Entertainment, which relationships may be affected by consumer preferences or public attitudes about the Merger. Any adverse changes in these relationships could adversely affect the combined company's business, financial condition and results of operations.***

The combined company's success will be dependent on the ability to maintain and renew relationships with pre-existing partners, venue operators, promoters, artists and other clients of both Live Nation and Ticketmaster Entertainment and to establish new client relationships. There can be no assurance that the business of the combined company will continue to be able to maintain these pre-existing client contracts and other business relationships, or enter into or maintain new client contracts and other business relationships, on acceptable terms, if at all. CTS may seek to terminate the CTS agreement should the Merger be completed, or Live Nation may be required under its agreement with CTS to take actions or incur expenses following the completion of the Merger, which, if so required, could have an adverse effect on the business, financial condition and results of operations of the combined company. In addition, at least one significant Ticketmaster Entertainment client, Anschutz Entertainment Group, has indicated its belief that any transaction involving Live Nation and Ticketmaster Entertainment would permit it to unilaterally terminate the ticketing agreement under which Ticketmaster Entertainment and its subsidiaries provide primary ticketing services to it. Revenues from this ticketing agreement represented less than 10% of Ticketmaster Entertainment's consolidated revenues for the fiscal year ended December 31, 2008. There can be no assurance that the combined company will be able to maintain important client relationships such as this after the completion of the Merger. The failure to do so could have a material adverse effect on the business, financial condition and results of operations of the combined company.

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**Table of Contents**

***Future results of the combined company may differ materially from the unaudited pro forma financial statements presented in this joint proxy statement/prospectus and the financial forecasts provided to Live Nation's and Ticketmaster Entertainment's financial advisors in connection with discussions concerning the Merger.***

The future results of the combined company may be materially different from those shown in the unaudited pro forma financial statements presented in this joint proxy statement/prospectus which show only a combination of the historical results of Live Nation and Ticketmaster Entertainment and the financial forecasts provided to Live Nation's and Ticketmaster Entertainment's financial advisors in connection with discussions concerning the Merger. Live Nation expects to incur significant costs associated with the completion of the Merger and combining the operations of the two companies, the exact magnitude of which is not yet known. Furthermore, these costs may decrease the capital that the combined company could use for revenue-generating investments in the future.

***Currently pending or future litigation or governmental proceedings could result in material adverse consequences, including injunctions, judgments or settlements.***

Live Nation and Ticketmaster Entertainment are and from time to time become involved in lawsuits, regulatory inquiries and governmental and other legal proceedings arising out of the ordinary course of their businesses. Many of these matters raise difficult and complicated factual and legal issues and are subject to uncertainties and complexities. The timing of the final resolutions to these types of matters is often uncertain. Additionally, the possible outcomes or resolutions to these matters could include adverse judgments or settlements, either of which could require substantial payments, adversely affecting the combined company's results of operations and liquidity.

***A consolidated lawsuit is pending against Ticketmaster Entertainment, the members of the Ticketmaster Entertainment board of directors and Live Nation challenging the Merger, and an adverse judgment in that lawsuit may prevent the Merger from becoming effective or from becoming effective within the expected timeframe.***

Ticketmaster Entertainment, the members of the Ticketmaster Entertainment board of directors and Live Nation have each been named as defendants in a consolidated lawsuit brought by Ticketmaster Entertainment stockholders challenging the Merger, seeking to rescind the Merger Agreement, and seeking an injunction preventing the completion of the Merger. If the plaintiffs are successful in obtaining an injunction prohibiting the parties from completing the Merger on the agreed upon terms, the injunction may prevent the completion of the Merger in the expected timeframe (if at all). For more information about litigation related to the Merger, see "Litigation Relating to the Merger" beginning on page 122.

***The shares of Live Nation common stock to be received by Ticketmaster Entertainment stockholders as a result of the Merger will have different rights from the shares of Ticketmaster Entertainment common stock.***

Upon completion of the Merger, Ticketmaster Entertainment stockholders will become Live Nation stockholders, and their rights as stockholders will be governed by Live Nation's certificate of incorporation and bylaws. The rights associated with Ticketmaster Entertainment common stock are different from the rights associated with Live Nation common stock. For a discussion of these different rights, see "Comparison of Rights of Live Nation Stockholders and Ticketmaster Entertainment Stockholders" beginning on page 341.

**Table of Contents****Risks Relating to the Ticketmaster Entertainment Spin-Off**

*If the Ticketmaster Entertainment spin-off, or one or more of the other IAC spin-offs, were to fail to qualify as a transaction that is generally tax-free for U.S. federal income tax purposes, Ticketmaster Entertainment (and, following the completion of the Merger, the combined company) may be subject to significant tax liabilities.*

In connection with IAC's spin-off of each of Ticketmaster Entertainment and certain other former businesses of IAC, each of which is referred to as a Spinco, IAC received a private letter ruling from the IRS regarding the qualification of these spin-offs as transactions that are generally tax-free for U.S. federal income tax purposes. IAC's spin-off of each of the Spincos are referred to collectively as the IAC spin-offs. IAC also received an opinion of counsel regarding certain aspects of the transaction that were not covered by the private letter ruling. Notwithstanding the IRS private letter ruling and opinion of counsel, the IRS could determine that one or more of the IAC spin-offs should be treated as a taxable distribution if it determines that any of the representations, statements or assumptions or undertakings that were included in the request for the IRS private letter ruling are false or have been violated or if it disagrees with the conclusions in the opinion of counsel that are not covered by the IRS ruling. In addition, if any of the representations, statements or assumptions upon which the opinion of counsel was based were or become inaccurate, the opinion may be invalid.

If any of the IAC spin-offs were to fail to qualify as a transaction that is generally tax-free for U.S. federal income tax purposes, then IAC would incur material income tax liabilities for which Ticketmaster Entertainment (and, following the completion of the Merger, the combined company) could be liable. Under applicable federal income tax rules, Ticketmaster Entertainment is severally liable for any federal income taxes imposed on IAC with respect to taxable periods during which Ticketmaster Entertainment was a member of IAC's consolidated federal income tax return group, including the period in which the IAC spin-offs were consummated. Under the Tax Sharing Agreement that Ticketmaster Entertainment entered into with IAC and the other Spincos, Ticketmaster Entertainment generally is required to indemnify IAC and the other Spincos for any taxes resulting from the Ticketmaster Entertainment spin-off to the extent such amounts resulted from (i) any act or failure to act by Ticketmaster Entertainment described in the covenants in the Tax Sharing Agreement, (ii) any acquisition of equity securities or assets of Ticketmaster Entertainment, or (iii) any breach by Ticketmaster Entertainment of any representation or covenant contained in the separation documents or in the documents relating to the IRS private letter ruling and/or tax opinions. Corresponding indemnification provisions also apply to the other Spincos. Ticketmaster Entertainment is entitled to indemnification from IAC, among other things, if, Ticketmaster Entertainment is liable for, or otherwise required to make a payment in respect of, a Ticketmaster Entertainment spin-off tax liability for which Ticketmaster Entertainment is not responsible under the Tax Sharing Agreement and, if applicable, is unable to collect from the Spinco responsible for such liability under the Tax Sharing Agreement. Ticketmaster Entertainment's ability to collect under these indemnity provisions would depend on the financial position of the indemnifying party.

*Certain transactions in IAC, Ticketmaster Entertainment, or other Spinco equity securities could cause one or more of the IAC spin-offs to be taxable to IAC and may give rise to indemnification obligations of Ticketmaster Entertainment under the Tax Sharing Agreement.*

Current U.S. federal income tax law creates a presumption that any of the IAC spin-offs would be taxable to IAC if it is part of a plan or series of related transactions pursuant to which one or more persons acquire directly or indirectly stock representing a 50% or greater interest (by vote or value) in IAC or a Spinco (including Ticketmaster Entertainment). Acquisitions that occur during the four-year period that begins two years before the date of a spin-off are presumed to occur pursuant to a plan or series of related transactions, unless it is established that the acquisition is not pursuant to a plan or series of transactions that includes the spin-off.

These rules limit Ticketmaster Entertainment's ability during the two-year period following the Ticketmaster Entertainment spin-off to enter into certain transactions that might be advantageous to Ticketmaster Entertainment and its stockholders, particularly issuing equity securities to satisfy financing needs, repurchasing

**Table of Contents**

equity securities, and, under certain circumstances, acquiring businesses or assets with equity securities or agreeing to be acquired. Under the Tax Sharing Agreement, there are restrictions on Ticketmaster Entertainment's ability to take such actions for a period of 25 months from the day after the date of the Ticketmaster Entertainment spin-off. Entering into the Merger Agreement did not violate these restrictions because, prior to entering into the agreement, Ticketmaster Entertainment provided IAC with an unqualified opinion of tax counsel contemplated by the Tax Sharing Agreement and IAC confirmed that the opinion was satisfactory to IAC. For a further discussion, see **Risks Related to the Combined Company if the Merger Is Completed**. The Merger could cause the Ticketmaster Entertainment spin-off to become a taxable transaction, which would result in material indemnification obligations on the part of Ticketmaster Entertainment (and as a result, the combined company) beginning on page 39.

In addition to actions of IAC and the Spinco's (including Ticketmaster Entertainment), certain transactions that are outside their control and therefore not subject to the restrictive covenants contained in the Tax Sharing Agreement, such as a sale or disposition of the stock of IAC or the stock of a Spinco by certain persons that own five percent or more of any class of stock of IAC or a Spinco could have a similar effect on the tax-free status of a spin-off as transactions to which IAC or a Spinco is a party. As of the date of the Ticketmaster Entertainment spin-off, Liberty Media and certain of its affiliates, in the aggregate, owned IAC stock representing approximately 61.6% by vote and 29.9% by value and, immediately subsequent to the Ticketmaster Entertainment spin-off, owned stock of each Spinco representing approximately 29.9% by vote and value. Accordingly, in evaluating Ticketmaster Entertainment's ability to engage in certain transactions involving its equity securities, Ticketmaster Entertainment will need to take into account the activities of Liberty Media and its affiliates.

As a result of these rules, even if each IAC spin-off otherwise qualifies as a transaction that is generally tax-free for U.S. federal income tax purposes, transactions involving Spinco or IAC equity securities (including transactions by certain significant stockholders) could cause IAC to recognize taxable gain with respect to the stock of the Spinco as described above. Although the restrictive covenants and indemnification provisions contained in the Tax Sharing Agreement are intended to minimize the likelihood that such an event will occur, one or more of the IAC spin-offs may become taxable to IAC as a result of transactions in IAC or Spinco equity securities. As discussed previously, Ticketmaster Entertainment could be liable for such taxes under the Tax Sharing Agreement or under applicable federal income tax rules.

In connection with the Merger Agreement, Ticketmaster Entertainment has received an unqualified opinion of tax counsel that the transaction as contemplated in the Merger Agreement will not have an adverse tax effect on the Ticketmaster Entertainment spin-off. Moreover, the closing of the Merger is conditioned on Ticketmaster Entertainment having received another such unqualified opinion of tax counsel, dated as of the closing date of the Merger, and IAC's written acknowledgement that the opinion is in form and substance satisfactory to IAC. However, the IRS may disagree with the conclusions in these opinions of counsel and determine that the Merger causes the Ticketmaster Entertainment spin-off to be taxable to IAC. Were this to occur and that position were sustained, Ticketmaster Entertainment would be required to make material indemnification payments to IAC. For a further discussion regarding these potential indemnification obligations, see **Risks Related to the Combined Company if the Merger Is Completed**. The Merger could cause the Ticketmaster Entertainment spin-off to become a taxable transaction, which would result in material indemnification obligations on the part of Ticketmaster Entertainment (and as a result, the combined company) beginning on page 39.

