

CONFIDENTIAL VERSION
CONTAINS BUSINESS SECRETS

Konkurransetilsynet
Postboks 439 Sentrum
5805 Bergen
Also via e-mail to post@kt.no

Oslo, 4 April 2013
Counsel in charge: Stein Ove Solberg
E-mail: sos@adeb.no
SOS/sos 4616634.2
119325 /80091

STANDARDIZED NOTIFICATION OF A CONCENTRATION

In accordance with Section 18 of the Competition Act, we hereby notify the Authority of the acquisition of control by Live Nation Norway AS of TimeOut Agency & Concerts AS.

1 THE PARTIES

1.1 The notifying party

Live Nation Norway AS, a company incorporated in Norway.

Contact information:

Name: Live Nation Norway AS
Registered office: Sonja Henies plass 2, 0185 Oslo
Company registration number: 982 031 834

In this notification, Live Nation Norway AS will also be referred to as "Buyer".

1.2 Representative for the notifying party

Arntzen de Besche Advokatfirma AS

Attn.: Advokat Stein Ove Solberg

P.B. 2734 Solli, 0204 Oslo

E-mail: sos@adeb.no

Telephone: 2389 4000

Mobile: 9829 4589

Facsimile: 2389 4001

We kindly request the Authority that all contact with the notifying party is done through Arntzen de Besche.

1.3 The target

The target for this transaction is TimeOut Agency & Concerts AS, a company incorporated in Norway.

Name: TimeOut Agency & Concerts AS

Registered office: Grenseveien 107, 0663 Oslo

Telephone: 21 42 25 00

Company registration number: 995 251 388

In this notification, TimeOut Agency & Concerts AS will also be referred to as “TimeOut” or “Target”.

2 THE CONCENTRATION

Prior to July 2012, Target was owned 100 per cent by Cox Invest AS, a company wholly owned by Thomas Olavsén.

In July 2012, Buyer acquired 20 per cent of the Shares of Target. This acquisition did not lead to any change of control of Target.

Buyer and Cox Invest AS have now agreed that Buyer shall acquire another 31 per cent of the shares of Target. After completion of this transaction, Buyer will own 51 per cent of the shares of Target. In the absence of any contractual provision or other circumstances giving Cox Invest AS joint control, the Buyer will after completion have sole control of Target. The transaction will therefore be a concentration in accordance with Section 17 of the Competition Act.

Buyer’s acquisition of 31 per cent of the shares – and thus sole control – of Target, will hereinafter be referred to as “the Concentration”.

Closing (consummation) of the Concentration will not take place until it is approved by the Norwegian Competition Authority.

The proposed transaction promises to create material efficiencies in Norway by combining TimeOut’s agency services with Live Nation’s promotion services, thus allowing for better services to performing music artists and their fans in Norway. As shown below, these benefits will not be accompanied by any risk to competition. Although a minor overlap exists in promotion services, both parties are small, TimeOut adds only a very small incremental share, and there exist many other substantial players in Norway. Moreover, although there are hypothetical vertical overlaps between the parties, the transaction does not threaten to foreclose rivals at either level of supply since the parties are small, many alternatives exist and the transaction does not affect the combined firm’s incentives to serve these customers. The transaction thus promises substantial benefits to consumers in Norway without risking any harm to competition.

3 STRUCTURE AND BUSINESS AREAS OF BUYER AND BUYER GROUP

3.1 Internationally

Buyer is a wholly owned subsidiary within the Live Nation Entertainment group of companies. The ultimate parent of the group is Live Nation Entertainment, Inc.

Live Nation Entertainment is a live entertainment and eCommerce company, comprised of the following four business areas:

- Ticketmaster.com is an event ticketing provider and eCommerce site.
- Live Nation Concerts produces music concerts for performing artists globally.
- Front Line Management Group is a management company representing recording and performing music artists.
- Live Nation Network is a provider of entertainment marketing solutions, enabling advertisers to reach consumers who visit Live Nation's live event and digital platforms.

For additional information about the Live Nation Entertainment group, please visit <http://www.livenation.com/>.

The Live Nation Entertainment Annual Report for 2011 is available at this web site: <http://phx.corporate-ir.net/phoenix.zhtml?c=194146&p=irol-reportsAnnual>

The most recent available list of legal entities within the Live Nation Entertainment group can be found here:

<http://www.sec.gov/Archives/edgar/data/1335258/000119312512075895/d277780dex211.htm>

3.2 Domestically

3.2.1 Introduction

Live Nation Entertainment group has two wholly owned subsidiaries incorporated and operating in Norway:

- Live Nation Norway AS (Buyer), company registration number 982 031 834, see section 3.2.2 below, and
- Billettservice AS, company registration number 924 348 526, see section 3.2.3 below.

