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

Form 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2021
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission File Number 001-32601

LIVE NATION ENTERTAINMENT, INC.
(Exact name of registrant as specified in its charter)

Delaware	**20-3247759**
(State of Incorporation)	**(I.R.S. Employer Identification No.)**

9348 Civic Center Drive
Beverly Hills, CA 90210
(Address of principal executive offices, including zip code)
(310) 867-7000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $.01 Par Value Per Share	**LYV**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

On October 28, 2021, there were 224,659,997 outstanding shares of the registrant's common stock, $0.01 par value per share, including 3,211,191 shares of unvested restricted and deferred stock awards and excluding 408,024 shares held in treasury.

LIVE NATION ENTERTAINMENT, INC.
INDEX TO FORM 10-Q

GLOSSARY OF KEY TERMS

AOCI	Accumulated other comprehensive income (loss)
AOI	Adjusted operating income (loss)
FASB	Financial Accounting Standards Board
GAAP	United States Generally Accepted Accounting Principles
Live Nation	Live Nation Entertainment, Inc. and subsidiaries
LNE	Live Nation Entertainment, Inc.
SEC	United States Securities and Exchange Commission
Ticketmaster	Our ticketing business

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

LIVE NATION ENTERTAINMENT, INC.

CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	September 30, 2021	December 31, 2020
	(in thousands)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 4,628,880	$ 2,537,787
Accounts receivable, less allowance of $53,116 and $72,904, respectively	1,182,242	486,734
Prepaid expenses	691,086	577,130
Restricted cash	4,317	8,652
Other current assets	48,766	39,465
Total current assets	6,555,291	3,649,768
Property, plant and equipment, net	1,041,854	1,101,414
Operating lease assets	1,390,650	1,424,223
Intangible assets		
Definite-lived intangible assets, net	732,276	855,600
Indefinite-lived intangible assets	369,016	369,058
Goodwill	2,109,719	2,129,203
Long-term advances	651,794	668,756
Other long-term assets	480,144	391,281
Total assets	$ 13,330,744	$ 10,589,303
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable, client accounts	$ 1,499,131	$ 744,096
Accounts payable	111,142	86,356
Accrued expenses	1,445,840	894,149
Deferred revenue	2,303,373	1,839,323
Current portion of long-term debt, net	46,214	53,415
Current portion of operating lease liabilities	111,090	107,147
Other current liabilities	41,314	72,083
Total current liabilities	5,558,104	3,796,569
Long-term debt, net	5,686,905	4,855,096
Long-term operating lease liabilities	1,448,270	1,445,674
Long-term deferred income taxes	174,083	170,759
Other long-term liabilities	242,811	182,508
Commitments and contingent liabilities		
Redeemable noncontrolling interests	262,347	272,449
Stockholders' equity		
Common stock	2,218	2,145
Additional paid-in capital	2,903,613	2,386,790
Accumulated deficit	(3,132,813)	(2,676,833)
Cost of shares held in treasury	(6,865)	(6,865)
Accumulated other comprehensive loss	(170,997)	(177,009)
Total Live Nation stockholders' equity	(404,844)	(471,772)
Noncontrolling interests	363,068	338,020
Total equity	(41,776)	(133,752)
Total liabilities and equity	$ 13,330,744	$ 10,589,303

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands except share and per share data)			
Revenue	$ 2,698,722	$ 184,018	$ 3,565,277	$ 1,623,795
Operating expenses:				
Direct operating expenses	1,969,912	130,749	2,346,998	1,199,126
Selling, general and administrative expenses	446,929	405,934	1,098,676	1,243,307
Depreciation and amortization	101,235	119,938	313,758	364,785
Loss (gain) on disposal of operating assets	(1,148)	208	(1,038)	897
Corporate expenses	44,649	31,630	100,195	80,858
Operating income (loss)	137,145	(504,441)	(293,312)	(1,265,178)
Interest expense	70,407	66,093	210,146	162,781
Interest income	(1,333)	(2,810)	(3,953)	(9,712)
Equity in losses (earnings) of nonconsolidated affiliates	(7,025)	2,615	(4,608)	6,656
Gain from sale of investments in nonconsolidated affiliates	(30,633)	(2,514)	(83,580)	(2,479)
Other expense (income), net	12,441	(8,463)	19,903	(9,043)
Income (loss) before income taxes	93,288	(559,362)	(431,220)	(1,413,381)
Income tax expense (benefit)	6,421	(16,904)	15,095	(49,417)
Net income (loss)	86,867	(542,458)	(446,315)	(1,363,964)
Net income (loss) attributable to noncontrolling interests	39,989	(13,556)	9,665	(82,761)
Net income (loss) attributable to common stockholders of Live Nation	$ 46,878	$ (528,902)	$ (455,980)	$ (1,281,203)
Basic net income (loss) per common share available to common stockholders of Live Nation	$ 0.20	$ (2.45)	$ (2.13)	$ (6.08)
Diluted net income (loss) per common share available to common stockholders of Live Nation	$ 0.19	$ (2.45)	$ (2.13)	$ (6.08)
Weighted average common shares outstanding:				
Basic	216,888,355	212,593,719	215,716,239	211,781,620
Diluted	223,800,400	212,593,719	215,716,239	211,781,620

Reconciliation to net income (loss) available to common stockholders of Live Nation:				
Net income (loss) attributable to common stockholders of Live Nation	$ 46,878	$ (528,902)	$ (455,980)	$ (1,281,203)
Accretion of redeemable noncontrolling interests	(4,245)	6,990	(4,210)	(5,955)
Basic and diluted net income (loss) available to common stockholders of Live Nation	$ 42,633	$ (521,912)	$ (460,190)	$ (1,287,158)

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)			
Net income (loss)	$ 86,867	$ (542,458)	$ (446,315)	$ (1,363,964)
Other comprehensive income (loss), net of tax:				
Unrealized gain (loss) on cash flow hedge	852	(2,249)	10,160	(38,845)
Realized loss on cash flow hedge	1,991	1,854	5,853	3,207
Foreign currency translation adjustments	(12,008)	21,983	(10,001)	(40,866)
Comprehensive income (loss)	77,702	(520,870)	(440,303)	(1,440,468)
Comprehensive income (loss) attributable to noncontrolling interests	39,989	(13,556)	9,665	(82,761)
Comprehensive income (loss) attributable to common stockholders of Live Nation	$ 37,713	$ (507,314)	$ (449,968)	$ (1,357,707)

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED)

	Live Nation Stockholders' Equity								
	Common Shares Issued	**Common Stock**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Cost of Shares Held in Treasury**	**Accumulated Other Comprehensive Loss**	**Noncontrolling Interests**	**Total Equity**	**Redeemable Noncontrolling Interests**
				(in thousands, except share data)					*(in thousands)*
Balances at June 30, 2021	216,388,477	$ 2,164	$ 2,433,462	$ (3,179,691)	$ (6,865)	$ (161,832)	$ 333,159	$ (579,603)	$ 250,767
Non-cash and stock-based compensation	—	—	27,318	—	—	—	—	27,318	—
Common stock issued under stock plans, net of shares withheld for employee taxes	151,280	1	(4,523)	—	—	—	—	(4,522)	—
Exercise of stock options, net of shares withheld for option cost and employee taxes	70,011	1	2,238	—	—	—	—	2,239	—
Sale of common shares	5,239,259	52	449,363	—	—	—	—	449,415	—
Acquisitions	—	—	—	—	—	—	7,117	7,117	230
Redeemable noncontrolling interests fair value adjustments	—	—	(4,245)	—	—	—	—	(4,245)	4,245
Contributions received	—	—	—	—	—	—	1,329	1,329	—
Cash distributions	—	—	—	—	—	—	(8,341)	(8,341)	(2,749)
Other	—	—	—	—	—	—	(331)	(331)	—
Comprehensive income (loss):									
Net income	—	—	—	46,878	—	—	30,135	77,013	9,854
Unrealized gain on cash flow hedge	—	—	—	—	—	852	—	852	—
Realized loss on cash flow hedge	—	—	—	—	—	1,991	—	1,991	—
Foreign currency translation adjustments	—	—	—	—	—	(12,008)	—	(12,008)	—
Balances at September 30, 2021	221,849,027	$ 2,218	$ 2,903,613	$ (3,132,813)	$ (6,865)	$ (170,997)	$ 363,068	$ (41,776)	$ 262,347

See Notes to Consolidated Financial Statements

	Live Nation Stockholders' Equity								
	Common Shares Issued	**Common Stock**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Cost of Shares Held in Treasury**	**Accumulated Other Comprehensive Loss**	**Noncontrolling Interests**	**Total Equity**	**Redeemable Noncontrolling Interests**
				(in thousands, except share data)					*(in thousands)*
Balances at December 31, 2020	214,466,988	$ 2,145	$ 2,386,790	$ (2,676,833)	$ (6,865)	$ (177,009)	$ 338,020	$ (133,752)	$ 272,449
Non-cash and stock-based compensation	—	—	80,165	—	—	—	—	80,165	—
Common stock issued under stock plans, net of shares withheld for employee taxes	812,829	8	(24,593)	—	—	—	—	(24,585)	—
Exercise of stock options, net of shares withheld for option cost and employee taxes	1,329,951	13	12,162	—	—	—	—	12,175	—
Sale of common shares	5,239,259	52	449,363	—	—	—	—	449,415	—
Acquisitions	—	—	—	—	—	—	7,117	7,117	828
Purchases of noncontrolling interests	—	—	3,775	—	—	—	(2,577)	1,198	(1,698)
Sales of noncontrolling interests	—	—	161	—	—	—	8,868	9,029	—
Redeemable noncontrolling interests fair value adjustments	—	—	(4,210)	—	—	—	—	(4,210)	4,210
Contributions received	—	—	—	—	—	—	16,522	16,522	95
Cash distributions	—	—	—	—	—	—	(20,852)	(20,852)	(4,780)
Other	—	—		—	—	—	(2,452)	(2,452)	—
Comprehensive income (loss):									
Net income (loss)	—	—	—	(455,980)	—	—	18,422	(437,558)	(8,757)
Unrealized gain on cash flow hedge	—	—	—	—	—	10,160	—	10,160	—
Realized loss on cash flow hedge	—	—	—	—	—	5,853	—	5,853	—
Foreign currency translation adjustments	—	—	—	—	—	(10,001)	—	(10,001)	—
Balances at September 30, 2021	221,849,027	$ 2,218	$ 2,903,613	$ (3,132,813)	$ (6,865)	$ (170,997)	$ 363,068	$ (41,776)	$ 262,347

See Notes to Consolidated Financial Statements

	Live Nation Stockholders' Equity								
	Common Shares Issued	**Common Stock**	**Additional Paid-In Capital**	**Accumulated Deficit**	**Cost of Shares Held in Treasury**	**Accumulated Other Comprehensive Loss**	**Noncontrolling Interests**	**Total Equity**	**Redeemable Noncontrolling Interests**
				(in thousands, except share data)					*(in thousands)*
Balances at June 30, 2020	212,523,147	$ 2,125	$ 2,295,069	$ (1,704,599)	$ (6,865)	$ (243,805)	$ 341,605	$ 683,530	$ 334,228
Non-cash and stock-based compensation	—	—	56,696	—	—	—	—	56,696	—
Common stock issued under stock plans, net of shares withheld for employee taxes	979,124	10	(25,489)	—	—	—	—	(25,479)	—
Exercise of stock options, net of shares withheld for option cost and employee taxes	320,731	3	6,683	—	—	—	—	6,686	—
Acquisitions	—	—	—	—	—	—	10,480	10,480	7,349
Divestitures	—	—	—	—	—	—	(1)	(1)	—
Purchases of noncontrolling interests	—	—	20,882	—	—	—	(426)	20,456	(33,406)
Redeemable noncontrolling interests fair value adjustments	—	—	6,990	—	—	—	—	6,990	(6,990)
Contributions received	—	—	—	—	—	—	1,101	1,101	446
Cash distributions	—	—	—	—	—	—	(3,242)	(3,242)	(1,916)
Other	—	—	184	—	—	—	(2,247)	(2,063)	16
Comprehensive loss:									
Net loss	—	—	—	(528,902)	—	—	(816)	(529,718)	(12,740)
Unrealized loss on cash flow hedge	—	—	—	—	—	(2,249)	—	(2,249)	—
Realized loss on cash flow hedge	—	—	—	—	—	1,854	—	1,854	—
Foreign currency translation adjustments	—	—	—	—	—	21,983	—	21,983	—
Balances at September 30, 2020	213,823,002	$ 2,138	$ 2,361,015	$ (2,233,501)	$ (6,865)	$ (222,217)	$ 346,454	$ 247,024	$ 286,987

See Notes to Consolidated Financial Statements

	Live Nation Stockholders' Equity								
	Common Shares Issued	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Cost of Shares Held in Treasury	Accumulated Other Comprehensive Income	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests
				(in thousands, except share data)					(in thousands)
Balances at December 31, 2019	211,262,062	$ 2,113	$ 2,245,619	$ (949,334)	$ (6,865)	$ (145,713)	$ 318,134	$ 1,463,954	$ 449,498
Cumulative effect of change in accounting principle	—	—	—	(2,964)	—	—	—	(2,964)	—
Non-cash and stock-based compensation	—	—	106,975	—	—	—	—	106,975	—
Common stock issued under stock plans, net of shares withheld for employee taxes	1,320,373	13	(33,154)	—	—	—	—	(33,141)	—
Exercise of stock options, net of shares withheld for option cost and employee taxes	1,240,567	12	8,402	—	—	—	—	8,414	—
Fair value of convertible debt conversion feature, net of issuance cost	—	—	33,347	—	—	—	—	33,347	—
Acquisitions	—	—	—	—	—	—	45,802	45,802	19,248
Divestitures	—	—	—	—	—	—	592	592	—
Purchases of noncontrolling interests	—	—	13,943	—	—	—	(1,458)	12,485	(129,596)
Sales of noncontrolling interests	—	—	(8,161)	—	—	—	39,161	31,000	—
Redeemable noncontrolling interests fair value adjustments	—	—	(5,955)	—	—	—	—	(5,955)	5,955
Contributions received	—	—	—	—	—	—	2,568	2,568	446
Cash distributions	—	—	—	—	—	—	(15,925)	(15,925)	(15,548)
Other	—	—	(1)	—	—	—	(2,692)	(2,693)	17
Comprehensive loss:									
Net loss	—	—	—	(1,281,203)	—	—	(39,728)	(1,320,931)	(43,033)
Unrealized loss on cash flow hedge	—	—	—	—	—	(38,845)	—	(38,845)	—
Realized loss on cash flow hedge	—	—	—	—	—	3,207	—	3,207	
Foreign currency translation adjustments	—	—	—	—	—	(40,866)	—	(40,866)	—
Balances at September 30, 2020	213,823,002	$ 2,138	$ 2,361,015	$ (2,233,501)	$ (6,865)	$ (222,217)	$ 346,454	$ 247,024	$ 286,987

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended September 30,	
	2021	2020
	(in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (446,315)	$ (1,363,964)
Reconciling items:		
Depreciation	167,170	184,391
Amortization	146,588	180,394
Amortization of non-recoupable ticketing contract advances	49,214	38,833
Deferred income tax expense (benefit)	4,365	(22,615)
Amortization of debt issuance costs and discounts	27,916	24,201
Non-cash compensation expense	80,165	106,965
Unrealized changes in fair value of contingent consideration	(6,998)	(25,745)
Equity in losses of nonconsolidated affiliates, net of distributions	6,396	8,266
Provision for uncollectible accounts receivable	(14,006)	48,413
Gain on sale of investments in nonconsolidated affiliates	(83,580)	(2,479)
Other, net	2,015	(12,681)
Changes in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Decrease (increase) in accounts receivable	(690,105)	406,202
Decrease (increase) in prepaid expenses and other assets	(92,635)	1,793
Increase (decrease) in accounts payable, accrued expenses and other liabilities	1,323,448	(1,213,409)
Increase in deferred revenue	551,059	684,532
Net cash provided by (used in) operating activities	1,024,697	(956,903)
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances of notes receivable	(24,476)	(12,232)
Collections of notes receivable	16,500	13,838
Investments made in nonconsolidated affiliates	(55,246)	(9,728)
Purchases of property, plant and equipment	(103,914)	(187,036)
Cash paid for acquisitions, net of cash acquired	(19,594)	(37,283)
Proceeds from sale of investments in nonconsolidated affiliates	80,593	3,753
Other, net	(5,622)	4,156
Net cash used in investing activities	(111,759)	(224,532)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt, net of debt issuance costs	904,164	1,608,462
Payments on long-term debt	(93,168)	(24,202)
Contributions from noncontrolling interests	15,985	2,568
Distributions to noncontrolling interests	(25,632)	(31,473)
Purchases and sales of noncontrolling interests, net	(3,273)	(106,971)
Proceeds from sale of common stock, net of issuance costs	449,415	—
Proceeds from exercise of stock options	30,322	18,092
Taxes paid for net share settlement of equity awards	(42,731)	(42,818)
Payments for deferred and contingent consideration	(12,845)	(62,035)
Other, net	84	13
Net cash provided by financing activities	1,222,321	1,361,636
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(48,501)	(20,952)
Net increase in cash, cash equivalents, and restricted cash	2,086,758	159,249
Cash, cash equivalents and restricted cash at beginning of period	2,546,439	2,474,242
Cash, cash equivalents and restricted cash at end of period	$ 4,633,197	$ 2,633,491

See Notes to Consolidated Financial Statements

LIVE NATION ENTERTAINMENT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1—BASIS OF PRESENTATION AND OTHER INFORMATION

Preparation of Interim Financial Statements

The accompanying unaudited consolidated financial statements have been prepared in accordance with GAAP for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X issued by the SEC. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, they include all normal and recurring accruals and adjustments necessary to present fairly the results of the interim periods shown. The financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our 2020 Annual Report on Form 10-K filed with the SEC on March 1, 2021.

Seasonality

Our Concerts and Sponsorship & Advertising segments typically experience higher revenue and operating income in the second and third quarters as our outdoor venues and festivals are primarily used in or occur from May through October. In addition, the timing of when tickets are sold and the tours of top-grossing acts can impact comparability of quarterly results year over year, although annual results may not be impacted. Our Ticketing segment revenue is impacted by fluctuations in the availability of events for sale to the public, which vary depending upon scheduling by our clients.

Cash flows from our Concerts segment typically have a slightly different seasonality as payments are often made for a portion of artist performance fees and production costs for tours in advance of the date the related event tickets go on sale. These artist fees and production costs are expensed when the event occurs. Once tickets for an event go on sale, we generally begin to receive payments from ticket sales at our owned or operated venues and festivals and in some cases from third-party venues in advance of when the event occurs. We record these ticket sales as revenue when the event occurs. Our seasonality also results in higher balances in cash and cash equivalents, accounts receivable, prepaid expenses, accrued expenses and deferred revenue at different times in the year.

Due to the unprecedented global stoppage of our concert and other events beginning in mid-March 2020 resulting from the global COVID-19 pandemic, we did not experience our typical seasonality trends in 2020 and do not expect 2021 will follow our typical seasonality trends even with the resumption of events late in the second quarter of 2021.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents include all highly liquid investments with an original maturity of three months or less. Our cash and cash equivalents include domestic and foreign bank accounts as well as interest-bearing accounts consisting primarily of bank deposits and money market accounts managed by third-party financial institutions. These balances are stated at cost, which approximates fair value.

Included in the September 30, 2021 and December 31, 2020 cash and cash equivalents balance is $1.3 billion and $673.5 million, respectively, of cash received that includes the face value of tickets sold on behalf of ticketing clients and their share of service charges ("client cash"), which amounts are to be remitted to these clients. We generally do not utilize client cash for our own financing or investing activities as the amounts are payable to our clients on a regular basis. These amounts are included in accounts payable, client accounts.

Restricted cash primarily consists of cash held in escrow accounts to fund capital improvements of certain leased or operated venues. The cash is held in these accounts pursuant to the related lease or operating agreement.

Nonconsolidated Affiliates

In general, nonconsolidated investments in which we own more than 20% of the common stock or otherwise exercise significant influence over an affiliate are accounted for under the equity method. We review the value of equity method investments and record impairment charges in the statements of operations for any decline in value that is determined to be other-than-temporary. If we obtain control of a nonconsolidated affiliate through the purchase of additional ownership interest or changes in the governing agreements, we remeasure our investment to fair value first and then apply the accounting guidance for business combinations. Any gain or loss resulting from the remeasurement to fair value is recorded as a component of other expense (income), net in the statements of operations. At September 30, 2021 and December 31, 2020, we had investments in nonconsolidated affiliates of $246.3 million and $170.5 million, respectively, included in other long-term assets on our consolidated balance sheets.

Income Taxes

Each reporting period, we evaluate the realizability of our deferred tax assets in each tax jurisdiction. As of September 30, 2021, we continued to maintain a full valuation allowance against our net deferred tax assets in certain jurisdictions due to cumulative pre-tax losses. As a result of the valuation allowances, no tax benefits have been recognized for losses incurred, if any, in those tax jurisdictions for the first nine months of 2021 and 2020.

Accounting Pronouncements - Not Yet Adopted

In August 2020, the FASB issued guidance that simplifies the accounting for convertible instruments and its application of the derivatives scope exception for contracts in an entity's own equity. The new guidance reduces the number of accounting models that require separating embedded conversion features from convertible instruments. As a result, only conversion features accounted for under the substantial premium model and those that require bifurcation will be accounted for separately. For contracts in an entity's own equity, the new guidance eliminates some of the current requirements for equity classification. The guidance also addresses how convertible instruments are accounted for in the diluted earnings per share calculation and requires enhanced disclosures about the terms of convertible instruments and contracts in an entity's own equity. The guidance is effective for annual periods beginning after December 15, 2021 and interim periods within that year. The guidance should be applied using either a modified retrospective method or a full retrospective method. We will adopt this guidance on January 1, 2022, and are currently assessing which implementation method we will apply and the impact that adoption will have on our financial position and results of operations.

NOTE 2—IMPACT OF THE GLOBAL COVID-19 PANDEMIC

The unprecedented and rapid spread of COVID-19 and the related government restrictions and social distancing measures implemented throughout the world significantly impacted our business through the first half of this year. Late in the second quarter, however, we began to see the positive impacts of successful vaccination rollouts in many of our key markets, mainly the United States and United Kingdom, with social distancing restrictions easing and live events resuming. In the third quarter, we saw a meaningful restart of our operations with outdoor amphitheater events and festivals taking place in the United States and United Kingdom. The restart of our operations has been executed with careful consideration of the safety and health of our fans, artists and employees through a mix of masking, testing and vaccination protocols at our events, venues and offices around the world.

Operating Results

While the first half of the year saw a material impact from the global COVID-19 pandemic, in the third quarter, ticket sales grew, new sponsor partners were signed and shows began to resume, primarily in the United States and United Kingdom. Our overall revenue for the quarter increased by $2.5 billion to $2.7 billion and for the nine months increased by $1.9 billion to $3.6 billion as compared to the same period of the prior year. The revenue increase during the quarter was across all of our segments as a result of more events going on sale and occurring globally, along with lower refunds, during the third quarter of 2021 as compared to the same period of the prior year. The increase in revenue during the first nine months of 2021 was primarily in our Concerts and Ticketing segments largely due to the resumption of shows and festivals late in the second quarter of 2021 and continuing into the third quarter of 2021 primarily in the United States and United Kingdom.

The event-related deferred revenue for our Concerts segment, which is reported as part of deferred revenue on our consolidated balance sheets, includes the face value and Concerts' share of service charges for all tickets sold by September 30, 2021 for shows expected to occur in the next 12 months. Any refunds committed to for shows cancelled or rescheduled during the first nine months of 2021 have either been returned to fans or are reflected in accrued expenses on the consolidated balance sheets. In addition, we have recorded an estimate of $20 million in Concerts for refunds that may occur in the future for shows we believe may be cancelled or rescheduled based on the data available on refunds resulting from the global shutdown of our live events. This estimate only impacts our financial position as a reclassification from deferred revenue to accrued expenses. We expect that the majority of our shows postponed due to the pandemic will be rescheduled. Event-related deferred revenue for tickets sold for shows expected to occur after September 30, 2022 totaled $100.9 million and is reflected in other long-term liabilities on our consolidated balance sheets.

The revenue recognized in our Ticketing segment during the first nine months of 2021 includes our share of ticket service charges for tickets sold during the period for third-party clients and for shows that occurred in the period for our Concerts segment where our promoters control the ticketing. Revenue has been reduced for any shows that were cancelled and for refunds requested on rescheduled shows up to the time of the filing of these consolidated financial statements, and funds have either been returned to the customer or are reflected in accrued expenses on the consolidated balance sheets. Our ticketing clients determine if shows will be rescheduled or cancelled and what the refund policy will be for those shows. We have not recorded an estimate for refunds that may occur in the future since our clients, not Ticketmaster, determine when shows are cancelled or rescheduled and we have a limited amount of historical data of refunds resulting from a global shutdown of live events on which to reliably determine an estimate.

For events that are cancelled, our standard policy is to refund the fans within 30 days, subject to regulations in various markets and in some cases at the discretion of our venue or event organizer clients. Our ticket refund policies for rescheduled shows vary by ticketing client and country. In multiple international markets, including Germany, Italy and Belgium, governmental regulations which allow for the issuance of vouchers in place of cash refunds for rescheduled shows, and in some cases for cancelled shows, have been put in place in response to the global COVID-19 pandemic. The volume and pace of cash refunds has had and may continue to have a material negative effect on our liquidity and capital resources.

The restart of our operations is now well underway in the United States and United Kingdom and we expect the same to happen in other parts of the world as vaccination efforts gain momentum in mainland Europe, Asia-Pacific and Latin America. The reduction in live events due to the pandemic has had a negative impact on our operating results for the first nine months of 2021 and we expect certain markets to continue to be impacted in the fourth quarter as there is still uncertainty on the exact timing and pace of the recovery in certain markets where vaccination efforts are still underway.

NOTE 3—LONG-LIVED ASSETS

We reviewed our long-lived assets for potential impairment indicators due to the suspension of our live events resulting from the global COVID-19 pandemic. Our venues are either owned or we have long-term operating rights under lease or management agreements typically with terms ranging from 5 to 25 years at inception. Many of our definite-lived intangible assets are based on revenue-generating contracts and client or vendor relationships associated with live events and have useful lives, established at the time of acquisition, typically ranging from 3 to 10 years. Our more significant investments in nonconsolidated affiliates are in the concert event promotion, venue operation or ticketing businesses, and these businesses have been experiencing similar impacts to their operations, in line with what we are experiencing as a result of the pandemic. Based on our assessments, we have recorded impairment charges on certain of our definite-lived intangible assets, which are discussed below.

Late in the second quarter we began to see the positive impacts of successful vaccination rollouts in many of our key markets, mainly the United States and United Kingdom, with social distancing restrictions easing and live events resuming. In the third quarter, we saw a meaningful restart of our operations with outdoor amphitheater events and festivals taking place in both the United States and United Kingdom. We expect the same to happen in other parts of the world as vaccination efforts gain momentum in mainland Europe, Asia-Pacific and Latin America. The reduction in live events due to the pandemic has had a negative impact on our operating results for the first nine months of 2021 and we expect certain markets to continue to be impacted in the fourth quarter as there is still uncertainty on the exact timing and pace of the recovery in certain markets where vaccination efforts are still underway. As our larger venues have reopened and tours have resumed in the United States and United Kingdom and we expect other markets to reopen in the last quarter of 2021 and throughout 2022, we believe the underlying business supporting all of our long-lived assets will begin generating operating income once again.