***The spin-off agreements were not the result of arm's length negotiations.***

The agreements that Ticketmaster Entertainment entered into with IAC and the other Spinco's in connection with the IAC spin-offs, including the Separation and Distribution Agreement, Tax Sharing Agreement, Employee Matters Agreement and Transition Services Agreement, were established by IAC, in consultation with the Spinco's, with the intention of maximizing the value to current IAC's shareholders. Accordingly, the terms for Ticketmaster Entertainment (and, following the completion of the Merger, the combined company) may not be as favorable as would have resulted from negotiations among unrelated third parties.



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**Table of Contents**

**Risks Relating to Ticketmaster Entertainment's Business (and, Following the Completion of the Merger, the Combined Company)**

***Live Entertainment Industry and General Economic Trends*** *Ticketmaster Entertainment's success depends, in significant part, on entertainment, sporting and leisure events and factors adversely affecting such events could have a material adverse effect on business, financial condition and results of operations.*

Through its Ticketing segment, Ticketmaster Entertainment sells tickets to live entertainment, sporting and leisure events at arenas, stadiums, theaters and other facilities. Through its Artist Services segment, Ticketmaster Entertainment provides artist management services to nearly 200 clients, and derives significant revenues from touring and live concerts by these clients. Accordingly, Ticketmaster Entertainment's business, financial condition and results of operations are directly affected by the popularity, frequency and location of such events. Ticket sales are sensitive to fluctuations in the number and pricing of entertainment, sporting and leisure events and activities offered by promoters, teams and facilities, and adverse trends in the entertainment, sporting and leisure event industries could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations. The Ticketing segment relies on third parties to create and perform live entertainment, sporting and leisure events and to price tickets to such events. Accordingly, Ticketmaster Entertainment's success depends, in part, upon the ability of these third parties to correctly anticipate public demand for particular events and the prices that the public is willing to pay to attend such events, as well as the availability of popular artists, entertainers and teams. Similarly, the Artist Services segment could be adversely affected if the artists it represents do not tour or perform as frequently as anticipated, or if such tours or performances are not as widely attended by fans as anticipated due to changing tastes, general economic conditions or otherwise.

In addition, general economic conditions, consumer trends, work stoppages, natural disasters and terrorism could have a material adverse effect on Ticketmaster Entertainment's business, financial condition and results of operations. Entertainment-related expenditures are particularly sensitive to business and personal discretionary spending levels, which tend to decline during general economic downturns. Recent market conditions have been extremely volatile and unemployment rates have risen in recent months. As a result of these macroeconomic factors, it is reasonably possible that a continued worsening of Ticketmaster Entertainment's results or domestic and global economic conditions could change certain estimates and assumptions that are significant to the underlying amounts included in Ticketmaster Entertainment's Consolidated Financial Statements and the notes thereto included in its Annual Report on Form 10-K, as amended, for the fiscal year ended December 31, 2008 and in this joint proxy statement/prospectus. A protracted global recession could have a significant negative impact on Ticketmaster Entertainment's business, financial condition and results of operations. Similarly, public health issues or a health epidemic could result in the cancellation of live entertainment events or in lower attendance and ticket sales if fans choose to not attend events they would otherwise attend out of health concerns. Recently, human cases of swine flu virus infection have been identified in the United States and internationally. If public health issues such as the swine flu were to result in the cancellation of live entertainment events or diminished ticket sales, Ticketmaster Entertainment's business, financial condition and results of operations could be negatively impacted.

***Third Party Relationships*** *Ticketmaster Entertainment depends on relationships with clients and any adverse changes in these relationships could adversely affect its business, financial condition and results of operations.*

Ticketmaster Entertainment's success is dependent, in significant part, on the ability of Ticketmaster Entertainment's businesses to maintain and renew relationships with existing clients and to establish new client relationships. Ticketmaster Entertainment anticipates that for the foreseeable future, the substantial majority of its revenues from the Ticketing segment will be derived from online and offline sales of tickets. Ticketmaster Entertainment also expects that revenues from primary ticketing services, which consist primarily of per ticket convenience charges and per order order processing fees, will continue to comprise the substantial majority of its consolidated revenues for the Ticketing segment.

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**Table of Contents**

Securing the right to sell tickets depends, in substantial part, on the ability of Ticketmaster Entertainment's businesses to enter into, maintain and renew client contracts on favorable terms. In light of the fact that the Merger ultimately may not be completed, it is important to note that revenue attributable to Ticketmaster Entertainment's largest client, Live Nation (including its subsidiary, House of Blues), represented approximately 13% of Ticketmaster Entertainment's total revenue in 2008. This client relationship consisted of four agreements, two with Live Nation (a worldwide agreement (other than England, Scotland and Wales) that expired without renewal on December 31, 2008, and an agreement covering England, Scotland and Wales that expires on December 31, 2009) and two with House of Blues (a U.S. agreement that expires on December 31, 2009, and a Canadian agreement that expires on March 1, 2010). Revenue attributable to the worldwide agreement and the agreement covering England, Scotland and Wales represented approximately 9% and 2%, respectively, of Ticketmaster Entertainment's total revenues in 2008. The worldwide agreement expired on December 31, 2008, and Ticketmaster Entertainment anticipates that none of the other agreements will be renewed. Live Nation launched its own ticketing business in 2009 to ticket Live Nation events and has publicly announced that it intends to use its ticketing system to distribute tickets for third-party live events. In addition, as is typical of the artist management industry, certain of Ticketmaster Entertainment's arrangements with clients of the Artist Services segment are terminable at will by either party. The loss of key artists could negatively impact Ticketmaster Entertainment's business.

While fees from management services represent slightly less than half the revenue of Ticketmaster Entertainment's Artist Service segment, and no individual client represents more than 10% of revenue from management services, the loss of a number of key artists could negatively impact Ticketmaster Entertainment's business. In addition, as the relationship between a manager and artist is highly personalized, the loss of a manager may also result in a loss in the artist represented by the manager, which could negatively impact Ticketmaster Entertainment's business.

Ticketmaster Entertainment cannot provide assurances that its businesses will be able to maintain other existing client contracts, or enter into or maintain new client contracts, on acceptable terms, if at all, and the failure to do so could have a material adverse effect on its business, financial condition and results of operations. As explained above and in the below risk factor, the ticketing business is highly competitive. A number of competing national, regional, and local ticketing service providers are aggressively seeking to secure ticketing contracts from existing and potential Ticketmaster Entertainment clients. In addition, facilities, promoters and other potential clients are increasingly electing to self-ticket and/or distribute a growing number of tickets through client direct or other new channels, which could adversely impact the ability of Ticketmaster Entertainment's businesses to secure renewals and new client contracts. The non-renewal or termination of an agreement with a major client or multiple agreements with a combination of smaller clients could have a material adverse effect on Ticketmaster Entertainment's business, financial condition and results of operations.

Another important component of Ticketmaster Entertainment's success is the ability of Ticketmaster Entertainment's businesses to maintain existing and build new relationships with third party distribution channels and service providers, including providers of credit card processing and delivery services, as well as advertisers, among other parties. Any adverse changes in these relationships, including the inability of these parties to fulfill their obligations to Ticketmaster Entertainment's businesses for any reason, could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations.

***Competition The ticketing and artist services industries are highly competitive and competitors may win business away from Ticketmaster Entertainment, which could adversely affect Ticketmaster Entertainment's financial performance.***

The ticketing industry is highly competitive. Ticketmaster Entertainment faces significant competition from other national, regional and local primary ticketing service providers to secure new and retain existing clients on a continuous basis. Additionally, Ticketmaster Entertainment faces significant and increasing challenges from companies that sell self-ticketing systems and from clients who are increasingly choosing to self-ticket, through

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**Table of Contents**

the integration of self-ticketing systems into their existing operations or the acquisition of primary ticket services providers and by increasing sales through facility box offices and season, subscription or group sales. Ticketmaster Entertainment also faces competition in the resale of tickets from online auction websites and resale marketplaces and from other ticket resellers with online distribution capabilities. The intense competition that Ticketmaster Entertainment faces in the ticketing industry could cause the volume of its ticketing services business to decline. There can be no assurance that Ticketmaster Entertainment will be able to compete successfully in the future with existing or potential competitors or that competition will not have an adverse effect on its business and financial condition. Moreover, as Ticketmaster Entertainment expands into new lines of businesses (including in connection with the Merger), Ticketmaster Entertainment may face direct competition, in the live music industry, with its prospective or current primary ticketing clients, who primarily include live event content providers (such as owners or operators of live event venues, promoters of concerts and sports teams, among others). This direct competition with Ticketmaster Entertainment's prospective or current primary ticketing clients could result in a decline in the number of clients Ticketmaster Entertainment has and a decline in the volume of its ticketing services business, which could adversely affect its business and financial condition.

The artist services industry is also a highly competitive industry. There are numerous other music management companies and individual managers in the United States alone. Ticketmaster Entertainment competes with these companies and individuals to discover new and emerging artists and to represent established acts. In addition, certain of Ticketmaster Entertainment's arrangements with clients of Ticketmaster Entertainment's Artist Services business are terminable at will by either party, leading to competition to retain those artists as clients. Competition is intense and may contribute to a decline in the volume of Ticketmaster Entertainment's Artist Services business, which could adversely affect Ticketmaster Entertainment's business and financial condition.

***Covenants in Ticketmaster Entertainment's debt agreements restrict Ticketmaster Entertainment's business in many ways and if Ticketmaster Entertainment does not effectively manage its business to comply with these covenants, its financial condition and results of operations could be adversely affected.***

Ticketmaster Entertainment's senior secured credit facilities and/or the indenture governing the Ticketmaster Entertainment 10.75% senior notes due 2016, which are referred to as the Ticketmaster Entertainment Senior Notes, contain various covenants that limit Ticketmaster Entertainment's ability and/or Ticketmaster Entertainment's restricted subsidiaries' ability to, among other things:

incur or assume liens or additional debt or provide guarantees in respect of obligations of other persons;

issue redeemable stock and preferred stock;

pay dividends or distributions or redeem or repurchase capital stock;

prepay, redeem or repurchase debt;

make loans and investments;

enter into agreements that restrict distributions from Ticketmaster Entertainment's subsidiaries;

sell assets and capital stock of Ticketmaster Entertainment's subsidiaries;

enter into certain transactions with affiliates; and

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consolidate or merge with or into, or sell substantially all of Ticketmaster Entertainment's assets to, another person, subject to the exception for the Merger as described in The Merger Consents and Amendments Under Ticketmaster Entertainment Credit Facility beginning on page 117.

In addition, Ticketmaster Entertainment's senior secured credit facilities require it to maintain specified financial ratios. Ticketmaster Entertainment's ability to meet those financial ratios can be affected by events

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**Table of Contents**

beyond Ticketmaster Entertainment's control, and Ticketmaster Entertainment may be unable to meet those tests. Among other things, certain adjustments required in connection with the Merger as a result of Ticketmaster Entertainment's status as the deemed accounting acquired company may make it more difficult for Ticketmaster Entertainment to comply with these financial ratios. In addition, a failure on Ticketmaster Entertainment's part to maintain effective internal controls to measure compliance with these covenants could affect its ability to take corrective actions on a timely basis, and could result in its being in breach. A breach of any of these covenants could result in a default under Ticketmaster Entertainment's senior secured credit facilities and/or Ticketmaster Entertainment's other indebtedness. Upon the occurrence of an event of default under Ticketmaster Entertainment's senior secured credit facilities, the lenders could elect to declare all amounts outstanding under the senior secured credit facilities to be immediately due and payable. If Ticketmaster Entertainment were unable to repay those amounts, the lenders could proceed against the collateral granted to them to secure that indebtedness, which constitutes a significant portion of Ticketmaster Entertainment's assets. If the lenders under Ticketmaster Entertainment's senior secured credit facilities accelerate the repayment of borrowings, Ticketmaster Entertainment may not have sufficient assets to repay its senior secured credit facilities and its other indebtedness.

