

---

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

September 9, 2008

Live Nation, Inc.

(Exact name of registrant as specified in its charter)

Delaware

001-32601

20-3247759

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

9348 Civic Center Drive, Beverly Hills,  
California

90210

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

310-867-7000

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

## [Top of the Form](#)

### **Item 1.01 Entry into a Material Definitive Agreement.**

The information in Item 2.01 of this Current Report on Form 8-K is incorporated into this Item 1.01 by reference.

### **Item 2.01 Completion of Acquisition or Disposition of Assets.**

On September 9, 2008, Live Nation Worldwide, Inc. ("LNWW"), a controlled subsidiary of Live Nation, Inc. ("Live Nation"), sold all of the issued and outstanding capital stock of Live Nation Motor Sports, Inc. (the "Motor Sports Division") to Feld Acquisition Corp. ("Acquisition Sub"), a wholly-owned subsidiary of Feld Entertainment, Inc. ("Feld"), pursuant to a Stock Purchase Agreement, dated September 9, 2008 (the "Stock Purchase Agreement"), by and among LNWW, the Motor Sports Division, Feld and Acquisition Sub. Pursuant to the Stock Purchase Agreement, LNWW received approximately \$175.0 million in cash, subject to certain net working capital and other post-closing adjustments set forth in the Stock Purchase Agreement, in addition to a performance based earn out of up to \$30.0 million, the amount of which to be paid to LNWW (if any) will be determined based on the Motor Sports Division's performance, over a five year period commencing with calendar year 2009. In addition, the Stock Purchase Agreement imposes certain indemnification, non-competition and other customary post-closing obligations on LNWW, in each case, as more fully set forth therein. After estimated fees, expenses and other adjustments, Live Nation received approximately \$167.7 million of net proceeds, excluding the earn out. Live Nation will use the net proceeds from the sale of the Motor Sports Division to repay borrowings under its revolving credit facility, to reduce a portion of its term loan and to invest in its core music business. The unaudited pro forma consolidated financial statements filed as Exhibit 99.1 to this Current Report on Form 8-K give effect to this transaction.

### **Item 9.01 Financial Statements and Exhibits.**

#### (b) Pro Forma Financial Information.

The unaudited pro forma consolidated balance sheet of Live Nation, Inc. as of June 30, 2008 and the unaudited pro forma consolidated statements of operations of Live Nation, Inc. for the year ended December 31, 2007 and the six months ended June 30, 2008 are filed as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

#### (d) Exhibits.

The information in the Exhibit Index of this Current Report on Form 8-K is incorporated into this Item 9.01(d) by reference.

---

[Top of the Form](#)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Live Nation, Inc.

*September 15, 2008*

*By: Kathy Willard*

---

*Name: Kathy Willard*

*Title: Executive Vice President and Chief Financial Officer*

---

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Unaudited pro forma consolidated balance sheet as of June 30, 2008 and unaudited pro forma consolidated statements of operations for the year ended December 31, 2007 and the six months ended June 30, 2008.

## LIVE NATION, INC.

## UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

On September 9, 2008, Live Nation Worldwide, Inc. (“LNWW”), a controlled subsidiary of Live Nation, Inc. (“Live Nation”), sold all of the issued and outstanding capital stock of Live Nation Motor Sports, Inc. (the “Motor Sports Division”) to Feld Acquisition Corp. (“Acquisition Sub”), a wholly-owned subsidiary of Feld Entertainment, Inc. (“Feld”), pursuant to a Stock Purchase Agreement, dated September 9, 2008 (the “Stock Purchase Agreement”), by and among LNWW, the Motor Sports Division, Feld and Acquisition Sub. Pursuant to the Stock Purchase Agreement, LNWW received approximately \$175.0 million in cash, subject to certain net working capital and other post-closing adjustments set forth in the Stock Purchase Agreement, in addition to a performance based earn out of up to \$30.0 million, the amount of which to be paid to LNWW (if any) will be determined based on the Motor Sports Division’s performance, over a five year period commencing with calendar year 2009. In addition, the Stock Purchase Agreement imposes certain indemnification, non-competition and other customary post-closing obligations on LNWW, in each case, as more fully set forth therein. After estimated fees, expenses and other adjustments, Live Nation received approximately \$167.7 million of net proceeds, excluding the earn out. Live Nation will use the net proceeds from the sale of the Motor Sports Division to repay borrowings under its revolving credit facility, to reduce a portion of its term loan and to invest in its core music business. The following unaudited pro forma consolidated financial statements give effect to this transaction.

The unaudited pro forma consolidated balance sheet of Live Nation gives effect to the transaction as if it had occurred on June 30, 2008. The unaudited pro forma consolidated statements of operations for the year ended December 31, 2007 and the six months ended June 30, 2008 give effect to the transaction as if it had occurred on January 1, 2007. The unaudited pro forma consolidated financial information is not intended to represent what Live Nation’s financial position was or results of operations would have been if the disposition had occurred on those dates or to project Live Nation’s financial position or results of operations for any future period.