Property, Plant and Equipment, Net

Property, plant and equipment, net, consisted of the following:

	September 30, 2021	December 31, 2020
	(in thousands)	
Land, buildings and improvements	$ 1,292,025	$ 1,239,696
Computer equipment and capitalized software	901,725	887,637
Furniture and other equipment	423,517	424,363
Construction in progress	149,184	151,830
	2,766,451	2,703,526
Less: accumulated depreciation	1,724,597	1,602,112
	$ 1,041,854	$ 1,101,414

Definite-lived Intangible Assets

The following table presents the changes in the gross carrying amount and accumulated amortization of definite-lived intangible assets for the nine months ended September 30, 2021:

	Client / vendor relationships	Revenue-generating contracts	Venue management and leaseholds	Trademarks and naming rights	Technology	Other [(1)]	Total
				(in thousands)			
Balance as of December 31, 2020:							
Gross carrying amount	$ 496,074	$ 578,664	$ 147,956	$ 150,344	$ 72,283	$ 17,413	$ 1,462,734
Accumulated amortization	(146,397)	(277,710)	(51,924)	(73,604)	(45,799)	(11,700)	(607,134)
Net	349,677	300,954	96,032	76,740	26,484	5,713	855,600
Gross carrying amount:							
Acquisitions—current year	15,308	—	—	—	10,407	2,650	28,365
Acquisitions—prior year	5,558	—	—	—	—	—	5,558
Foreign exchange	(4,658)	(10,249)	(1,716)	(1,448)	158	2	(17,911)
Other [(2)]	(31,454)	(35,846)	(19,954)	(8,790)	(29,272)	(9,335)	(134,651)
Net change	(15,246)	(46,095)	(21,670)	(10,238)	(18,707)	(6,683)	(118,639)
Accumulated amortization:							
Amortization	(55,420)	(49,813)	(11,444)	(11,106)	(15,357)	(3,448)	(146,588)
Foreign exchange	2,396	4,427	556	521	(189)	(4)	7,707
Other [(2)]	31,454	34,709	19,969	8,632	29,936	9,496	134,196
Net change	(21,570)	(10,677)	9,081	(1,953)	14,390	6,044	(4,685)
Balance as of September 30, 2021:							
Gross carrying amount	480,828	532,569	126,286	140,106	53,576	10,730	1,344,095
Accumulated amortization	(167,967)	(288,387)	(42,843)	(75,557)	(31,409)	(5,656)	(611,819)
Net	$ 312,861	$ 244,182	$ 83,443	$ 64,549	$ 22,167	$ 5,074	$ 732,276

[(1)] Other primarily includes intangible assets for non-compete agreements.

[(2)] Other primarily includes netdowns of fully amortized or impaired assets.

Included in the current year acquisitions amounts above are definite-lived intangible assets primarily associated with the acquisition of an artist management business in the United States and certain purchased software licenses.

The 2021 additions to definite-lived intangible assets from acquisitions have weighted-average lives as follows:

	Weighted-Average Life (years)
Client/vendor relationships	5
Non-compete agreements	2
All categories	4

The current year acquisitions amount above for technology intangibles includes software licenses acquired in the normal course of business.

We test for possible impairment of definite-lived intangible assets whenever events or circumstances change, such as a significant reduction in operating cash flow or a change in the manner in which the asset is intended to be used, which may indicate that the carrying amount of the asset may not be recoverable. During the nine months ended September 30, 2021 and 2020, we reviewed definite-lived intangible assets that management determined had an indicator that remaining future operating cash flows over the acquisition-date estimated useful life may not support their carrying value, as a result of the expected impacts from the global COVID-19 pandemic, and it was determined that certain of those assets were impaired since the estimated undiscounted operating cash flows associated with those assets were less than their carrying value.

For the nine months ended September 30, 2021, there were no significant impairment charges. For the nine months ended September 30, 2020, we recorded impairment charges related to definite-lived intangible assets of $15.3 million as a component of depreciation and amortization primarily related to intangible assets for revenue-generating contracts and client/vendor relationships in the Concerts segment. See Note 6—Fair Value Measurements for further discussion of the inputs used to determine the fair value.

Amortization of definite-lived intangible assets for the three months ended September 30, 2021 and 2020 was $46.1 million and $58.4 million, respectively, and for the nine months ended September 30, 2021 and 2020 was $146.6 million and $180.4 million, respectively. As acquisitions and dispositions occur in the future and the valuations of intangible assets for recent acquisitions are completed, amortization will vary.

Goodwill

We review goodwill for impairment annually, as of October 1. As such, we completed our annual review in the fourth quarter of 2020 and, as reported in our December 31, 2020 Form 10-K, no impairments were recorded as the fair value of each reporting unit was determined to be in excess of its carrying value for all reporting units. There were no indicators of impairment during the interim periods of 2021.

The following table presents the changes in the carrying amount of goodwill in each of our reportable segments for the nine months ended September 30, 2021:

	Concerts	Ticketing	Sponsorship & Advertising	Total
		(in thousands)		
Balance as of December 31, 2020:				
Goodwill	$ 1,318,273	$ 782,559	$ 463,734	$ 2,564,566
Accumulated impairment losses	(435,363)	—	—	(435,363)
Net	882,910	782,559	463,734	2,129,203
Acquisitions—current year	5,947	—	—	5,947
Acquisitions—prior year	(1,817)	(3,888)	419	(5,286)
Dispositions	(150)	—	—	(150)
Foreign exchange	(9,541)	(4,791)	(5,663)	(19,995)
Balance as of September 30, 2021:				
Goodwill	1,312,712	773,880	458,490	2,545,082
Accumulated impairment losses	(435,363)	—	—	(435,363)
Net	$ 877,349	$ 773,880	$ 458,490	$ 2,109,719

We are in various stages of finalizing our acquisition accounting for recent acquisitions, which may include the use of external valuation consultants, and the completion of this accounting could result in a change to the associated purchase price allocations, including goodwill and our allocation between segments.

Investments in Nonconsolidated Affiliates

During the nine months ended September 30, 2021, we sold certain investments in nonconsolidated affiliates for $101.1 million in cash and noncash consideration resulting in a gain on sale of investments in nonconsolidated affiliates of $83.6 million.

During the nine months ended September 30, 2021, we entered into certain agreements whereby we received equity in the counterparty to those agreements primarily in exchange for providing sponsorship and marketing programs and support. We recognized $25.0 million of noncash additions to investments in nonconsolidated affiliates which are included in other long-term assets on our consolidated balance sheets associated with these agreements.

NOTE 4—LEASES

The significant components of operating lease expense are as follows:

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
	(in thousands)			
Operating lease cost	$ 56,662	$ 59,923	$ 168,538	$ 180,478
Variable and short-term lease cost	44,552	10,545	57,548	43,275
Sublease income	(1,346)	(3,682)	(4,864)	(11,944)
Net lease cost	$ 99,868	$ 66,786	$ 221,222	$ 211,809

Many of our leases contain contingent rent obligations based on revenue, tickets sold or other variables, while others include periodic adjustments to rent obligations based on the prevailing inflationary index or market rental rates. Contingent rent obligations are not included in the initial measurement of the lease asset or liability and are recorded as rent expense in the period that the contingency is resolved.

Supplemental cash flow information for our operating leases is as follows:

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
	(in thousands)	
Cash paid for amounts included in the measurement of lease liabilities	$ 142,243	$ 154,471
Lease assets obtained in exchange for lease obligations, net of terminations	$ 79,703	$ 149,817

Future maturities of our operating lease liabilities at September 30, 2021 are as follows:

	(in thousands)
October 1 - December 31, 2021	$ 39,264
2022	207,883
2023	210,108
2024	193,320
2025	181,720
Thereafter	1,543,848
Total lease payments	2,376,143
Less: Interest	816,783
Present value of lease liabilities	$ 1,559,360

The weighted average remaining lease term and weighted average discount rate for our operating leases are as follows:

	September 30, 2021	December 31, 2020
Weighted average remaining lease term (in years)	13.5	13.9
Weighted average discount rate	6.36 %	6.31 %

As of September 30, 2021, we have additional operating leases that have not yet commenced, with total lease payments of $266.7 million. These operating leases, which are not included on our consolidated balance sheets, have commencement dates ranging from October 2021 to June 2030, with lease terms ranging from 1 to 20 years.

In response to the impacts we are experiencing from the global COVID-19 pandemic, we have amended certain of our lease agreements and are continuing negotiations with certain of our landlords for deferral or abatement of fixed rent payments. These lease concessions are not expected to substantially increase our obligations under the respective lease agreements. Therefore, we have elected to account for these lease concessions as though enforceable rights and obligations for those concessions existed in our lease agreements as clarified by the FASB rather than applying the lease modification guidance.

NOTE 5—LONG-TERM DEBT

In January 2021, we issued $500 million principal amount of 3.75% senior secured notes due 2028. A portion of the proceeds were used to pay fees of $7.7 million and repay $75.0 million aggregate principal amount of our senior secured term loan B facility, leaving approximately $417.3 million for general corporate purposes, including acquisitions and organic investment opportunities.

In September 2021, we elected to draw down the $400 million term loan A under the amended senior secured credit facility prior to expiration of the drawdown period on October 17, 2021. We intend to use the proceeds from the drawdown for general corporate purposes.

Long-term debt, which includes finance leases, consisted of the following:

	September 30, 2021	December 31, 2020
	(in thousands)	
Senior Secured Credit Facility:		
Term loan A	$ 397,500	$ —
Term loan B	856,570	938,125
6.5% Senior Secured Notes due 2027	1,200,000	1,200,000
3.75% Senior Secured Notes due 2028	500,000	—
4.75% Senior Notes due 2027	950,000	950,000
4.875% Senior Notes due 2024	575,000	575,000
5.625% Senior Notes due 2026	300,000	300,000
2.5% Convertible Senior Notes due 2023	550,000	550,000
2.0% Convertible Senior Notes due 2025	400,000	400,000
Other long-term debt	112,930	125,226
Total principal amount	5,842,000	5,038,351
Less unamortized discounts and debt issuance costs	(108,881)	(129,840)
Total long-term debt, net of unamortized discounts and debt issuance costs	5,733,119	4,908,511
Less: current portion	46,214	53,415
Total long-term debt, net	$ 5,686,905	$ 4,855,096

Future maturities of long-term debt at September 30, 2021 are as follows:

	(in thousands)
October 1, 2021 - December 31, 2021	$ 21,678
2022	589,658
2023	66,375
2024	1,351,506
2025	37,782
Thereafter	3,775,001
Total	$ 5,842,000

All long-term debt without a stated maturity date is considered current and is reflected as maturing in the earliest period shown in the table above. See Note 6—Fair Value Measurements for discussion of the fair value measurement of our long-term debt.

3.75% Senior Secured Notes due 2028

In January 2021, we issued $500 million principal amount of 3.75% senior secured notes due 2028. Interest on the notes is payable semi-annually in cash in arrears on January 15 and July 15 of each year and began on July 15, 2021, and the notes will mature on January 15, 2028. We may redeem some or all of the notes, at any time prior to January 15, 2024, at a price equal to 100% of the aggregate principal amount, plus any accrued and unpaid interest to the date of redemption, plus a 'make-whole' premium. We may redeem up to 35% of the aggregate principal amount of the notes from the proceeds of certain equity offerings prior to January 15, 2024, at a price equal to 103.75% of the aggregate principal amount, plus accrued and unpaid interest thereon to the date of redemption. In addition, on or after January 15, 2024 we may redeem some or all of the notes at any time at redemption prices specified in the notes indenture, plus any accrued and unpaid interest to the date of redemption.

We must make an offer to redeem the notes at 101% of their aggregate principal amount, plus accrued and unpaid interest to the repurchase date, if we experience certain defined changes of control. The notes are secured by a first priority lien on substantially all of the tangible and intangible personal property of LNE and LNE's domestic subsidiaries that are guarantors, and by a pledge of substantially all of the shares of stock, partnership interests and limited liability company interests of our direct and indirect domestic subsidiaries.

NOTE 6—FAIR VALUE MEASUREMENTS

Recurring

The following table shows the fair value of our significant financial assets that are required to be measured at fair value on a recurring basis, which are classified on the consolidated balance sheets as cash and cash equivalents.

	Estimated Fair Value					
	September 30, 2021			December 31, 2020		
	Level 1	Level 2	Total	Level 1	Level 2	Total
	(in thousands)					
Assets:						
Cash equivalents	$ 776,553	$ —	$ 776,553	$ 282,696	$ —	$ 282,696

Our outstanding debt held by third-party financial institutions is carried at cost, adjusted for any discounts or debt issuance costs. Our debt is not publicly traded and the carrying amounts typically approximate fair value for debt that accrues interest at a variable rate, which are considered to be Level 2 inputs as defined in the FASB guidance.

The following table presents the estimated fair values of our senior secured notes, senior notes and convertible senior notes:

	Estimated Fair Value at	
	September 30, 2021	December 31, 2020
	Level 2	
	(in thousands)	
6.5% Senior Secured Notes due 2027	$ 1,322,100	$ 1,340,688
3.75% Senior Secured Notes due 2028	$ 497,860	$ —
4.75% Senior Notes due 2027	$ 966,986	$ 970,872
4.875% Senior Notes due 2024	$ 581,929	$ 581,480
5.625% Senior Notes due 2026	$ 312,237	$ 307,785
2.5% Convertible Senior Notes due 2023	$ 796,329	$ 720,764
2.0% Convertible Senior Notes due 2025	$ 459,180	$ 425,172

The estimated fair value of our third-party fixed-rate debt is based on quoted market prices in active markets for the same or similar debt, which are considered to be Level 2 inputs.

Non-recurring

The following table shows the fair value of our financial assets that have been adjusted to fair value on a non-recurring basis, which had a significant impact on our results of operations for the nine months ended September 30, 2020.

Description	Fair Value Measurement	Fair Value Measurements Using			Loss (Gain)
		Level 1	Level 2	Level 3	
			(in thousands)		
2020					
Definite-lived intangible assets, net	$ 7,390	$ —	$ —	$ 7,390	$ 15,264

For the nine months ended September 30, 2021, there were no significant impairment charges. During the nine months ended September 30, 2020, we recorded impairment charges related to definite-lived intangible assets of $15.3 million as a component of depreciation and amortization primarily related to intangible assets for revenue-generating contracts and client/vendor relationships in the Concerts segment. It was determined that these assets were impaired since the most recent estimated undiscounted future cash flows associated with these assets were less than their carrying value, primarily as a result of the expected impacts from the global COVID-19 pandemic. These impairments were calculated using operating cash flows, which were discounted to approximate fair value. The key inputs in these calculations include future cash flow projections, including revenue profit margins, and, for the fair value computation, a discount rate. The key inputs used for these non-recurring fair value measurements are considered Level 3 inputs.

NOTE 7—COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

Consumer Class Actions

The following putative class action lawsuits were filed against Live Nation and/or Ticketmaster in Canada: Thompson-Marcial v. Ticketmaster Canada Holdings ULC (Ontario Superior Court of Justice, filed September 2018); McPhee v. Live Nation Entertainment, Inc., et al. (Superior Court of Quebec, District of Montreal, filed September 2018); Crystal Watch v. Live Nation Entertainment, Inc., et al. (Court of Queen's Bench for Saskatchewan, by amendments filed September 2018); and Gomel v. Live Nation Entertainment, Inc., et al. (Supreme Court of British Columbia, Vancouver Registry, filed October 2018). Similar putative class actions were filed in the United States during the same time period, but as of November 2020, each of the lawsuits filed in the United States has been dismissed with prejudice.

The Canadian lawsuits make similar factual allegations that Live Nation and/or Ticketmaster engage in conduct that is intended to encourage the resale of tickets on secondary ticket exchanges at elevated prices. Based on these allegations, each plaintiff asserts violations of different provincial and federal laws. Each plaintiff also seeks to represent a class of individuals who purchased tickets on a secondary ticket exchange, as defined in each plaintiff's complaint. The Watch complaint also makes claims related to Ticketmaster's fee display practices on the primary market. The complaints seek a variety of remedies, including unspecified compensatory damages, punitive damages, restitution, injunctive relief and attorneys' fees and costs.

The McPhee matter is stayed pending the outcome of the Watch matter, and the Thompson-Marcial, Watch, and Gomel cases are in the class certification phase. In April 2021, the court in the Gomel lawsuit refused to certify all claims other than those pled under British Columbia's Business Practices and Consumer Protection Act and claims for punitive damages, but the court did certify a class of British Columbia residents who purchased tickets to an event in Canada on any secondary market exchange from June 30, 2015 through April 15, 2021 that were initially purchased on Ticketmaster.ca. We filed a notice of appeal of the class certification ruling in May 2021, and the plaintiff filed a cross-appeal shortly thereafter.

Based on information presently known to management, we do not believe that a loss is probable of occurring at this time, and we believe that the potential liability, if any, will not have a material adverse effect on our financial position, cash flows or results of operations. Further, we do not currently believe that the claims asserted in these lawsuits have merit, and considerable uncertainty exists regarding any monetary damages that will be asserted against us. We continue to vigorously defend these actions.

CIE Arbitration

In July 2019, we entered into agreements with Corporación Interamericana de Entretenimiento, S.A.B. de C.V. ("CIE") and Grupo Televisa, S.A.B. ("TV") to acquire an aggregate 51% interest in OCESA Entretenimiento, S.A. de C.V. ("OCESA") and certain other related subsidiaries of CIE. In May 2020, we notified CIE and TV that we were terminating our agreements with them and commenced binding arbitration proceedings, in New York, New York, before the International Court of

Arbitration of the International Chamber of Commerce ("ICC"), seeking a declaratory judgment that we had properly terminated the CIE purchase agreement and that any obligations thereunder were excused. In July 2020, CIE filed its response to our claims, seeking specific performance to require us to proceed with closing under the CIE purchase agreement and damages in an unspecified amount arising from our alleged failure to timely close. The matter has been assigned to a panel of arbitrators and a hearing had been scheduled to commence in June 2022. In September 2021, we entered into amendments to revive the previously terminated purchase agreements with CIE and TV and proceed with the acquisition of OCESA on modified terms. In connection with the purchase agreement amendment entered into with CIE, the pending arbitration matter before the ICC has been suspended pending the closing of the OCESA acquisition, and we and CIE have agreed to terminate the ICC arbitration and release any claims arising from the earlier termination of the purchase agreements upon completion of the acquisition.

NOTE 8—EQUITY

Common Stock

In September 2021, we completed the public offering of 5,239,259 shares of common stock. A portion of the proceeds of $455.3 million were used to pay estimated fees of $5.9 million, leaving approximately $449.4 million of net proceeds. We intend to use the net proceeds to fund the acquisition of 51% of the capital stock of OCESA and use any remaining proceeds for general corporate purposes.

Accumulated Other Comprehensive Loss

The following table presents changes in the components of AOCI, net of taxes, for the nine months ended September 30, 2021:

	Cash Flow Hedge	Foreign Currency Items	Total
		(in thousands)	
Balance at December 31, 2020	$ (31,587)	$ (145,422)	$ (177,009)
Other comprehensive income before reclassifications	10,160	(10,001)	159
Amount reclassified from AOCI	5,853	—	5,853
Net other comprehensive income	16,013	(10,001)	6,012
Balance at September 30, 2021	$ (15,574)	$ (155,423)	$ (170,997)

Earnings Per Share

Basic net income (loss) per common share is computed by dividing the net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the period. The calculation of diluted net income (loss) per common share includes the effects of the assumed exercise of any outstanding stock options, the assumed vesting of shares of restricted and deferred stock awards and the assumed conversion of our convertible senior notes, where dilutive.

The following table sets forth the computation of weighted average common shares outstanding:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Weighted average common shares—basic	216,888,355	212,593,719	215,716,239	211,781,620
Effect of dilutive securities:				
Stock options and restricted stock	6,912,045	—	—	—
Weighted average common shares—diluted	223,800,400	212,593,719	215,716,239	211,781,620

The following table shows securities excluded from the calculation of diluted net loss per common share because such securities are anti-dilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Options to purchase shares of common stock	3,750	9,874,376	7,727,064	9,874,376
Restricted stock and deferred stock—unvested	91,275	3,713,249	3,207,115	3,713,249
Conversion shares related to the convertible senior notes	11,864,035	11,864,035	11,864,035	10,729,717
Number of anti-dilutive potentially issuable shares excluded from diluted common shares outstanding	11,959,060	25,451,660	22,798,214	24,317,342

NOTE 9—REVENUE RECOGNITION

The global COVID-19 pandemic has significantly impacted the recognition of revenue for our Concerts, Ticketing and Sponsorship & Advertising segments. Late in the second quarter we began to see the positive impacts of successful vaccination rollouts in many of our key markets, mainly the United States and United Kingdom, with social distancing restrictions easing and live events resuming. In the third quarter, we saw a meaningful restart of our operations with outdoor amphitheater events and festivals taking place in both the United States and United Kingdom.

For our Concerts segment, the impact is partially a delay in the timing of revenue recognition as many events have been or are being rescheduled to dates later in 2021 or 2022. For events that have been cancelled as of September 30, 2021, the deferred revenue has been reclassified to accrued expenses on our consolidated balance sheets where not already refunded to the fan. In certain markets, we are offering fans an incentive to receive a voucher for a future ticket purchase to one of our events in lieu of receiving a refund for the cancelled event. Where a fan has elected to receive the incentive voucher, the cash from the original ticket purchase remains in deferred revenue. For certain of our rescheduled events, we are offering a limited refund window for fans to request a refund. Where a fan has elected to receive a refund for a rescheduled event and where we have estimated future refunds, the deferred revenue has been reclassified to accrued expenses if not already refunded. The estimate of future refunds was developed by applying the percentage of future shows we believe could be rescheduled to the deferred revenue balances as of September 30, 2021 for those impacted quarters, and then applying a venue-specific refund take rate. The venue-specific refund take rates are based on the refunds we have issued since we ceased all our tours and closed our venues in mid-March 2020 through the end of the first quarter of 2021.

For our Ticketing segment, the impact is similar to the Concerts segment if the tickets sold for an event are controlled by our concert promoters. For the Ticketing segment's third-party clients, previously recognized service charges are reversed from revenue when the event is cancelled or a refund is issued for a rescheduled event, including refunds issued after the balance sheet date but prior to the filing of our consolidated financial statements. The revenue reversal is reflected as accrued expenses on our consolidated balance sheets where not already refunded to the fan. The timing of our third-party clients' event cancellations and rescheduling of postponed events versus new events available for sale can result in refunds of service charges exceeding quarterly sales resulting in negative revenue for that period.

For our Sponsorship & Advertising segment, the impact is partially a delay in the timing of revenue recognition due to our concert events being rescheduled, our venues being closed along with the limited number of events that were available for sale on our websites. In response to the impacts we are experiencing from the global COVID-19 pandemic, we have amended or are continuing negotiations with certain of our sponsors to either provide additional benefits when our venues reopen and our concert events resume or extend the term of the agreement with no additional benefits to the sponsor.

Concerts

Concerts revenue, including intersegment revenue, for the three and nine months ended September 30, 2021 and 2020 are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)			
Total Concerts Revenue	$ 2,151,596	$ 154,791	$ 2,677,970	$ 1,290,007
Percentage of consolidated revenue	79.7 %	84.1 %	75.1 %	79.4 %

Our Concerts segment generates revenue from the promotion or production of live music events and festivals in our owned or operated venues and in rented third-party venues, artist management commissions and the sale of merchandise for music artists at events. As a promoter and venue operator, we earn revenue primarily from the sale of tickets, concessions, merchandise, parking, ticket rebates or service charges on tickets sold by Ticketmaster or third-party ticketing agreements, and rental of our owned or operated venues. As an artist manager, we earn commissions on the earnings of the artists and other clients we represent, primarily derived from clients' earnings for concert tours. Over 95% of Concerts' revenue, whether related to promotion, venue operations, artist management or artist event merchandising, is recognized on the day of the related event. The majority of consideration for our Concerts segment is collected in advance of, or on the day, of the event. Consideration received in advance of the event is recorded as deferred revenue or in other long-term liabilities if the event is more than twelve months from the balance sheet date. Any consideration not collected by the day of the event is typically received within three months after the event date.

Ticketing

Ticketing revenue, including intersegment revenue, for the three and nine months ended September 30, 2021 and 2020 are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)			
Total Ticketing Revenue	$ 374,237	$ (19,822)	$ 646,560	$ 177,436
Percentage of consolidated revenue	13.9 %	*	18.1 %	10.9 %

* Percentage is not meaningful.

Ticket fee revenue is generated from convenience and order processing fees, or service charges, charged at the time a ticket for an event is sold in either the primary or secondary markets. Our Ticketing segment is primarily an agency business that sells tickets for events on behalf of its clients, which include venues, concert promoters, professional sports franchises and leagues, college sports teams, theater producers and museums. Our Ticketing segment records revenue arising from convenience and order processing fees, regardless of whether these fees are related to tickets sold in the primary or secondary market, and regardless of whether these fees are associated with our concert events or third-party clients' concert events. Our Ticketing segment does not record the face value of the tickets as revenue. Ticket fee revenue is recognized when the ticket is sold for third-party clients and secondary market sales, as we have no further obligation to our client's customers following the sale of the ticket. For our concert events where our concert promoters control ticketing, ticket fee revenue is recognized when the event occurs because we also have the obligation to deliver the event to the fan. The delivery of the ticket to the fan is not considered a distinct performance obligation for our concert events because the fan cannot receive the benefits of the ticket unless we also fulfill our obligation to deliver the event. The majority of ticket fee revenue is collected within the month of the ticket sale. Revenue received from the sale of tickets in advance of our concert events is recorded as deferred revenue or in other long-term liabilities if the date of the event is more than twelve months from the balance sheet date. Reported revenue is net of any refunds made or committed to and the impact of any cancellations of events that occurred during the period up to the time of filing these consolidated financial statements.

Ticketing contract advances, which can be either recoupable or non-recoupable, represent amounts paid in advance to our clients pursuant to ticketing agreements and are reflected in prepaid expenses or in long-term advances if the amount is expected to be recouped or recognized over a period of more than twelve months. Recoupable ticketing contract advances are generally recoupable against future royalties earned by the client, based on the contract terms, over the life of the contract. Royalties are typically earned by the client when tickets are sold. Royalties paid to clients are recorded as a reduction to revenue when the tickets are sold and the corresponding service charge revenue is recognized. Non-recoupable ticketing contract advances, excluding those amounts paid to support clients' advertising costs, are fixed additional incentives occasionally paid by us to certain clients to secure the contract and are typically amortized over the life of the contract on a straight-line basis as a reduction to revenue.

At September 30, 2021 and December 31, 2020, we had ticketing contract advances of $94.0 million and $63.5 million, respectively, recorded in prepaid expenses and $80.5 million and $87.0 million, respectively, recorded in long-term advances on the consolidated balance sheets. We amortized $20.5 million and $6.7 million for the three months ended September 30, 2021 and 2020, respectively, and $49.2 million and $38.8 million for the nine months ended September 30, 2021 and 2020, respectively, related to non-recoupable ticketing contract advances.

Sponsorship & Advertising

Sponsorship & Advertising revenue, including intersegment revenue, for the three and nine months ended September 30, 2021 and 2020 are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)			
Total Sponsorship & Advertising Revenue	$ 174,449	$ 47,927	$ 241,657	$ 156,560
Percentage of consolidated revenue	6.5 %	26.0 %	6.8 %	9.6 %

Our Sponsorship & Advertising segment generates revenue from sponsorship and marketing programs that provide its sponsors with strategic, international, national and local opportunities to reach customers through our venue, concert and ticketing assets, including advertising on our websites. These programs can also include custom events or programs for the sponsors' specific brands, which are typically experienced exclusively by the sponsors' customers. Sponsorship agreements may contain multiple elements, which provide several distinct benefits to the sponsor over the term of the agreement, and can be for a single or multi-year term. We also earn revenue from exclusive access rights provided to sponsors in various categories such as ticket pre-sales, beverage pouring rights, venue naming rights, media campaigns, signage within our venues, and advertising on our websites. Revenue from sponsorship agreements is allocated to the multiple elements based on the relative stand-alone selling price of each separate element, which are determined using vendor-specific evidence, third-party evidence or our best estimate of the fair value. Revenue is recognized over the term of the agreement or operating season as the benefits are provided to the sponsor unless the revenue is associated with a specific event, in which case it is recognized when the event occurs. Revenue is collected in installment payments during the year, typically in advance of providing the benefit or the event. Revenue received in advance of the event or the sponsor receiving the benefit is recorded as deferred revenue or in other long-term liabilities if the date of the event is more than twelve months from the balance sheet date.

At September 30, 2021, we had contracted sponsorship agreements with terms greater than one year that had approximately $1.0 billion of revenue related to future benefits to be provided by us. We expect to recognize, based on current projections, approximately 12%, 37%, 19% and 32% of this revenue in the remainder of 2021, 2022, 2023 and thereafter, respectively.

Deferred Revenue

The majority of our deferred revenue is typically classified as current and is shown as a separate line item on the consolidated balance sheets. Deferred revenue that is not expected to be recognized within the next twelve months is classified as long-term and reflected in other long-term liabilities on the consolidated balance sheets. We had current deferred revenue of $1.8 billion and $1.4 billion at December 31, 2020 and 2019, respectively.