Ticketmaster Entertainment's borrowings under its senior secured credit facilities are, and are expected to continue to be, at variable rates of interest and expose it to interest rate risk. If interest rates increase, Ticketmaster Entertainment's debt service obligations on the variable rate indebtedness would increase even though the amount borrowed remained the same, and Ticketmaster Entertainment's net income would decrease.

***International Presence and Expansion*** *Ticketmaster Entertainment's businesses operate in international markets in which Ticketmaster Entertainment has limited experience. Ticketmaster Entertainment's businesses may not be able to successfully expand into new, or further into existing, international markets.*

Ticketmaster Entertainment provides services in various jurisdictions abroad through a number of brands and businesses that it owns and operates, as well as through joint ventures, and expects to continue to expand its international presence. Ticketmaster Entertainment faces, and expects to continue to face, additional risks in the case of its existing and future international operations, including:

political instability and unfavorable economic conditions in the markets in which Ticketmaster Entertainment currently has international operations or into which its brands and businesses may expand;

more restrictive or otherwise unfavorable government regulation of the live entertainment and ticketing industries, including the regulation of the provision of primary ticketing and ticket resale services, as well as promotional, marketing and other related services, which could result in increased compliance costs and/or otherwise restrict the manner in which Ticketmaster Entertainment's businesses provide services and the amount of related fees charged for such services;

limitations on the enforcement of intellectual property rights, which would preclude Ticketmaster Entertainment from building the brand recognition upon which it has come to rely in many jurisdictions;

limitations on the ability of foreign subsidiaries to repatriate profits or otherwise remit earnings to Ticketmaster Entertainment;

adverse tax consequences;

limitations on technology infrastructure, which could limit Ticketmaster Entertainment's ability to migrate international operations to the Ticketmaster System, which would result in increased costs;

lower levels of Internet usage, credit card usage and consumer spending in comparison to those in the United States; and



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**Table of Contents**

difficulties in managing operations and adapting to consumer desires due to distance, language and cultural differences, including issues associated with (i) business practices and customs that are common in certain foreign countries but might be prohibited by United States law and Ticketmaster Entertainment's internal policies and procedures, and (ii) management and operational systems and infrastructures, including internal financial control and reporting systems and functions, staffing and managing foreign operations, which Ticketmaster Entertainment might not be able to do effectively, or if so, on a cost-effective basis.

Ticketmaster Entertainment's ability to expand its international operations into new jurisdictions, or further into existing, jurisdictions will depend, in significant part, on its ability to identify potential acquisition candidates, joint venture or other partners, and enter into arrangements with these parties on favorable terms, as well as Ticketmaster Entertainment's ability to make continued investments to maintain and grow existing international operations. If the revenues generated by international operations are insufficient to offset expenses incurred in connection with the maintenance and growth of these operations, Ticketmaster Entertainment's business, financial condition and results of operations could be materially and adversely affected. In addition, in an effort to make international operations in one or more given jurisdictions profitable over the long term, significant additional investments that are not profitable over the short term could be required over a prolonged period.

In addition, the ticketing industry in many jurisdictions abroad is more fragmented and local than it is in the United States. Ticketmaster Entertainment's success in these markets will depend on the ability of Ticketmaster Entertainment's businesses to create economies of scale by consolidating within each market geographically, which would most likely occur over a prolonged period, during which significant investments in technology and infrastructure would be required. In the case of expansion through organic growth, Ticketmaster Entertainment could face substantial barriers to entry in new markets, and barriers impeding expansion within existing markets, due primarily to the risks and concerns discussed above, among others.

***Foreign Currency Risks Ticketmaster Entertainment faces risks and uncertainties related to foreign currency exchange rate fluctuations.***

To the extent that costs and prices for services are established in local currencies and adjusted to U.S. dollars based on then-current exchange rates, Ticketmaster Entertainment will be exposed to foreign exchange rate fluctuations. After accounting for such fluctuations, Ticketmaster Entertainment may be required to record significant gains or losses, the amount of which will vary based on then current exchange rates, which could cause its results to differ materially from expectations. As Ticketmaster Entertainment continues to expand its international presence, its exposure to exchange rate fluctuations will increase, which may have a negative impact on its financial results.

***Changing Customer Requirements and Industry Standards Ticketmaster Entertainment's businesses may not be able to adapt quickly enough to changing customer requirements and industry standards.***

The e-commerce industry is characterized by evolving industry standards, frequent new service and product introductions and enhancements and changing customer demands. Ticketmaster Entertainment's businesses may not be able to adapt quickly enough and/or in a cost-effective manner to changes in industry standards and customer requirements and preferences, and their failure to do so could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations. In addition, the continued widespread adoption of new Internet or telecommunications technologies and devices or other technological changes could require Ticketmaster Entertainment's businesses to modify or adapt their respective services or infrastructures. The failure of Ticketmaster Entertainment's businesses to modify or adapt their respective services or infrastructures in response to these trends could render their existing websites, services and proprietary technologies obsolete, which could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations.

In addition, Ticketmaster Entertainment is currently in the process of migrating its international brands and businesses to the Ticketmaster System in an attempt to provide consistent and state-of-the-art services across its

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**Table of Contents**

businesses and to reduce the cost and expense of maintaining multiple systems, which Ticketmaster Entertainment may not be able to complete in a timely or cost-effective manner. Delays or difficulties in implementing the Ticketmaster System, as well as any new or enhanced systems, may limit Ticketmaster Entertainment's ability to achieve the desired results in a timely manner. Also, Ticketmaster Entertainment may be unable to devote financial resources to new technologies and systems in the future, which could adversely affect its business, financial condition and results of operations.

***Compliance with Laws, Rules and Regulations*** *Ticketmaster Entertainment's failure to comply with existing laws, rules and regulations as well as changing laws, rules and regulations and other legal uncertainties, could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations.*

Since Ticketmaster Entertainment's businesses sell tickets and provide related services to consumers through a number of different online and offline channels, they are subject to a wide variety of statutes, rules, regulations, policies and procedures in various jurisdictions in the United States and abroad, which are subject to change at any time. For example, Ticketmaster Entertainment's businesses conduct marketing activities via the telephone and/or through online marketing channels, which activities are governed by numerous federal and state regulations, such as the Telemarketing Sales Rule, state telemarketing laws and the CAN-SPAM Act, among others. Ticketmaster Entertainment's businesses are also subject to laws, rules and regulations applicable to providers of primary ticketing and ticket resale services, which in some cases regulate the amount of transaction and other fees that they may be charged in connection with primary ticketing sales and/or the ticket prices that may be charged in the case of ticket resale services. New legislation of this nature is introduced from time to time in various (and is pending in certain) jurisdictions in which Ticketmaster Entertainment's businesses sell tickets and provide services. For example, several U.S. states and cities, Canadian provinces, the United Kingdom and European countries prohibit the resale of tickets at prices greater than the original face price (in the case of certain jurisdictions, without the consent of the venue) and/or prohibit the resale of tickets to certain types of events. Ticketmaster Entertainment's various businesses have recently been named as defendants in several purported class action lawsuits and other actions and investigations alleging violations of these types of laws. The failure of Ticketmaster Entertainment's businesses to comply with these laws and regulations could result in fines and/or proceedings against Ticketmaster Entertainment by governmental agencies and/or consumers, which if material, could adversely affect its business, financial condition and results of operations. In addition, the promulgation of new laws, rules and regulations that restrict or otherwise unfavorably impact the ability or manner in which Ticketmaster Entertainment's businesses provide primary ticketing and ticket resale services would require Ticketmaster Entertainment's businesses to change certain aspects of their business, operations and client relationships to ensure compliance, which could decrease demand for services, reduce revenues, increase costs and/or subject Ticketmaster Entertainment to additional liabilities.

In addition, the application of various domestic and international sales, use, value-added and other tax laws, rules and regulations to Ticketmaster Entertainment's historical and new products and services is subject to interpretation by applicable taxing authorities. While Ticketmaster Entertainment believes that it is compliant with current tax provisions, taxing authorities may take a contrary position and such positions may adversely affect its business, financial condition and results of operations. From time to time, federal, state and local authorities and/or consumers commence investigations, inquiries or litigation with respect to compliance by Ticketmaster Entertainment and its businesses with applicable consumer protection, advertising, unfair business practice, antitrust (and similar or related laws) and other laws. Ticketmaster Entertainment's businesses have historically cooperated with authorities in connection with these investigations and have satisfactorily resolved each such material investigation, inquiry or litigation. Recently, several states and Canadian provinces have commenced investigations or inquiries regarding the relationship between Ticketmaster Entertainment and TicketsNow. Ticketmaster Entertainment has incurred significant legal expenses in connection with the defense of governmental investigations and litigation in the past and will be required to incur additional expenses in the future regarding such investigations and litigation. In the case of antitrust (and similar or related) matters, any adverse outcome could limit or prevent Ticketmaster Entertainment's businesses from engaging in the ticketing business generally (or in a particular market thereof) or subject them to potential damage assessments, all of



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**Table of Contents**

which could have a material adverse effect on Ticketmaster Entertainment's business, financial condition and results of operations. See Information About Ticketmaster Entertainment's Business Legal Proceedings beginning on page 248 for a description of certain current legal proceedings involving Ticketmaster Entertainment.

***Maintenance of Systems and Infrastructure*** *Ticketmaster Entertainment's success depends, in part, on the integrity of Ticketmaster Entertainment's systems and infrastructures. System interruption and the lack of integration and redundancy in these systems and infrastructures may have an adverse impact on Ticketmaster Entertainment's business, financial conditions and results of operations.*

Ticketmaster Entertainment's success depends, in part, on Ticketmaster Entertainment's ability to maintain the integrity of Ticketmaster Entertainment's systems and infrastructure, including websites, information and related systems, call centers and distribution and fulfillment facilities. System interruption and the lack of integration and redundancy in Ticketmaster Entertainment's information systems and infrastructures may adversely affect Ticketmaster Entertainment's ability to operate websites, process and fulfill transactions, respond to customer inquiries and generally maintain cost-efficient operations. Ticketmaster Entertainment may experience occasional system interruptions that make some or all systems or data unavailable or prevent its businesses from efficiently providing services or fulfilling orders. Ticketmaster Entertainment also relies on affiliate and third-party computer systems, broadband and other communications systems and service providers in connection with the provision of services generally, as well as to facilitate, process and fulfill transactions. Any interruptions, outages or delays in its systems and infrastructures, its businesses, its affiliates and/or third parties, or deterioration in the performance of these systems and infrastructures, could impair the ability of Ticketmaster Entertainment's businesses to provide services, fulfill orders and/or process transactions. Fire, flood, power loss, telecommunications failure, hurricanes, tornadoes, earthquakes, acts of war or terrorism, acts of God and similar events or disruptions may damage or interrupt computer, broadband or other communications systems and infrastructures at any time. Any of these events could cause system interruption, delays and loss of critical data, and could prevent Ticketmaster Entertainment's businesses from providing services, fulfilling orders and/or processing transactions. While Ticketmaster Entertainment's businesses have backup systems for certain aspects of their operations, disaster recovery planning by its nature cannot be sufficient for all eventualities. In addition, Ticketmaster Entertainment may not have adequate insurance coverage to compensate for losses from a major interruption. If any of these adverse events were to occur, it could adversely affect Ticketmaster Entertainment's business, financial conditions and results of operations.