As mentioned above, Live Nation Entertainment group also currently owns 20 per cent of Target through Buyer.

The organizational relation between the Norwegian entities within the Live Nation Entertainment group is visualized in the attached organogram.

Encl. 1: Organization chart for the relevant parts of Live Nation Entertainment group.

3.2.2 Live Nation Norway AS

Live Nation's activities in Norway focus primarily on the promotion of live music events. As a promoter, Live Nation organises and arranges live music events, and will normally assume financial risk in this respect. A promoter is normally hired by the artist, typically through the

artist's agent. It is normally the promoter's responsibility to book the venue for the event, to advertise the event and to organise security/crew, catering, etc. Live Nation Norway primarily promotes international artists.

Live Nation also acts as managers for a handful of Norwegian artists. A manager is responsible for managing the business affairs of the artist, and developing and advancing the artist's career, leaving the artist free to create, perform, and record. The manager will normally receive a proportion of the artist's net revenue after deducting other fees and expenses. Managers usually act as the interface between the artist, on the one hand, and record companies, music publishers, agents, merchandisers, lawyers and accountants, on the other hand. Managers generally advise on the appointment of an agent, who will interface with various promoters. Managers also ensure that touring schedules fit in with the release of recordings and advise their artists on tour plans prepared by agents and promoters.

Live Nation also acts as booking consultant on behalf of some music festivals in Norway, such as Norwegian Wood, Øyafestivalen and the Molde Jazzfestival. In this capacity, Live Nation assists festival organizers in identifying international artists potentially available for the festival. Once these have been identified, Live Nation negotiates the contract on behalf of the festival.

Live Nation Norway AS currently has 11 employees and a single office located in Oslo. The annual reports and annual accounts of Live Nation Norway AS are available at the Brønnøysund Register Centre.

For more information, please visit <http://www.livenation.no>.

3.2.3 *Billettservice AS*

Billettservice offers ticketing sales services to venues and concert promoters for a variety of entertainment events, including live music events, through an Internet portal, a call centre and a network of physical outlets.

Billettservice also offers financial settlement services and support services in relation to its ticketing activity.

Billettservice AS was established in 1977. Headquartered in Oslo, the company has approximately 50 employees. The annual reports and annual accounts of Billettservice AS are available at the Brønnøysund Register Centre.

For more information, see <http://www.billettservice.no>.

4 **BUSINESS AREAS AND STRUCTURE OF TARGET**

TimeOut is mainly a booking agency working on behalf of Norwegian artists, mainly in the Norwegian market. In this function, TimeOut represents the artists in the negotiations with promoters of live music events. This can be standalone events (concerts, or sometimes festivals), as well as tours. TimeOut normally receives a percentage of the payment from the organizer of the event, whilst the rest of the payment goes to the artist.

TimeOut also, to a very limited extent, acts as organiser of live music events, mainly in Norway. In such rare cases, TimeOut might assume financial risk for the event.

TimeOut has three full time employees and has its offices in Oslo. The annual reports and annual accounts of Target are available at the Brønnøysund Register Centre.

For more information please visit <http://www.toac.no>.

5 TURNOVER AND OPERATING RESULT

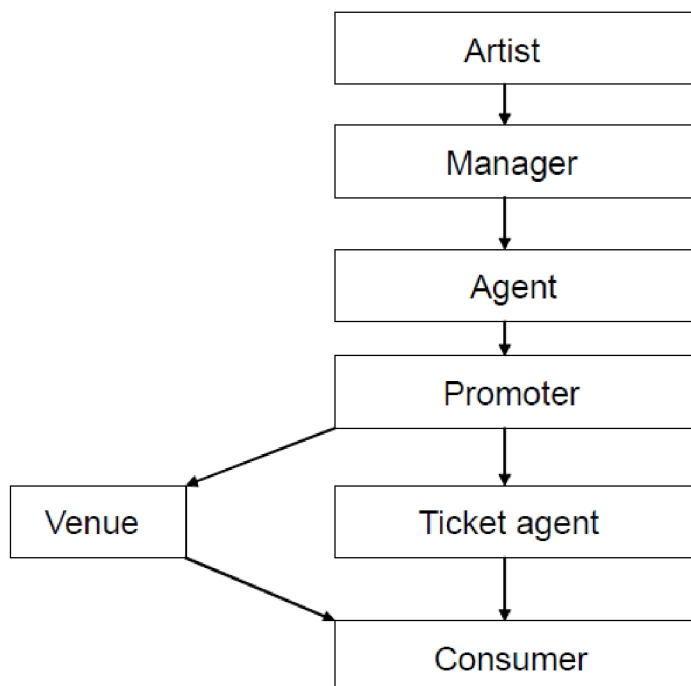
	Turnover (revenue)	Operating Income (Loss)
Live Nation Entertainment (group) – worldwide (2012)	USD 5 819 000 000	(USD 21 600 000)
Live Nation Entertainment (group) - Norway ¹ (2011)	NOK 232 531 000	NOK 30 935 000
TimeOut Agency & Concerts AS ² (2012)	NOK 62 530 098	NOK 6 363 995