The table below summarizes the amount of the preceding December 31 current deferred revenue recognized during the three and nine months ended September 30, 2021 and 2020:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)			
Concerts	$ 278,557	$ 11,539	$ 330,852	$ 281,017
Ticketing	24,159	4,023	31,950	25,231
Sponsorship & Advertising	43,437	824	58,070	17,408
Other & Corporate	—	1,364	—	3,402
	$ 346,153	$ 17,750	$ 420,872	$ 327,058

As of September 30, 2021, approximately 15.4% of the current deferred revenue balance from December 31, 2020 is expected to be recognized in 2021 and thus such amounts remain in current deferred revenue. In addition, as of September 30, 2021, approximately 14.9% of the current deferred revenue balance from December 31, 2020 has been or is expected to be refunded to fans as the corresponding events have been cancelled or refunds were or are expected to be requested for rescheduled events, and thus such amounts have been reclassified to accrued expenses if not already refunded. Our long-term deferred revenue balance has increased as events have been rescheduled into the fourth quarter of 2022 in markets still experiencing severe impacts from the global COVID-19 pandemic. We had long-term deferred revenue of $149.4 million and $88.6 million at September 30, 2021 and December 31, 2020, respectively, which is reflected in other long-term liabilities on the consolidated balance sheets.

NOTE 10—STOCK-BASED COMPENSATION

The following is a summary of stock-based compensation expense recorded during the respective periods:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands)			
Selling, general and administrative expenses	$ 18,826	$ 47,590	$ 50,636	$ 82,802
Corporate expenses	8,492	9,105	29,529	24,163
Total	$ 27,318	$ 56,695	$ 80,165	$ 106,965

The decrease in stock-based compensation expense for the three and nine months ended September 30, 2021 as compared to the same periods of the prior year is primarily due to lower expense in 2021 associated with restricted stock awards issued in 2020 and 2021 with a three to six month vesting period in lieu of cash payments for certain compensation owed to employees, as part of our cash savings initiative in connection with the global COVID-19 pandemic.

NOTE 11—SEGMENT DATA

Our reportable segments are Concerts, Ticketing and Sponsorship & Advertising. Our Concerts segment involves the promotion of live music events globally in our owned or operated venues and in rented third-party venues, the production of music festivals, the operation and management of music venues, the creation or streaming of associated content and the provision of management and other services to artists. Our Ticketing segment involves the management of our global ticketing operations, including providing ticketing software and services to clients, and consumers with a marketplace, both online and mobile, for tickets and event information, and is responsible for our primary ticketing website, *www.ticketmaster.com*. Our Sponsorship & Advertising segment manages the development of strategic sponsorship programs in addition to the sale of international, national and local sponsorships and placement of advertising such as signage, promotional programs, rich media offerings, including advertising associated with live streaming and music-related content, and ads across our distribution network of venues, events and websites.

Revenue and expenses earned and charged between segments are eliminated in consolidation. Our capital expenditures below include accruals for amounts incurred but not yet paid for, but are not reduced by reimbursements received from outside parties such as landlords and noncontrolling interest partners or replacements funded by insurance proceeds.

We manage our working capital on a consolidated basis. Accordingly, segment assets are not reported to, or used by, our management to allocate resources to or assess performance of our segments, and therefore, total segment assets have not been presented.

The following table presents the results of operations for our reportable segments for the three and nine months ended September 30, 2021 and 2020:

	Concerts	Ticketing	Sponsorship & Advertising	Other	Corporate	Eliminations	Consolidated
	(in thousands)						
Three Months Ended September 30, 2021							
Revenue	$ 2,151,596	$ 374,237	$ 174,449	$ 543	$ —	$ (2,103)	$ 2,698,722
Direct operating expenses	1,822,537	111,197	38,281	—	—	(2,103)	1,969,912
Selling, general and administrative expenses	303,378	116,796	26,247	508	—	—	446,929

	Concerts	Ticketing	Sponsorship & Advertising	Other	Corporate	Eliminations	Consolidated
				(in thousands)			
Depreciation and amortization	59,541	32,040	7,166	10	2,478	—	101,235
Loss (gain) on disposal of operating assets	(1,098)	(66)	—	—	16	—	(1,148)
Corporate expenses	—	—	—	—	44,649	—	44,649
Operating income (loss)	$ (32,762)	$ 114,270	$ 102,755	$ 25	$ (47,143)	$ —	$ 137,145
Intersegment revenue	$ 1,473	$ 630	$ —	$ —	$ —	$ (2,103)	$ —
Three Months Ended September 30, 2020							
Revenue	$ 154,791	$ (19,822)	$ 47,927	$ 806	$ —	$ 316	$ 184,018
Direct operating expenses	113,283	8,503	8,647	—	—	316	130,749
Selling, general and administrative expenses	257,131	126,518	18,891	3,394	—	—	405,934
Depreciation and amortization	65,794	42,565	6,634	2,192	2,753	—	119,938
Loss (gain) on disposal of operating assets	208	(1)	—	1	—	—	208
Corporate expenses	—	—	—	—	31,630	—	31,630
Operating income (loss)	$ (281,625)	$ (197,407)	$ 13,755	$ (4,781)	$ (34,383)	$ —	$ (504,441)
Intersegment revenue	$ (286)	$ (30)	$ —	$ —	$ —	$ 316	$ —
Nine Months Ended September 30, 2021							
Revenue	$ 2,677,970	$ 646,560	$ 241,657	$ 2,173	$ —	$ (3,083)	$ 3,565,277
Direct operating expenses	2,108,617	188,330	53,134	—	—	(3,083)	2,346,998
Selling, general and administrative expenses	713,922	317,451	65,046	2,257	—	—	1,098,676
Depreciation and amortization	180,877	103,406	21,837	32	7,606	—	313,758
Loss (gain) on disposal of operating assets	(988)	(66)	—	—	16	—	(1,038)
Corporate expenses	—	—	—	—	100,195	—	100,195
Operating income (loss)	$ (324,458)	$ 37,439	$ 101,640	$ (116)	$ (107,817)	$ —	$ (293,312)
Intersegment revenue	$ 1,473	$ 1,610	$ —	$ —	$ —	$ (3,083)	$ —
Capital expenditures	$ 59,367	$ 30,627	$ 4,930	$ —	$ 15,315	$ —	$ 110,239
Nine Months Ended September 30, 2020							
Revenue	$ 1,290,007	$ 177,436	$ 156,560	$ 2,407	$ —	$ (2,615)	$ 1,623,795
Direct operating expenses	1,046,405	120,967	34,369	—	—	(2,615)	1,199,126
Selling, general and administrative expenses	762,961	411,875	59,661	8,810	—	—	1,243,307
Depreciation and amortization	202,352	125,054	21,766	6,630	8,983	—	364,785
Loss on disposal of operating assets	896	—	—	1	—	—	897
Corporate expenses	—	—	—	—	80,858	—	80,858
Operating income (loss)	$ (722,607)	$ (480,460)	$ 40,764	$ (13,034)	$ (89,841)	$ —	$ (1,265,178)
Intersegment revenue	$ 811	$ 1,804	$ —	$ —	$ —	$ (2,615)	$ —
Capital expenditures	$ 98,790	$ 58,515	$ 4,709	$ —	$ 6,239	$ —	$ 168,253

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

“Live Nation” (which may be referred to as the “Company,” “we,” “us” or “our”) means Live Nation Entertainment, Inc. and its subsidiaries, or one of our segments or subsidiaries, as the context requires. You should read the following discussion of our financial condition and results of operations together with the unaudited consolidated financial statements and notes to the financial statements included elsewhere in this quarterly report.

Special Note About Forward-Looking Statements

Certain statements contained in this quarterly report (or otherwise made by us or on our behalf from time to time in other reports, filings with the SEC, news releases, conferences, internet postings or otherwise) that are not statements of historical fact constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended, notwithstanding that such statements are not specifically identified. Forward-looking statements include, but are not limited to, statements about our financial position, business strategy, competitive position, potential growth opportunities, potential operating performance improvements, the effects of competition, the effects of future legislation or regulations and plans and objectives of our management for future operations. We have based our forward-looking statements on our beliefs and assumptions considering the information available to us at the time the statements are made. Use of the words “may,” “should,” “continue,” “plan,” “potential,” “anticipate,” “believe,” “estimate,” “expect,” “intend,” “outlook,” “could,” “target,” “project,” “seek,” “predict,” or variations of such words and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from those in such statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to, those set forth below under Part II—Other Information—Item 1A.—Risk Factors, in Part I—Item IA.—Risk Factors of our 2020 Annual Report on Form 10-K as well as other factors described herein or in our annual, quarterly and other reports we file with the SEC (collectively, “cautionary statements”). Based upon changing conditions, should any risk or uncertainty that has already materialized, such as, for example, the risks and uncertainties posed by the global COVID-19 pandemic, worsen in scope, impact or duration, or should one or more of the currently unrealized risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those described in any forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the applicable cautionary statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We do not intend to update these forward-looking statements, except as required by applicable law.

Executive Overview

In the third quarter, we saw a meaningful restart of our operations which was reflected in our financials and key performance indicators. As a result, this was our best quarter in the last two years. After nearly a year and a half of very limited events and ticket sales, shows began to play off in our key markets and on-sales for future events continue to grow. In particular, we saw outdoor amphitheater events as well as festivals take place in the United States and United Kingdom with enthusiastic fan response. Despite the operational challenges associated with ramping up our concerts in a compressed timeframe, increased health and safety protocols, and a generally tighter labor market, we were able to successfully deliver every planned concert, increase overall per fan profitability, and deliver our first positive operating income in two years. This has been done with careful consideration of the safety and health of our fans, artists and employees via a mix of masking, testing and vaccination protocols. We have seen record festival attendance at a number of our events this year and little pushback on our vaccine requirements in the United States; in fact, recent surveys reveal an improvement to the fan experience versus 2019. Emerging from the pandemic, our organization has streamlined its operations, reduced costs and focused its cash management strategies for future flexibility. In the United States and United Kingdom, our reopening is well underway while other parts of the world catch up as vaccination efforts gain momentum in mainland Europe, Asia-Pacific and Latin America. A key leading indicator of the future health of our business is transacted ticket sales and for the third quarter, our United States and United Kingdom markets had double-digit growth versus the third quarter of 2019. Sales were notably strong for concert events in both markets and sporting events in the United States.

Our revenue increased by $2.5 billion in the third quarter, from $184 million in 2020 to $2.7 billion in 2021. All three of our segments reported revenue growth due to more events, higher ticket sales and increased sponsor fulfillment over the past three months. As a result, our operating income improved by $642 million, from a loss of $504 million in 2020 to an income of $137 million in 2021. The improvement resulted from both increased events, ticket sales and sponsor client activation partially offset by higher selling, general and administrative expenses as we brought employees back from furlough and began hiring new roles to execute 2021 events through the remainder of the year and prepare for 2022. For the first nine months of 2021, our revenue increased by $1.9 billion, from $1.6 billion in 2020 to $3.6 billion in 2021, which was largely due to our business restarting in mid-summer of this year versus operations limited to January through mid-March of 2020. Our operating loss improved by $1.0 billion or 77%, from $1.3 billion in 2020 to $293 million in 2021. The improvement was due to the revenue growth as well as reduced selling, general and administrative, and depreciation and amortization costs in the first nine months of this year. For the third quarter and year-to-date, the impact of changes in foreign exchange rates did not materially impact our year-over-year variances.

Our Concerts segment revenue for the third quarter increased by $2.0 billion, from $155 million in 2020 to $2.2 billion in 2021. The revenue growth was a result of increased shows and fans this quarter as well as ancillary spend per fan at our events. The number of events for the third quarter of 2021 was nearly 5,600 compared to approximately 400 events in the third quarter of last year. The number of fans for the third quarter of 2021 was nearly 17 million compared to approximately 265 thousand in the third quarter of last year. The growth was largely in the United States and United Kingdom. Concerts operating loss for the third quarter improved by $249 million, from a loss of $282 million in 2020 to $33 million in 2021. The improvement was primarily due to more shows this year as well as an increase in net ancillary spend per fan at our amphitheater and festival events. Our amphitheater net ancillary spend per fan grew by double digits compared to 2019 as a result of higher consumption and our transition to cashless transactions. At our major festivals that had over 100 thousand fans, we also saw robust growth in onsite spend with our ancillary per fan increasing by double-digits over 2019. And while we have seen some adverse impacts in our operating expenses per show due to labor shortages and supply chain issues, our spend per fan metrics have outpaced the higher costs. For the first nine months, our Concerts segment revenue increased by $1.4 billion, from $1.3 billion in 2020 to $2.7 billion in 2021. The growth in the second and third quarters more than offset the revenue generated in January through mid-March of 2020, prior to the pandemic related shut-down. Concerts operating loss for the first nine months improved by $398 million, from $723 million in 2020 to $324 million in 2021. The improvement was driven by the return of shows and fans, higher on-site spend and ticket prices as well as lower selling, general and administrative costs.

Our Ticketing segment revenue for the third quarter increased by $394 million, from negative $20 million in 2020 to positive $374 million in 2021. The improvement resulted from an increase in ticket sales, stronger pricing, and a reduction in ticket refunds this year. Excluding refunds, we sold 49 million fee-bearing tickets in the third quarter of this year compared to 7 million tickets in the third quarter of last year. The improvement was almost entirely driven by sales in the United States and the United Kingdom, largely for concert and sporting events. Our resale business bounced back dramatically in the third quarter with our highest National Football League sales quarter ever and the month of September was our highest resale gross transaction value month ever. Ticketing operating income for the third quarter improved by $312 million, from a $197 million loss in 2020 to income of $114 million in 2021. The improvement in operating results was largely driven by increased ticket sales, strong ticket pricing and higher ancillary revenue streams. For the first nine months, Ticketing revenue increased by $469 million, from $177 million in 2020 to $647 million in 2021. This was mostly driven by the reduction in refunds across our global Ticketing segment as refunded tickets declined from 23 million for the first nine months of last year to 13 million for the first nine months of this year. Excluding refunds, we sold 89 million tickets for the first nine months of this year compared to 52 million tickets for the first nine months of last year with most of these being transacted prior to the pandemic. Operating income improved by $518 million, from a loss of $480 million in 2020 to income of $37 million in 2021. This was largely driven by reduced ticket refunds as well as cost savings in the first nine months of this year as compared to last year.

Our Sponsorship & Advertising segment revenue for the third quarter increased by $127 million, from $48 million in 2020 to $174 million in 2021. The improvement was due to higher activations with our marketing partners due to more events going on sale, venues re-opening and supplying more advertising content to our clients. Even with a greatly compressed sales window, we saw strong sales for many of our larger festivals and our sponsorship revenue per fan at our United Kingdom events grew compared to 2019. Operating income for the third quarter increased by $89 million, from $14 million in 2020 to $103 million in 2021. The improvement was due to more sponsor and online advertising activations resulting from the restart of live events and rapidly increasing ticket sales, particularly in the United States. For the first nine months, Sponsorship & Advertising revenue increased by $85 million, from $157 million in 2020 to $242 million in 2021. The growth in the second and third quarters more than offset the revenue generated in January through mid-March of 2020 when our business was fully open. Operating income for the first nine months increased by $61 million, from $41 million in 2020 to $102 million in 2021 for the same reasons discussed above.

As ticket sales return and events scale up in key markets, we continue to focus on mitigating the financial impact of the shutdown. We are balancing our ramp-up with the cost-savings initiatives we implemented across the organization and are also protecting our liquidity by managing cash outflows associated with all our major expenditures: operating expenses, capital expenditures, acquisitions, and advances in both our ticketing and concert businesses. The pace of the recovery continues to depend on each market's containment efforts and expeditious rollout of approved vaccines and treatments for COVID-19. The progress and momentum over the last two quarters has made us even more optimistic about the long-term potential of our company and the unique power of live shows to unite people.

Recent Events

In September 2021, we agreed to proceed with the previously announced acquisition of an aggregate 51% interest in OCESA Entretenimiento, S.A. de C.V. and certain other related subsidiaries of Corporación Interamericana de Entretenimiento, S.A.B. de C.V. ("CIE"). The closing of the acquisition is subject to customary closing conditions, including Mexican regulatory approvals. We have submitted our initial concentration notice filings to, and responded to initial requests for information from, the regulatory authorities in Mexico, and we are awaiting further responses from them in connection with their review of our initial filings. We could receive responses from the regulatory authorities by the end of November, which would allow the parties to proceed to close the transaction in the fourth quarter of 2021 if it is re-approved within that time frame.

Impact of the Global COVID-19 Pandemic

The unprecedented and rapid spread of COVID-19 and the related government restrictions and social distancing measures implemented throughout the world significantly impacted our business through the first half of this year. Late in the second quarter, however, we began to see the positive impacts of successful vaccination rollouts in many of our key markets, mainly the United States and United Kingdom, with social distancing restrictions easing and live events resuming. In the third quarter, we saw a meaningful restart of our operations with outdoor amphitheater events and festivals taking place in both the United States and United Kingdom. The restart of our operations has been executed with careful consideration of the safety and health of our fans, artists and employees through a mix of masking, testing and vaccination protocols at our events, venues and offices around the world.

Operating Results

The impact of the global COVID-19 pandemic to our operating results are discussed in Part I—Financial Information—Item 1. Financial Statements—Note 2—COVID-19 Impacts.

Cash and available liquidity

We currently have approximately $571.3 million available for future borrowings under our senior secured credit facility, net of outstanding letters of credit. In January 2021, we issued $500 million principal amount of 3.75% senior secured notes due 2028 and in September 2021, we elected to draw down the $400 million term loan A under the amended senior secured credit facility and completed the public offering of 5,239,259 shares of common stock for $449.4 million of net proceeds. We will continue to evaluate future financing opportunities to further expand liquidity at reasonable costs. Additionally, our senior secured credit facility has a $500 million liquidity covenant (as defined in the agreement) until the earlier of (a) December 31, 2021 and (b) at our election, any fiscal quarter prior to December 31, 2021, when we will revert to a net leverage covenant. We believe these additional debt and equity issuances, along with our liquidity covenant, allow us the flexibility to manage our business through the disruption that we continue to experience into 2021 and fund the acquisition of 51% of the capital stock of OCESA.

As of September 30, 2021, our total cash and cash equivalents balance was $4.6 billion, which included $1.3 billion of ticketing client cash. We believe this cash, net of client cash, together with our available debt capacity of $571.3 million, gives us the liquidity to fund our operations during the pandemic and as our markets begin reopening. Our total cash includes event-related deferred revenue the amount of which can fluctuate over the course of the year, but given the shift of shows into 2022, we expect this number to remain above seasonally normal levels throughout 2021.

Event-related deferred revenue consists of cash held by our Concerts segment for future shows, with approximately half the funds associated with upcoming shows in the United States and half for international shows as of September 30, 2021. In the United States, the funds are largely associated with shows in our owned or operated venues, notably amphitheaters, festivals, theaters and clubs. Internationally, the funds held are from a combination of both shows in our owned or operated venues, as well as shows in third-party venues associated with our promoter share of tickets in allocation markets.

Cost and Cash Management Programs

In response to the impacts the COVID-19 pandemic has had and continues to have on our business globally, we have implemented a number of initiatives to reduce fixed costs and conserve cash while our business was shut down. As part of these cost reduction efforts, we implemented salary reductions for most of our employees, with salaries for senior executives reduced by up to 60% during 2020. We began eliminating the salary reductions in January 2021 and fully restored salaries during the second quarter. Additional cost reduction efforts include hiring freezes, reduction in the use of contractors, rent re-negotiations, furloughs, termination of certain employees and reduction or elimination of other discretionary spending, including, among other things, travel and entertainment, repairs and maintenance, and marketing. As our business scales back up, we are beginning to reinvest in our growth while continuing to closely monitor our cash flow and liquidity.

We continue to make use of government support programs globally. In most European and Asia-Pacific markets, including the United Kingdom, Germany, Italy, France, Spain and Australia, there were payroll support programs to mitigate a substantial portion of employee costs. Additionally, in the United States, we have filed for payroll support under the Employee Retention Credit program established as part of the CARES Act. Finally, the CARES Act also provides for deferred payment of the employer portion of social security taxes through the end of 2020, with 50% of the deferred amount due December 31, 2021 and the remaining 50% due December 31, 2022.

Based on these actions and assumptions regarding the impact of the global COVID-19 pandemic, we believe that we will remain in compliance with our debt covenants throughout 2021 and be able to generate sufficient liquidity and profitability to satisfy our obligations for the next twelve months, prior to giving effect to any additional financings that may occur. Our forecasted expense management and liquidity measures may be modified as we get more clarity on the timing of events. We cannot assure you that our assumptions used to estimate our leverage, liquidity and profitability requirements will be correct because we have never previously experienced a complete cessation of our live events and the magnitude, duration and speed of the global pandemic is unknown, and as a consequence, our ability to be predictive is uncertain.

Health and Safety and Implementing a Return to Business

We are currently implementing steps for the health and safety of our employees as they return to work in our offices in the future, and for our artists and fans as they return to live events. We are returning to work in local markets in appropriate numbers with expanded cleaning and any social distancing or other regulations. Similarly, we are resuming concerts when the time is right on a market by market basis. We recognize that as concerts have started back up, the experience at our venues has changed, and are working with medical experts and public health officials to implement safety precautions and protocols necessary for fans to return to enjoy our shows. The reopening of concerts is happening on a market by market basis, and given we operate in 46 countries globally, the timelines will vary from now to not for several months or beyond. In the markets where we have reopened, cancellation rates are declining back to historical levels prior to the pandemic.

As the leading global live event and ticketing company, we believe that we are well-positioned to provide the best service to artists, teams, fans and venues as business resumes. Twenty years of global growth demonstrates the resilience of fan demand for the live entertainment experience.

Segment Overview

Our reportable segments are Concerts, Ticketing and Sponsorship & Advertising.

Concerts

Revenue and related costs for events are generally deferred and recognized when the event occurs. All advertising costs incurred during the year for shows in future years are expensed at the end of the year. If a current year event is rescheduled into a future year, all advertising costs incurred to date are expensed in the period when the event is rescheduled.

Concerts direct operating expenses include artist fees, event production costs, show-related marketing and advertising expenses, along with other costs.

To judge the health of our Concerts segment, we primarily monitor the number of confirmed events and fan attendance in our network of owned or operated and third-party venues, talent fees, average paid attendance, market ticket pricing, advance ticket sales and the number of major artist clients under management. In addition, at our owned or operated venues and festivals, we monitor ancillary revenue per fan and premium ticket sales. For business that is conducted in foreign markets, we also compare the operating results from our foreign operations to prior periods without the impact of changes in foreign exchange rates.

Ticketing

Revenue related to ticketing service charges is recognized when the ticket is sold for our third-party clients. For our own events, where our concert promoters control ticketing, revenue is deferred and recognized when the event occurs. Gross transaction value (“GTV”) represents the total amount of the transaction related to a ticket sale and includes the face value of the ticket as well as the service charge. We use GTV to evaluate changes in ticket fee revenue that are driven by the pricing of our service charges.

Ticketing direct operating expenses include call center costs and credit card fees, along with other costs.

To judge the health of our Ticketing segment, we primarily review the GTV and the number of tickets sold through our ticketing operations, the number of clients renewed or added and the average royalty rate paid to clients who use our ticketing services. In addition, we review the number of visits to our websites, cost of customer acquisition, the purchase conversion rate, the overall number of customers in our database, the number and percentage of tickets sold via mobile and the number of app installs. For business that is conducted in foreign markets, we also compare the operating results from our foreign operations to prior periods without the impact of changes in foreign exchange rates.

Sponsorship & Advertising

Revenue related to sponsorship and advertising programs is recognized over the term of the agreement or operating season as the benefits are provided to the sponsor unless the revenue is associated with a specific event, in which case it is recognized when the event occurs.

Sponsorship & Advertising direct operating expenses include fulfillment costs related to our sponsorship programs, along with other costs.

To judge the health of our Sponsorship & Advertising segment, we primarily review the revenue generated through sponsorship arrangements and online advertising, and the percentage of expected revenue under contract. For business that is conducted in foreign markets, we also compare the operating results from our foreign operations to prior periods without the impact of changes in foreign exchange rates.

Key Operating Metrics

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
	(in thousands except estimated events)			
Concerts [(1)]				
Estimated events:				
North America	4,235	219	5,695	5,016
International	1,328	141	2,252	2,571
Total estimated events	5,563	360	7,947	7,587
Estimated fans:				
North America	13,425	204	14,151	5,943
International	3,427	61	4,562	4,779
Total estimated fans	16,852	265	18,713	10,722
Ticketing [(2)]				
Estimated number of fee-bearing tickets sold	43,296	1,323	76,222	28,658
Estimated number of non-fee-bearing tickets sold	39,798	8,392	78,174	70,031
Total estimated tickets sold	83,094	9,715	154,396	98,689

(1) Events generally represent a single performance by an artist. Fans generally represent the number of people who attend an event. Festivals are counted as one event in the quarter in which the festival begins, but the number of fans is based on the days the fans were present at the festival and thus can be reported across multiple quarters. Events and fan attendance metrics are estimated each quarter.

(2) The fee-bearing tickets estimated above include primary and secondary tickets that are sold using our Ticketmaster systems or that we issue through affiliates. This metric includes primary tickets sold during the year regardless of event timing, except for our own events where our concert promoters control ticketing which are reported when the events occur. The non-fee-bearing tickets estimated above include primary tickets sold using our Ticketmaster systems, through season seat packages and our venue clients’ box offices, along with tickets sold on our “do it yourself” platform. These ticketing metrics are net of any refunds requested and any cancellations that occurred during the period and up to the time of reporting of these consolidated financial statements, which may result in a negative number. Fee-bearing tickets sold above are net of refunds of 5.8 million and 5.2 million tickets for the three months ended September 30, 2021 and 2020, respectively, and 12.9 million and 23.2 million tickets for the nine months ended September 30, 2021 and 2020, respectively.

Non-GAAP Measures

The following table sets forth the reconciliation of AOI to operating income (loss):

	Operating income (loss)	Stock-based compensation expense	Loss (gain) on disposal of operating assets	Depreciation and amortization	Amortization of non-recoupable ticketing contract advances	Acquisition expenses	AOI
				(in thousands)			
Three Months Ended September 30, 2021							
Concerts	$ (32,762)	$ 14,226	$ (1,098)	$ 59,541	$ —	$ 19,671	$ 59,578
Ticketing	114,270	3,310	(66)	32,040	21,700	500	171,754
Sponsorship & Advertising	102,755	1,290	—	7,166	—	—	111,211
Other and Eliminations	25	—	—	10	(1,214)	—	(1,179)
Corporate	(47,143)	8,492	16	2,478	—	473	(35,684)
Total	$ 137,145	$ 27,318	$ (1,148)	$ 101,235	$ 20,486	$ 20,644	$ 305,680
Three Months Ended September 30, 2020							
Concerts	$ (281,625)	$ 39,635	$ 208	$ 65,794	$ —	$ 2,603	$ (173,385)
Ticketing	(197,407)	5,422	(1)	42,565	9,178	(1,693)	(141,936)
Sponsorship & Advertising	13,755	2,533	—	6,634	—	—	22,922
Other and Eliminations	(4,781)	—	1	2,192	(2,471)	—	(5,059)
Corporate	(34,383)	9,105	—	2,753	—	746	(21,779)
Total	$ (504,441)	$ 56,695	$ 208	$ 119,938	$ 6,707	$ 1,656	$ (319,237)
Nine Months Ended September 30, 2021							
Concerts	$ (324,458)	$ 34,170	$ (988)	$ 180,877	$ —	$ 11,389	$ (99,010)
Ticketing	37,439	12,188	(66)	103,406	53,754	1,697	208,418
Sponsorship & Advertising	101,640	4,278	—	21,837	—	—	127,755
Other and Eliminations	(116)	—	—	32	(4,540)	—	(4,624)
Corporate	(107,817)	29,529	16	7,606	—	1,715	(68,951)
Total	$ (293,312)	$ 80,165	$ (1,038)	$ 313,758	$ 49,214	$ 14,801	$ 163,588
Nine Months Ended September 30, 2020							
Concerts	$ (722,607)	$ 66,376	$ 896	$ 202,352	$ —	$ (19,269)	$ (472,252)
Ticketing	(480,460)	11,219	—	125,054	44,122	(750)	(300,815)
Sponsorship & Advertising	40,764	5,207	—	21,766	—	—	67,737
Other and Eliminations	(13,034)	—	1	6,630	(5,289)	—	(11,692)
Corporate	(89,841)	24,163	—	8,983	—	2,094	(54,601)
Total	$ (1,265,178)	$ 106,965	$ 897	$ 364,785	$ 38,833	$ (17,925)	$ (771,623)

Adjusted Operating Income (Loss)

AOI is a non-GAAP financial measure that we define as operating income (loss) before certain stock-based compensation expense, loss (gain) on disposal of operating assets, depreciation and amortization (including goodwill impairment), amortization of non-recoupable ticketing contract advances and acquisition expenses (including transaction costs, changes in the fair value of accrued acquisition-related contingent consideration obligations, and acquisition-related severance and compensation). We use AOI to evaluate the performance of our operating segments. We believe that information about AOI assists investors by allowing them to evaluate changes in the operating results of our portfolio of businesses separate from non-operational factors that affect net income (loss), thus providing insights into both operations and the other factors that affect reported results. AOI is not calculated or presented in accordance with GAAP. A limitation of the use of AOI as a performance measure is that it does not reflect the periodic costs of certain amortizing assets used in generating revenue in our business. Accordingly, AOI should be considered in addition to, and not as a substitute for, operating income (loss), net income (loss), and other measures of financial performance reported in accordance with GAAP. Furthermore, this measure may vary among other companies; thus, AOI as presented herein may not be comparable to similarly titled measures of other companies.