In addition, any penetration of network security or other misappropriation or misuse of personal consumer information could cause interruptions in the operations of Ticketmaster Entertainment's businesses and subject Ticketmaster Entertainment to increased costs, litigation and other liabilities. Network security issues could lead to claims against Ticketmaster Entertainment for other misuse of personal information, such as for unauthorized purposes or identity theft, which could result in litigation and financial liabilities, as well as administrative action from governmental authorities. Security breaches could also significantly damage Ticketmaster Entertainment's reputation with consumers and third parties with whom Ticketmaster Entertainment does business. It is possible that advances in computer capabilities, new discoveries, undetected fraud, inadvertent violations of company policies or procedures or other developments could result in a compromise of information or a breach of the technology and security processes that are used to protect consumer transaction data. As a result, current security measures may not prevent any or all security breaches. Ticketmaster Entertainment may be required to expend significant capital and other resources to protect against and remedy any potential or existing security breaches and their consequences. Ticketmaster Entertainment also faces risks associated with security breaches affecting third parties with which it is affiliated or otherwise conducts business online. Consumers are generally concerned with security and privacy of the Internet, and any publicized security problems affecting Ticketmaster Entertainment's businesses and/or those of third parties may discourage consumers from doing business with Ticketmaster Entertainment, which could have an adverse effect on Ticketmaster Entertainment's business, financial condition and results of operations.

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**Table of Contents**

***Privacy The processing, storage, use and disclosure of personal data could give rise to liabilities as a result of governmental regulation, conflicting legal requirements or differing views of personal privacy rights.***

In the processing of consumer transactions, Ticketmaster Entertainment's businesses receive, transmit and store a large volume of personally identifiable information and other user data. The sharing, use, disclosure and protection of this information are governed by the privacy and data security policies maintained by Ticketmaster Entertainment and its businesses. Moreover, there are federal, state and international laws regarding privacy and the storing, sharing, use, disclosure and protection of personally identifiable information and user data. Specifically, personally identifiable information is increasingly subject to legislation and regulations in numerous jurisdictions around the world, the intent of which is to protect the privacy of personal information that is collected, processed and transmitted in or from the governing jurisdiction. Ticketmaster Entertainment could be adversely affected if legislation or regulations are expanded to require changes in business practices or privacy policies, or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect its business, financial condition and results of operations.

Ticketmaster Entertainment's businesses may also become exposed to potential liabilities as a result of differing views on the privacy of consumer and other user data collected by these businesses. Ticketmaster Entertainment's failure, and/or the failure by the various third party vendors and service providers with which Ticketmaster Entertainment does business, to comply with applicable privacy policies or federal, state or similar international laws and regulations or any compromise of security that results in the unauthorized release of personally identifiable information or other user data could damage the reputation of these businesses, discourage potential users from trying Ticketmaster Entertainment's products and services and/or result in fines and/or proceedings by governmental agencies and/or consumers, one or all of which could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations.

***Intellectual Property Ticketmaster Entertainment may fail to adequately protect its intellectual property rights or may be accused of infringing intellectual property rights of third parties.***

Ticketmaster Entertainment may fail to adequately protect its intellectual property rights or may be accused of infringing intellectual property rights of third parties. Ticketmaster Entertainment regards its intellectual property rights, including patents, service marks, trademarks and domain names, copyrights, trade secrets and similar intellectual property (as applicable) as critical to its success. Ticketmaster Entertainment's businesses also rely heavily upon software codes, informational databases and other components that make up their products and services.

Ticketmaster Entertainment relies on a combination of laws and contractual restrictions with employees, customers, suppliers, affiliates and others to establish and protect these proprietary rights. Despite these precautions, it may be possible for a third party to copy or otherwise obtain and use trade secret or copyrighted intellectual property without authorization which, if discovered, might require legal action to correct. In addition, third parties may independently and lawfully develop substantially similar intellectual properties.

Ticketmaster Entertainment has generally registered and continues to apply to register, or secure by contract when appropriate, its trademarks and service marks as they are developed and used, and reserves and registers domain names as it deems appropriate. Ticketmaster Entertainment generally considers the protection of its trademarks to be important for purposes of brand maintenance and reputation. While Ticketmaster Entertainment vigorously protects its trademarks, service marks and domain names, effective trademark protection may not be available or may not be sought in every country in which products and services are made available, and contractual disputes may affect the use of marks governed by private contract. Similarly, not every variation of a domain name may be available or be registered, even if available. The failure of Ticketmaster Entertainment to protect its intellectual property rights in a meaningful manner or challenges to related contractual rights could result in erosion of brand names and limit its ability to control marketing on or through the Internet using its various domain names or otherwise, which could adversely affect its business, financial condition and results of operations.

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**Table of Contents**

Some of Ticketmaster Entertainment's businesses have been granted patents and/or have patent applications pending with the United States Patent and Trademark Office and/or various foreign patent authorities for various proprietary technologies and other inventions. Ticketmaster Entertainment considers applying for patents or for other appropriate statutory protection when it develops valuable new or improved proprietary technologies or identifies inventions, and will continue to consider the appropriateness of filing for patents to protect future proprietary technologies and inventions as circumstances may warrant. The status of any patent involves complex legal and factual questions, and the breadth of claims allowed is uncertain. Accordingly, any patent application filed may not result in a patent being issued or existing or future patents may not be adjudicated valid by a court or be afforded adequate protection against competitors with similar technology. In addition, third parties may create new products or methods that achieve similar results without infringing upon patents that Ticketmaster Entertainment owns. Likewise, the issuance of a patent to Ticketmaster Entertainment does not mean that its processes or inventions will not be found to infringe upon patents or other rights previously issued to third parties.

From time to time, Ticketmaster Entertainment is subject to legal proceedings and claims in the ordinary course of business, including claims of alleged infringement of the trademarks, copyrights, patents and other intellectual property rights of third parties. In addition, litigation may be necessary in the future to enforce Ticketmaster Entertainment's intellectual property rights, protect trade secrets or determine the validity and scope of proprietary rights claimed by others. Any litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations. Patent litigation tends to be particularly protracted and expensive.

***Key Employees Failure to attract and retain key employees could adversely impact Ticketmaster Entertainment's business, including prior to the completion of the Merger.***

In order to be successful, Ticketmaster Entertainment must attract and retain talented executives and other key employees, including those in managerial, technical, sales, marketing, and support positions, including prior to the completion of the Merger. Ticketmaster Entertainment's businesses require individuals with relevant experience and diverse skill sets, and the market for these personnel is highly competitive. The failure to attract employees with the requisite skills and abilities to Ticketmaster Entertainment, or the loss of key employees, such as Ticketmaster Entertainment's Chief Executive Officer, Mr. Azoff, who not only has a leadership role for Ticketmaster Entertainment as a whole but also is critical to the success of its Artist Services business, could adversely impact Ticketmaster Entertainment's ability to meet key objectives, such as the timely and effective development and delivery of products and services, and could otherwise have a significant impact on Ticketmaster Entertainment's operations. For a discussion as to how the loss of key employees may affect the combined company, see Risks Related to the Combined Company if the Merger Is Completed. The loss of key personnel could have a material adverse effect on the combined company's financial condition, results of operations and growth prospects, beginning on page 41.

***Ticketmaster Entertainment may be unable to make the changes necessary to comply with the internal control over financial reporting requirements of Section 404 of the Sarbanes-Oxley Act of 2002.***

Ticketmaster Entertainment is required to comply with Section 404 of the Sarbanes-Oxley Act of 2002 by the end of its fiscal year ending December 31, 2009 for the first time as a newly established public company, and, accordingly, its Annual Report on Form 10-K, as amended, for the fiscal year ended December 31, 2008 does not include a report of management's assessment regarding internal control over financial reporting or an attestation report of its independent registered public accounting firm due to a transition period established by the SEC. If Ticketmaster Entertainment's management is unable to conclude that Ticketmaster Entertainment maintains effective internal control over financial reporting as of December 31, 2009 and future periods, or if Ticketmaster Entertainment's independent registered public accounting firm is unable to deliver an attestation report opining

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**Table of Contents**

that Ticketmaster Entertainment maintains effective internal control over financial reporting as of December 31, 2009 and future periods, Ticketmaster Entertainment's business, financial condition and results of operations could be adversely affected.

**Risks Relating to Ticketmaster Entertainment's Business Prior to the Completion of the Merger**

*Ticketmaster Entertainment may be unable to make the changes necessary to operate effectively as a separate public entity (prior to the completion of the Merger) and has incurred and will incur additional costs related to operating as an independent company.*

As a result of the Ticketmaster Entertainment spin-off, IAC no longer has any obligation to provide financial, operational or organizational assistance to Ticketmaster Entertainment, other than limited services pursuant to a Transition Services Agreement that Ticketmaster Entertainment entered into in connection with the Ticketmaster Entertainment spin-off with IAC and the Spincos. As a separate public entity (which Ticketmaster Entertainment will remain until the completion of the Merger), Ticketmaster Entertainment is subject to, and responsible for, regulatory compliance, including periodic public filings with the SEC and compliance with NASDAQ's continued listing requirements, as well as generally applicable tax and accounting rules. The obligations of being a public company, including substantial public reporting and investor relations obligations, have required and will require additional expenditures, place new demands on Ticketmaster Entertainment's management and have required and will require the hiring of additional personnel. Ticketmaster Entertainment may need to implement additional systems that require new expenditures in order to adequately function as a public company. Ticketmaster Entertainment has endeavored to make the changes necessary to successfully operate as an independent public entity; however, this is an ongoing process that may present unanticipated challenges and costs that could have an adverse effect on Ticketmaster Entertainment.

*Brand Recognition Failure to maintain brand recognition and attract and retain customers in a cost-effective manner could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations.*

Maintaining and promoting the Ticketmaster and [www.ticketmaster.com](http://www.ticketmaster.com) (and related international) brand names and, to a lesser extent, the [www.ticketsnow.com](http://www.ticketsnow.com), [www.ticketweb.com](http://www.ticketweb.com), [www.museumtix.com](http://www.museumtix.com) and [www.tmvista.com](http://www.tmvista.com) (and related international) brand names, is critical to the ability of Ticketmaster Entertainment's businesses to attract consumers and business customers to their respective websites and other distribution channels. Ticketmaster Entertainment believes that the importance of brand recognition will increase, given the growing number of online ticketing services due to relatively low barriers to entry to providing online content and services. Accordingly, Ticketmaster Entertainment has spent, and expects to continue to spend, increasing amounts of money on, and devote greater resources to, branding and other marketing initiatives, including search engine optimization techniques and paid search engine marketing, neither of which may be successful or cost-effective. The failure of Ticketmaster Entertainment's businesses to maintain the recognition of their respective brands and to attract and retain consumers in a cost-effective manner could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations.

*Acquisitions Ticketmaster Entertainment may experience operational and financial risks in connection with acquisitions. In addition, some of the businesses acquired by Ticketmaster Entertainment may incur significant losses from operations or experience impairment of carrying value.*

Ticketmaster Entertainment's growth may depend upon future acquisitions and depends, in part, on Ticketmaster Entertainment's ability to successfully integrate historical acquisitions. Ticketmaster Entertainment may experience operational and financial risks in connection with acquisitions. To the extent that Ticketmaster Entertainment continues to grow through acquisitions, it will need to:

successfully integrate the operations, as well as the accounting, financial controls, management information, technology, human resources and other administrative systems, of acquired businesses with existing operations and systems;

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**Table of Contents**

retain the clients of the acquired businesses;

retain and integrate key personnel at acquired businesses; and

successfully manage acquisition-related resource demands on its management, operations and financial resources and/or those of acquired businesses.