6 AFFECTED MARKETS

6.1 Live music events value chain

The figure below illustrates the typical value chain for live music events:

The live music supply chain



Source: OFT

¹ These numbers are the sum of the turnover and operating result of Live Nation Entertainment group's two Norwegian subsidiaries, Live Nation Norway AS and Billettservice AS.

²

6.2 Horizontal overlap

As mentioned above, Live Nation has as its principal business in Norway to promote (organize/arrange) live music events, primarily with international artists. As described above, Target also – although to a very limited extent – acts as organizer of live music events. This limited business overlaps horizontally with Buyer's main business. Consequently, the promotion of (organising) live music events in Norway will below be treated as an affected market pursuant to the Competition Act Section 18 (2) (d).

Target's principal business is to act as agents on behalf of Norwegian artists. In this function, TimeOut represents the artists in the negotiations with live music event organizers (also called promoters or arrangers). This can be standalone events (concerts, or sometimes festivals), as well as tours. TimeOut and the promoter normally receive a percentage of the revenues of the event, whilst the rest of the revenues go to the artist.

As described above, Live Nation does some booking of international artists on behalf of certain music festivals in Norway. In this capacity, Live Nation assists festival organizers in identifying international artists potentially available for the festival. Once these have been identified, Live Nation negotiates the contract on behalf of the festival. These booking services are distinct from, and rather complementary to, Target's artists' agency business, since Live Nation represents the festival and not the artists. Consequently, the parties have no further horizontal overlap.

6.3 Vertical relationship

As the above figure illustrates, there are some – actual and potential – vertical relationships between Target and Buyer (group):

- Live Nation Norway as artist's manager uses Target as artists' agent for [REDACTED]
- There is no actual interface between Target as artist's agent and Live Nation Norway as promoter. This is due to the fact that Target acts as agent for Norwegian artists only, whilst Live Nation promotes international artists.
- Target does not use Billettservice as ticketing agent. [REDACTED]

7 COMPETITORS, CUSTOMERS AND SUPPLIERS

7.1 Overview

As described above, Buyer and Target have a small overlap in the market for promotion of (organising) live music events in Norway, and this activity will therefore be treated as an affected market pursuant to the Competition Act Section 18 (2) (d).

7.2 Competitors

The most important players in the Norwegian market for promotion of live music events are as follows:





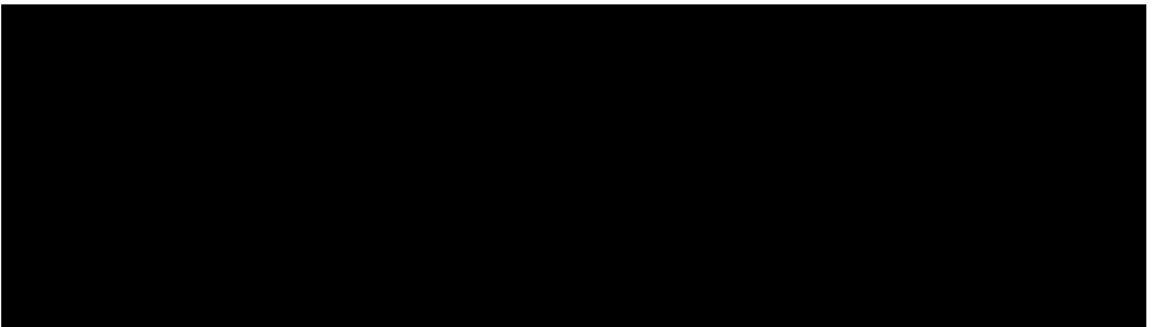
Target is a very small player in this market, with less than [REDACTED] market share. Live Nation's market share is approximately [REDACTED]

7.3 Customers

The ultimate customers in the promotion of (arranging) live music events, including festivals, are the fans (consumers). However, the direct customers are the performing artists who hire promotion services through their agents.