AOI Margin

AOI margin is a non-GAAP financial measure that we calculate by dividing AOI by revenue. We use AOI margin to evaluate the performance of our operating segments. We believe that information about AOI margin assists investors by allowing them to evaluate changes in the operating results of our portfolio of businesses separate from non-operational factors that affect net income (loss), thus providing insights into both operations and the other factors that affect reported results. AOI margin is not calculated or presented in accordance with GAAP. A limitation of the use of AOI margin as a performance measure is that it does not reflect the periodic costs of certain amortizing assets used in generating revenue in our business. Accordingly, AOI margin should be considered in addition to, and not as a substitute for, operating income (loss) margin, and other measures of financial performance reported in accordance with GAAP. Furthermore, this measure may vary among other companies; thus, AOI margin as presented herein may not be comparable to similarly titled measures of other companies.

Constant Currency

Constant currency is a non-GAAP financial measure. We calculate currency impacts as the difference between current period activity translated using the current period's currency exchange rates and the comparable prior period's currency exchange rates. We present constant currency information to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations.

Segment Operating Results

Concerts

Our Concerts segment operating results were, and discussions of significant variances are, as follows:

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	% Change	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020	% Change
	(in thousands)			(in thousands)		
Revenue	$ 2,151,596	$ 154,791	*	$ 2,677,970	$ 1,290,007	*
Direct operating expenses	1,822,537	113,283	*	2,108,617	1,046,405	*
Selling, general and administrative expenses	303,378	257,131	18%	713,922	762,961	(6)%
Depreciation and amortization	59,541	65,794	(10)%	180,877	202,352	(11)%
Loss (gain) on disposal of operating assets	(1,098)	208	*	(988)	896	*
Operating loss	$ (32,762)	$ (281,625)	88%	$ (324,458)	$ (722,607)	55%
Operating margin	(1.5)%	*		(12.1)%	(56.0)%	
AOI **	$ 59,578	$ (173,385)	*	$ (99,010)	$ (472,252)	79%
AOI margin **	2.8%	*		(3.7)%	(36.6)%	

* Percentages are not meaningful.

** See "—Non-GAAP Measures" above for the definition and reconciliation of AOI and AOI margin.

Three Months

Revenue

Concerts revenue increased $2.0 billion during the three months ended September 30, 2021 as compared to the same period of the prior year primarily due to the resumption of shows and festivals in major markets including the United States and United Kingdom as compared to the lack of events during the same period in 2020 driven by the global COVID-19 pandemic.

Operating results

Concerts operating loss decreased $248.9 million during the three months ended September 30, 2021 as compared to the same period of the prior year primarily driven by the resumption of shows and festivals in 2021 discussed above.

Nine Months

Revenue

Concerts revenue increased $1.4 billion during the nine months ended September 30, 2021 as compared to the same period of the prior year primarily due to the resumption of shows and festivals in major markets including the United States and United Kingdom late in the second quarter of 2021 as compared to revenue generated in January through mid-March of 2020 when our business was fully open prior to the global COVID-19 pandemic.

Operating results

Concerts operating loss decreased $398.1 million during the nine months ended September 30, 2021 as compared to the same period of the prior year primarily driven by the resumption of shows and festivals during 2021 discussed above. In addition, we recorded $15.3 million of impairment charges in the first nine months of 2020 primarily associated with revenue-generating contracts and client/vendor relationships intangible assets. There were no significant impairments recorded in the first nine months of 2021.

Ticketing

Our Ticketing segment operating results were, and discussions of significant variances are, as follows:

	Three Months Ended September 30,		% Change	Nine Months Ended September 30,		% Change
	2021	2020		2021	2020	
	(in thousands)			(in thousands)		
Revenue	$ 374,237	$ (19,822)	*	$ 646,560	$ 177,436	*
Direct operating expenses	111,197	8,503	*	188,330	120,967	56%
Selling, general and administrative expenses	116,796	126,518	(8)%	317,451	411,875	(23)%
Depreciation and amortization	32,040	42,565	(25)%	103,406	125,054	(17)%
Gain on disposal of operating assets	(66)	(1)	*	(66)	—	*
Operating income (loss)	$ 114,270	$ (197,407)	*	$ 37,439	$ (480,460)	*
Operating margin	30.5 %	*		5.8 %	*	
AOI **	$ 171,754	$ (141,936)	*	$ 208,418	$ (300,815)	*
AOI margin **	45.9 %	*		32.2 %	*	

* Percentages are not meaningful.

** See "—Non-GAAP Measures" above for the definition and reconciliation of AOI and AOI margin.

Three Months

Revenue

Ticketing revenue increased $394.1 million during the three months ended September 30, 2021 as compared to the same period of the prior year primarily due to an increase in North America primary and secondary ticket fees driven by more events on sale due to the resumption of concerts and sporting events in the third quarter of 2021, strong ticket pricing and lower ticket refunds in 2021.

Operating results

Ticketing operating income for the three months ended September 30, 2021 was $114.3 million as compared to an operating loss of $197.4 million for the same period of the prior year primarily driven by the increased ticketing activity discussed above along with lower ticket refunds in 2021.

Nine Months

Revenue

Ticketing revenue increased $469.1 million during the nine months ended September 30, 2021 as compared to the same period of the prior year primarily due to an increase in North America primary and secondary ticket fees driven by more events on sale due to the resumption of concerts and sporting events in the second quarter of 2021, strong ticket pricing and lower ticket refunds in 2021.

Operating results

Ticketing operating income for the nine months ended September 30, 2021 was $37.4 million as compared to an operating loss of $480.5 million for the same period of the prior year primarily driven by the increased ticketing activity discussed above along with cost reduction measures implemented in the second quarter of 2020 continuing into 2021, including salary reductions, hiring freezes, furloughs, and reduction or elimination of other discretionary spending along with participating in government support programs globally.

Sponsorship & Advertising

Our Sponsorship & Advertising segment operating results were, and discussions of significant variances are, as follows:

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	% Change	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020	% Change
	(in thousands)			(in thousands)		
Revenue	$ 174,449	$ 47,927	*	$ 241,657	$ 156,560	54%
Direct operating expenses	38,281	8,647	*	53,134	34,369	55%
Selling, general and administrative expenses	26,247	18,891	39%	65,046	59,661	9%
Depreciation and amortization	7,166	6,634	8%	21,837	21,766	*
Operating income	$ 102,755	$ 13,755	*	$ 101,640	$ 40,764	*
Operating margin	58.9 %	28.7 %		42.1 %	26.0 %	
AOI **	$ 111,211	$ 22,922	*	$ 127,755	$ 67,737	89%
AOI margin **	63.7 %	47.8 %		52.9 %	43.3 %	

* Percentages are not meaningful.

** See "—Non-GAAP Measures" above for the definition and reconciliation of AOI and AOI margin.

Three Months

Revenue

Sponsorship & Advertising revenue increased $126.5 million during the three months ended September 30, 2021 as compared to the same period of the prior year primarily due to increased activity in national sponsorship programs, festival sponsorships and online advertising in North America due to the resumption of concert events and festivals in the third quarter of 2021.

Operating results

Sponsorship & Advertising operating income increased $89.0 million during the three months ended September 30, 2021 as compared to the same period of the prior year primarily driven by higher sponsorship activity discussed above.

Nine Months

Revenue

Sponsorship & Advertising revenue increased $85.1 million during the nine months ended September 30, 2021 as compared to the same period of the prior year primarily due to increased activity in national sponsorship programs, festival sponsorships and online advertising in North America due to the resumption of concert events and festivals in the second quarter of 2021.

Operating results

Sponsorship & Advertising operating income increased $60.9 million during the nine months ended September 30, 2021 as compared to the same period of the prior year primarily driven by the higher sponsorship activity discussed above.

Consolidated Results of Operations

Three Months

	Three Months Ended September 30,				% Change	
	2021			2020		
	As Reported	Currency Impacts	At Constant Currency**	As Reported	As Reported	At Constant Currency**
	(in thousands)					
Revenue	$ 2,698,722	$ (22,946)	$ 2,675,776	$ 184,018	*	*
Operating expenses:						
Direct operating expenses	1,969,912	(15,926)	1,953,986	130,749	*	*
Selling, general and administrative expenses	446,929	(4,515)	442,414	405,934	10%	9%
Depreciation and amortization	101,235	(1,109)	100,126	119,938	(16)%	(17)%
Loss (gain) on disposal of operating assets	(1,148)	—	(1,148)	208	*	*
Corporate expenses	44,649	(4)	44,645	31,630	41%	41%
Operating income (loss)	137,145	$ (1,392)	$ 135,753	(504,441)	*	*
Operating margin	5.1%		5.1%	*		
Interest expense	70,407			66,093		
Interest income	(1,333)			(2,810)		
Equity in losses (earnings) of nonconsolidated affiliates	(7,025)			2,615		
Gain from sale of investments in nonconsolidated affiliates	(30,633)			(2,514)		
Other expense (income), net	12,441			(8,463)		
Income (loss) before income taxes	93,288			(559,362)		
Income tax expense (benefit)	6,421			(16,904)		
Net income (loss)	86,867			(542,458)		
Net income (loss) attributable to noncontrolling interests	39,989			(13,556)		
Net income (loss) attributable to common stockholders of Live Nation	$ 46,878			$ (528,902)		

* Percentages are not meaningful.

** See "—Non-GAAP Measures" above for the definition of constant currency.

Gain from sale of investments in nonconsolidated affiliates

Gain from sale of investments in nonconsolidated affiliates increased $28.1 million during the three months ended September 30, 2021 as compared to the same period of the prior year primarily due to the sale of certain cost basis investments during the three months ended September 30, 2021.

Other expense (income), net

Other expense (income), net was a loss of $12.4 million during the three months ended September 30, 2021 and includes net foreign exchange rate losses of $11.6 million. Other expense (income), net was income of $8.5 million during the three months ended September 30, 2020 and includes net foreign exchange rate gains of $5.7 million. The net foreign exchange rate gains and losses result primarily from revaluation of certain foreign currency denominated net assets held internationally.

Net income (loss) attributable to noncontrolling interests

Net income (loss) attributable to noncontrolling interests was net income of $40.0 million during the three months ended September 30, 2021 as compared to a net loss of $13.6 million for the same period of the prior year primarily due to higher operating results from certain concert and festival promotion businesses in North America during the third quarter of 2021 due to the resumption of events in the third quarter of 2021.

Nine Months

	Nine Months Ended September 30,				% Change	
	2021			2020		
	As Reported	Currency Impacts	At Constant Currency**	As Reported	As Reported	At Constant Currency**
	(in thousands)					
Revenue	$ 3,565,277	$ (46,575)	$ 3,518,702	$ 1,623,795	*	*
Operating expenses:						
Direct operating expenses	2,346,998	(28,853)	2,318,145	1,199,126	96%	93%
Selling, general and administrative expenses	1,098,676	(22,695)	1,075,981	1,243,307	(12)%	(13)%
Depreciation and amortization	313,758	(6,562)	307,196	364,785	(14)%	(16)%
Loss (gain) on disposal of operating assets	(1,038)	(4)	(1,042)	897	*	*
Corporate expenses	100,195	(30)	100,165	80,858	24%	24%
Operating loss	(293,312)	$ 11,569	$ (281,743)	(1,265,178)	77%	78%
Operating margin	(8.2)%		(8.0)%	(77.9)%		
Interest expense	210,146			162,781		
Interest income	(3,953)			(9,712)		
Equity in losses (earnings) of nonconsolidated affiliates	(4,608)			6,656		
Gain from sale of investments in nonconsolidated affiliates	(83,580)			(2,479)		
Other expense (income), net	19,903			(9,043)		
Loss before income taxes	(431,220)			(1,413,381)		
Income tax expense (benefit)	15,095			(49,417)		
Net loss	(446,315)			(1,363,964)		
Net income (loss) attributable to noncontrolling interests	9,665			(82,761)		
Net loss attributable to common stockholders of Live Nation	$ (455,980)			$ (1,281,203)		

* Percentages are not meaningful.

** See "—Non-GAAP Measures" above for the definition of constant currency.

Interest expense

Interest expense increased $47.4 million, or 29%, during the nine months ended September 30, 2021 as compared to the same period of the prior year due to additional interest costs from the issuance of our 2.0% convertible senior notes in February 2020, the issuance of our 6.5% senior secured notes in May 2020 and the issuance of our 3.75% senior secured notes in January 2021.

Gain from sale of investments in nonconsolidated affiliates

Gain from sale of investments in nonconsolidated affiliates increased $81.1 million during the nine months ended September 30, 2021 as compared to the same period of the prior year primarily due to the sale of certain cost basis investments during the first nine months of 2021.

Other expense (income), net

Other expense (income), net was a net loss of $19.9 million during the nine months ended September 30, 2021 and includes net foreign exchange rate losses of $14.0 million. Other expense (income), net was net income of $9.0 million during the nine months ended September 30, 2020 and includes net foreign exchange rate gains of $4.6 million. The net foreign exchange rate gains and losses result primarily from revaluation of certain foreign currency denominated net assets held internationally.

Income tax expense (benefit)

For the nine months ended September 30, 2021, we had a net tax expense of $15.1 million on a loss before income taxes of $431.2 million compared to a net tax benefit of $49.4 million on a loss before income taxes of $1.4 billion for the nine months ended September 30, 2020. For the nine months ended September 30, 2021, the income tax expense consisted of $9.2 million related to foreign entities, $5.0 million related to United States federal taxes, and $0.9 million related to state and local income taxes. The net increase in tax expense of $64.5 million was primarily due to profits in certain non-United States jurisdictions and other discrete tax benefits recorded in the first nine months of 2020.

Net income (loss) attributable to noncontrolling interests

Net income (loss) attributable to noncontrolling interests was net income of $9.7 million during the nine months ended September 30, 2021 as compared to a net loss of $82.8 million for the same period of the prior year primarily due to higher operating results from certain concert and festival promotion businesses in North America during the first nine months of 2021 due to the resumption of events in 2021.

Liquidity and Capital Resources

In response to the impact that the global COVID-19 pandemic has had and continues to have on our business, we have taken certain actions to strengthen our liquidity position and preserve our capital resources.

In April 2020, we amended our senior secured credit facility to provide an incremental $130 million revolving credit facility. We further amended our senior secured credit facility in July 2020, which, among other things, substitutes our net leverage covenant with a $500 million liquidity covenant (as defined in the agreement) until the earlier of (a) December 31, 2021 and (b) at our election, any fiscal quarter prior to December 31, 2021. In February 2020, we issued $400 million principal amount of 2.0% convertible senior notes due 2025 and in May 2020, we issued $1.2 billion principal amount of 6.5% senior secured notes due 2027. In January 2021, we issued $500 million principal amount of 3.75% senior secured notes due 2028 and in September 2021, we elected to draw down the $400 million term loan A under the amended senior secured credit facility and completed the public offering of 5,239,259 shares of common stock for $449.4 million of net proceeds. As a result, we believe these amendments and additional debt and equity issuances will allow us the flexibility to manage our business through the disruption we continue to experience into 2021 and fund the acquisition of 51% of the capital stock of OCESA.

Our cash is centrally managed on a worldwide basis. Our primary short-term liquidity needs are to fund general working capital requirements, capital expenditures and debt service requirements while our long-term liquidity needs are primarily related to acquisitions and debt repayment. Our primary sources of funds for our short-term liquidity needs will be cash flows from operations and borrowings under our amended senior secured credit facility, while our long-term sources of funds will be from cash flows from operations, long-term bank borrowings and other debt or equity financings. We may from time to time engage in open market purchases of our outstanding debt securities or redeem or otherwise repay such debt.

Our balance sheet reflects cash and cash equivalents of $4.6 billion at September 30, 2021 and $2.5 billion at December 31, 2020. Included in the September 30, 2021 and December 31, 2020 cash and cash equivalents balances are $1.3 billion and $673.5 million, respectively, of cash received that includes the face value of tickets sold on behalf of our ticketing clients and their share of service charges, which we refer to as client cash. We generally do not utilize client cash for our own financing or investing activities as the amounts are payable to clients on a regular basis. Our foreign subsidiaries held approximately $991.2 million in cash and cash equivalents, excluding client cash, at September 30, 2021. We generally do not repatriate these funds, but if we did, we would need to accrue and pay United States state income taxes as well as any applicable foreign withholding or transaction taxes on future repatriations. We may from time to time enter into borrowings under our revolving credit facility. If the original maturity of these borrowings is 90 days or less, we present the borrowings and subsequent repayments on a net basis in the statement of cash flows to better represent our financing activities. Our balance sheet reflects total net debt of $5.7 billion and $4.9 billion at September 30, 2021 and December 31, 2020, respectively. Our weighted-average cost of debt, excluding unamortized debt discounts and debt issuance costs on our term loans and notes, was 4.2% at September 30, 2021.

Our cash and cash equivalents are held in accounts managed by third-party financial institutions and consist of cash in our operating accounts and invested cash. Cash held in non-interest-bearing and interest-bearing operating accounts in many cases exceeds the Federal Deposit Insurance Corporation insurance limits. The invested cash is in interest-bearing funds consisting primarily of bank deposits and money market funds. While we monitor cash and cash equivalents balances in our operating accounts on a regular basis and adjust the balances as appropriate, these balances could be impacted if the underlying financial institutions fail. To date, we have experienced no loss or lack of access to our cash and cash equivalents; however, we can provide no assurances that access to our cash and cash equivalents will not be impacted by adverse conditions in the financial markets, including those resulting from the global COVID-19 pandemic.

For our Concerts segment, we often receive cash related to ticket revenue in advance of the event, which is recorded in deferred revenue until the event occurs. In the United States, this cash is largely associated with events in our owned or operated venues, notably amphitheaters, festivals, theaters and clubs. Internationally, this cash is from a combination of both events in our owned or operated venues, as well as events in third-party venues associated with our promoter's share of tickets in allocation markets. With the exception of some upfront costs and artist advances, which are recorded in prepaid expenses until the event occurs, we pay the majority of event-related expenses at or after the event. Artists are paid when the event occurs under one of several different formulas, which may include fixed guarantees and/or a percentage of ticket sales or event profits, net of any advance they have received. When an event is cancelled, any cash held in deferred revenue is reclassified to accrued expenses as those funds are typically refunded to the fan within 30 days of event cancellation. In certain markets, we are offering fans an incentive to receive a voucher for a future ticket purchase to one of our events in lieu of receiving a refund for a cancelled event. Where a fan has elected to receive the incentive voucher, the cash from the original ticket purchase remains in deferred revenue. When a show is rescheduled, fans have the ability to request a refund if they do not want to attend the event on the new date, although historically we have had low levels of refund requests for rescheduled events.

We view our available cash as cash and cash equivalents, less ticketing-related client cash, less event-related deferred revenue, less accrued expenses due to artists and cash collected on behalf of others, plus event-related prepaid expenses. This is essentially our cash available to, among other things, repay debt balances, make acquisitions, pay artist advances and finance capital expenditures.

Our intra-year cash fluctuations are impacted by the seasonality of our various businesses. Examples of seasonal effects include our Concerts segment, which reports the majority of its revenue in the second and third quarters. Cash inflows and outflows depend on the timing of event-related payments but the majority of the inflows generally occur prior to the event. See "—Seasonality" below. We believe that we have sufficient financial flexibility to fund these fluctuations and to access the global capital markets on satisfactory terms and in adequate amounts, although there can be no assurance that this will be the case, and capital could be less accessible and/or more costly given current economic conditions, including those resulting from the global COVID-19 pandemic. We expect cash flows from operations and borrowings under our amended senior secured credit facility, along with other financing alternatives, to satisfy working capital requirements, capital expenditures and debt service requirements for at least the succeeding year.

We may need to incur additional debt or issue equity to make other strategic acquisitions or investments. There can be no assurance that such financing will be available to us on acceptable terms or at all. We may make significant acquisitions in the near term, subject to limitations imposed by our financing agreements and market conditions.

The lenders under our revolving loans and counterparty to our interest rate hedge agreement consists of banks and other third-party financial institutions. While we currently have no indications or expectations that such lenders will be unable to fund their commitments as required, we can provide no assurances that future funding availability will not be impacted by adverse conditions in the financial markets, including those resulting from the global COVID-19 pandemic. Should an individual lender default on its obligations, the remaining lenders would not be required to fund the shortfall, resulting in a reduction in the total amount available to us for future borrowings, but would remain obligated to fund their own commitments. Should the counterparty to our interest rate hedge agreement default on its obligation, we could experience higher interest rate volatility during the period of any such default.

Sources of Cash

During 2020, we amended our senior secured credit facility, issued $1.2 billion principal amount of 6.5% senior secured notes due 2027 and issued $400 million principal amount of 2.0% convertible senior notes due 2025. A portion of the proceeds were used to pay transaction fees of $35.5 million, leaving approximately $1.6 billion for general corporate purposes.

In January 2021, we issued $500 million principal amount of 3.75% senior secured notes due 2028. The proceeds were used to pay fees of $7.7 million and repay $75.0 million aggregate principal amount of our senior secured term loan B facility, leaving approximately $417.3 million for general corporate purposes, including acquisitions and organic investment opportunities.

In September 2021, we elected to draw down the $400 million term loan A under the amended senior secured credit facility prior to expiration of the drawdown period on October 17, 2021. We intend to use the proceeds from the drawdown for general corporate purposes.

In September 2021, we completed the public offering of 5,239,259 shares of common stock. A portion of the gross proceeds of $455.3 million were used to pay estimated fees of $5.9 million, leaving approximately $449.4 million of net proceeds. We intend to use the net proceeds to fund the acquisition of 51% of the capital stock of OCESA and use any remaining proceeds for general corporate purposes.

Amended Senior Secured Credit Facility

In April and July 2020, we amended our senior secured credit facility and now have (i) a $400 million term loan A facility, (ii) a $950 million term loan B facility, (iii) a $500 million revolving credit facility and (iv) a $130 million incremental revolving credit facility. In addition, subject to certain conditions, we have the right to increase such facilities by an amount equal to the sum of (x) $425 million during the Restricted Period and $855 million after the Restricted Period, (y) the aggregate principal amount of voluntary prepayments of the term loan A and term loan B and permanent reductions of the revolving credit facility commitments, in each case, other than from proceeds of long-term indebtedness, and (z) except during the Restricted Period, additional amounts so long as the senior secured leverage ratio calculated on a pro-forma basis (as defined in the agreement) is no greater than 3.75x. The combined revolving credit facilities provide for borrowings up to $630 million with sublimits of up to (i) $150 million for the issuance of letters of credit, (ii) $50 million for swingline loans, (iii) $300 million for borrowings in Dollars, Euros or British Pounds and (iv) $100 million for borrowings in those or one or more other approved currencies. The amended senior secured credit facility is secured by a first priority lien on substantially all of the tangible and intangible personal property of LNE and LNE's domestic subsidiaries that are guarantors, and by a pledge of substantially all of the shares of stock, partnership interests and limited liability company interests of our direct and indirect domestic subsidiaries and 65% of each class of capital stock of any first-tier foreign subsidiaries, subject to certain exceptions.

The interest rates per annum applicable to revolving credit facility loans and term loan A under the amended senior secured credit facility are, at our option, equal to either Eurodollar plus 2.25% or a base rate plus 1.25%. The interest rates per annum applicable to the term loan B are, at our option, equal to either Eurodollar plus 1.75% or a base rate plus 0.75%. The interest rates per annum applicable to the incremental revolving credit facility are, at our option, equal to either Eurodollar plus 2.5% or a base rate plus 1.5%. We are required to pay a commitment fee of 0.5% per year on the undrawn portion available under the revolving credit facility and delayed draw term loan A, 1.75% per year on the undrawn portion available under the incremental revolving credit facility and variable fees on outstanding letters of credit.

For the term loan A, we are required to make quarterly payments increasing over time from $2.5 million to $5.0 million with the balance due at maturity in October 2024. For the term loan B, we are required to make quarterly payments of $2.4 million with the balance due at maturity in October 2026. Both the existing and incremental revolving credit facilities mature in October 2024. We are also required to make mandatory prepayments of the loans under the amended credit agreement, subject to specified exceptions, from excess cash flow and with the proceeds of asset sales, debt issuances and specified other events.

There were no borrowings under the revolving credit facilities as of September 30, 2021. Based on our outstanding letters of credit of $58.7 million, $571.3 million was available for future borrowings from revolving credit facilities.

6.5% Senior Secured Notes Due 2027

In May 2020, we issued $1.2 billion principal amount of 6.5% senior secured notes due 2027. Interest on the notes is payable semi-annually in cash in arrears on May 15 and November 15 of each year and the notes will mature on May 15, 2027. We may redeem some or all of the notes, at any time prior to May 15, 2023, at a price equal to 100% of the aggregate principal amount, plus any accrued and unpaid interest to the date of redemption, plus a "make-whole" premium. We may redeem up to 35% of the aggregate principal amount of the notes from the proceeds of certain equity offerings prior to May 15, 2023, at a price equal to 106.5% of the aggregate principal amount, plus accrued and unpaid interest thereon, if any, to the date of redemption. In addition, on or after May 15, 2023 we may redeem some or all of the notes at any time at redemption prices starting at 104.875% of their principal amount, plus any accrued and unpaid interest to the date of redemption. We must make an offer to redeem the notes at 101% of their aggregate principal amount, plus accrued and unpaid interest to the repurchase date, if we experience certain defined changes of control. The notes are secured by a first priority lien on substantially all of the tangible and intangible personal property of LNE and LNE's domestic subsidiaries that are guarantors, and by a pledge of substantially all of the shares of stock, partnership interests and limited liability company interests of our direct and indirect domestic subsidiaries and 65% of each class of capital stock of any first-tier foreign subsidiaries, subject to certain exceptions.

3.75% Senior Secured Notes Due 2028

Information regarding our 3.75% senior secured notes due 2028 can be found in Part I — Financial Information — Item 1.— Financial Statements — Note 5 —Long-Term Debt.

2.0% Convertible Senior Notes Due 2025

In February 2020, we issued $400 million principal amount of 2.0% convertible senior notes due 2025. Interest on the notes is payable semiannually in arrears on February 15 and August 15, at a rate of 2.0% per annum. The notes will mature on February 15, 2025. The notes will be convertible, under certain circumstances, until November 15, 2024, and on or after such date without condition, at an initial conversion rate of 9.4469 shares of our common stock per $1,000 principal amount of notes, subject to adjustment, which represents a 50.0% conversion premium based on the last reported sale price for our common stock of $70.57 on January 29, 2020 prior to issuing the notes. Upon conversion, the notes may be settled in shares of common stock or, at our election, cash or a combination of cash and shares of common stock. Assuming we fully settled the notes in shares, the maximum number of shares that could be issued to satisfy the conversion is currently 3.8 million.

We may redeem for cash all or a portion of the notes, at our option, on or after February 21, 2023 and before the 41st scheduled trading day before the maturity date, if the sales price of our common stock reaches specified targets as defined in the indenture. The redemption price will equal 100% of the principal amount of the notes plus accrued interest, if any.