The unaudited pro forma consolidated financial statements and the accompanying notes thereto should be read in conjunction with, and are qualified by, the historical financial statements and notes thereto of Live Nation. Live Nation’s historical financial statements are included in its Annual Report on Form 10-K for the year ended December 31, 2007 and its Quarterly Report on Form 10-Q for the six months ended June 30, 2008.

The historical consolidated statement of operations for the year ended December 31, 2007 has been adjusted to reflect the sale of Live Nation’s North American theatrical business, which included the assets of the North American theatrical presenting business and certain theatrical venues, in January 2008. Live Nation has reported the North American theatrical business as discontinued operations in accordance with Statement of Financial Accounting Standard No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. The historical consolidated statement of operations for the six months ended June 30, 2008, as issued, already reflects this change.

**UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET**  
**JUNE 30, 2008**

	Historical Live Nation	Pro Forma Adjustments		Pro Forma Consolidated
		<i>(in thousands)</i>		
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 453,368	\$ 167,700	(D)	\$ 594,611
		(27,000)	(E)	
		543	(A)	
Accounts receivable, less allowance	384,292	(12,808)	(A)	371,484
Prepaid expenses	377,460	(1,626)	(A)	375,834
Other current assets	58,484	(3,314)	(A)	55,170
<b>Total Current Assets</b>	1,273,604	123,495		1,397,099
<b>PROPERTY, PLANT AND EQUIPMENT</b>				
Land, buildings and improvements	965,333	(6,442)	(A)	958,891
Furniture and other equipment	243,576	(10,423)	(A)	233,153
Construction in progress	102,541	(60)	(A)	102,481
	1,311,450	(16,925)		1,294,525
Less accumulated depreciation	405,140	(10,542)	(A)	394,598
	906,310	(6,383)		899,927
<b>INTANGIBLE ASSETS</b>				
Intangible assets — net	511,892	(813)	(A)	511,079
Goodwill	502,206	(3,567)	(A)	498,639
<b>OTHER ASSETS</b>				
Notes receivable, less allowance	1,589	(1,489)	(A)	100
Investments in nonconsolidated affiliates	22,915	—		22,915
Other long-term assets	141,029	—		141,029
<b>Total Assets</b>	\$3,359,545	\$ 111,243		\$3,470,788
<b>LIABILITIES AND SHAREHOLDERS’ EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 122,813	\$ (302)	(A)	\$ 122,511
Accrued expenses	471,341	(8,369)	(A)	462,972
Deferred revenue	782,300	(1,051)	(A)	781,249

Current portion of long-term debt	67,184			67,184
Other current liabilities	78,149	(881)	(A)	77,268
<b>Total Current Liabilities</b>	<b>1,521,787</b>	<b>(10,603)</b>		<b>1,511,184</b>
Long-term debt	726,898	(27,000)	(E)	699,898
Other long-term liabilities	139,138	(188)	(A)	138,950
Minority interest liability	72,309	(94)	(A)	72,215
Series A and Series B redeemable preferred stock	40,000	—		40,000
<b>SHAREHOLDERS' EQUITY</b>				
Common stock	761	—		761
Additional paid-in capital	959,090	—		959,090
Retained deficit	(165,108)	149,128	(B)	(15,980)
Cost of shares held in treasury	(3,628)	—		(3,628)
Accumulated other comprehensive income	68,298	—		68,298
<b>Total Shareholders' Equity</b>	<b>859,413</b>	<b>149,128</b>		<b>1,008,541</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$3,359,545</b>	<b>\$ 111,243</b>		<b>\$3,470,788</b>

See Notes to Unaudited Pro Forma Consolidated Financial Statements

**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

	Historical Live Nation	Adjustment for Theater Operations (H)	Adjusted Live Nation	Pro Forma Adjustments		Pro Forma Consolidated
	<i>(in thousands except share and per share data)</i>					
Revenue	\$ 4,184,981	\$ (208,018)	\$3,976,963	\$(154,212)	(C)	\$ 3,822,751
Operating expenses:						
Direct operating expenses	3,333,572	(161,726)	3,171,846	(105,916)	(C)	3,065,930
Selling, general and administrative expenses	653,811	(35,436)	618,375	(24,746)	(C)	593,629
Depreciation and amortization	120,828	(2,633)	118,195	(918)	(C)	117,277
Gain on sale of operating assets	(51,226)	(737)	(51,963)	47	(C)	(51,916)
Corporate expenses	45,854	—	45,854	—		45,854
Operating income	82,142	(7,486)	74,656	(22,679)		51,977
Interest expense	61,915	(158)	61,757	(4)	(C)	59,601
				(2,152)	(F)	
Interest income	(14,479)	910	(13,569)	176	(C)	(13,393)
Equity in earnings of nonconsolidated affiliates	(4,806)	—	(4,806)	—		(4,806)
Minority interest expense	7,869	(74)	7,795	(329)	(C)	7,466
Other income — net	(13)	(85)	(98)	—	(C)	(98)
Income from continuing operations before income taxes	31,656	(8,079)	23,577	(20,370)		3,207
Income tax expense:						
Current	35,943	(899)	35,044	(77)	(G)	34,967
Deferred	7,649	—	7,649	—		7,649
Loss from continuing operations	\$ (11,936)	\$ (7,180)	\$ (19,116)	\$ (20,293)		\$ (39,409)
Basic and diluted loss from continuing operations per common share	\$ (0.17)					\$ (0.58)
Basic and diluted weighted average common shares outstanding	68,440,582					68,440,582