Ticketmaster Entertainment may not be successful in addressing these challenges or any others encountered in connection with recent and future acquisitions and the failure to do so could adversely affect its business, financial condition and results of operations. The anticipated benefits of one or more acquisitions may not be realized and future acquisitions could result in potentially dilutive issuances of equity securities and/or contingent liabilities. Also, the value of goodwill and other intangible assets acquired could be impacted by one or more unfavorable events or trends, which could result in impairment charges, in addition to the \$1.1 billion charge recorded in the fourth quarter of 2008 related to the impairment of goodwill. The occurrence of any of these events could adversely affect Ticketmaster Entertainment's business, financial condition and results of operations.

Through certain acquisitions (all of which were completed prior to February 8, 2009), such as the acquisitions of TicketsNow, Emma Entertainment, Echo, GET ME IN! and Front Line, Ticketmaster Entertainment entered into aspects, and through future acquisitions may enter into aspects, of the ticketing and/or entertainment industries in which it had not previously participated directly. Acquisitions of this nature could adversely affect relationships with new and potential clients to the extent that clients view the interests of acquired businesses, or those of Ticketmaster Entertainment overall following the completion of any such acquisitions, as competing with or diverging from their own, which could adversely impact Ticketmaster Entertainment's relationships with its clients and its ability to attract new clients. This would adversely affect Ticketmaster Entertainment's business, financial condition and results of operations.

***Future Capital Needs*** *Ticketmaster Entertainment may have future capital needs and may not be able to obtain additional financing on acceptable terms.*

In connection with the Ticketmaster Entertainment spin-off, Ticketmaster Entertainment incurred indebtedness of approximately \$765 million and has since drawn down an additional \$100 million from its revolving credit facility, which is referred to as the revolver. Ticketmaster Entertainment's future capital needs may include funds necessary to develop new services or to enhance its existing services, to complete acquisitions or to otherwise take advantage of business opportunities or respond to competitive pressures.

These arrangements and current market conditions may limit Ticketmaster Entertainment's ability to secure additional financing in the future on favorable terms or at all. Ticketmaster Entertainment's ability to secure additional financing and satisfy Ticketmaster Entertainment's financial obligations under indebtedness outstanding from time to time will depend upon Ticketmaster Entertainment's future operating performance, which is subject to then prevailing general economic and credit market conditions, including interest rate levels and the availability of credit generally, and financial, business and other factors, many of which are beyond Ticketmaster Entertainment's control. The prolonged continuation or worsening of current credit market conditions would have a material adverse effect on Ticketmaster Entertainment's ability to secure financing on favorable terms, if at all.

Ticketmaster Entertainment may be unable to secure additional financing or financing on favorable terms or its operating cash flow may be insufficient to satisfy its financial obligations under indebtedness outstanding from time to time (if any). Furthermore, if financing is not available when needed, or is available on unfavorable terms, Ticketmaster Entertainment may be unable to develop new services or enhance its existing services, complete acquisitions or otherwise take advantage of business opportunities or respond to competitive pressures, any of which could have a material adverse effect on its business, financial condition and results of operations. If the Merger is not completed and additional funds are raised through the issuance of equity securities,

**Table of Contents**

Ticketmaster Entertainment stockholders may experience significant dilution. Also, in the event that the Merger is not completed, it should be noted that Ticketmaster Entertainment's ability to engage in significant equity issuances is limited in order to preserve the tax-free nature of the Ticketmaster Entertainment spin-off.

***Volatile Stock Price*** *Ticketmaster Entertainment's stock price has been, and until the completion of the Merger, may continue to be, volatile.*

Shares of Ticketmaster Entertainment common stock began trading on NASDAQ on August 21, 2008 upon completion of the Ticketmaster Entertainment spin-off (and for a short period prior to that were listed on a when-issued basis). Since this time, the market price of Ticketmaster Entertainment common stock has been volatile. It is likely that the market price of Ticketmaster Entertainment common stock will continue to be subject to significant fluctuations until the Merger is completed. Ticketmaster Entertainment believes that future announcements concerning it, its competitors or its principal customers, including technological innovations, new product and service introductions, governmental regulations, litigation or changes in earnings estimated by it or analysts may cause the market price of Ticketmaster Entertainment common stock to fluctuate substantially in the future. Prior to the completion of the Merger, sales of substantial amounts of outstanding Ticketmaster Entertainment common stock in the public market could materially and adversely affect the market price of Ticketmaster Entertainment common stock. Further, in recent months, the stock market has experienced extreme price fluctuations in equity securities of listed companies. These price and volume fluctuations often have been unrelated to the operating performance of those companies. These fluctuations, as well as general economic, political and market conditions, such as armed hostilities, acts of terrorism, civil disturbances, recessions, international currency fluctuations or tariffs and other trade barriers, may materially and adversely affect the market price of Ticketmaster Entertainment common stock. For further discussion regarding the effect that fluctuations in the price of Ticketmaster Entertainment common stock and/or future issuances of Ticketmaster Entertainment common stock prior to the completion of the Merger may have on the exchange ratio, see **Risks Related to the Pending Merger**. The exchange ratio is subject to adjustment prior to the completion of the Merger in order to ensure that Ticketmaster Entertainment stockholders immediately prior to the Merger receive 50.01% of the voting power of all Live Nation equity interests immediately after the completion of the Merger. The price of Live Nation common stock and Ticketmaster Entertainment common stock will fluctuate during the pendency of the Merger, beginning on page 33.

***Goodwill Impairment*** *A significant portion of Ticketmaster Entertainment's goodwill recently became impaired and may suffer further impairment in the future in the event that the Merger is not completed. Any future impairment could negatively affect Ticketmaster Entertainment's financial results and financial condition.*

In accordance with GAAP, Ticketmaster Entertainment tests goodwill and indefinite-lived intangible assets for impairment annually, or more frequently if events or changes in circumstances indicate that the assets might be impaired. If the carrying amount of Ticketmaster Entertainment's goodwill exceeds its implied fair value, an impairment loss equal to the excess is recorded. During the year ended December 31, 2008, Ticketmaster Entertainment recognized a total non-cash charge of \$1.1 billion related to the impairment of goodwill of its Ticketing reporting unit. As of December 31, 2008, after giving effect to the impairment charge, Ticketmaster Entertainment had goodwill of approximately \$455.8 million, which constituted approximately 27% of its total assets at that date. Due to the volatile stock market, the current economic uncertainty and other factors, if the Merger is not completed, Ticketmaster Entertainment cannot assure investors that remaining goodwill will not be further impaired in future periods. Impairment may result from, among other things, a significant and sustained decline in its stock prices and market capitalization, a significant decline in its expected cash flows, an adverse change in the business climate and slower growth rates in its industry. If the Merger is not completed and Ticketmaster Entertainment is required to record an impairment charge for its goodwill in the future, this would adversely impact its financial condition and financial results.

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**Table of Contents**

**THE MERGER**

*The following is a discussion of the Merger and the material terms of the Merger Agreement between Live Nation and Ticketmaster Entertainment. You are urged to read carefully the Merger Agreement in its entirety, a copy of which is attached as Annex A to this joint proxy statement/prospectus and incorporated by reference herein.*

**Background of the Merger**

Throughout 2007, in anticipation of the expiration of Live Nation's then current principal ticketing agreement with Ticketmaster Entertainment at the end of 2008, Live Nation senior management began to explore a variety of commercial and strategic transactions and other business opportunities for the purpose of establishing and developing a ticketing platform to service Live Nation's own in-house ticketing needs and ultimately provide ticketing services to third parties. As part of these efforts, Live Nation senior management and the Live Nation board of directors explored and considered, to varying degrees, further negotiations with Ticketmaster Entertainment to renew the parties' then current ticketing agreement on mutually acceptable terms; acquisitions and other business combination transactions involving parties identified by Live Nation senior management as potentially having sufficient technological and/or operational capabilities to satisfy Live Nation's objectives; licensing, joint venture and similar arrangements with similarly identified parties; and the organic growth and development by Live Nation of its own ticketing platform building upon Live Nation's existing technological and operational capabilities. After careful consideration and evaluation of these potential alternatives, Live Nation senior management and the Live Nation board of directors determined at the time, based on (among other things) CTS' representations, that of these various alternatives an arrangement with CTS offered the best overall combination of attributes being sought by Live Nation for its ticketing solution, including relatively low initial capital investment requirements, a flexible and scalable baseline ticketing platform, proven success and credibility in the market and the ability to outsource development to adapt the system to Live Nation's business needs. At the conclusion of this evaluation Live Nation decided to enter into the CTS agreement in December of 2007 and to allow its principal, long-term ticketing agreement with Ticketmaster Entertainment to expire at the end of 2008.

On August 20, 2008, IAC completed the spin-off of all of the capital stock of Ticketmaster Entertainment to IAC stockholders, and Ticketmaster Entertainment became a standalone public company. In connection with the Ticketmaster Entertainment spin-off, Ticketmaster Entertainment succeeded to certain of IAC's rights and obligations under an existing agreement with Liberty Media, which was at that time the largest stockholder of both IAC and Ticketmaster Entertainment. This agreement, which, as assigned to and assumed by Ticketmaster Entertainment, is referred to as the Ticketmaster Entertainment Spinco Agreement, provides Liberty Media specified governance rights and contains certain standstill restrictions on Liberty Media, including limitations on Liberty Media's ability to enter into agreements with respect to its shares of Ticketmaster Entertainment common stock.

In early October 2008, the Ticketmaster Entertainment board of directors, newly constituted at the time of the Ticketmaster Entertainment spin-off, met with Ticketmaster Entertainment senior management to review Ticketmaster Entertainment's operations and business plan. The Ticketmaster Entertainment board of directors considered the challenges facing Ticketmaster Entertainment as a standalone public company under then-current economic and industry conditions and the pending expiration at the end of 2008 of its principal ticketing agreement with Live Nation, historically Ticketmaster Entertainment's largest customer. The Ticketmaster Entertainment board of directors discussed a range of opportunities for continued growth through both internal business development and potential acquisitions and joint ventures, including in the live music promotion business. In the following weeks, Ticketmaster Entertainment negotiated and, at the end of October 2008, announced, the acquisition of an additional equity interest in Front Line, resulting in Ticketmaster Entertainment owning a majority stake in Front Line. In connection with that transaction, Front Line's Chief Executive Officer, Irving Azoff, was appointed Chief Executive Officer of Ticketmaster Entertainment.

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**Table of Contents**

During November and December of 2008, Ticketmaster Entertainment began to preliminarily explore a number of potential strategic transactions with other participants in the live entertainment industry. On November 19, 2008, the Ticketmaster Entertainment board of directors met to discuss, among other topics, the current competitive situation of Ticketmaster Entertainment and, in particular, the possibility of a strategic business transaction with another industry participant. To assist it with these efforts, Ticketmaster Entertainment engaged J.P. Morgan Chase Securities as its financial advisor.