If we experience a fundamental change, as defined in the indenture governing the notes, the holders of the notes may require us to purchase for cash all or a portion of their notes, subject to specified exceptions, at a price equal to 100% of the principal amount of the notes plus any accrued and unpaid interest.

Debt Covenants

Our amended senior secured credit facility contains a number of restrictions that, among other things, require us to satisfy a financial covenant and restrict our and our subsidiaries' ability to incur additional debt, make certain investments and acquisitions, repurchase our stock and prepay certain indebtedness, create liens, enter into agreements with affiliates, modify the nature of our business, enter into sale-leaseback transactions, transfer and sell material assets, merge or consolidate, and pay dividends and make distributions (with the exception of subsidiary dividends or distributions to the parent company or other subsidiaries on at least a pro-rata basis with any noncontrolling interest partners). Certain of these restrictions are further limited temporarily by the July 2020 amendment. Non-compliance with one or more of the covenants and restrictions could result in the full or partial principal balance of the credit facility becoming immediately due and payable. The amended senior secured credit facility agreement has one covenant, measured quarterly, that relates to net leverage. The July 2020 amendment substitutes the consolidated net leverage ratio covenant with a liquidity covenant (as defined in the agreement) that requires our consolidated liquidity be at least $500 million until the earlier of (a) December 31, 2021 and (b) at our election, any fiscal quarter ending prior to December 31, 2021 so long as such election is made during the last month of such fiscal quarter or within 30 days following the end of such fiscal quarter. The July 2020 amendment also requires the liquidity covenant to be measured monthly beginning January 31, 2021 until the earlier of (x) November 30, 2021 and (y) the last day of the month before the consolidated net leverage ratio covenant applies. For fiscal quarters after resumption of the consolidated net leverage covenant, we will be required to maintain a ratio of consolidated total net debt to consolidated EBITDA (both as defined in the amended credit agreement) for the trailing four consecutive quarters of 6.75x with step downs to 6.25x after four quarters, 5.75x after eight quarters, 5.50x after twelve quarters and 5.25x after fourteen quarters through maturity, except that calculations of consolidated EBITDA (as defined in the agreement) for the first three fiscal quarters after resumption of the covenant will be substituted with an annualized consolidated EBITDA (as defined in the agreement). For the avoidance of doubt, the consolidated net leverage covenant will resume for the quarter ended December 31, 2021 at the latest.

The indentures governing our 6.5% senior secured notes, 3.75% senior secured notes, 4.75% senior notes, 4.875% senior notes and 5.625% senior notes contain covenants that limit, among other things, our ability and the ability of our restricted subsidiaries to incur certain additional indebtedness and issue preferred stock, make certain distributions, investments and other restricted payments, sell certain assets, agree to any restrictions on the ability of restricted subsidiaries to make payments to us, merge, consolidate or sell all of our assets, create certain liens, and engage in transactions with affiliates on terms that are not on an arms-length basis. Certain covenants, including those pertaining to incurrence of indebtedness, restricted payments, asset sales, mergers, and transactions with affiliates will be suspended during any period in which the notes are rated investment grade by both rating agencies and no default or event of default under the indenture has occurred and is continuing. All of these notes contain two incurrence-based financial covenants, as defined, requiring a minimum fixed charge coverage ratio of 2.0x and a maximum secured indebtedness leverage ratio of 3.5x.

Some of our other subsidiary indebtedness includes restrictions on entering into various transactions, such as acquisitions and disposals, and prohibits payment of ordinary dividends. They also have financial covenants including minimum consolidated EBITDA to consolidated net interest payable, minimum consolidated cash flow to consolidated debt service, maximum consolidated debt to consolidated EBITDA and minimum liquidity, all as defined in the applicable debt agreements.

As of September 30, 2021, we believe we were in compliance with all of our debt covenants related to our senior secured credit facility and our corporate senior secured notes, senior notes and convertible senior notes. We expect to remain in compliance with all of these covenants throughout 2021.

Uses of Cash

Acquisitions

When we make acquisitions, the acquired entity may have cash on its balance sheet at the time of acquisition. All amounts related to the use of cash for acquisitions discussed in this section are presented net of any cash acquired. During the nine months ended September 30, 2021, we used $19.6 million of cash primarily for the acquisition of a venue in the United Kingdom and an artist management business in the United States.

During the nine months ended September 30, 2020, we used $37.3 million of cash primarily for the acquisitions of a festival promotion business and a venue management business, both located in the United States. As of the date of acquisition, the acquired businesses had a total of $71.1 million of cash on their balance sheets, primarily related to deferred revenue for future events.

Capital Expenditures

Venue and ticketing operations are capital intensive businesses, requiring continual investment in our existing venues and ticketing systems in order to address fan and artist expectations, technological industry advances and various federal, state and/or local regulations.

We categorize capital outlays between maintenance capital expenditures and revenue generating capital expenditures. Maintenance capital expenditures are associated with the renewal and improvement of existing venues and technology systems, web development and administrative offices. Revenue generating capital expenditures generally relate to the construction of new venues, major renovations to existing buildings or buildings that are being added to our venue network, the development of new ticketing tools and technology enhancements. Revenue generating capital expenditures can also include smaller projects whose purpose is to increase revenue and/or improve operating income. Capital expenditures typically increase during periods when our venues are not in operation since that is the time that such improvements can be completed.

Our capital expenditures, including accruals for amounts incurred but not yet paid for, but net of expenditures funded by outside parties such as landlords and noncontrolling interest partners or expenditures funded by insurance proceeds, consisted of the following:

	Nine Months Ended September 30,	
	2021	2020
	(in thousands)	
Maintenance	$ 37,181	$ 55,999
Revenue generating	67,417	106,784
Total capital expenditures	$ 104,598	$ 162,783

Maintenance capital expenditures during the first nine months of 2021 decreased from the same period of the prior year primarily due to reductions for certain office facility and technology-related projects as part of our cash savings initiatives implemented in connection with the global COVID-19 pandemic.

Revenue generating capital expenditures during the first nine months of 2021 decreased from the same period of the prior year primarily due to lower spending in our amphitheater venues and a reduction in technology-related projects as part of our cash savings initiatives implemented in connection with the global COVID-19 pandemic.

We currently expect capital expenditures to be approximately $185 million for the full year of 2021 as we have accelerated the timing of certain projects in the second half of the year in response to the reopening of our business.

Cash Flows

	Nine Months Ended September 30,	
	2021	2020
	(in thousands)	
Cash provided by (used in):		
Operating activities	$ 1,024,697	$ (956,903)
Investing activities	$ (111,759)	$ (224,532)
Financing activities	$ 1,222,321	$ 1,361,636

Operating Activities

Cash provided by operating activities was $1.0 billion for the nine months ended September 30, 2021 as compared to cash used in operating activities of $956.9 million for the same period of the prior year primarily due to increases in accounts payable, client accounts and accrued expenses resulting from the resumption of events in certain markets late in the second quarter of 2021 along with a reduction of net loss year over year partially offset by increases in accounts receivable.

Investing Activities

Cash used in investing activities decreased $112.8 million for the nine months ended September 30, 2021 as compared to the same period of the prior year primarily due to less cash paid for capital expenditures, along with higher proceeds from the sale of investments in nonconsolidated affiliates partially offset by an increase in investments in nonconsolidated affiliates. See "—Uses of Cash" above for further discussion.

Financing Activities

Cash provided by financing activities decreased $139.3 million for the nine months ended September 30, 2021 as compared to the same period of the prior year primarily due to higher net proceeds in 2020 from debt issuances partially offset by proceeds from the sale of common stock and lower purchases of noncontrolling interests in 2021. See "—Sources of Cash" above for further discussion.

Seasonality

Information regarding the seasonality of our business can be found in Part I—Financial Information—Item 1.—Financial Statements—Note 1—Basis of Presentation and Other Information.

Market Risk

We are exposed to market risks arising from changes in market rates and prices, including movements in foreign currency exchange rates and interest rates.

Foreign Currency Risk

We have operations in countries throughout the world. The financial results of our foreign operations are measured in their local currencies. Our foreign subsidiaries also carry certain net assets or liabilities that are denominated in a currency other than that subsidiary's functional currency. As a result, our financial results could be affected by factors such as changes in foreign currency exchange rates or weak economic conditions in the foreign markets in which we have operations. Currently, we do not have significant operations in hyper-inflationary countries. Our foreign operations reported an operating loss of $148.1 million for the nine months ended September 30, 2021. We estimate that a 10% change in the value of the United States dollar relative to foreign currencies would change our operating loss for the nine months ended September 30, 2021 by $14.8 million. As of September 30, 2021, our most significant foreign exchange exposure included the Euro, British Pound, Australian Dollar and Canadian Dollar. This analysis does not consider the implication such currency fluctuations could have on the overall economic conditions of the United States or other foreign countries in which we operate or on the results of operations of our foreign entities. In addition, the reported carrying value of our assets and liabilities, including the total cash and cash equivalents held by our foreign operations, will also be affected by changes in foreign currency exchange rates.

We primarily use forward currency contracts, in addition to options, to reduce our exposure to foreign currency risk associated with short-term artist fee commitments. We also may enter into forward currency contracts to minimize the risks and/or costs associated with changes in foreign currency rates on forecasted operating income. At September 30, 2021, we had forward currency contracts outstanding with a notional amount of $43.6 million.

Interest Rate Risk

Our market risk is also affected by changes in interest rates. We had $5.8 billion of total debt, excluding debt discounts and issuance costs, outstanding as of September 30, 2021, of which $5.0 billion was fixed-rate debt and $0.8 billion was floating-rate debt.

Based on the amount of our floating-rate debt as of September 30, 2021, each 25-basis point increase or decrease in interest rates would increase or decrease our annual interest expense and cash outlay by approximately $2.0 million. This potential increase or decrease is based on the simplified assumption that the level of floating-rate debt remains constant with an immediate across-the-board increase or decrease as of September 30, 2021 with no subsequent change in rates for the remainder of the period.

In January 2020, we entered into an interest rate swap agreement that is designated as a cash flow hedge for accounting purposes to effectively convert a portion of our floating-rate debt to a fixed-rate basis. The swap agreement expires in October 2026, has a notional amount of $500.0 million and ensures that a portion of our floating-rate debt does not exceed 3.397%.

Accounting Pronouncements

Information regarding recently issued and adopted accounting pronouncements can be found in Part I — Financial Information—Item 1.—Financial Statements—Note 1—Basis of Presentation and Other Information.

Critical Accounting Policies and Estimates

The preparation of our financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. On an ongoing basis, we evaluate our estimates that are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. The result of these evaluations forms the basis for making judgments about the carrying values of assets and liabilities and the reported amount of revenue and expenses that are not readily apparent from other sources. Because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such difference could be material.

Management believes that the accounting estimates involved in business combinations, impairment of long-lived assets and goodwill, revenue recognition, and income taxes are the most critical to aid in fully understanding and evaluating our reported financial results, and they require management’s most difficult, subjective or complex judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain. These critical accounting estimates, the judgments and assumptions and the effect if actual results differ from these assumptions are described in Part II—Financial Information—Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations of our 2020 Annual Report on Form 10-K filed with the SEC on March 1, 2021.

There have been no changes to our critical accounting policies during the nine months ended September 30, 2021.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Required information is within Part I — Financial Information—Item 2.—Management's Discussion and Analysis of Financial Condition and Results of Operations—Market Risk.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We have established disclosure controls and procedures to ensure that material information relating to our company, including our consolidated subsidiaries, is made known to the officers who certify our financial reports and to other members of senior management and our board of directors.

Based on their evaluation as of September 30, 2021, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) are effective to ensure that (1) the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (2) the information we are required to disclose in such reports is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or internal controls will prevent all possible errors and fraud. Our disclosure controls and procedures are, however, designed to provide reasonable assurance of achieving their objectives, and our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective at that reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. We have not experienced any material impact to our internal controls over financial reporting resulting from the fact that employees are working remotely due to the global COVID-19 pandemic. We are continually monitoring and assessing the impact of the global COVID-19 pandemic on our internal controls to minimize the affects on their design and operating effectiveness.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

Information regarding our legal proceedings can be found in Part I—Financial Information—Item 1. Financial Statements—Note 7—Commitments and Contingent Liabilities.

Item 1A. Risk Factors

While we attempt to identify, manage and mitigate risks and uncertainties associated with our business to the extent practical under the circumstances, some level of risk and uncertainty will always be present. Part I—Item 1A.—Risk Factors of our 2020 Annual Report on Form 10-K filed with the SEC on March 1, 2021, describes some of the risks and uncertainties associated with our business which could materially and adversely affect our business, financial condition, cash flows and results of operations, and the trading price of our common stock could decline as a result. We do not believe that there have been any material changes to the risk factors previously disclosed in our 2020 Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchase of Equity Securities

The following table provides information regarding repurchases of our common stock during the three months ended September 30, 2021:

Period	Total Number of Shares Purchased [1]	Average Price Paid per Share [1]	Total Number of Shares Purchased as Part of Publicly Announced Program [2]	Maximum Fair Value of Shares that May Yet Be Purchased Under the Program [2]
July 2021	402	$78.53		
August 2021	1,514	$83.31		
September 2021	440	$86.69		
	2,356			

[1] Represents shares of common stock that employees surrendered as part of the default option to satisfy withholding taxes in connection with the vesting of restricted stock awards under our stock incentive plan. Pursuant to the terms of our stock plan, such shares revert to available shares under the plan.

[2] We do not have a publicly announced program to purchase shares of our common stock. Accordingly, there were no shares purchased as part of a publicly announced program.

Item 3. Defaults Upon Senior Securities

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit No.	Filing Date	
2.1	Stock Purchase Agreement dated July 24, 2019, by and among Corporación Interamericana de Entretenimiento, S.A.B. de C.V. as Seller, Ticketmaster New Ventures, S. de R.L. de C.V. as Purchaser, Live Nation Entertainment, Inc. as joint obligor of Purchaser, and OCESA Entretenimiento, S.A. de C.V.	10-Q	001-32601	2.1	10/31/2019	
2.2	First Amendment to the Stock Purchase Agreement dated September 13, 2021, by and among Corporación Interamericana de Entretenimiento, S.A.B. de C.V. as Seller, Ticketmaster New Ventures, S. de R.L. de C.V. as Purchaser, Live Nation Entertainment, Inc. as joint obligor of Purchaser, and OCESA Entretenimiento, S.A. de C.V.					X
2.3	Stock Purchase Agreement dated July 24, 2019, by and among Grupo Televisa, S.A.B. and Promo-Industrias Metropolitanas, S.A.de R.L. de C.V., the Sellers, Ticketmaster New Ventures, S. de R.L. de C.V. and Ticketmaster New Ventures Holdings, Inc., the Purchasers, Live Nation Entertainment, Inc. as joint obligor of Purchasers, and OCESA Entretenimiento, S.A. de C.V.	10-Q	001-32601	2.2	10/31/2019	
2.4	First Amendment to the Stock Purchase Agreement dated September 13, 2021, by and among Grupo Televisa, S.A.B. and Promo-Industrias Metropolitanas, S.A. de C.V. the Sellers, Ticketmaster New Ventures, S. de R.L. de C.V. and Ticketmaster New Ventures Holdings, Inc. the Purchasers, Live Nation Entertainment, Inc. as joint obligor of Purchasers, and OCESA Entretenimiento, S.A. de C.V.					X
31.1	Certification of Chief Executive Officer.					X
31.2	Certification of Chief Financial Officer.					X
32.1	Section 1350 Certification of Chief Executive Officer.					X
32.2	Section 1350 Certification of Chief Financial Officer.					X
101.INS	XBRL Instance Document - this instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.					X
101.SCH	XBRL Taxonomy Schema Document.					X
101.CAL	XBRL Taxonomy Calculation Linkbase Document.					X
101.DEF	XBRL Taxonomy Definition Linkbase Document.					X
101.LAB	XBRL Taxonomy Label Linkbase Document.					X
101.PRE	XBRL Taxonomy Presentation Linkbase Document.					X
104	Cover Page Interactive Data File (Formatted as Inline XBRL and contained in Exhibit 101)					X

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, thereunto duly authorized, on November 4, 2021.

LIVE NATION ENTERTAINMENT, INC.

By: /s/ Brian Capo

Brian Capo
Chief Accounting Officer (Duly Authorized Officer)

FIRST AMENDMENT TO THE STOCK PURCHASE AGREEMENT

This FIRST AMENDMENT AGREEMENT (the "Amendment Agreement") is entered into on September 13, 2021 by and among:

(A) Corporación Interamericana de Entretenimiento, S.A.B. de C.V. ("Seller"), a publicly traded corporation duly organized and validly existing under the laws of the United Mexican States ("Mexico");

(B) Ticketmaster New Ventures, S. de R.L. de C.V. ("Purchaser"), a company duly organized and validly existing under the laws of Mexico;

(C) Live Nation Entertainment, Inc., a company duly organized and validly existing under the laws of Delaware, as joint obligor of Purchaser pursuant to the Stock Purchase Agreement ("Joint Obligor"); and

(D) Odesa Entretenimiento, S.A. de C.V. ("OCEN" and, together with Seller, Purchaser, and Joint Obligor, the "Parties"), a corporation duly organized and validly existing under the laws of Mexico.

The Parties agree and acknowledge that capitalized terms not otherwise defined in this Amendment Agreement shall have the same meanings specified in the Stock Purchase Agreement (as defined below).

RECITALS

WHEREAS, on July 24, 2019 the Parties entered into a Stock Purchase and Subscription Agreement (as may be amended, restated, supplemented or otherwise modified from time to time, the "Stock Purchase Agreement"), pursuant to which, among others, Seller agreed to sell, transfer and assign to Purchaser, and Purchaser agreed to purchase and assume from Seller, the Shares.

WHEREAS, on July 24, 2019 Purchaser, Ticketmaster New Ventures Holdings Inc. ("TMNV"), Joint Obligor, OCEN, Grupo Televisa, S.A.B. ("Televisa") and Promo Industrias Metropolitanas, S.A. de C.V. ("PI") entered into a Stock Purchase Agreement (as may be amended, restated, supplemented or otherwise modified from time to time, the "TV SPA"), pursuant to which Televisa and PI agreed to sell, transfer and assign to Purchaser and TMNV, and Purchaser and TMNV agreed to purchase and assume from Televisa and PI, certain shares representative of OISE Entretenimiento, S.A de C.V. (" OISE Entretenimiento"), which in turn is the holder of certain shares representative of OCEN's capital stock.

WHEREAS, on July 24, 2019 the Parties entered into a Coordination Agreement (the "Coordination Agreement") to agree to, among other matters, certain procedures related to the simultaneous closing of the Stock Purchase Agreement and the TV SPA.

WHEREAS, on May 25, 2020, Purchaser delivered a notice of termination to Seller purportedly in accordance with Sections 7.1(ii)(B), 7.1(iv)(B), 7.1(v), and 10.4 of the Stock Purchase Agreement (the "Notice of Termination").

WHEREAS, on May 25, 2020, Purchaser and Joint Obligor commenced binding arbitration proceedings before the International Court of Arbitration of the International Chamber of Commerce which was registered under file number 25340/MK/PDP (the "ICC Arbitration Proceedings"), seeking a declaratory judgment that Purchaser properly terminated the Stock Purchase Agreement.

WHEREAS, on July 31, 2020, Seller filed its Answer and Counterclaims in the ICC Arbitration Proceedings, disputing that the Notice of Termination had any legal effect and seeking a judgment that Purchaser and Joint Obligor breached their obligations under the Stock Purchase Agreement.

WHEREAS, subject to the terms and conditions set forth herein, including the satisfaction of the condition precedent set forth in Article VI under the Covenants and Waivers section of this Amendment Agreement below, the Parties desire to amend certain terms set forth in the Stock Purchase Agreement and proceed with the purchase and sale of the Shares as provided in the Stock Purchase Agreement and this Amendment Agreement.

WHEREAS, concurrently to the execution of this Amendment Agreement, Purchaser, TMNV, Joint Obligor, OCEN, Televisa and PI are entering into an amendment agreement to amend certain terms set forth in the TV SPA, which is subject to certain conditions precedent set forth therein (the "TV SPA Amendment").

WHEREAS, concurrently to the execution of this Amendment Agreement, the parties to the Coordination Agreement are entering into an amendment agreement to amend certain terms set forth in such Coordination Agreement subject to, among others, the satisfaction of condition precedent set forth in Article VI under the Covenants and Waivers section of this Amendment Agreement below.

WHEREAS, the consummation of the transactions contemplated in the Stock Purchase Agreement and the Amendment Agreement are subject to the consummation of the transactions contemplated in the TV SPA and the TV SPA Amendment.

WHEREAS, Purchaser, Joint Obligor and Seller have agreed to suspend the ICC Arbitration Proceedings pending the consummation of the transactions and any and all post-Closing obligations contemplated herein and the consummation of the transactions contemplated in the TV SPA and the TV SPA Amendment and any and all post-Closing obligations contained therein.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and the intent of the parties to be legally bound, the Parties hereto agree as follows:

REPRESENTATIONS AND WARRANTIES

I. Seller represents and warrants to Purchaser as of the date hereto and as of the Closing as follows:

(a) Organization. Seller is a corporation duly organized and validly existing under the laws of Mexico.

(b) Authorization. Seller has the requisite power and authority and has taken all action necessary to execute and deliver this Amendment Agreement and all other instruments and agreements to be delivered by Seller as contemplated hereby and thereby, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Seller of this Amendment Agreement and all other instruments and agreements to be delivered by Seller as contemplated hereby and thereby, the consummation by Seller of the transactions contemplated hereby and thereby and the performance of its obligations hereunder and thereunder have been (except for the ratification of the authorization of Seller's shareholders meeting which will be sought by Seller on or before Closing in the understanding that, for the avoidance of doubt, none of the provisions set forth in the Stock Purchase Agreement in connection with or directly or indirectly related to the Seller's shareholders' meeting shall be applicable to the seeking of this ratification and no Corporate Restructure Memorandum shall be prepared) and, in the case of documents required to be delivered at Closing, will be, duly authorized and approved. This Amendment Agreement and all other instruments and agreements to be executed and delivered by Seller as contemplated hereby and thereby will be, duly executed and delivered by Seller. Assuming that this Amendment Agreement and all other instruments and agreements to be delivered by Seller as contemplated hereby and thereby constitute legal, valid and binding obligations of each other party hereto, this Amendment Agreement and such instruments and agreements constitute legal, valid and binding obligations of Seller enforceable against Seller in accordance with its terms and conditions (including the condition precedent set forth in Article VI under the Covenants and Waivers section of this Amendment Agreement below), except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the enforcement of creditors' rights generally.

(c) OCEN Financial Statements; OCEN Undisclosed Liabilities.
Exhibit "A" contains the following financial information of the Target Companies set forth in Exhibit "A", as identified in the first page of such exhibit:

(i) audited or unaudited financial statements, which includes the report of the independent auditors, the consolidated and/or unconsolidated statement of financial position as of December 31, 2020, and the consolidated and/or unconsolidated statements of income, stockholders' equity and cash flows for the twelve (12) months then ended, as well as the explanatory notes to the financial statements that include a summary of significant accounting policies (collectively, the "2020 Financial Statements"). To the

Knowledge of Seller, the 2020 Financial Statements fairly present, in all material aspects, the consolidated and/or unconsolidated financial situation of the corresponding Target Companies as of December 31, 2020 and their financial performance and cash flows for the year, completed on that date, in accordance with NIF; and

(ii) Internal financial statements, which include the consolidated and / or unconsolidated statement of financial position as of June 30, 2021 (collectively, the "2021 Financial Statements"). To the Knowledge of Seller, the 2021 Financial Statements fairly present, in all material aspects, the consolidated and/or unconsolidated financial situation of the corresponding Target Companies as of June 30, 2021 and their financial performance and cash flows for the year, completed on that date, in accordance with NIF.

II. Purchaser and Joint Obligor hereby represent and warrant, as of the date hereof and as of the Closing, to Seller as follows:

(a) Organization. Purchaser and Joint Obligor are validly existing and in good standing (or the equivalent thereof) under the Laws of their respective jurisdictions of organization.

(b) Authorization. Purchaser and the Joint Obligor have the requisite power and authority and have taken all action necessary to execute and deliver this Amendment Agreement and all other instruments and agreements to be delivered by Purchaser and Joint Obligor as contemplated hereby and thereby, to perform their obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Purchaser and Joint Obligor of this Amendment Agreement and all other instruments and agreements to be delivered by Purchaser and Joint Obligor as contemplated hereby and thereby, the consummation by Purchaser and Joint Obligor of the transactions contemplated hereby and thereby and the performance of their obligations hereunder and thereunder have been and, in the case of documents required to be delivered at Closing, will be, duly authorized and approved by the board of directors of the Purchaser and the Joint Obligor. This Amendment Agreement and all other instruments and agreements to be executed and delivered by Purchaser and Joint Obligor as contemplated hereby and thereby will be, duly executed and delivered by Purchaser and Joint Obligor. Assuming that this Amendment Agreement and all other instruments and agreements to be delivered by Purchaser and Joint Obligor as contemplated hereby and thereby constitute legal, valid and binding obligations of each other party hereto, this Amendment Agreement and such instruments and agreements will constitute legal, valid and binding obligations of Purchaser and Joint Obligor enforceable against Purchaser and Joint Obligor in accordance with their terms and conditions (including the condition precedent set forth in Article VI under the Covenants and Waivers section of this Amendment Agreement below), except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the enforcement of creditors' rights generally.

AMENDMENTS

Subject to the condition precedent set forth in Article VI under the Covenants and Waivers section of this Amendment Agreement below, the Parties agree as follows:

FIRST. Amendment to Section 1.1. The Parties hereby agree to amend Section 1.1 of the Stock Purchase Agreement, by:

(a) substituting the definitions of "Balance Sheet Date", "Funded Indebtedness" and "Target Business Unit" with the following definitions:

"Balance Sheet Date" means December 31, 2020.

"Funded Indebtedness" of any Person means, without duplication, (i) indebtedness for borrowed money or indebtedness issued or incurred in substitution or exchange for indebtedness for borrowed money; (ii) indebtedness evidenced by any note, bond, debenture, or other debt instrument or debt security; (iii) all capital lease obligations of such Person; provided, however that, notwithstanding any change prior to or after this Date in the Accounting Principles that would require or required lease obligations that would be treated as operating leases as of the

Closing Date to be classified and accounted for as capital leases or otherwise reflected on the consolidated balance sheet of the Target Companies, such obligations shall continue to be treated as operating leases in a manner consistent with Seller's historical financial reporting practices and shall therefore not be considered a "capital lease" and shall not be considered "Funded Indebtedness", (iv) any accrued and unpaid interest owing by such Person with respect to any indebtedness of a type described in clauses (i) to (iii); (v) any prepayment penalties, commissions and/or fees and associated Taxes; and (vi) any indebtedness of the types described in clauses (i) through (iv) in charge of a third party and guaranteed with any assets of such Person or to which such Person is a guarantor; provided, that Funded Indebtedness shall not include performance bonds (fianzas de anticipo o de cumplimiento), undrawn letters of credit and forward currency exchange contracts, accounts payable to trade creditors and accrued expenses in each case arising in the Ordinary Course of Business consistent with past practice, the endorsement of negotiable instruments for collection in the Ordinary Course of Business, leases, subleases and similar agreements in each case arising in the Ordinary Course of Business (except for capital leases (in accordance with clause (iii) above) and those leases set forth in Schedule 3.20(a) of the Seller Disclosure Letter), Funded Indebtedness listed in Schedule 3.20(b) of the Seller Disclosure Letter to be paid-off promptly following the Closing Date in accordance with Section 5.18, and Funded Indebtedness owing from any Target Company to any other Target Company.

"Target Business Unit" means each of the following groups of Target Companies:

(a) Ticketmaster Business Unit is comprised of (i) Venta de Boletos por Computadora, S.A. de C.V., and (ii) Servicios Especializados para la Venta Automatizada de Boletos, S.A. de C.V.

(b) ETK Business Unit is comprised of ETK Boletos, S.A. de C.V.

(c) Core Colombia Business Unit is comprised of (i) OCESA Colombia, S.A.S., (ii) Compañía de Entretenimiento Colombia, S.A.S., (iii) Promotora Colombia, S.A.S., and (iv) Ticket Colombia, S.A.S.

(d) STK Business Unit is comprised of (i) Promotodo Mexico, S.A. de C.V., (ii) Seitrack International Inc., (iii) Clear Entertainment Corp., and (iv) Seitrack USA, LLC.