See Notes to Unaudited Pro Forma Consolidated Financial Statements

**UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE SIX MONTHS ENDED JUNE 30, 2008**

	Historical Live Nation	Pro Forma Adjustments		Pro Forma Consolidated
	<i>(in thousands except share and per share data)</i>			
Revenue	\$ 1,796,251	\$ (128,419)	(C)	\$ 1,667,832
Operating expenses:				
Direct operating expenses	1,388,882	(83,369)	(C)	1,305,513
Selling, general and administrative expenses	334,714	(11,960)	(C)	322,754
Depreciation and amortization	67,600	(353)	(C)	67,247
Loss (gain) on sale of operating assets	(2,291)	2,650	(C) (I)	359
Corporate expenses	22,115	—		22,115

Operating loss	(14,769)	(35,387)		(50,156)
Interest expense	30,361	(879)	(F)	29,482
Interest income	(4,841)	—		(4,841)
Equity in losses of nonconsolidated affiliates	1,425	83	(C)	1,508
Minority interest income	(4,483)	57	(C)	(4,426)
Other income — net	<u>(1,115)</u>	<u>(559)</u>	(C)	<u>(1,674)</u>
Loss from continuing operations before income taxes	(36,116)	(34,089)		(70,205)
Income tax expense:				
Current	13,215	(63)	(G)	13,152
Deferred	<u>5,662</u>	<u>—</u>		<u>5,662</u>
Loss from continuing operations	<u>\$ (54,993)</u>	<u>\$ (34,026)</u>		<u>\$ (89,019)</u>
Basic and diluted loss from continuing operations per common share	<u>\$ (0.73)</u>			<u>\$ (1.18)</u>
Basic and diluted weighted average common shares outstanding	<u>75,352,837</u>			<u>75,352,837</u>

See Notes to Unaudited Pro Forma Consolidated Financial Statements

#### NOTES TO UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma adjustments give effect to the disposition as if it had occurred as of June 30, 2008 for the unaudited pro forma consolidated balance sheet and as of January 1, 2007 for the unaudited pro forma consolidated statements of operations.

- (A) Adjustment reflects the elimination of the assets and liabilities included in the balance sheet of Live Nation for its interests in the Motor Sports Division as of June 30, 2008. The adjustment to goodwill includes a reduction of goodwill, due to the sale, based on an allocation of Live Nation's total goodwill to the Motor Sports Division.
- (B) Adjustment represents the estimated gain on the disposition as if the transaction had occurred as of June 30, 2008, but is not adjusted for any estimated tax impact related to this gain.
- (C) Adjustment reflects the elimination of the results of operations of the Motor Sports Division for the year ended December 31, 2007 and the six months ended June 30, 2008, as if the transaction had occurred on January 1, 2007. The results of operations do not reflect the estimated gain on sale for this transaction or any tax impact related to this gain.
- (D) Adjustment reflects the proceeds, net of certain adjustments and estimated transaction fees and expenses. Net proceeds will be used to meet operating and investing cash requirements and repay borrowings subsequent to June 30, 2008 under the revolving credit facility.
- (E) Adjustment reflects the estimated payment to be made from the gross proceeds to reduce a portion of Live Nation's term loan.
- (F) Adjustment reflects a reduction of interest expense based on the paydown of a portion of the term loan from the proceeds. Interest expense was calculated based on the actual average interest rate for the period.
- (G) Adjustment represents the tax effects related to the state income taxes incurred by the Motor Sports Division. The pro forma adjustments have no effect on Live Nation's current or deferred United States income tax expense for the year ended December 31, 2007 and the six months ended June 30, 2008. For both periods presented, the pro forma adjustments increase Live Nation's United States tax losses for which no current tax benefit may be recognized. The pro forma adjustments also decrease Live Nation's net deferred tax assets and corresponding valuation allowances by equal amounts, resulting in no net effect on deferred tax expense. This adjustment does not reflect any estimated tax adjustments related to the gain on sale for this transaction.
- (H) Adjustment reflects the elimination of the operating results of the North American theatrical business to make the presentation of the operating results for the year ended December 31, 2007 consistent with the current presentation of the financials of Live Nation. The operating results for the six months ended June 30, 2008, as issued, already reflect this change.
- (I) Adjustment reflects the gain on sale of Live Nation's equity interest in a motor sports related joint venture with NBC, which was sold prior to this transaction.