In early December 2008, Mr. Azoff met with Michael Rapino, Chief Executive Officer of Live Nation, and John Hopmans, Executive Vice President, M&A and Strategic Finance of Live Nation, in the ordinary course of their existing business relationship, during which they discussed, among other things, the possibility of a business combination transaction between Ticketmaster Entertainment and Live Nation. During this period, Barry Diller, Chairman of the Board of Ticketmaster Entertainment, also had similar telephonic conversations with Randall Mays, the Chairman of the Board of Live Nation, in which a merger of equals of the two companies was discussed. At its regularly scheduled meeting on December 9, 2008, Messrs. Rapino and Mays informed the Live Nation board of directors of the substance of their respective discussions with Messrs. Azoff and Diller. Representatives of Live Nation's legal advisors and representatives of Goldman Sachs joined the meeting and led a discussion of the potential benefits of a business combination transaction between the two companies, including the combined company's anticipated cost synergies and prospective pro forma financial position, and certain other considerations with respect to such a transaction. After a lengthy discussion, the Live Nation board of directors directed Live Nation senior management to continue to explore a potential business combination transaction with Ticketmaster Entertainment, and thereafter Live Nation engaged Goldman Sachs to act as its financial advisor in connection with the potential transaction.

On December 18, 2008, Live Nation and Ticketmaster Entertainment entered into a confidentiality agreement, and each party began to conduct its due diligence investigation of the other company and its businesses.

During early to mid-January 2009, Live Nation and Ticketmaster Entertainment continued to conduct their due diligence investigations and further discussed potential transaction terms. The parties' representatives evaluated a variety of possible transaction structures for a merger of equals transaction and jointly determined that merging Ticketmaster Entertainment into a subsidiary of Live Nation, with Live Nation surviving as the publicly-traded parent company, represented the most desirable structure for the potential transaction. Ticketmaster Entertainment proposed a then-undetermined exchange ratio that, upon completion of the transaction, would result in former holders of Ticketmaster Entertainment common stock holding slightly in excess of 50% of the combined company. In addition, the parties' representatives discussed the framework of the basic transaction terms that would be reflected in a definitive merger agreement and the composition of the post-merger board of directors and senior management of the combined company. After evaluating the primary transaction terms the parties had negotiated and transaction-structure considerations, Live Nation agreed to calculate the exchange ratio such that upon completion of the transaction, former holders of Ticketmaster Entertainment common stock would hold slightly in excess of 50% of the combined company. During these discussions, Live Nation indicated that its willingness to enter into any transaction agreement would be conditioned on Liberty Media agreeing to vote its shares of Ticketmaster Entertainment common stock in favor of the transaction when submitted to Ticketmaster Entertainment's stockholders for approval.

Members of senior management of Ticketmaster Entertainment and Ticketmaster Entertainment's legal and financial advisors made presentations to the Ticketmaster Entertainment board of directors on January 22, 2009 regarding the discussions with Live Nation, as well as Ticketmaster Entertainment's separate discussions with another participant in the live entertainment industry regarding a potential significant joint venture transaction with that third party. Following its consideration of the potential transactions and of Ticketmaster Entertainment continuing as a standalone entity, the Ticketmaster Entertainment board of directors authorized Ticketmaster Entertainment to further pursue a merger of equals transaction with Live Nation on the terms discussed with the Ticketmaster Entertainment board of directors and determined not to pursue further discussions regarding the



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**Table of Contents**

potential third-party joint venture transaction. The Ticketmaster Entertainment board of directors came to this conclusion primarily based on the fact that (1) discussions with the potential joint venture partner were still in the preliminary stages and, based on the progress to date, that there was no guarantee that Ticketmaster Entertainment and the other company would be able to enter into a definitive agreement, and (2) unlike the potential joint venture, the proposed merger would be a transformative transaction that would allow Ticketmaster Entertainment to become part of a diversified live entertainment company that would be well-positioned to compete in the global marketplace. The Ticketmaster Entertainment board of directors also authorized Ticketmaster Entertainment to engage Allen & Co. as an additional financial advisor to Ticketmaster Entertainment.

On January 25, 2009, Live Nation delivered an initial draft of the merger agreement to Ticketmaster Entertainment. On January 26, 2009, the Live Nation board of directors met to discuss the proposed merger, and members of Live Nation senior management and representatives of Live Nation's legal and financial advisors made presentations to the Live Nation board of directors regarding the status of their discussions with Ticketmaster Entertainment, the initial results of Live Nation's due diligence review of Ticketmaster Entertainment's businesses, financial condition and results of operations and the implications of the proposed merger under the CTS agreement. The Live Nation board of directors also discussed Live Nation senior management's initial estimate of the combined company's potential annual synergies, including an estimate of annual after-tax operating synergies of approximately \$40 million and other potential synergies (and dis-synergies) that were more speculative and/or difficult to estimate. The Live Nation board of directors instructed Live Nation senior management to review and refine the financial forecasts prepared by Ticketmaster Entertainment, as more fully described under "Certain Financial Forecasts Utilized by the Live Nation Board of Directors and Live Nation's Financial Advisors" beginning on page 71, and to assess the advantages and disadvantages of the Ticketmaster Entertainment ticketing platform. Soon thereafter, Live Nation determined to engage Deutsche Bank as an additional financial advisor to Live Nation in connection with the proposed merger.

During the last week of January 2009, the parties continued to negotiate the terms of the proposed merger. During the course of this period, the parties and their respective counsels negotiated, among other things, the terms and scope of the parties' no shop restrictions, the circumstances under which the proposed merger could be terminated, the amount of the termination fee and the circumstances under which such fee would be payable by either party, the conditions to the completion of the Merger and the parties' respective covenants relating to the satisfaction of those conditions. The parties also negotiated the terms and scope of representations and warranties and interim operating and other pre-closing covenants of the parties to be set forth in a merger agreement between the parties. Representatives of Ticketmaster Entertainment also contacted representatives of Liberty Media to discuss Liberty Media's willingness to support the proposed merger, which Liberty Media indicated would be conditioned on its receiving certain post-merger governance and registration rights with respect to the combined company.

On January 30, 2009, the Live Nation board of directors held a meeting and received an update of the ongoing negotiations with Ticketmaster Entertainment by members of Live Nation senior management and representatives of Live Nation's legal and financial advisors. During this meeting, members of Live Nation senior management presented the results of their reviews of the financial forecasts prepared by Ticketmaster Entertainment and the assumptions made by Ticketmaster Entertainment in preparing such financial forecasts. Live Nation senior management explained to the Live Nation board of directors that adjustments had been made by Live Nation management to these financial forecasts in order to ensure that they represented the views of the Live Nation senior management with respect to decreased revenues attributable to secondary ticketing sales and decreased annual revenue growth rates and EBITDA margins primarily in years 2010 through 2012 in other aspects of Ticketmaster Entertainment's business consistent with Live Nation management's assessment of overall industry trends, as reflected in Live Nation's own forecasts. For further discussion of the forecasts utilized by the Live Nation board of directors and its financial advisors, see "Certain Financial Forecasts Utilized by the Live Nation Board of Directors and Live Nation's Financial Advisors" beginning on page 71. During this meeting, members of Live Nation senior management also presented a review of the ticketing

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**Table of Contents**

platform utilized by Ticketmaster Entertainment as compared to the ticketing platform used by Live Nation. During the course of the meeting, Live Nation management discussed, among other things, its review of Ticketmaster Entertainment's capital investments in recent years in an effort to integrate the two primary components of its ticketing platform and Ticketmaster Entertainment's recently introduced ticketing innovations such as dynamic pricing, paperless ticketing, mobile phone and affiliate ticketing and a website redesign, Live Nation management's view that substantial additional investments would not be required in the near-term in order to improve the Ticketmaster Entertainment technology systems in order to remain competitive with other available ticketing platforms, and Live Nation management's belief that the platform was capable of offering greater flexibility without significant further investment.

Later that day, Ticketmaster Entertainment sent a revised draft of the merger agreement to Live Nation and gave formal written notice to Liberty Media of a potential merger transaction involving Ticketmaster Entertainment as required under the Ticketmaster Entertainment Spinco Agreement.

The Live Nation board of directors met again on February 3, 2009 to receive an update from members of Live Nation senior management and representatives of Live Nation's legal and financial advisors regarding the status of negotiations with Ticketmaster Entertainment and the terms reflected in the latest draft of the merger agreement. Also on February 3, 2009, a number of media sources, including The New York Times and The Wall Street Journal, first reported that negotiations were ongoing between Ticketmaster Entertainment and Live Nation regarding a potential business combination transaction.

The parties continued to negotiate the draft merger agreement during the first week of February 2009 including the conditions to the completion of the Merger, the circumstances under which a merger agreement between the parties could be terminated, the amount of the termination fee payable by either party in connection with any such termination, and the terms and scope of the representations and warranties and interim operating covenants in a merger agreement between the parties. Also during this period, Ticketmaster Entertainment, Live Nation and Liberty Media began to negotiate the terms of the Liberty Voting Agreement and the Liberty Stockholder Agreement.

The Ticketmaster Entertainment board of directors convened on February 6, 2009 to receive an update from Ticketmaster Entertainment management and Ticketmaster Entertainment's financial and legal advisors on the status of the negotiations with Live Nation and discussions with Liberty Media. Representatives of Ticketmaster Entertainment's senior management and Ticketmaster Entertainment's financial and legal advisors made presentations and reviewed, among other things, the matters set forth under Ticketmaster Entertainment's Reasons for the Merger beginning on page 67. The Ticketmaster Entertainment board of directors was also apprised of the status of discussions between the Ticketmaster Entertainment compensation committee and Mr. Azoff regarding proposed changes to Mr. Azoff's employment arrangements and between the Live Nation compensation committee and Mr. Rapino regarding proposed changes to his employment arrangements, in both cases, most of which would become effective only upon the completion of the proposed merger.

On February 8, 2009, the Live Nation board of directors met to discuss the proposed merger, and Live Nation's legal and financial advisors apprised the Live Nation board of directors of the revised terms of the draft merger agreement that had been negotiated with Ticketmaster Entertainment since the February 3, 2009 meeting of the Live Nation board of directors and the proposed terms of the Liberty Stockholder Agreement and of the Liberty Voting Agreement. During this meeting, members of Live Nation senior management and representatives of Live Nation's legal and financial advisors made presentations and reviewed, among other things, many of the matters set forth under Live Nation's Reasons for the Merger beginning on page 63. The Live Nation board of directors also received an update regarding the employment arrangement discussions between the Ticketmaster Entertainment compensation committee and Mr. Azoff and between the Live Nation compensation committee and Mr. Rapino. Goldman Sachs rendered its oral opinion to the Live Nation board of directors, subsequently confirmed in writing as of the date of the Merger Agreement, that the exchange ratio, subject to adjustment as provided in the Merger Agreement, was fair, from a financial point of view, to Live Nation.

**Table of Contents**

Deutsche Bank rendered its oral opinion to the Live Nation board of directors, subsequently confirmed in writing as of February 9, 2009, that the exchange ratio was fair, from a financial point of view, to Live Nation. The Live Nation board of directors determined to adjourn its meeting until the following day in order to allow the members of its compensation committee to further review the terms of Mr. Azoff's proposed employment arrangements and to allow the parties to continue to negotiate the principal terms of the Liberty Voting Agreement and the Liberty Stockholder Agreement.