(e) BNN Business Unit is comprised of (i) Sputnik Digital, S.A.P.I. de C.V., and (ii) Enterteinvestments, S.A. DE C.V.

(f) Core Mexico Business Unit is comprised of OCESA Entretenimiento, S.A. de C.V. and its Subsidiaries as of this date (on a consolidated basis), but excluding (i) Ticketmaster Business Unit, (ii) ETK Business Unit, (iii) Core Colombia Business Unit, (iv) STK Business Unit, and (v) BNN Business Unit.

(g) Remex Business Unit is comprised of: (i) Representaciones de Exposiciones México, S.A. de C.V., (ii) Sistema Central Inteligente Remex, S.A. de C.V., (iii) Monitoreo y Planeación Remex, S.A. de C.V., and (iv) SECOCIE II, S.A. de C.V.

(h) Logra Business Unit is comprised of: (i) Logística Organizacional para la Integración de Eventos, S.A. DE C.V., (ii) SECOMAD II, S.A. de C.V., and (iii) Corporativo Integral SECOMAD II, S.A. de C.V.

(i) CREA Business Unit is comprised of: (i) Operación y Comercialización Ideas Creativas, S.A. de C.V., (ii) Monitoreo y Planeación CREA, S.A. de C.V., (iii) Sistema Central Inteligente CREA, S.A. de C.V., and (iv) Banquetes a la Carta, S.A. de C.V.

(b) adding the following definitions:

"BMV" means the Mexican Stock Exchange (Bolsa Mexicana de Valores, S.A.B. de C.V.).

"Closing Payment" has the meaning ascribed to such term in Section 2.2(a).

"Holdback Gains" means, as measured as of the last day of each completed calendar month following the Closing during the OCEN Holdback Period, the Allocable Purchaser Sale Percentage of the amount (if any) by which the Post-Closing Net Working Capital of the OCEN Business Units from such most recently completed calendar month is greater than the Post-Closing Net Working Capital of the OCEN Business Units from the prior completed calendar month, excluding any cash funded into by the OCEN shareholders or distributed out of the OCEN Business Units to the OCEN shareholders during the most recently completed calendar month. For the avoidance of doubt, the Post-Closing Net Working Capital of the Remex Business Unit, Logra Business Unit and CREA Business Unit will not be considered for purposes of calculating the Holdback Gains.

"Holdback Losses" means, as measured as of the last day of each completed calendar month following the Closing during the OCEN Holdback Period and/or the Special Events Holdback Period (as applicable): (i) during the OCEN Holdback Period, the Allocable Purchaser Sale Percentage of the amount (if any) by which the Post-Closing Net Working Capital of the OCEN Business Units from such most recently completed calendar month is less than the Post-Closing Net Working Capital of the OCEN Business Units from the prior completed calendar month and/or (ii) during the Special Events Holdback Period, the Allocable Purchaser Sale Percentage of the amount (if any) by which the Post-Closing Net Working Capital of the Special Events Business Units from such most recently completed calendar month is less than the Post-Closing Net Working Capital of the Special Events Business Units from the prior completed calendar month, in each case, excluding any cash funded into by the OCEN shareholders or distributed out of the Target Business Units to the OCEN shareholders during the most recently completed calendar month. Attached as Schedule 1.1(d) is an example of a hypothetical calculation of Holdback Losses for the months of January, February and March of 2021 assuming that Closing had taken place on December 31, 2020.

"Indeval" means the Central Securities Depository for the Mexican Securities Market (S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V.).

"Litigation Proceedings" means any and all arbitration and/or litigation proceedings, disputes, controversies or claims arising out, relating to or in connection with the Stock Purchase Agreement.

"Logra Leases" means (i) the Lease Agreement executed by and among SERINEM Mexico, S.A. de C.V., Logística Organizacional para la Integración de Eventos. S.A. de C.V., as adherent, CHG Meridian México, S.A.PI. de C.V., as lessor, CIE as joint obligor, dated as of July 3, 2013 and the addendum dated as of July 19, 2018; and (ii) the Master Lease Agreement Number MXC0110/20 executed by and among Logística Organizacional para la Integración de Eventos. S.A. de C.V., as lessee; Mexarrend, S.A.P.I. de C.V., as lessor, and CIE as joint obligor, dated as of October 28, 2020.

"OCEN Business Units" means, collectively, the Core Mexico Business Unit, the Ticketmaster Business Unit, the ETK Business Unit, the Core Colombia Business Unit, the STK Business Unit and the BNN Business Unit.

"OCEN Holdback Period" means the period of time to be the earlier of: (i) until OCEN, on a consolidated basis, excluding the Special Events Business Units, attain 3 (three) consecutive calendar months with Paid Attendance and Revenues equal to at least 75% (seventy five percent) of the 2019 levels for the corresponding months as set forth in Schedule "1.1(e)"; (ii) the first anniversary of the Closing Date (only to the extent that, for the purposes of this clause (ii), the OCEN Business Units had Holdback Gains during the two immediately previous completed

calendar months); provided, for purposes of this clause (ii), that if the OCEN Business Units did not have Holdback Gains during the two immediately preceding calendar months, the OCEN Holdback Period will continue in full force and effect and will not conclude in accordance with this clause (ii) until the OCEN Business Units have had two consecutive calendar months with Holdback Gains; or (iii) the termination of the "Holdback Period" under the TV SPA Amendment.

"<u>Paid Attendance</u>" means: (i) for purposes of calculating the OCEN Holdback Period, the number of paid attendees present at events presented or promoted by any of the entities comprised within the Core Mexico Business Unit and Core Colombia Business Unit, calculated in a manner consistent with such Target Subsidiaries' historical business practices; (ii) for purposes of calculating the Special Events Holdback Period, the number of square-meters rented to third parties in the exhibition and convention center under a monthly basis, calculated in a manner consistent with historical business practices, as set forth in <u>Schedule "1.1(e)"</u>.

"<u>Pandemic Measures</u>" means any quarantine, "shelter in place," "stay at home," workforce reduction, social distancing, shut down, closure, sequester, safety or similar Law, directive, guidelines or recommendations promulgated by any Governmental Entity, including the Health Ministry (Secretaría de Salud) of Mexico, and the World Health Organization.

"<u>Post-Closing Net Working Capital</u>" means (i) the sum of the Total Current Assets of the relevant Target Business Unit, less (ii) the sum of the Total Current Liabilities of the relevant Target Business Unit. For the avoidance of doubt, Post-Closing Net Working Capital will be calculated separately for each of the Target Business Units as of 11:59 P.M. on the last day of each completed calendar month following the Closing Date. The impact of any dividends paid to, or contributions from, OCEN's shareholders or of any business acquisitions or revenue generating capital expenditures (but excluding, for the avoidance of doubt, maintenance capital expenditures or re-start costs attributable to the unwinding of the Pandemic Measures) funded during the OCEN Holdback Period and/or the Special Event Holdback Period shall, in each case be disregarded for purposes of calculating the Post-Closing Net Working Capital of the Target Business Units and shall not be considered for determining the Total Current Assets or Total Current Liabilities of the Target Business Units. Post-Closing Net Working Capital shall be calculated pursuant to the guidelines and sample calculations contained in <u>Schedule "2.3(b)"</u> hereto.

"<u>Revenues</u>" means: (i) for purposes of calculating the OCEN Holdback Period, the revenues of OCEN on a consolidated basis, excluding the Special Events Business Units; and (ii) for purposes of calculating the Special Events Holdback Period, the revenues of Special Events Business Units, on a combined basis, in each case, calculated in accordance with NIF.

"<u>Special Events Business Units</u>" means, collectively, the Remex Business Unit, the Logra Business Unit and the CREA Business Unit.

"<u>Special Events Holdback Gains</u>" means, as measured as of the last day of each completed calendar month following the Closing during the Special Events Holdback Period, the Allocable Purchaser Sale Percentage of the amount (if any) by which the Post-Closing Net Working Capital of the Special Events Business Units from such most recently completed calendar month is greater than the Post-Closing Net Working Capital of the Special Events Business Units from the prior completed calendar month, excluding any cash funded into by OCEN or distributed out of the Special Events Business Units to OCEN during the most recently completed calendar month. For the avoidance of doubt, the Post-Closing Net Working Capital of the OCEN Business Units will not be considered for purposes of calculating the Special Events Holdback Gains.

"<u>Special Events Holdback Period</u>" means the period of time to be the earlier of: (i) until the Special Events Business Units, on a combined basis, attain 3 (three) consecutive calendar months with Paid Attendance and Revenues equal to at least 75% (seventy five percent) of the 2019 levels for the corresponding months as set forth in <u>Schedule "1.1(e)"</u>; or (ii) December 31, 2022 (only to the extent that the Special Events Business Units had Special Events Holdback Gains

during the two immediately previous completed calendar months); provided, that if the Special Events Business Units did not have Special Events Holdback Gains during the two immediately preceding calendar months, the Special Events Holdback Period will continue in full force and effect and will not conclude in accordance with this clause (ii) until the Special Events Business Units have had two consecutive calendar months with Special Events Holdback Gains; provided, further, that Purchaser may terminate the Special Events Holdback Period, at any time, at its sole discretion.

(c) eliminating the definitions of "LNE Common Shares" and "Registrable Shares".

SECOND. Amendments and additions to Annexes.

(a) The Parties hereby agree to amend Annex A-2 to the Stock Purchase Agreement, which shall be substituted in its entirety with the Annex A-2 to the Stock Purchase Agreement that is attached hereto as Exhibit "B-1".

(b) The Parties hereby agree to amend Annex B to the Stock Purchase Agreement, which shall be amended in accordance with the Amendment to Annex B to the Stock Purchase Agreement that is attached hereto as Exhibit "B-2".

(c) The Parties hereby agree to amend Annex C to the Stock Purchase Agreement, substituting the Schedule 1 and Schedule 2 attached to the Transaction Services Agreement Form, in its entirety, with the Schedule 1 and Schedule 2 to the Transaction Services Agreement Form that are attached hereto as Exhibit "B-3".

(d) The Parties hereby agree to add Annex "E – Labor Law Amendment" to the Stock Purchase Agreement, which shall be included in its entirety with the Annex E to the Stock Purchase Agreement that is attached here to as Exhibit "B-4".

(e) The Parties hereby agree to add Annexes "F-1 – OCEN Resolution Form" and "F-2 – Closing Restructure Shares Purchase Agreements short-forms" to the Stock Purchase Agreement, which shall be included in its entirety with Annexes F-1 and F-2 to the Stock Purchase Agreement that are attached here to as Exhibit "B-5" and "B-6", respectively.

(f) The Parties hereby agree to add Annex "G – Withdrawal Petition Form" to the Stock Purchase Agreement, which shall be included in its entirety with the Annex G to the Stock Purchase Agreement that is attached here to as Exhibit "B-7".

THIRD. Amendments and additions to Schedules.

(a) The Parties hereby agree to amend Schedule 1.1(a) to the Stock Purchase Agreement, which shall be substituted in its entirety with the Schedule 1.1(a) to the Stock Purchase Agreement that is attached hereto as Exhibit "C-1".

(b) The Parties hereby agree to amend Schedule 1.1(c) to the Stock Purchase Agreement, which shall be substituted in its entirety with the Schedule 1.1(c) to the Stock Purchase Agreement that is attached hereto as Exhibit "C-2".

(c) The Parties hereby agree to add Schedule "1.1(d) – Holdback Losses" to the Stock Purchase Agreement, which shall be included in its entirety with the Schedule 1.1(d) to the Stock Purchase Agreement that is attached hereto as Exhibit "C-3".

(d) The Parties hereby agree to add Schedule "1.1(e) –Holdback Period" to the Stock Purchase Agreement, which shall be included in its entirety with the Schedule 1.1(e) to the Stock Purchase Agreement that is attached hereto as Exhibit "C-4".

(e) The Parties hereby agree to add Schedule "2.2(d) – Holdback Statement" to the Stock Purchase Agreement, which shall be included in its entirety with the Schedule 2.2(d) to the Stock Purchase Agreement that is attached hereto as Exhibit "C-5".

(f) The Parties hereby agree to amend Schedule 2.3(b) to the Stock Purchase Agreement, which shall be substituted in its entirety with the Schedule 2.3(b) to the Stock Purchase Agreement that is attached hereto as Exhibit "C-6".

FOURTH. Amendments to certain Schedules of the Seller Disclosure Letter.

(a) The Parties hereby agree to amend Schedule 3.2(b) of the Seller Disclosure Letter, which shall be substituted in its entirety with the Schedule 3.2(b) of the Seller Disclosure Letter that is attached hereto as Exhibit "D-1".

(b) The Parties hereby agree to amend Schedule 3.20(a) of the Seller Disclosure Letter, which shall be substituted in its entirety with the Schedule 3.20(a) of the Seller Disclosure Letter that is attached hereto as Exhibit "D-2".

(c) The Parties hereby agree to amend Schedule 3.20(b) of the Seller Disclosure Letter, which shall be substituted in its entirety with the Schedule 3.20(b) of the Seller Disclosure Letter that is attached hereto as Exhibit "D-3".

FIFTH. Amendments to Section 2.2. The Parties hereby agree to amend Section 2.2 of the Stock Purchase Agreement, which shall read as follows:

"Section 2.2 Sale of Shares.

a) On the terms and subject to the conditions of this Agreement, Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the Shares, free and clear of any Liens, for a purchase price of Ps$2,730,365,308.00 (two billion seven hundred and thirty million three hundred and sixty five thousand three hundred and eight 00/100 Pesos) (the "Purchase Price"). The Purchase Price shall be subject to adjustment pursuant to Section 2.4 and will be paid by Purchaser as follows:

(i) At Closing, an amount of Ps$2,476,335,308.00 (two billion four hundred and seventy six million three hundred and thirty five thousand three hundred and eight 00/100 Pesos) (the "Closing Payment"), which will be paid in cash, through wire transfer of immediately available funds, as provided in this Article II; and

(ii) The remaining Ps$254,030,000.00 (two hundred and fifty four million thirty thousand 00/100 Pesos) of the Purchase Price (the "Holdback Amount") will be retained by Purchaser to fund, in cash, its pro rata share of the Holdback Losses during the Holdback Period, pursuant to the provisions included in this Section 2.2.

b) On the terms, and subject to the conditions of this Agreement, on the Closing but immediately after the purchase of the Shares set forth in item (a) above, OCEN shall issue to Purchaser and Purchaser shall subscribe a capital increase without the issuance of shares, for an aggregate initial subscription price of Ps$898,634,692.00 (eight hundred and ninety eight million six hundred and thirty four thousand six hundred and ninety two Pesos 00/100) (the "Subscription Price" and together with the Purchase Price, indistinctly the "Investment Price" or the "Closing Investment Price") which will be paid in cash, through wire transfer of immediately available funds and subject to adjustment as provided in Section 2.4.

c) OCEN and the Seller expressly agree that the Subscription Price will be used by OCEN exclusively for the capital requirements for the purchase of the shares of capital stock in the Transferred Target Companies owned by Seller (directly or indirectly) indicated in Annex A-2 in accordance with the Closing Restructure.

d) No later than ten (10) Business Days following the end of each calendar month after the Closing Date, OCEN shall prepare and deliver to the Primary Parties a statement of the Holdback

Losses or Hold back Gains (as applicable) during such immediately previous month prepared in accordance with the methodology described in Schedule "2.2(d)" (a "Holdback Statement").

e) In the event that none of the Primary Parties object in writing to the calculations set forth in any Holdback Statement within ten (10) Business Days following the Primary Parties' receipt of the relevant statement, such Holdback Statement shall be deemed final and binding. The Parties agree to resolve any objections related to, or in connection with, the Holdback Statements using the procedures set forth in Section 2.4 hereof, mutatis mutandis.

f) Further, the Parties agree that Purchaser shall be entitled to deduct its Holdback Losses determined to be final in accordance with this Section 2.2 against and up to the Holdback Amount and that any Holdback Gains determined to be final in accordance with this Section 2.2 shall be added to the Holdback Amount; provided, for the avoidance of doubt, that in no event shall the balance of the Holdback Amount exceed Ps$254,030,000.00.

g) Any unused portion of the Holdback Amount shall be released by Purchaser to the Seller within the thirty (30) days following the later of (x) the conclusion of the Special Events Holdback Period or (y) the conclusion of the OCEN Holdback Period and delivered in Pesos, through electronic transfer of immediately available funds, to the bank accounts designated in writing by Seller from time to time.

h) Purchaser acknowledges that Seller shall have no liability whatsoever for any Holdback Losses in excess of the Holdback Amount.

SIXTH. Amendments to Section 2.3. The Parties hereby agree to amend Section 2.3 of the Stock Purchase Agreement, which shall read as follows:

Section 2.3 Delivery of Funds and other payments.

(a) At least five (5) Business Days prior to the Closing Date, Seller shall (with respect to the Transferred Target Companies), and shall cause OCEN to (with respect to OCEN and the Target Subsidiaries) prepare and deliver to Purchaser a statement in Pesos (the "Estimated Closing Statement") setting forth Seller's and OCEN's good faith estimates (in the understanding that exclusively for purposes of these good faith estimates, the Seller and OCEN shall base their calculations for the applicable Closing Funded Indebtedness and the Closing Working Capital, on the financial statements as of the most recently completed calendar month prior to the date on which the Estimated Closing Statement is delivered and not as of 11:59 P.M. of the Business Day immediately prior to the Closing Date) of (i) the Closing Funded Indebtedness (the "Estimated Closing Funded Indebtedness"); (ii) the Closing Working Capital (the "Estimated Working Capital"); and (iii) the amount (which may be expressed as a positive or negative number), if any, by which the Estimated Working Capital exceeds the Target Net Working Capital Amount (such amount, the "Estimated Working Capital Adjustment"). The Estimated Closing Statement and each of the elements thereof shall be prepared in accordance with Accounting Principles and consistent with Schedule 2.3(b). In the event Purchaser shall object to the Estimated Closing Statement, Purchaser shall notify Seller of such objections, and Seller and Purchaser shall cooperate in good faith to resolve Purchaser's objections as soon as practicable prior to the Closing Date; provided, that, if Purchaser and Seller are not able to reach mutual agreement prior to the Closing Date, the Estimated Closing Statement provided by Seller to Purchaser shall be binding for purposes of this Section 2.3, but not, for the avoidance of doubt, for purposes of Section 2.4 of this Agreement.

(b) At the Closing:

(i) To the extent that the Estimated Closing Statement includes any Estimated Closing Funded Indebtedness, Seller shall take all actions required to repay such Funded Indebtedness (except for those leases set forth in Schedule 3.20(a) of the

Seller Disclosure Letter, including the Logra Leases), in accordance with Section 5, item "h" of the Coordination Agreement;

(ii) To the extent that the Estimated Closing Statement includes any Estimated Working Capital Adjustment (and the relevant amount is a negative number), Seller shall take all actions required to capitalize the Target Business Units in accordance with Section 5, item "a" of the Coordination Agreement;

(iii) To the extent that the Estimated Closing Statement includes any Estimated Working Capital Adjustment (and the relevant amount is a positive number), Purchaser shall deliver to Seller, in cash, the Allocable Purchaser Sale Percentage of the Estimated Working Capital Adjustment; and

(iv) Purchaser shall pay or cause to be paid to Seller, in cash, the result of: (a) the Closing Payment, minus (b) the Allocable Purchaser Sale Percentage of the outstanding balance of those leases set forth in Schedule 3.20(a) of the Seller Disclosure Letter, including the Logra Leases, as set forth in the Estimated Closing Statement (with any such payments required to be made at Closing pursuant to this paragraph (iv), paragraphs (i), (ii) and (iii) above and Section 5, items "a" and "h" of the Coordination Agreement, referred to as the "Closing Adjustments").

<u>provided</u>; that (w) if the Estimated Closing Statement includes any Estimated Working Capital Adjustment (and the relevant amount is a negative number), any amounts paid by the Seller to OCEN on or before Closing pursuant to Section 5, item "a" of the Coordination Agreement shall be included (as a positive) in the calculation of Closing Working Capital for purposes of the calculation of the Final Investment Price in accordance with Section 2.4 hereof;(x) if the Estimated Closing Statement includes any Estimated Closing Funded Indebtedness, any cash paid by the Seller to OCEN on or before Closing pursuant to Section 5, item "h" of the Coordination Agreement shall be deducted from the calculation of Closing Funded Indebtedness for purposes of the calculation of the Final Investment Price in accordance with Section 2.4 hereof but excluded from the calculation of Closing Working Capital for purposes of the calculation of the Final Investment Price in accordance with Section 2.4 hereof; and (y) the outstanding balance of those leases set forth in Schedule 3.20(a) of the Seller Disclosure Letter, including the Logra Leases, shall be excluded from the calculation of Closing Funded Indebtedness set forth in Section 2.4(a)(ii); (z) to the extent the outstanding balance of those leases set forth in Schedule 3.20(a) of the Seller Disclosure Letter, including the Logra Leases, included in the Estimated Closing Statement (the "Estimated Leases Balance") differs from the actual outstanding balance of such leases as of 11:59 P.M. of the Business Day immediately prior to the Closing Date (the "Closing Leases Balance") then [1] if the Estimated Leases Balance is greater than the Closing Leases Balance, Purchaser shall pay to Seller the Allocable Purchaser Sale Percentage of such difference, or [2] if the Estimated Leases Balance is less than the Closing Leases Balance, Seller shall pay to Purchaser the Allocable Purchaser Sale Percentage of such difference. Such payments shall be made by wire transfer of immediately available funds, by Purchaser or Seller, as the case may be, to the designated accounts pursuant to Section 2.4(e) and on the same date on which the Investment Price Adjustment is paid in accordance with Section 2.4(e) hereof.

The Closing Payment and Subscription Price shall be paid in cash, by wire transfer of immediately available funds, at the accounts designated by written notice delivered by Seller and OCEN to the Purchaser at least five (5) Business Days prior to Closing. <u>Schedule 2.3(b)</u> hereto includes a sample of the calculation of the Closing Adjustments pursuant to the terms herein, based on the information contained in the 2021 Financial Statements up to April 30, 2021. For the avoidance of doubt, the Parties acknowledge and agree that the calculations included on <u>Schedule 2.3(b)</u> are provided solely for sample purposes, and the information contained therein shall not be actually *used for the calculation of the Closing Adjustments, which shall be calculated pursuant to the terms herein.*

(c) On or before the Closing Date, Seller shall pay any and all Transaction Expenses."

Further, the Parties hereby agree to substitute Schedule 2.3(b) of the Stock Purchase Agreement with the document attached hereto as Exhibit "C-6", which, as of the date hereof, shall be deemed Schedule 2.3(b) for all purposes of the Stock Purchase Agreement and this Amendment Agreement.

SEVENTH. Amendment to Section 2.5. The Parties hereby agree to amend Section 2.5 of the Stock Purchase Agreement so that:

(i) paragraph (b)(v) is replaced with the following:

"*…(v) copy of the shareholders resolutions of OCEN substantially in the terms set forth in* ***Annex F-1,*** *whereby (y) a capital increase in OCEN, for an amount equal to the Subscription Price to be paid at Closing by Purchaser, and (z) the waiver by the Seller to any preemptive right to which they might be entitled to subscribe such capital increase, is approved (the "OCEN Resolutions"…*")

(ii) paragraph (b)(viii) is replaced with the following:

"…(viii) counterparts to the Ancillary Documents that are to be entered into by Seller and/or OCEN (as applicable) on the Closing Date in accordance with their respective terms and conditions, including the execution of the short-form share purchase agreements to instrument the Closing Restructure (acquisition by OCEN of the Transferred Target Companies) substantially in the terms set forth in ***Annex F-2,*** *…"*

(iii) paragraph (c)(i) is deleted and replaced with "*Intentionally left blank*"; and

(iv) paragraph (c)(ii) is replaced with the following:

"evidence of payment by wire transfer of immediately available funds of the Closing Payment and Subscription Price;"

EIGHTH. Amendment to Section 3.8(a)(i). The Parties hereby agree to amend Section 3.8(a)(i) of the Stock Purchase Agreement which shall read as follows:

"*(i) Audited financial statements, which includes the report of the independent auditors, the consolidated and / or unconsolidated statement of financial position as of December 31, 2018 and December 31, 2017 and the consolidated and/or unconsolidated statements of income, stockholders' equity and cash flows for the twelve (12) months then ended, as well as the explanatory notes to the financial statements that include a summary of significant accounting policies (collectively, the "Audited Financial Statements"). The Audited Financial Statements fairly present, in all material aspects, the consolidated and/or unconsolidated financial situation of the corresponding Target Companies as of December 31, 2017 and December 31, 2018 and their financial performance and cash flows for the year, completed on that date, in accordance with NIF; or*"

NINTH. Amendment to Section 3.25. The Parties hereby agree to delete Section 3.25 of the Stock Purchase Agreement which shall be replaced with "*Intentionally left blank*".

TENTH. Amendment to Section 4.8. The Parties hereby agree to delete Section 4.8 of the Stock Purchase Agreement which shall be replaced with "*Intentionally left blank*".

ELEVENTH. Amendment to Section 4.9. The Parties hereby agree to delete Section 4.9 of the Stock Purchase Agreement which shall be replaced with "*Intentionally left blank*".

TWELFTH. Amendment to Section 5.18. The Parties hereby agree to amend paragraph (a) of Section 5.18 of the Stock Purchase Agreement, which shall read as follows:

> *"(a) Seller shall, and shall cause its relevant Affiliates to, take any necessary or convenient actions to cancel or replace all of the guarantees, bonds, joint obligations or similar granted by any of the Target Companies to secure any Funded Indebtedness or other obligations of any of Persons that are not the Target Companies (the "Target Companies' Guarantees"), including, without limitation, holding a bondholders' meeting to approve the pre-payment of the notes (certificados bursátiles) issued pursuant to the issuance program dated December 17, 2012 and identified with ticker symbol CIE 17-2 and the notes (certificados bursátiles) issued pursuant to the issuance program dated February 12, 2018 and identified with ticker symbol CIE-20, and which sole purpose was to obtain the necessary resources to prepay the CIE17's notes (certificados bursátiles), with the cancelation or replacement of any such Target Companies' Guarantees to take place promptly (but in no event later than 20 (twenty) Business Days) following the Closing Date, except that if a delay in the replacement or cancellation of any such Target Companies' Guarantees results from a regulatory requirement imposed by Law or that is imposed or requested by the CNBV, BMV or Indeval, Seller shall replace or cancel such Target Companies' Guarantees promptly after satisfying such requirement(s) but in no event later than 20 (twenty) Business Days following the date on which such requirement is imposed by Law or any of such institutions, provided that Seller shall in all events continue to be liable for, and be obligated to indemnify the Target Companies in connection with, any losses or liabilities relate to or derived from the Target Companies' Guarantees until such time as Seller is able to cancel or replace the Target Companies' Guarantees. A list of the Funded Indebtedness guaranteed by Target Companies Guarantees is attached hereto as Section 3.20(b) of the Seller Disclosure Letter."*

THIRTEENTH. Amendment to Section 5.19. The Parties hereby agree to delete Section 5.19 of the Stock Purchase Agreement and replace it with the following new Section 5.19 of the Stock Purchase Agreement:

> *"Section 5.19 Implementation of Labor Law Amendment. Seller and Purchaser (in this case after Closing) cause Target Companies to initiate the actions described in Annex 'E' hereto in order for the Target Companies to comply with the publication, on April 24, 2021 and May 24, 2021, respectively, in the Official Gazette of the Federation, of: (i) 'DECREE amending, adding and repealing several provisions of the Federal Labor Law; of the Social Security Law; of the Law of the National Workers' Housing Fund Institute; of the Federal Tax Code; of the Income Tax Law; of the Value Added Tax Law; of the Federal Law of Workers in the Service of the State, Regulatory of Section B) of Article 123 of the Constitution; of the Regulatory Law of Section XIII Bis of Section B, of Article 123 of the Political Constitution of the United Mexican States'; and (ii) 'RESOLUTION announcing the general provisions for the registration of individuals or legal entities that provide specialized services or perform specialized works referred to in Article 15 of the Federal Labor Law', in the understanding that the Parties agree that if any of the actions set forth in Annex 'E' are not completed by the Closing Date, Seller and Purchaser shall continue causing the Target Companies to pursue the completion of those actions as promptly as possible."*

FOURTEENTH. Addition of Section 5.20. The Parties hereby agree to add Section 5.20 under Article V of the Stock Purchase Agreement, which shall read as follows:

> *"Section 5.20. Filing of Withdrawal Petition. Immediately after Closing, on the Closing Date, Seller, Purchaser and Joint Obligor shall waive, abandon and withdraw from the ICC Arbitration Proceedings, including any injunction or precautionary measures (medida cautelar y/o providencias precautorias) granted in connection therewith, by jointly executing a request, in terms of the form attached hereto as Annex "G" (the "Withdrawal Petition") and by filing such Withdrawal Petition with the arbitral tribunal.*

Further, subject to the completion of Closing and payment of the Closing Payment, the Parties hereby expressly and irrevocably waive and release any other rights or claims they may have in connection with the Notice of Termination and agree to refrain from initiating or submitting any additional Litigation Proceedings, and expressly and irrevocably waive to any such rights or claims they ever had, now have or hereafter may have with respect to the matters addressed in the Notice of Termination or with respect to the validity of the Notice of Termination itself."