On February 8, 2009, the Ticketmaster Entertainment board of directors also met to consider the proposed merger. Ticketmaster Entertainment's legal advisors reviewed with the Ticketmaster Entertainment board of directors the transaction terms that had been negotiated with Live Nation since the February 6, 2009 meeting of the Ticketmaster Entertainment board of directors, including the requirement that Mr. Azoff agree to exchange prior to the proposed merger any outstanding shares of Ticketmaster Entertainment Series A preferred stock, all of which were held by Mr. Azoff, for a Ticketmaster Entertainment note. Allen & Co. rendered its oral opinion to the Ticketmaster Entertainment board of directors, subsequently confirmed in writing as of the date of the Merger Agreement, to the effect that the Merger consideration to be received by holders of Ticketmaster Entertainment common stock in the proposed merger was fair, from a financial point of view, to holders of shares of Ticketmaster Entertainment common stock. Following the discussion, the Ticketmaster Entertainment board of directors, by a unanimous vote of those directors present, determined that the Merger Agreement and the transactions contemplated thereby were advisable and in the best interests of Ticketmaster Entertainment and its stockholders and, subject to the receipt of an agreement from Mr. Azoff regarding the exchange of his Ticketmaster Entertainment Series A preferred stock, authorized Ticketmaster Entertainment to enter into the Merger Agreement and determined to recommend that Ticketmaster Entertainment stockholders adopt the Merger Agreement.

On February 9, 2009, the Live Nation board of directors met again to consider the proposed merger. Members of Live Nation senior management and the Live Nation compensation committee updated the Live Nation board of directors regarding Mr. Azoff's employment arrangements and Live Nation's legal advisors summarized recent negotiations with Liberty Media regarding the Liberty Voting Agreement and the Liberty Stockholder Agreement. Thereafter, representatives of each of Goldman Sachs and Deutsche Bank confirmed that there had been no developments that would adversely affect the ability of either of them to confirm in writing the oral opinions previously rendered to the Live Nation board of directors on February 8. Following the discussion, the Live Nation board of directors, by a unanimous vote of those directors present, determined that the Merger Agreement and the transactions contemplated thereby, including the Liberty Voting Agreement and the Liberty Stockholder Agreement, were advisable and in the best interests of Live Nation and its stockholders, authorized Live Nation to enter into each of the Merger Agreement, the Liberty Voting Agreement and the Liberty Stockholder Agreement, and determined to recommend that Live Nation stockholders approve the issuance of shares of Live Nation common stock to Ticketmaster Entertainment stockholders pursuant to the Merger Agreement.

Following the meeting of the Live Nation board of directors and continuing into the next morning, representatives of Live Nation and Ticketmaster Entertainment finalized the Merger Agreement and completed negotiations with Liberty Media's representatives of the Liberty Voting Agreement and the Liberty Stockholder Agreement. In addition, Ticketmaster Entertainment's legal advisors and Mr. Azoff's legal advisors negotiated a letter agreement regarding the exchange of Mr. Azoff's Ticketmaster Entertainment Series A preferred stock. Thereafter, on the morning of February 10, 2009, Live Nation and Ticketmaster Entertainment executed the Merger Agreement and issued a joint press release announcing the Merger.

## Table of Contents

### **Live Nation's Reasons for the Merger**

In reaching its decision to approve the Merger and the Merger Agreement and recommend approval of the Live Nation share issuance proposal and the Live Nation name change proposal by Live Nation stockholders, the Live Nation board of directors consulted with Live Nation management, as well as with Live Nation's legal and financial advisors, and considered a number of factors, including the following factors:

Its evaluation of the prospects of the Merger to enhance Live Nation stockholder value and to allow the combined company to capitalize on strategic advantages and other opportunities created by combining a global concert business, global ticketing operations and an artist management company, including lowering costs and developing new distribution platforms and new revenue streams (through sponsorships and increased sales and distribution opportunities), and Live Nation management's belief that the Merger would produce a vertically integrated combined company that would be positioned to address the challenges of serving artists and fans better through improved ticketing options, dynamic promotion arrangements and greater transparency with respect to ticket pricing.

Its knowledge of Live Nation's business, operations, financial condition, earnings and prospects and its and Live Nation management's knowledge of Ticketmaster Entertainment's business, operations, financial condition, earnings and prospects, taking into account the results of Live Nation's due diligence review of Ticketmaster Entertainment, which it believed would aid in the integration and operation of the combined company and as a result was considered a factor in favor of the Merger.

The prevailing macroeconomic conditions, and the economic environment of the industries in which Live Nation and Ticketmaster Entertainment operate, which it viewed as supporting the rationale for seeking a strategic transaction that should create a stronger, global live entertainment company better positioned to weather macroeconomic pressures than Live Nation on a standalone basis.

Its belief that, based upon the companies' projected operating results utilized by the Live Nation board of directors, the Merger would be accretive to Live Nation's adjusted operating income and credit profile, and thereby enhance Live Nation stockholder value.

The estimates of significant annual operating synergies resulting from the combination of Live Nation's and Ticketmaster Entertainment's ticketing, marketing, data centers and back-office functions, then estimated to be \$40 million, presented to the Live Nation board of directors at the time of its approval of the Merger Agreement, which were a factor in favor of the Merger, as the Live Nation stockholders, based on their substantial equity interest in the combined company following the closing of the Merger, would participate in the benefits of such estimated synergies.

Live Nation management's belief that the combined company would be positioned to increase its investment in research and development and take full advantage of Live Nation and Ticketmaster Entertainment's combined online resources, databases and promotional operations to enhance the direct connection between artists and fans, in turn reducing unsold tickets and improving attendance at events, which will benefit artists and venues and, in turn, the combined company.

The fact that the financial profile of the combined company would be more attractive than that of Live Nation as a standalone company, because of the anticipated benefits from combining Live Nation's historic growth with Ticketmaster Entertainment's stable revenue performance.

The opinions of Live Nation's financial advisors, specifically the opinion of Goldman Sachs that, as of February 10, 2009 and based upon and subject to the factors and assumptions set forth in its opinion, the exchange ratio, subject to adjustment as provided in the Merger Agreement, was fair, from a financial point of view, to Live Nation, and the opinion of Deutsche Bank that, as of February 9, 2009 and based upon and subject to the factors and assumptions set forth in its opinion, the exchange ratio was fair, from a financial

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point of view, to Live Nation, which opinions assisted the Live Nation board of directors in determining that the Merger is advisable and in the best interests of Live Nation and its stockholders.

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**Table of Contents**

The fact that Live Nation stockholders immediately prior to the Merger would hold just less than 50% of the voting power of the equity interests of the combined company immediately following the Merger, which participation was viewed as a factor in favor of the Merger because Live Nation stockholders would have the opportunity to participate in any future earnings or growth of the combined company and future appreciation in the value of the combined company's common stock following the Merger.

The exchange ratio of 1.384 shares of Live Nation common stock for each share of Ticketmaster Entertainment common stock, and the fact that the exchange ratio, although subject to adjustment, will not fluctuate based upon changes in Live Nation's or Ticketmaster Entertainment's stock price between signing and closing, which protects Live Nation stockholders from changes in Live Nation's or Ticketmaster Entertainment's stock prices that could adversely affect the exchange ratio from the point of view of Live Nation stockholders.

The fact that Liberty Holdings would be entering into the Liberty Voting Agreement pursuant to which, among other things, Liberty Holdings would agree to vote its shares of Ticketmaster Entertainment common stock in favor of the Merger proposal and to vote any of its shares of Live Nation common stock in favor of the share issuance proposal, which was viewed as a factor in favor of the Merger because the Live Nation board of directors believed that Liberty Holdings' entering into this agreement would make it more likely that, once announced, the Merger would be approved by Ticketmaster Entertainment stockholders.

The fact that, in light of difficult current conditions in the private and public credit markets, the transaction structure would permit the combined company to leave in place Live Nation's senior secured credit facility (because the Merger is not considered a restricted transaction under its covenants) and Live Nation's convertible senior notes (because the Merger is not considered a fundamental change under the applicable indenture's covenants) and the Ticketmaster Entertainment Senior Notes (because the Merger is not considered a change of control under its covenants).

The use of Live Nation common stock as the sole consideration to be delivered to Ticketmaster Entertainment's stockholders in the Merger, which will allow Live Nation to proceed with the Merger without the need to secure financing commitments that may have been costly and/or challenging to secure in light of difficult current conditions in the private and public credit markets.

The strong commitment on the part of both parties to complete the Merger pursuant to their respective obligations under the terms of the Merger Agreement, including both parties' reciprocal commitments to use reasonable best efforts to obtain antitrust regulatory and any other governmental approvals required to complete the Merger, which was viewed as a factor in favor of the Merger because the Live Nation board of directors believed this made it more likely, once announced, that the Merger would be completed.

The terms of the Merger Agreement, including the termination fee payable by Live Nation, which, in the view of the Live Nation board of directors, was a factor in favor of the Merger as such terms do not preclude a proposal for an alternative acquisition transaction involving Live Nation.

The fact that the same termination fee (as described in the preceding bullet) would be payable by Ticketmaster Entertainment upon termination of the Merger Agreement under similar circumstances, which was a factor in favor of the entering into the Merger Agreement because Live Nation would be entitled to receive a termination fee in such circumstances. See The Merger Agreement Effect of Termination; Termination Fees and Expenses beginning on page 142.

The fact that the Merger Agreement allows the Live Nation board of directors to change or withdraw its recommendation regarding the Merger proposal if a superior transaction proposal is received from a third party or in response to certain material developments or changes in circumstances, if in either case the Live Nation board of directors determines that a failure to change its recommendation would result in a breach of its fiduciary duties under applicable law, subject to the payment of a termination



**Table of Contents**

fee upon termination under certain circumstances and, therefore, was considered a factor in favor of entering into the Merger Agreement.

The governance arrangements contained in the Merger Agreement providing, after the completion of the Merger, (i) for representation on the initial post-Merger board of directors of the combined company of seven appointees from Live Nation, at least five of whom must be independent directors, and seven appointees from Ticketmaster Entertainment (including up to two Liberty directors as provided in the Liberty Stockholder Agreement), at least three of whom (including at least one Liberty Media designee) must be independent directors with respect to Live Nation; and (ii) that the initial post-Merger Audit, Compensation and Nominating Committees of the board of directors of the combined company would consist of two directors designated by Live Nation and two directors designated by Ticketmaster Entertainment, which governance arrangements were viewed as a factor in favor of the Merger as the combined company would gain the experience and knowledge that the Live Nation directors possess regarding Live Nation's business and the live entertainment industry.

The fact that the combined company would have a highly experienced management team with extensive industry experience in most significant facets of the live entertainment industry, and the fact that the Chief Executive Officer of Live Nation will serve as Chief Executive Officer of the combined company, which experience and leadership were considered beneficial to Live Nation and the combined company, and, therefore, were considered factors in favor of the Merger.

In addition to the factors described above, the Live Nation board of directors identified and considered a variety of risks and potentially negative factors concerning the Merger, including:

The possibility that the Merger may not be completed, or that completion may be unduly delayed, for reasons beyond the control of Live Nation and/or Ticketmaster Entertainment.

The risk that regulatory agencies may not approve the Merger or may impose terms and conditions on their approvals that would either materially impair the business operations of the combined company or adversely impact the ability of the combined company to realize the synergies that are projected to occur in connection with the Merger.

The fact that the implied value of the proposed exchange ratio, based on the closing price of Live Nation common stock on February 3, 2009 (the last trading day before various news outlets began reporting on a possible transaction involving Live Nation and Ticketmaster Entertainment), represented a 12% premium to the closing price of Ticketmaster Entertainment common stock on such date and premiums of 15% and 22% to the average implied historical exchange ratio between the shares of common stock of the two companies for the 90-day and 120-day periods ended February 3, 2009, respectively.

The fact that Ticketmaster Entertainment stockholders immediately prior to the Merger would hold 50.01% of the voting power of the equity interests of the combined company immediately following the completion of the Merger.