FIFTEENTH. Amendment to Section 6.2. The Parties hereby agree to amend Section 6.2 of the Stock Purchase Agreement to amend paragraph (f) and (h), and include paragraph (j), which shall read as follows:

"(f) Seller should have delivered an Estimated Closing Statement in accordance with the terms of Section 2.3(a) hereof

[…]

(h) All the creditors under the Target Companies' Guarantees shall have duly and formally consented to the pre-payment of any outstanding amounts and shall have agreed to fully release the Target Companies from any responsibility upon their receipt of the relevant payments promptly following the Closing in accordance with Section 5.18;

[…]

(j) Seller shall have waived, abandoned and withdrawn from any and all Litigation Proceedings, except for the ICC Arbitration Proceedings, and delivered to Purchaser reasonably satisfactory evidence of the abandonment, withdrawal and/or dismissal of any Litigation Proceedings instituted by Seller by the Closing Date.

SIXTEENTH. Amendment to Section 6.3. The Parties hereby agree to amend Section 6.3 of the Stock Purchase Agreement to include paragraph (d), which shall read as follows:

"(d) Purchaser and Joint Obligor shall have waived, abandoned and withdrawn from any and all Litigation Proceedings, except for the ICC Arbitration Proceedings, and delivered to Seller reasonably satisfactory evidence of the abandonment, withdrawal and/or dismissal of any Litigation Proceedings instituted by Purchaser and/or Joint Obligor prior to the Closing Date.

SEVENTEENTH. Amendment to Section 7.1. The Parties hereby agree to amend paragraph (ii)(B) of Section 7.1 of the Stock Purchase Agreement, which shall read as follows:

"(B) the Closing Date shall not have occurred on or prior to the date that is nine months following the execution of the first Amendment Agreement (the "End Date"); provided, that neither Party may terminate this Agreement pursuant to this Section 7.1(ii) if such Party is in material breach of this Agreement."

EIGHTEENTH. Amendment to Section 8.9. The Parties hereby agree to amend Section 8.9 of the Stock Purchase Agreement, which shall read as follows:

"All indemnification payments made under this Agreement shall be treated by the Parties as an adjustment to the Final Investment Price for all purposes, unless otherwise required by Law".

NINETEENTH. Amendment to Section 9.1. The Parties hereby amend Section 9.1 of the Stock Purchase Agreement so that (i) all references to 2019 are deemed to be 2021, and (ii) all references to 2020 are deemed references to 2022.

COVENANTS AND WAIVERS

I. Additional Conditions Precedent. In addition to the conditions set forth in Article VI of the Stock Purchase Agreement, the Parties agree that:

(a) The obligations of Purchaser to consummate the transactions contemplated hereby are subject to the satisfaction or waiver by Purchaser, on or prior to the Closing Date, of the following further conditions precedent (*condiciones suspensivas*):

(i) all the material agreements and material covenants of Seller to be performed prior to the Closing pursuant to this Amendment Agreement shall have been duly performed in all material respects; and

(ii) the representations and warranties of Seller contained in this Amendment Agreement shall be true and correct in all Material respects as of the date of this Agreement and as of the Closing Date as if made at and as of such time (other than those representations and warranties made as of a specified date, which representations and warranties shall be true and correct in all Material respects as of such specified date), in the understanding that such "Materiality" qualifier shall not be applicable to those representations contained in Section I(b) under the Representations and Warranties section of this Amendment Agreement (Authorization).

(b) The obligations of Seller to consummate the transactions contemplated hereby are subject to the satisfaction or waiver by Seller, on or prior to the Closing Date, of the following further conditions precedent (*condiciones suspensivas*):

(i) all the material agreements and material covenants of Purchaser and the Joint Obligor to be performed prior to the Closing pursuant to this Amendment Agreement shall have been duly performed in all material respects; and

(ii) the representations and warranties of Purchaser and Joint Obligor contained in this Amendment Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date as if made at and as of such time.

II. Antitrust Filings. The Parties hereby agree to use best reasonable efforts to prepare and submit, as promptly as practicable following the date hereof (but in no event later than 10 (ten) Business Days following the date hereof), new Antitrust Filings reflecting the proposed modifications to the prior transaction in accordance with Section 5.8 of the Stock Purchase Agreement.

III. Ordinary Course of Business; Material Adverse Effect. The Purchaser and Joint Obligor hereby consent to any actions carried out by Seller or OCEN taken with respect to the Target Companies or the Business in response to the COVID-19 pandemic, the Pandemic Measures and/or their impact on the Target Companies and/or the Business, and the Parties hereby acknowledge and agree that any change, effect, event, occurrence, state of facts or development arising out of, or resulting from, the impacts of the COVID-19 pandemic or any Pandemic Measures on the Target Companies and/or the Business shall be disregarded for purposes of establishing whether or not a "Material Adverse Effect" has occurred under the Stock Purchase Agreement. The Parties further acknowledge that any action by the Target Companies that is reasonably required in response to the COVID-19 pandemic (and any additional waves or permutations thereof) or any Pandemic Measures taken as of the date hereof by the Target Companies shall not be deemed a breach of Section 5.3 (a) and (b) or any other provision of the Stock Purchase Agreement.

Furthermore, the Purchaser and Joint Obligor acknowledge that prior to the Closing Date, the Seller and Televisa, through OISE Entretenimiento, will make *pro rata*, in accordance with their respective percentage interests, one or more loans to OCEN or any of its subsidiaries, that will constitute Funded Indebtedness under the Stock Purchase Agreement. Such Funded Indebtedness will be either capitalized by the Seller and OISE Entretenimiento, *pro rata*, in accordance with their respective percentage interests, immediately prior to Closing or paid by OCEN or its subsidiaries, immediately prior to Closing with funds contributed by the Seller and Televisa, through OISE Entretenimiento, to the Target Company and to OCEN and its subsidiaries, *pro rata*, in accordance with their respective percentage interests. The Purchaser and Joint Obligor acknowledge that (i) such loans and capitalization are hereby consented by the Purchaser for purposes of the Stock Purchase Agreement and (ii) such loans, together with any other financing provided in the form of any of the items set forth in items (i) through (vi) of the definition of "Funded Indebtedness" by OCEN's shareholders or any of their respective Affiliates to OCEN and/or any Target Company which is required by OCEN and/or any Target Company to satisfy its working capital and operational needs prior to Closing, shall not be considered "Funded Indebtedness" to the extent such loans or other financing is either paid-off or capitalized on or before the Closing Date.

IV. Termination Waivers. From the date hereof and until the earlier to occur of the Closing Date or such date on which the condition precedent set forth in Article VI under the Covenants and Waivers section of this Amendment Agreement below, fails to take place on or before the date that is nine months following the execution of this first Amendment Agreement, Seller, Purchaser and Joint Obligor hereby agree to suspend the ICC Arbitration Proceedings and shall not commence, initiate, file, and/or prosecute any other Litigation Proceeding pending the consummation of the transactions contemplated in the Stock Purchase Agreement, the Amendment Agreement, the TV SPA, or the TV SPA Amendment. Likewise, subject to the completion of Closing, the Parties expressly and irrevocably agree that the Notice of Termination shall have had no legal effect. In the case the condition precedent set forth in Article VI under the Covenants and Waivers section of this Amendment Agreement below, fails to take place on or before the date that is nine months following the execution of this first Amendment Agreement, the binding ICC Arbitration Proceedings will recommence immediately without the need of any resolution or order by the arbitral tribunal or any other authority. At any time after this date and before Closing, any dispute regarding the interpretation of this Amendment Agreement, including but not limited to the effectiveness of any termination or any breach of this Amendment Agreement before Closing, shall be decided by the arbitration tribunal sitting in the ICC Arbitration Proceedings.

Seller, Purchaser and Joint Obligor agree to file a joint statement with the arbitration tribunal sitting in the ICC Arbitration Proceedings within three days of the execution of this Amendment Agreement informing the arbitration tribunal that the parties have reached an agreement to resolve their dispute, pending certain conditions, and requesting that the arbitration tribunal agree to suspend the ICC Arbitration Proceedings. Also, the parties will inform the arbitration tribunal that they have granted the tribunal certain jurisdiction under the Amendment Agreement.

The Parties further agree to file a copy of this Amendment Agreement with the arbitration tribunal sitting in the ICC Arbitration Proceedings simultaneously with the Withdrawal Petition.

V. Survival of Other Terms in the Stock Purchase Agreement. Except as otherwise expressly provided herein and subject to the Condition Precedent set forth in Article VI under the Covenants and Waivers section of this Amendment Agreement below, the Stock Purchase Agreement shall not be deemed to have been amended, modified or supplemented in any other manner and none of the rights and powers of any of the Parties shall be deemed waived, and the references to the Stock Purchase Agreement shall be deemed to be to the Stock Purchase Agreement as amended hereby.

VI. Condition Precedent (*Condición Suspensiva).* The Parties agree that the effectiveness of any and all of the amendments under the Amendments section of this Amendment Agreement and the amendments to the Stock Purchase Agreement thereof, as well as Articles I, III and V under the Covenants and Waivers section of this Amendment Agreement, are subject to the satisfaction of the condition precedent (*condición suspensiva*), consisting on the following items being met on or before the date that is nine months following the execution of the Amendment Agreement:

(i) The consents and approvals from Antitrust Authorities, regarding the Antitrust Filings according to Article II above, having been obtained;

(ii) The relevant terms contained in this Amendment Agreement shall have been duly authorized by the Seller's shareholders meeting; and

(iii) Any and all the conditions set forth in Article VI of the Stock Purchase Agreement (as amended herein) shall have been satisfied or waived by the Party entitled to waive such condition.

The Parties agree that, except as set forth below: (i) the Amendment Agreement shall not be used or submitted in any way as evidence in the Litigation Proceedings, or in any arbitration and any judicial proceedings; and (ii) nothing contained in this Amendment Agreement or that was disclosed between the Parties during the negotiations of this Amendment Agreement, nor anything related to this Amendment Agreement (including any actions contemplated in this Amendment Agreement that may be taken by the Seller) or the negotiations thereof, can or will be used by any of the Parties in the Litigation Proceedings as an admission of liability by any of the Parties. The foregoing shall not limit in any manner either Party's right: (i) to present this Amendment Agreement and the other Party's failure to consummate the Closing to the arbitral tribunal in the ICC Arbitration Proceedings if paragraphs (i), (ii) and (iii) of the condition precedent set forth in Article VI under the Covenants and Waivers section of this Amendment Agreement are satisfied but the other Party does not comply with its Closing obligations; or (ii) to present this Amendment Agreement and the other Party's failure to comply with any other post-Closing obligation under this Amendment Agreement; or (iii) to present this Amendment Agreement to the arbitral tribunal in the ICC Arbitration Proceedings according to the terms provided in the Termination Waivers (fourth covenant and waivers).

Any and all rights, claims and defenses pending in the Litigation Proceedings shall remain valid and in effect until the Closing is consummated and the Closing Payment is paid to Seller.

VII. Miscellaneous Provisions. The provisions contained in Article X of the Stock Purchase Agreement will be applicable to this Amendment Agreement, and each is deemed to be inserted herein.

[*SIGNATURE PAGES FOLLOW*]

IN WITNESS WHEREOF, the Parties execute this Amendment Agreement as of the date first above written.

PURCHASER

TICKETMASTER NEW VENTURES,
S. DE R.L. DE C.V.

By: /s/ John Miller Hopmans
Name: John Miller Hopmans
Title: Attorney-in-Fact

JOINT OBLIGER

LIVE NATION ENTERTAINMENT, INC.

By: /s/ John Miller Hopmans
Name: John Miller Hopmans
Title: Legal representative

[SIGNATURE PAGE TO THE FIRST AMENDMENT TO THE STOCK PURCHASE AGREEMENT DATED SEPTEMBER 13, 2021, BY AND BETWEEN OCESA ENTRETENIMIENTO, S.A. DE C.V., CORPORACIÓN INTERAMERICANA DE ENTRETENIMIENTO, S.A.B. DE C.V., TICKETMASTER NEW VENTURES, S. DE R.L. DE C.V., AND LIVE NATION ENTERTAINMENT, INC.]

IN WITNESS WHEREOF, the Parties execute this Amendment Agreement as of the date first above written.

SELLER
CORPORACIÓN INTERAMERICANA DE ENTRETENIMIENTO, S.A.B DE C.V.

By: /s/ Victor Manuel Murilla Vega
Name: Victor Manuel Murilla Vega
Title: Attorney-in-Fact

By: /s/ Jaime José Zevada Coarasa
Name: Jaime José Zevada Coarasa
Title: Attorney-in-Fact

[SIGNATURE PAGE TO THE FIRST AMENDMENT TO THE STOCK PURCHASE AGREEMENT DATED SEPTEMBER 13, 2021, BY AND BETWEEN OCESA ENTRETENIMIENTO, S.A. DE C.V., CORPORACIÓN INTERAMERICANA DE ENTRETENIMIENTO, S.A.B. DE C.V., TICKETMASTER NEW VENTURES, S. DE R.L. DE C.V., AND LIVE NATION ENTERTAINMENT, INC.]

IN WITNESS WHEREOF, the Parties execute this Amendment Agreement as of the date first above written.

OCEN
OCESA ENTRETENIMIENTO, S.A. DE C.V.

By: /s/ George Gonzalez
Name: George Gonzalez
Title: Attorney-in-Fact

[SIGNATURE PAGE TO THE FIRST AMENDMENT TO THE STOCK PURCHASE AGREEMENT DATED SEPTEMBER 13, 2021, BY AND BETWEEN OCESA ENTRETENIMIENTO, S.A. DE C.V., CORPORACIÓN INTERAMERICANA DE ENTRETENIMIENTO, S.A.B. DE C.V., TICKETMASTER NEW VENTURES, S. DE R.L. DE C.V., AND LIVE NATION ENTERTAINMENT, INC.]

FIRST AMENDMENT TO THE STOCK PURCHASE AGREEMENT

This FIRST AMENDMENT AGREEMENT (the "Amendment Agreement") is entered into on September 13, 2021 by and among:

(A) Grupo Televisa, S.A.B. ("Televisa"), a publicly traded corporation duly organized and validly existing under the laws of the United Mexican States ("Mexico");

(B) Promo-Industrias Metropolitanas, S.A. de C.V. ("Minority Shareholder", and, collectively with Televisa, the "Sellers"), a corporation duly organized and validly existing under the laws of Mexico, which is an Affiliate of Televisa;

(C) Ticketmaster New Ventures, S. de R.L. de C.V. ("Primary Purchaser"), a company duly organized and validly existing under the laws of Mexico;

(D) Ticketmaster New Ventures Holdings, Inc. ("Minority Purchaser", and collectively with Primary Purchaser, the "Purchasers"), a corporation organized under the laws of the state of Delaware, United States of America, which is an Affiliate of Primary Purchaser;

(E) Live Nation Entertainment, Inc. (the "Joint Obligor"), as joint obligor of Purchasers pursuant to the Stock Purchase Agreement (as defined below); and

(F) OCESA Entretenimiento, S.A. de C.V. ("OCEN" and, together with the Sellers, the Purchasers, and the Joint Obligor, the "Parties"), a corporation duly organized and validly existing under the laws of Mexico.

The Parties agree and acknowledge that capitalized terms not otherwise defined in this Amendment Agreement shall have the same meanings specified in the Stock Purchase Agreement.

RECITALS

WHEREAS, on July 24, 2019 the Parties entered into a stock purchase agreement (as may be amended, restated, supplemented or otherwise modified from time to time, the "Stock Purchase Agreement"), pursuant to which the Sellers agreed to sell, transfer and assign to the Purchasers, and the Purchasers agreed to purchase and assume from the Sellers, the Shares and pay the Purchase Price.

WHEREAS, on July 24, 2019 the Primary Purchaser, Joint Obligor, OCEN and Corporación Interamericana de Entretenimiento, S.A.B. de C.V. ("CIE") entered into a stock purchase and subscription agreement (as may be amended, restated, supplemented or otherwise modified from time to time, the "CIE SPA"), pursuant to which CIE agreed to sell, transfer and assign to the Primary Purchaser, and the Primary Purchaser agreed to purchase and assume from CIE, certain shares representing OCEN's capital stock.

WHEREAS, on July 24, 2019 the Parties entered into a Coordination Agreement (the "Coordination Agreement") to agree, among other matters, on certain procedures related to the simultaneous closing of the Stock Purchase Agreement and the CIE SPA.

WHEREAS, concurrently with the execution of this Amendment Agreement (i) Primary Purchaser, Joint Obligor, OCEN and CIE are entering into an amendment agreement to the CIE SPA, which is subject to certain conditions precedent set forth therein (the "CIE SPA Amendment"), and (ii) the Sellers, the Purchasers, CIE and OCEN are entering into an amendment to the Coordination Agreement.

WHEREAS, subject to the terms and conditions set forth herein, including the conditions set forth in Clause Twelfth below, the Parties desire to enter into this Amendment Agreement to (i) amend the terms set forth in the Stock Purchase Agreement and proceed with the purchase and sale of the Shares as provided in this Amendment Agreement, and (ii) set forth the terms under which the Parties will abandon, withdraw and/or dismiss the Proceedings.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and the intent of the parties to be legally bound, the Parties hereto agree as follows:

REPRESENTATIONS AND WARRANTIES

I. Each Seller jointly and severally represents and warrants to Purchasers as of the date hereto and as of the Closing as follows:

(a) Organization. Each Seller is a corporation duly organized and validly existing under the laws of Mexico.

(b) Authorization. Such Seller has the requisite power and authority and has taken all action necessary to execute and deliver this Amendment Agreement and all other instruments and agreements to be delivered by such Seller as contemplated hereby and thereby, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by such Seller of this Amendment Agreement and all other instruments and agreements to be delivered by such Seller as contemplated hereby and thereby, the consummation by such Seller of the transactions contemplated hereby and thereby and the performance of its obligations hereunder and thereunder have been and, in the case of documents required to be delivered at Closing, will be, duly authorized and approved. This Amendment Agreement and all other instruments and agreements to be executed and delivered by such Seller as contemplated hereby and thereby will be, duly executed and delivered by such Seller. Assuming that this Amendment Agreement constitutes legal, valid and binding obligations of each other party hereto, this Amendment Agreement constitutes legal, valid and binding obligations of such Seller enforceable against such Seller in accordance with its terms and conditions (including and subject to the conditions set forth in Clause Twelfth below), except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the enforcement of creditors' rights generally.

(c) OCEN Financial Statements; OCEN Undisclosed Liabilities. Annex "A" hereof contains the following financial information of the Target Companies as identified in the first page of such Annex:

(i) audited financial statements, which include the report of the independent auditors, the consolidated and / or unconsolidated statement of financial position as of December 31, 2020, and the consolidated and/or unconsolidated statements of income, stockholders' equity and cash flows for the twelve (12) months then ended, as well as the explanatory notes to the financial statements that include a summary of significant accounting policies (collectively, the "2020 OCEN Financial Statements"). To the Knowledge of the Sellers, the 2020 OCEN Financial Statements fairly present, in all material aspects, the consolidated and/or unconsolidated financial situation of the corresponding Target Companies as of December 31, 2020 and their financial performance and cash flows for the year, completed on that date, in accordance with NIF.

(ii) Internal financial statements, which include the consolidated and / or unconsolidated statement of financial position as of June 30, 2021 (collectively, the "2021 OCEN Financial Statements"). To the Knowledge of the Sellers, the 2021 OCEN Financial Statements fairly present, in all material aspects, the consolidated and/or unconsolidated financial situation of the corresponding Target Companies as of June 30, 2021 and their financial performance and cash flows for the year, completed on that date, in accordance with NIF.

II. Each of the Purchasers and the Joint Obligor hereby represent and warrant, as of the date hereof and as of the Closing, to the Sellers as follows:

(a) Organization. Each of Purchasers and Joint Obligor is validly existing and in good standing (or the equivalent thereof) under the Laws of its jurisdiction of organization.

(b) Authorization. Each Purchaser and the Joint Obligor has the requisite power and authority and has taken all action necessary to execute and deliver this Amendment Agreement and all other instruments and agreements to be delivered by such Purchaser and Joint Obligor as contemplated hereby and thereby, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by such Purchaser and Joint Obligor of this Amendment Agreement and all other instruments and agreements to be delivered by such Purchaser and Joint Obligor as contemplated hereby and thereby, the consummation by such Purchaser and Joint Obligor of the transactions contemplated hereby and thereby and the performance of its obligations hereunder and thereunder have been and, in the case of documents required to be delivered at Closing, will be, duly authorized and approved. This Amendment Agreement and all other instruments and agreements to be executed and delivered by such Purchaser and Joint Obligor as contemplated hereby and thereby will be, duly executed and delivered by such Purchaser and Joint Obligor. Assuming that all other instruments and agreements to be delivered by such Purchaser and Joint Obligor as contemplated hereby and thereby constitute legal, valid and binding obligations of each other party hereto, such instruments and agreements will constitute legal, valid and binding obligations of such Purchaser and Joint Obligor enforceable against such Purchaser and Joint Obligor in accordance with their terms and conditions (including and subject to the conditions set forth in Clause Twelfth below), except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the enforcement of creditors' rights generally.

CLAUSES

Subject to the conditions set forth in Clause Twelfth, the Parties agree as follows:

FIRST. Amendment to Section 1.1. The Parties hereby agree to amend Section 1.1 of the Stock Purchase Agreement, by adding or amending and restating (as applicable) the following definitions:

"Allocable Purchasers Sale Percentage" means, with respect to each Target Business Unit, the amount set forth on Schedule 1.1(b), representing the percentage of such Target Company's outstanding equity securities beneficially owned, directly or indirectly, by Seller (with the minor exceptions noted in Schedule 1.1(b)).

"Closing Payment" has the meaning ascribed to such term in Section 2.2(a).

"Holdback Gains" means, as measured as of the last day of each completed calendar month following the Closing, the Allocable Purchasers Sale Percentage of the amount (if any) by which the Post-Closing Net Working Capital from such most recently completed calendar month is greater than the Post-Closing Net Working Capital from the prior completed calendar month, excluding any cash funded into or distributed out of the Target Business Units during the most recently completed calendar month.

"Holdback Losses" means, as measured as of the last day of each completed calendar month following the Closing, the Allocable Purchasers Sale Percentage of the amount (if any) by which the Post-Closing Net Working Capital from such most recently completed calendar month is less than the Post-Closing Net Working Capital from the prior completed calendar month, excluding any cash funded into or distributed out of the Target Business Units during the most recently completed calendar month. Attached as Schedule 1.1(c-1) is an example of a hypothetical calculation of Holdback Losses for the months of January, February and March of 2021 assuming that Closing had taken place on December 31, 2020.

"Holdback Period" means the period of time to be the earlier of: (i) until the Target Companies attain 3 (three) consecutive calendar months with Paid Attendance and Revenues equal to at least 75% (seventy five percent) of the 2019 levels for the corresponding months as set forth in Schedule 1.1(c-2); or (ii) the first anniversary of the Closing Date (only to the extent that the Target Business Units had Holdback Gains during the two immediately previous completed calendar months); *provided*, that if the Target Business Units did not have Holdback Gains during the two immediately preceding calendar months, the Holdback Period will continue in full force and effect and will not conclude in accordance with this clause (ii) until the Target Business Units have had two consecutive calendar months with Holdback Gains.

"Paid Attendance" means the number of paid attendees present at events presented or promoted by any of the entities comprised within the Core Mexico Business Unit and Core Colombia Business Unit, calculated in a manner consistent with such Target Companies' historical business practices.

"Pandemic Measures" means any quarantine, "shelter in place," "stay at home," workforce reduction, social distancing, shut down, closure, sequester, safety or similar Law, directive, guidelines or recommendations promulgated by any Governmental Entity, including the Health Ministry (*Secretaría de Salud*) of Mexico, and the World Health Organization.

"Post-Closing Net Working Capital" means (i) the sum of the Total Current Assets of the Target Business Units, less (ii) the sum of the Total Current Liabilities of the Target Business Units. For the avoidance of doubt, Post-Closing Net Working Capital will be calculated separately for each of the Target Business Units as of 11:59 P.M. on the last day of each completed calendar month following the Closing Date. The impact of any dividends paid to, or contributions from, OCEN's shareholders or of any business acquisitions or capital expenditures (but excluding, for the avoidance of doubt, maintenance capital expenditures or re-start costs attributable to the unwinding of the Pandemic Measures) funded during the Holdback Period shall, in each case be disregarded for purposes of calculating the Post-Closing Net Working Capital of the Target Business Units and shall not be considered for determining the Total Current Assets or Total Current Liabilities of the Target Business Units. Post-Closing Net Working Capital shall be calculated pursuant to the guidelines and sample calculations contained in Schedule 1.1(d) hereto.

"Proceedings" means any and all arbitration and/or litigation proceedings, disputes, controversies or claims arising out, related to or in connection with the Stock Purchase Agreement.

"Revenues" means the revenues of the Target Companies, on a consolidated basis, calculated in accordance with NIF.

"Target Business Unit" means each of the following groups of Target Companies:

(a) Ticketmaster Business Unit is comprised of (i) Venta de Boletos por Computadora, S.A. de C.V., and (ii) Servicios Especializados para la Venta Automatizada de Boletos, S.A. de C.V.

(b) ETK Business Unit is comprised of ETK Boletos, S.A. de C.V.

(c) Core Colombia Business Unit is comprised of (i) OCESA Colombia, S.A.S., (ii) Compañía de Entretenimiento Colombia, S.A.S., (iii) Promotora Colombia, S.A.S., and (iv) Ticket Colombia, S.A.S.

(d) STK Business Unit is comprised of (i) Promotodo Mexico, S.A. de C.V., (ii) Seitrack International Inc., (iii) Clear Entertainment Corp., and (iv) Seitrack USA, LLC.

(e) BNN Business Unit is comprised of (i) Sputnik Digital, S.A.P.I. de C.V., and (ii) Enterteinvestments, S.A. DE C.V.

(f) Core Mexico Business Unit is comprised of OCESA Entretenimiento, S.A. de C.V. and its Subsidiaries as of this date (on a consolidated basis), but excluding (i) Ticketmaster Business Unit, (ii) ETK Business Unit, (iii) Core Colombia Business Unit, (iv) STK Business Unit, and (v) BNN Business Unit.

Likewise, the Parties hereby agree to:

(i) substitute Schedule 1.1(b) of the Stock Purchase Agreement with the Schedule 1.1(b) attached hereto as Annex "B";

(ii) add Annex "C" here to as Schedule 1.1(c-1) and 1.1(c-2) of the Stock Purchase Agreement; and

(iii) add Annex "D" here to as Schedule 1.1(d) of the Stock Purchase Agreement.

SECOND. Amendments to Section 2.2. The Parties hereby agree to amend Section 2.2(a), Section 2.2(b) and Section 2.2(c) of the Stock Purchase Agreement, which shall read as follows:

"(a) On the terms and subject to the conditions of this Agreement, Sellers agree to sell to Purchasers, and Purchasers agree to purchase from Sellers, the Shares, free and clear of any Liens, for a purchase price of Ps$5,206,000,000.00 (the "Purchase Price"). The Purchase Price shall be subject to adjustment pursuant to Section 2.3 and will be paid by Purchasers as follows:

(i) At Closing, an amount of Ps$4,841,580,000.00 (the "Closing Payment"), which will be paid in cash, through wire transfer of immediately available funds to an account designated by each of the Sellers in writing to Purchasers at least three (3) Business Days prior to the Closing; and

(ii) The remaining Ps$364,420,000.00 of the Purchase Price (the "Holdback Amount") will be retained by Purchasers until the expiration of the Holdback Period and used to fund, in cash, its pro rata share of the Holdback Losses pursuant to the following:

No later than ten (10) Business Days following the end of each calendar month after the Closing Date, OCEN shall prepare and deliver to the Primary Parties a statement of the Holdback Losses or Holdback Gains (as applicable) during such immediately previous month prepared in accordance with the methodology described in Schedule 2.2(a) (a "Holdback Statement").