The fact that an analysis of the implied exchange ratios of Live Nation common stock to Ticketmaster Entertainment common stock during the period of August 12, 2008 to February 3, 2009 resulted in a range of implied exchange ratios of 0.643x to 1.624x, and an average implied exchange ratio during such period of 1.128x, which is less than the exchange ratio of 1.384x.

The potential impact of the restrictions under the Merger Agreement on Live Nation's ability to take specified actions during the period prior to the completion of the Merger (which may delay or prevent Live Nation from undertaking business opportunities that may arise pending the completion of the Merger).



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The fact that each of Live Nation's and Ticketmaster Entertainment's obligations to complete the Merger is conditioned on the receipt of the requisite consents of lenders party to the Ticketmaster

## Table of Contents

Entertainment credit facility so as to allow the facility to remain in effect after the completion of the Merger with no default or event of default thereunder resulting from the Merger.

The potential that the termination payment provisions of the Merger Agreement could have the effect of discouraging a *bona fide* alternative acquisition proposal for Live Nation.

The expected inability of Live Nation and Ticketmaster Entertainment to capture all potential operational synergies and cost savings in light of the companies' plan to operate under separate credit facilities post-Merger, unless new financing for the combined company becomes available on reasonable economic terms.

The implications of the Merger under the CTS agreement, including that Live Nation's continued performance under the terms of its pre-existing agreement with CTS would limit the combined company's ability to capture all potential operational efficiencies that might otherwise be attained through the integration of the Live Nation and Ticketmaster Entertainment ticketing businesses.

The Merger Agreement's requirement that the Live Nation board of directors call and hold a meeting of Live Nation stockholders to vote upon the share issuance proposal, regardless of whether or not the Live Nation board of directors has withdrawn or adversely modified its recommendation to the Live Nation stockholders regarding the Merger in response to a superior transaction proposal or an unanticipated material development or change in circumstances.

The substantial transaction costs to be incurred in connection with the Merger, including an expected increase in the interest spreads under each of the Term Loan A, Term Loan B and revolving credit facility by 1.25% following the Merger as a result of obtaining the consents of Ticketmaster Entertainment's lenders under the Ticketmaster Entertainment credit facility (for a description of interest rates payable under the Ticketmaster Entertainment credit facility following the Merger, see Unaudited Pro Forma Condensed Combined Financial Statements Notes to Unaudited Pro Forma Condensed Combined Financial Statements Note 2: Pro Forma Adjustments footnote (u) beginning on page 332).

The potential for diversion of management and employee attention and for increased employee attrition during the substantial period prior to completion of the Merger, and the potential effects of the Merger on Live Nation's business and relations with venue operators, promoters, artists, fans and other third parties with which Live Nation maintains business relationships.

The fact that Live Nation was required to agree to amend the terms of the Rights Agreement, dated as of December 21, 2005, which is referred to as the Live Nation stockholder rights plan, between Live Nation and the Bank of New York Mellon, to permit Liberty Media and its affiliates and their permitted transferees to acquire up to a specified percentage of Live Nation's voting equity interests, which percentage was initially set at 35%, in connection with its negotiation of the Liberty Stockholder Agreement in order to secure Liberty's support for the Merger.

The risk that certain of Live Nation's directors and officers may have interests in the Merger as individuals that are in addition to, or that may be different from, the interests of Live Nation stockholders, as described under The Merger Interests of Live Nation Directors, Executive Officers and Certain Key Employees in the Merger beginning on page 105 of this joint proxy statement/prospectus.

The risks of the type and nature described under Risk Factors beginning on page 33 of this joint proxy statement/prospectus, and the matters described under Cautionary Statement Regarding Forward-Looking Statements beginning on page 32 of this joint proxy statement/prospectus.

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In view of the wide variety of factors considered in connection with its evaluation of the Merger and the complexity of these matters, the Live Nation board of directors did not find it useful to and did not attempt to quantify, rank or otherwise assign relative weights to these factors.

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## **Table of Contents**

In addition, the Live Nation board of directors did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination, but rather the Live Nation board of directors conducted an overall analysis of the factors described above, including discussions with the management team and outside legal and financial advisors. In considering the factors described above, individual members of the Live Nation board of directors may have given different weight to different factors.

### **Recommendations of the Live Nation Board of Directors with Respect to the Merger**

The Live Nation board of directors, by a unanimous vote of all directors present, has determined that the issuance of Live Nation common stock in connection with the Merger is advisable and in the best interests of Live Nation and its stockholders, and approved the issuance of Live Nation common stock in connection with the Merger.

The Live Nation board of directors recommends that Live Nation stockholders vote **FOR** the share issuance proposal, **FOR** the Live Nation name change proposal and **FOR** the proposal to approve the adjournment of the Live Nation annual meeting, if necessary, to solicit additional proxies.

### **Ticketmaster Entertainment's Reasons for the Merger**

In reaching its decision to approve the Merger and the Merger Agreement and recommend adoption of the Merger Agreement by Ticketmaster Entertainment stockholders, the Ticketmaster Entertainment board of directors consulted with Ticketmaster Entertainment management, as well as with Ticketmaster Entertainment's legal and financial advisors, and considered a number of factors, including the following factors:

The fact that the combined company would be a global leader in the area of live entertainment, operating in a wide variety of areas such as ticketing, artist management, event promotion, venue ownership and artist services, which it believed would benefit Ticketmaster Entertainment and the combined company and as a result was considered a factor in favor of the Merger.

Its knowledge of Ticketmaster Entertainment's business, operations, financial condition, earnings and prospects and of Live Nation's business, operations, financial condition, earnings and prospects, taking into account the results of Ticketmaster Entertainment's due diligence review of Live Nation, which it believed would aid in the integration and continued operations of the combined company and as a result was considered a factor in favor of the Merger.

The prevailing macroeconomic conditions, and the economic environment of the industries in which Ticketmaster Entertainment and Live Nation operate, which it viewed as supporting the rationale for seeking a strategic transaction that should create a strong, global live entertainment company better positioned to weather macroeconomic pressures than Ticketmaster Entertainment on a standalone basis.

Its evaluation of the prospects for Ticketmaster Entertainment continuing to operate on a standalone basis versus pursuing a strategic transaction with another party in the live entertainment industry, including:

- i the fact that the financial profile of a combined Ticketmaster Entertainment and Live Nation would be more attractive than that of Ticketmaster Entertainment as a standalone company, with a more diversified revenue base and a greater amount of free cash flows based on the free cash flow accretion/dilution analysis presented by Allen & Co. that took into account the free cash flows of each of Ticketmaster Entertainment and Live Nation as well as the synergies anticipated to occur in connection with the Merger (see Opinion of Ticketmaster Entertainment's Financial Advisor Valuation Methods and Analyses Transaction Analysis Free Cash Flow Accretion/Dilution Analysis beginning on page 102); and

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**Table of Contents**

i the likely unavailability of an alternative business transaction more favorable to Ticketmaster Entertainment than the Merger in light of the fact that Ticketmaster Entertainment was still in the preliminary stages of discussions with the other party in the live entertainment industry who the Ticketmaster Entertainment board of directors viewed as having a strong strategic fit and that, based on the progress that had been made, there was no guarantee that Ticketmaster Entertainment and the other company would be able to enter into a definitive agreement.

Its evaluation of the Ticketmaster Entertainment operating plan prepared by Ticketmaster Entertainment management and the Ticketmaster Entertainment board of directors' assessment of the attainability of the management forecasts reflected in that plan in light of deteriorating macroeconomic conditions and Ticketmaster Entertainment's actual performance relative to internal projections for prior periods, as well as the assessment of Ticketmaster Entertainment management regarding the attainability of the management forecasts prepared by Live Nation management which resulted in the Ticketmaster Entertainment board of directors adopting more conservative financial projections for Ticketmaster Entertainment and utilizing more conservative financial projections for Live Nation, and based on which Ticketmaster Entertainment's financial advisor prepared its analysis of the Merger, which, when comparing such revised financial forecasts of Ticketmaster Entertainment operating on a standalone basis against the proposed benefits of the Merger, was viewed as a factor in favor of the Merger (see Certain Financial Forecasts Utilized by the Ticketmaster Entertainment Board of Directors and Ticketmaster Entertainment's Financial Advisor and Opinion of Ticketmaster Entertainment's Financial Advisor beginning on pages 90 and 94, respectively).

The estimates of significant annual operating synergies resulting from the combination of Live Nation's and Ticketmaster Entertainment's ticketing, marketing, data centers and back-office functions, then estimated to be \$40 million, presented to the Ticketmaster Entertainment board of directors at the time of its approval of the Merger Agreement, which were a factor in favor of the Merger, as the Ticketmaster Entertainment stockholders, based on their substantial equity interest in the combined company following the closing of the Merger, would participate in the benefits of such estimated synergy savings.

The fact that Ticketmaster Entertainment stockholders immediately prior to the Merger would hold 50.01% of the voting power of the equity interests of the combined company immediately following the completion of the Merger, which participation was viewed as a factor in favor of the Merger because Ticketmaster Entertainment stockholders would have the opportunity to participate in any future earnings or growth of the combined company and future appreciation in the value of the combined company's common stock following the Merger should they determine to retain the combined company's common stock payable in the Merger.

The fact that the implied value of the proposed exchange ratio, based on the closing price of Live Nation common stock on February 3, 2009 (the last trading day before various news outlets began reporting on a possible transaction involving Live Nation and Ticketmaster Entertainment), represented a premium to both the closing price of Ticketmaster Entertainment common stock on such date and to the average implied historical exchange ratio between the shares of common stock of the two companies for the 90-day period ended February 3, 2009, which premium was considered a factor in favor of the Merger.

The financial analyses and presentations of Allen & Co., and its related written opinion, dated as of February 10, 2009, to the effect that, as of that date and based upon and subject to the various considerations set forth in its opinion (attached to this joint proxy statement/prospectus as Annex G), the Merger consideration to be received by holders of Ticketmaster Entertainment common stock in the Merger was fair, from a financial point of view, to the holders of shares of Ticketmaster Entertainment common stock, which opinion assisted the Ticketmaster Entertainment board of directors in determining that the Merger is advisable and in the best interests of Ticketmaster Entertainment and its stockholders. See Certain Financial Forecasts Utilized by the Ticketmaster Entertainment Board of Directors and Ticketmaster Entertainment's Financial Advisor beginning on page 90.

**Table of Contents**

The fact that, in light of difficult current conditions in the private and public credit markets, the transaction structure would permit the combined company to leave in place the Ticketmaster Entertainment Senior Notes (because the Merger is not considered a change of control under the applicable indenture's covenants) and the Live Nation senior secured credit facility (because the Merger is not considered a restricted transaction under its covenants) and Live Nation's convertible senior notes (because the Merger is not considered a fundamental change under the applicable indenture's covenants), which result was considered favorable to the terms that Ticketmaster Entertainment and Live Nation might be expected to receive under a renegotiation of the instruments.

The strong commitment on the part of both parties to complete the Merger pursuant to their respective obligations under the terms of the Merger Agreement, which was viewed as a factor in favor of the Merger because the Ticketmaster Entertainment board of directors believed this made it more likely, once announced, that the Merger would be completed.

The review by the Ticketmaster Entertainment board of directors, in consultation with Ticketmaster Entertainment's legal and financial advisors, of the structure of the Merger and the financial and other terms and conditions of the Merger Agreement, including the Merger consideration, the expectation that the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code and the likelihood of completing the Merger on the anticipated schedule.

The terms of the Merger Agreement, including the termination fee payable by Ticketmaster Entertainment, which, in the view of the Ticketmaster Entertainment board of directors was a factor in favor of the Merger as such terms do not preclude a proposal for an alternative acquisition transaction involving Ticketmaster Entertainment.