In the event that none of the Primary Parties object in writing to the calculations set forth in any Holdback Statement within ten (10) Business Days following the Primary Parties' receipt of the relevant statement, such Holdback Statement shall be deemed final and binding. The Parties agree to resolve any objections related to, or in connection with, the Holdback Statements using the procedures set forth in Section 2.3 hereof, mutatis mutandis.

Further, the Parties agree that the Purchasers shall be entitled to deduct any Holdback Losses determined to be final in accordance with this Section 2.2 against the Holdback Amount and that any Holdback Gains determined to be final in accordance with this Section 2.2 shall be added to the Holdback Amount; provided, for the avoidance of doubt, that in no event shall the balance of the Holdback Amount exceed Ps$364,420,000.00.

Any unused portion of the Holdback Amount will be released to the Sellers within the thirty (30) days following the conclusion of the Holdback Period and delivered in Pesos, through electronic transfer of immediately available funds, to the bank accounts designated in writing by Sellers from time to time.

Purchasers acknowledge that Sellers shall have no liability whatsoever for any Holdback Losses in excess of the Holdback Amount.

"(b) At least ten (10) Business Days prior to the Closing Date, OCEN shall deliver to Sellers a statement in Pesos (the "Estimated Closing Statement") setting forth Sellers' good faith

estimate (in the understanding that exclusively for purposes of this good faith estimate, OCEN shall base its calculations for the Closing Funded Indebtedness and the Closing Working Capital, on the financial statements as of the most recently completed calendar month prior to the date on which the Estimated Closing Statement is delivered and not as of 11:59 P.M. of the Business Day immediately prior to the Closing Date) of (i) the Closing Funded Indebtedness (the '<u>Estimated Closing Funded Indebtedness</u>"); (ii) the Closing Working Capital (the "<u>Estimated Working Capital</u>"); and (iii) the amount (which may be expressed as a positive or negative number), if any, by which the Estimated Working Capital exceeds the Target Net Working Capital Amount (such amount, the "<u>Estimated Working Capital Adjustment</u>"). The Estimated Closing Statement and each of the elements thereof shall be prepared in accordance with the Accounting Principles. At least five (5) Business Days prior to the Closing Date, the Sellers shall deliver to Purchasers an Estimated Closing Statement which upon delivery, will be deemed the definitive Estimated Closing Statement for purposes this Article II. In the event Purchasers shall object to the Estimated Closing Statement, Purchasers shall notify Primary Seller of such objections, and Televisa, OCEN and Purchasers shall cooperate in good faith to resolve Purchasers' objections as soon as practicable prior to the Closing Date; provided, that, if Purchasers and Sellers are not able to reach a mutual agreement prior to the Closing Date, the Estimated Closing Statement provided by Sellers to Purchaser shall be binding for purposes of this Section 2.2, but not, for the avoidance of doubt, for purposes of Section 2.3 of this Agreement.

"(c) At the Closing:

(i) To the extent that the Estimated Closing Statement includes any Estimated Closing Funded Indebtedness, Sellers shall deliver to OCEN, in cash, the Allocable Purchasers Sale Percentage of the Estimated Closing Funded Indebtedness, in accordance with Section 5, item "h" of the Coordination Agreement;

(ii) To the extent that the Estimated Closing Statement includes any Estimated Working Capital Adjustment (and the relevant amount is a negative number), Sellers shall deliver to OCEN, in cash, the Allocable Purchasers Sale Percentage of the Estimated Working Capital Adjustment, in accordance with Section 5, item "a" of the Coordination Agreement;

(iii) To the extent that the Estimated Closing Statement includes any Estimated Working Capital Adjustment (and the relevant amount is a positive number), Purchasers shall deliver to Sellers, in cash, the Allocable Purchasers Sale Percentage of the Estimated Working Capital Adjustment (with any such payments required to be made at Closing pursuant to this paragraph (iii) and paragraph (i) or (ii) above referred to as the "<u>Closing Adjustments</u>"); and

(iv) Purchasers shall pay or cause to be paid to Sellers, in cash, the Closing Payment.

<u>provided</u>; that (x) if the Estimated Closing Statement includes any Estimated Working Capital Adjustment (and the relevant amount is a negative number), any amounts paid by the Sellers to OCEN at Closing pursuant to paragraph (ii) shall be included in the calculation of Closing Working Capital for purposes of the calculation of the Final Purchase Price in accordance with Section 2.3 hereof and (y) if the Estimated Closing Statement includes any Estimated Closing Funded Indebtedness, any cash paid by the Sellers to OCEN at Closing pursuant to paragraph (i) shall be included in the calculation of Closing Funded Indebtedness for purposes of the calculation of the Final Purchase Price in accordance with Section 2.3 hereof but excluded from the calculation of Closing Working Capital for purposes of the calculation of the Final Purchase Price in accordance with Section 2.3 hereof.

The Closing Payment shall be paid in cash, by wire transfer of immediately available funds to an account designated by each of the Sellers in writing to Purchasers at *least five (5) Business Days prior to the Closing.* *__Exhibit "C"__* *hereto includes a sample of the calculation of the Closing Adjustments pursuant to the terms herein, based on the information contained in the 2021 OCEN Financial Statements. For the avoidance of doubt, the Parties acknowledge and agree that the calculations included on* *__Exhibit "C"__* *are provided solely for sample purposes, and the information contained therein shall not be actually used for the calculation of the Closing Adjustments, which shall be calculated pursuant to the terms herein. The Closing Payment shall be allocated between Sellers as set forth on* *__Exhibit "D"__.*"

Likewise, the Parties hereby agree to:

(iv) amend Exhibit "C" to the Stock Purchase Agreement which shall be replaced with Annex "E" hereto; and

(v) add Annex "F" hereto to the Stock Purchase Agreement as Schedule 2.2(a).

THIRD. __Amendment to Section 2.3__. The Parties hereby agree to amend Section 2.3 of the Stock Purchase Agreement, so that all references to "Closing Purchase Price" are deemed to be "Purchase Price".

FOURTH. __Amendments to Section 2.4__. The Parties hereby agree to amend Section 2.4 of the Stock Purchase Agreement, by:

(a) Adding paragraph (b)(vi), which shall read as follows:

"(vi) Originals of the withdrawal letters (escritos de desistimiento), in terms of the forms attached hereto as *__Exhibit "F"__* *(the "__Sellers' Withdrawal Letters__")."*

(b) Amending paragraph (c)(i), which shall read as follows:

"(i) evidence of payment by wire transfer of immediately available funds of the Closing Payment;"

(c) Adding paragraph (c)(viii), which shall read as follows:

"(viii) To the extent that Purchasers have initiated any Proceedings, Originals of the withdrawal letters (escritos de desistimiento) (the "__Purchasers' Withdrawal Letters__")."

Likewise, the Parties hereby agree to add Annex "G" hereto to the Stock Purchase Agreement as Exhibit "F".

FIFTH. __Amendment to Section 3.2(g)__. The Parties hereby agree to amend paragraphs (i) and (ii) of Section 3.2(g) of the Stock Purchase Agreement, which shall read as follows:

"(g) __Financial Statements; Undisclosed Liabilities__.

(i) *Televisa HoldCo has furnished Primary Purchaser with (__i__) the audited balance sheet of Televisa HoldCo as of December 31, 2020 and the related audited statements of comprehensive income, changes in equity and cash flows for the fiscal year ended December 31, 2020 (collectively, the "Audited Financial Statements"); and (__ii__) the interim unaudited balance sheet of Televisa HoldCo as of June 30, 2021 (the "Balance Sheet Date"). The financial statements referred to above, including the footnotes thereto (collectively, the "Financial Statements"), except as described therein, and subject to normal year-end audit adjustments, have been prepared in accordance with NIIF.*

(ii) *The Audited Financial Statements fairly present, in all material respects and unless otherwise specified therein, the financial position of Televisa HoldCo as of December 31, 2020 and the related statements of income, changes in equity and cash flows fairly present, in all* *material respects and unless otherwise specified therein, the results of operations, changes in equity and cash flows of Televisa HoldCo for the fiscal year then ended unless otherwise specified therein. The unaudited balance sheet as of the Balance Sheet Date of Televisa HoldCo fairly presents, in all material respects, the financial position of Televisa HoldCo as of the date thereof."*

SIXTH. Amendment to Article V. The Parties hereby agree to add Section 5.11 to the Stock Purchase Agreement, which shall read as follows:

"Section 5.11. Filing of Withdrawal Letters. Immediately after Closing, on the Closing Date, the Sellers and the Purchasers shall waive, abandon and withdraw from any and all Proceedings, including any injunction or precautionary measures (medida cautelar y/o providencias precautorias) granted in connection with any arbitration and any judicial proceedings, by means of a judicial filing of the Sellers' Withdrawal Letters and the Purchasers' Withdrawal Letters, respectively, and to ratify such filings, as promptly as the corresponding courts allow it, before the applicable courts. The Sellers and the Purchasers agree to deliver to each other reasonably satisfactory evidence of such filings on the Closing Date. The above pursuant to articles 2944 and 2945 of Mexico's Federal Civil Code.

Further, subject to the completion of Closing, the Parties hereby expressly and irrevocably waive and release any other rights or claims they may have in connection with the notice of termination delivered by Purchasers to Televisa on May 25, 2020 in accordance with Sections 7.1 and 10.3 of the Stock Purchase Agreement (the "Notice of Termination") and agree to refrain from initiating or submitting any additional Proceedings in connection with such Notice of Termination, and expressly and irrevocably waive to any such rights or claims with respect to the matters addressed in the Notice of Termination or with respect to the validity of the Notice of Termination itself."

SEVENTH. Amendment to Section 6.1. The Parties hereby agree that Section 6.1(c) of the Stock Purchase Agreement is hereby amended so that all references to the Closing Memorandum are deemed to be references to the Coordination Agreement (as amended).

EIGHTH. Amendment to Section 7.1. The Parties hereby agree to amend paragraph (ii)(B) of Section 7.1 of the Stock Purchase Agreement, which shall read as follows:

"(B) the Closing Date shall not have occurred on or prior to the date that is nine months following the execution of the first Amendment Agreement (the "End Date"); provided, that neither Party may terminate this Agreement pursuant to this Section 7.1(ii) if such Party is in material breach of this Agreement."

NINTH. Amendment to Section 9.1. The Parties hereby agree that Section 9.1 of the Stock Purchase Agreement is hereby amended so that (i) all references to 2019 are deemed to be 2021, and (ii) all references to 2020 are deemed references to 2022.

TENTH. Conditions Precedent to the Transaction. The Parties acknowledge that as of this date (i) for purpose of giving effect to this Amendment Agreement, the Stock Purchase Agreement is in full force and effect, and (ii) except for the conditions precedent set forth in this Clause Tenth and Section A of Clause Twelfth hereof, all conditions precedent set forth in the Stock Purchase Agreement have been satisfied or waived as the case may be. Accordingly, the Parties agree that:

(a) The obligations of Purchasers to consummate the transactions contemplated hereby and the Stock Purchase Agreement are subject to the satisfaction or waiver by Primary Purchaser on behalf of Purchasers, on or prior to the Closing Date, of the following conditions precedent (*condiciones suspensivas*):

(i) all the agreements and covenants of Sellers to be performed prior to the Closing pursuant to this Amendment Agreement shall have been duly performed in all material respects;

(ii) the representations and warranties of Sellers contained in this Amendment Agreement shall be true and correct in all material respects as of the date of this Amendment Agreement and as of the Closing Date as if made at and as of such time;

(iii) the representations and warranties of Sellers contained in Article III of the Stock Purchase Agreement (except for the representations and warranties contained in Section 3.1(b) (*Authorization*), Section 3.1(c) (*Non-contravention*), Section 3.1(d) (*Ownership of Shares*), Section 3.2(b) (*Ownership of Shares by Televisa HoldCo*), Section 3.2(d) (*Absence of Other Business*) and Section 3.2(e) (*Capitalization and Funded Indebtedness of Televisa HoldCo*)) shall be true and correct as of the date of the Stock Purchase Agreement and as of the Closing Date as if made at and as of such time (other than those representations and warranties made as of a specified date, which such representations and warranties shall be true and correct in all respects as of such specified date), except where the failure of such representations and warranties to be true and correct would not have a Material Adverse Effect (disregarding for these purposes any qualification in the text of the relevant representation or warranty as to materiality, Material Adverse Effect or Knowledge);

(iv) the representations and warranties of Sellers contained in Section 3.1(b) (*Authorization*), Section 3.1(c) (*Non-contravention*), Section 3.1(d) (*Ownership of Shares*), Section 3.2(b) (*Ownership of Shares by Televisa HoldCo*), Section 3.2(d) (*Absence of Other Business*) and Section 3.2(e) (*Capitalization and Funded Indebtedness of Televisa HoldCo*) of the Stock Purchase Agreement shall be true and correct as of the date of the Stock Purchase Agreement and as of the Closing Date as if made at and as of such time; and

(v) all Related Party Transactions entered into by Televisa HoldCo, if any, must have been fully terminated, which termination shall include a full release for Televisa HoldCo in connection with those Related Party Transactions.

(b) The obligations of Sellers to consummate the transactions contemplated hereby and the Stock Purchase Agreement are subject to the satisfaction or waiver by Primary Seller on behalf of Sellers, on or prior to the Closing Date, of the following conditions precedent (*condiciones suspensivas*):

(i) all the agreements and covenants of Purchasers and the Joint Obligor to be performed prior to the Closing pursuant to this Amendment Agreement shall have been duly performed in all material respects;

(ii) the representations and warranties of Purchasers contained in this Amendment Agreement shall be true and correct in all material respects as of the date of this Amendment Agreement and as of the Closing Date as if made at and as of such time; and

(iii) the representations and warranties of Purchasers and the Joint Obligor contained in Article IV of the Stock Purchase Agreement shall be true and correct in all material respects as of the date of the Stock Purchase Agreement and as of the Closing Date as if made at and as of such time (other than those representations and warranties made as of a specified date, which such representations and warranties shall be true and correct in all material respects as of such specified date).

(c) The obligations of the Parties to consummate the transactions contemplated hereby and the Stock Purchase Agreement are subject to the satisfaction or waiver in writing by the Primary Parties (with respect to Televisa, on behalf of the Minority Shareholder, and with respect to Primary Purchaser, on behalf of Minority Purchaser), at or before the Closing Date, of each of the following conditions precedent (*condiciones suspensivas*):

(i) no Governmental Entity shall have issued, enacted, entered, promulgated or enforced any Law or Order restraining, enjoining or otherwise prohibiting the transactions contemplated hereby and by the Stock Purchase Agreement; and

(ii) all of the conditions precedent required for the closing of the CIE SPA shall have been satisfied or waived by the Person entitled to make such waiver, enabling for the simultaneous execution of the CIE SPA and the Stock Purchase Agreement and the transaction contemplated under the CIE SPA shall have simultaneously closed with the transaction contemplated hereby and under the Stock Purchase Agreement.

ELEVENTH. Ordinary Course of Business; Material Adverse Effect. The Purchasers hereby consent to any actions carried out by Televisa HoldCo taken with respect to the Target Companies or the Business in response to the COVID-19 pandemic and/or its impact on the Target Companies and/or the Business, and the Parties hereby acknowledge and agree that any change, effect, event, occurrence, state of facts or development arising out of, or resulting from, the impacts of the COVID-19 pandemic or any Pandemic Measures on the Target Companies and/or the Business shall be disregarded for purposes of establishing whether or not a "Material Adverse Effect" has occurred under the Stock Purchase Agreement. The Parties further acknowledge that any action by the Target Companies that is reasonably required in response to the COVID-19 pandemic (and any additional waves or permutations thereof) or any Pandemic Measures taken as of the date hereof by the Target Companies shall not be deemed a breach of Section 5.3 or any other provision of the Stock Purchase Agreement.

Furthermore, the Purchasers acknowledge that prior to the Closing Date, the Sellers and CIE will make *pro rata*, in accordance with their respective percentage interests, one or more loans to OCEN or any of its subsidiaries, that will constitute Funded Indebtedness under the Stock Purchase Agreement. Such Funded Indebtedness will be either capitalized by the Sellers and CIE, *pro rata*, in accordance with their respective percentage interests, immediately prior to Closing, or paid by OCEN or its subsidiaries, immediately prior to Closing with funds contributed by the Sellers and CIE to the Target Company and to OCEN and its subsidiaries, *pro rata*, in accordance with their respective percentage interests. The Purchasers acknowledge that such loans, capital contributions and/or capitalizations are hereby consented by the Purchasers for purposes of the Stock Purchase Agreement.

TWELFTH. Conditions to this Amendment Agreement.

A. Condition Precedent (*Condición Suspensiva*).

(a) The Parties agree that the effectiveness of Clauses First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth and Eleventh of this Amendment Agreement and the amendments to the Stock Purchase Agreement thereof, are subject to the satisfaction of the condition precedent (*condición suspensiva*), consisting on the following items being met on or before the date that is nine months following the execution of this Amendment Agreement:

(i) The Antitrust Approvals (as defined below) having been obtained; and

(ii) The Sellers' Withdrawal Letters and the Purchasers' Withdrawal Letters shall have been duly executed and ready to be delivered and filed on Closing.

(b) If the conditions precedent described in paragraph (a) above are not satisfied on or before the date that is nine months following the execution of this Amendment Agreement, then Clauses First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth and Eleventh of this Amendment Agreement shall not become effective.

B. Condition Subsequent (*Condición Resolutoria*).

(a) The Parties agree that Clauses First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth and Eleventh of this Amendment Agreement and the amendments to the Stock Purchase Agreement thereof, are further subject to a condition subsequent (*condición resolutoria*) consisting of the Closing not taking place for whatever reason, within 10 (ten) Business Days following the date on which the condition precedent (*condición suspensiva*) described in described in Section (A)(a) above is satisfied.

(b) If the condition subsequent described in paragraph (a) above occurs, then Clauses First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth and Eleventh of this Amendment Agreement and any and all amendments to the Stock Purchase Agreement hereof shall automatically cease to exist, returning all matters to the state they were in prior to the execution of this Amendment Agreement, as if it was never executed.

THIRTEENTH. Proceedings.

The Parties further agree that if the condition precedent described in Section (A)(a) of Clause Twelfth above is not satisfied on or before the date that is nine months following the execution of this Amendment Agreement, or if the condition subsequent described in Section (B)(a) of Clause Twelfth above is met:

(i) This Amendment Agreement shall not be used or submitted in any way as evidence in the Proceedings, or in any arbitration and any judicial proceedings;

(ii) Any and all rights, claims and defenses pending in the Proceedings shall remain valid and in effect, and that nothing contained in this Amendment Agreement, including but, not limited to that stated in items (i) and (ii) of the first paragraph of Clause Tenth, or that was disclosed between the Parties during the negotiations of this Amendment Agreement, nor anything related to this Amendment Agreement or the negotiations thereof, can or will be used by any of the Parties in the Proceedings as an admission of liability by any of the Parties; and

(iii) As a consequence of items (i) and (ii) of this paragraph (b), neither of the Parties will be required to seek judicial or arbitral declaration of breach or termination of this Amendment Agreement to be able to file, pursue, continue or otherwise activate or reactivate the Proceedings or to file pursue, continue or otherwise activate or reactivate any claims and defenses thereunder or file or pursue any new claims in connection therewith. Accordingly, each of the Parties hereby expressly and irrevocably waives any rights of defense arguing litispendence (*litispendencia*) or any other type of procedural connection related to any other purported procedural requirements as a defense against any of the other Parties' rights to pursue, continue or otherwise activate or reactivate the Proceedings.

Furthermore, the Parties agree, from the date on which the condition precedent described in Section (A)(a) above is satisfied and until the condition subsequent described in Section (B)(a) above occurs, to refrain from making any promotion or filing with respect to the Proceedings.

FOURTEENTH. Antitrust Filings.

(a) Each Party shall use its best reasonable efforts to: (i) as promptly as practicable following the date hereof (but in no event later than 10 (ten) Business Days following the date hereof), take all actions necessary to file or cause to be filed the filings required of it or any of its Affiliates under any applicable Antitrust Laws in connection with the Stock Purchase Agreement and the transactions contemplated hereby (the "Antitrust Filings"); (ii) obtain the required consents and unconditional clearance from COFECE and, to the extent applicable, any other authorities, as promptly as practicable, and in any event prior to the End Date; (iii) comply with (or properly reduce the scope of) any formal or informal request for additional information or documentary material received by it or any of its Affiliates from COFECE; and (iv) as promptly as practicable, take all actions necessary to file or cause to be filed before the IFETEL the filings and/or notices required of it or any of its Affiliates under applicable Law.

(b) Each Party shall use its best reasonable efforts to (i) consult and cooperate with each other and consider in good faith the views of the other Party in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any party in connection with proceedings under or relating to any Antitrust Laws; (ii) promptly notify the other Party of any material written communication made to or received by it from COFECE or IFETEL and, to the extent applicable, any other authorities, regarding any of the transactions contemplated hereby and, subject to applicable Law permit the other Party to review in advance any proposed written communication to COFECE or IFETEL and, to the extent applicable, any other authorities, and incorporate the other Party's comments; and (iii) consult with the other Party in advance of any material meeting or teleconference with any Governmental Entity and, to the extent not prohibited by the Governmental Entity, give the other Party the opportunity to attend and participate in such meetings or teleconferences.

(c) The Purchaser and/or its counsel shall lead the Parties' efforts in obtaining the approval from COFECE, being responsible for (i) leading any interaction with COFECE (in the understanding that all Parties and/or their counsels will be invited to any meeting with COFECE), and (ii) submitting any and all documents and/or information to COFECE.

(d) Primary Purchaser shall be responsible for the payment of all filing fees (except for fees of the Sellers' legal counsel) in connection with the Antitrust Filings under the Antitrust Laws.

(e) Notwithstanding anything to the contrary in this Amendment Agreement, the Parties acknowledge that (i) the Parties and/or their Affiliates shall not be required to accept any conditions imposed on them by COFECE or any other authority, and (ii) the Parties and/or their Affiliates' obligations hereunder shall be limited to best reasonable efforts and in no event will any of the Parties and/or their Affiliates have any liability to the other Parties and/or their Affiliates with respect to the outcome of the Antitrust Filings.

FOURTEENTH. Notices. The Parties agree that all notices, requests, claims, demands, waivers and other communications hereunder shall be made pursuant to Clause 10.3 of the Stock Purchase Agreement.

FIFTEENTH. Survival of Other Terms in the Stock Purchase Agreement. Except as otherwise expressly provided herein and subject to the conditions precedent and subsequent set forth in Clause Twelfth of this Amendment Agreement, the Stock Purchase Agreement shall not be deemed to have been amended, modified or supplemented in any other manner and none of the rights and powers of any of the Parties shall be deemed waived, and the references to the Stock Purchase Agreement shall be deemed to be to the Stock Purchase Agreement as amended hereby.

SIXTEENTH. Applicable Law. THIS AMENDMENT AGREEMENT AND THE LEGAL RELATIONS BETWEEN THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE FEDERAL LAWS OF THE UNITED MEXICAN STATES, WITHOUT REGARD TO THE CONFLICT OF LAWS RULES THEREOF.

SEVENTEENTH. Jurisdiction. For the resolution of any conflicts arising from this Amendment Agreement the Parties unconditionally and irrevocably submit to the jurisdiction of the federal courts of Mexico City, expressly waiving any jurisdiction that may correspond to them for the location of their present or future domiciles or for any other cause or reason.

[*SIGNATURE PAGES FOLLOW*]

IN WITNESS WHEREOF, the Parties execute this Amendment Agreement as of the date first above written.

GRUPO TELEVISA, S.A.B

By: /s/ José Antonio Lara del Olmo
Name: José Antonio Lara del Olmo
Title: Attorney-in-Fact

By: /s/ Jorge Agustín Lutteroth Echegoyen
Name: Jorge Agustín Lutteroth Echegoyen
Title: Attorney-in-Fact

PROMO-INDUSTRIAS METROPOLITANAS, S.A. DE C.V.

By: /s/ José Antonio Lara del Olmo
Name: José Antonio Lara del Olmo
Title: Attorney-in-Fact

By: /s/ Jorge Agustín Lutteroth Echegoyen
Name: Jorge Agustín Lutteroth Echegoyen
Title: Attorney-in-Fact

[SIGNATURE PAGE TO THE FIRST AMENDMENT TO THE STOCK PURCHASE AGREEMENT DATED SEPTEMBER 13, 2021, BY AND BETWEEN TICKETMASTER NEW VENTURES, S. DE R.L. DE C.V., TICKETMASTER NEW VENTURES HOLDINGS, INC., GROUPO TELEVISA, S.A.B., PROMO-INDUSTRIAS METROPOLITANAS, S.A. DE C.V., LIVE NATION ENTERTAINMENT, INC., AND OCESA ENTRETENIMIENTO, S.A. DE C.V.]

IN WITNESS WHEREOF, the Parties execute this Amendment Agreement as of the date first above written.

TICKETMASTER NEW VENTURES, S. DE R.L. DE C.V.

By: /s/ John Miller Hopmans
Name: John Miller Hopmans
Title: Attorney-in-Fact

TICKETMASTER NEW VENTURES HOLDINGS, INC.

By: /s/ John Miller Hopmans
Name: John Miller Hopmans
Title: Legal representative

LIVE NATION ENTERTAINMENT, INC.

By: /s/ John Miller Hopmans
Name: John Miller Hopmans
Title: Legal representative

[SIGNATURE PAGE TO THE FIRST AMENDMENT TO THE STOCK PURCHASE AGREEMENT DATED SEPTEMBER 13, 2021, BY AND BETWEEN TICKETMASTER NEW VENTURES, S. DE R.L DE C.V., TICKETMASTER NEW VENTURES HOLDINGS, INC., GRUPO TELEVISA, S.A.B., PROMO-INDUSTRIAS METROPOLITANAS, S.A. DE C.V., LIVE NATION ENTERTAINMENT, INC., AND OCESA ENTRETENIMIENTO, S.A. DE C.V.]

IN WITNESS WHEREOF, the Parties execute this Amendment Agreement as of the date first above written.

OCESA ENTRETENIMIENTO,
S.A. DE C.V.

By: /s/ Jorge Lopez de Cardenas Ramírez
Name: Jorge Lopez de Cardenas Ramírez
Title: Attorney-in-Fact

[SIGNATURE PAGE TO THE FIRST AMENDMENT TO THE STOCK PURCHASE AGREEMENT DATED SEPTEMBER 13, 2021, BY AND BETWEEN TICKETMASTER NEW VENTURES, S. DE R.L. DE C.V., TICKETMASTER NEW VENTURES HOLDINGS, INC., GRUPO TELEVISA, S.A.B., PROMO-INDUSTRIAS METROPOLITANAS, S.A. DE C.V., LIVE NATION ENTERTAINMENT, INC. AND OCESA ENTRETENIMIENTO, S.A. DE C.V.]

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

CERTIFICATION

I, Michael Rapino, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Live Nation Entertainment, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2021

By: /s/ Michael Rapino
Michael Rapino
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

CERTIFICATION

I, Joe Berchtold, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Live Nation Entertainment, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2021

By: /s/ Joe Berchtold
Joe Berchtold
President and Chief Financial Officer

Exhibit 32.1

SECTION 1350 CERTIFICATION OF CHIEF EXECUTIVE OFFICER

In connection with this Quarterly Report of Live Nation Entertainment, Inc. (the “Company”) on Form 10-Q for the quarter ended September 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael Rapino, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date:	November 4, 2021
By:	/s/ Michael Rapino
	Michael Rapino
	President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

SECTION 1350 CERTIFICATION OF CHIEF FINANCIAL OFFICER

In connection with this Quarterly Report of Live Nation Entertainment, Inc. (the “Company”) on Form 10-Q for the quarter ended September 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Joe Berchtold, President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date:	November 4, 2021
By:	/s/ Joe Berchtold
	Joe Berchtold
	President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.