Live Nation has no such clients for promotions based in Norway.

TimeOut's most important artist clients are:



7.4 Suppliers

7.4.1 General

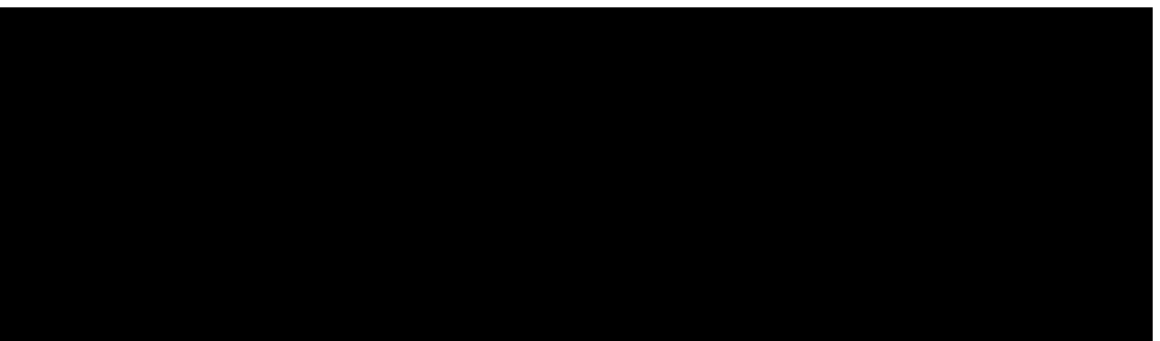
The main suppliers to promoters are venues and ticketing agents. There may also be a need for ancillary services like advertisements, security/guards etc.

7.4.2 Live Nation

Live Nation's important suppliers in Norway are venues like [REDACTED] security/crew suppliers like [REDACTED] and advertisement channels like [REDACTED]

7.4.3 Target

Target's five main suppliers:



8 EFFECTS ON COMPETITION

8.1 Horizontal effects

The Concentration will not have any negative horizontal effects.

Target's main activity is acting as an artist's agent, and is an insignificant player in the promotion of live music events, with less than a five per cent share. The transaction thus creates no significant increase in share. Moreover, while the Target promotes Norwegian-based artists, Live Nation does not.

Buyer (group) is not acting as artist's agents in Norway, and has its main activity within promotion of live music events, with a market share of approximately [REDACTED]. Buyer's market share will increase only marginally, and there are several other live music promoters in Norway, including but not limited to Atomic, Goldstar, Bergen Live, Garage and JS Artist.

8.2 Vertical effects

As illustrated by the figure in section 6.1 above, Buyer (group) and Target are active on different levels of the live music value chain.

As the horizontal overlap is insignificant, the Concentration is basically a vertical integration, and the two organisations are mainly complementary. The Concentration is therefore expected to produce positive effects, like vertical mergers generally do.³ As noted above in Section 6.3, there are three potential vertical relationships, none of which raises competition concerns. In each case, the parties are small and there exist many alternatives remaining at both the customer and supplier levels. Consequently, rivals at the customer level cannot be foreclosed from obtaining inputs, and rivals at the supplier level cannot be foreclosed from access to customers.

- Although, Live Nation Norway as artist's manager uses Target as artists' agent, [REDACTED] [REDACTED] The transaction therefore cannot deprive Live Nation's rival managers from access to agents nor deprive TimeOut's rival agents from access to managers.
- Although TimeOut's agency business hires promoters, it does not hire Live Nation and there is no actual vertical relationship between the parties in this regard. The transaction therefore cannot deprive Live Nation's rival promoters from access to agent customers in Norway, since TimeOut is a very small part of the available customers. Moreover, rival agents cannot be deprived of promotion services because, as shown above, there are many alternative promoters, and TimeOut's small size does not change Live Nation's incentives to serve other agents.
- Finally, although TimeOut as a promoter might use ticketing agents, it does not use Live Nation's Billettservice. Therefore, rival agents will continue to have access to alternatives to Billettservice for ticketing services and, due to TimeOut's small size, the transaction does not affect Billettservice's incentives to serve those agents. TimeOut's small size as a promoter also precludes any concern that Billettservice's rivals could be foreclosed from a substantial portion of their customer base.

³ See the European Commission's Guidelines on the assessment of non-horizontal mergers, paragraphs 13-14 and 54-57.

9 CONFIDENTIALITY

This notification contains business secrets, to which public access shall not be given. A non-confidential version of this document is attached.

Encl. 2: Public (non-confidential) version of this notification.

Should the Authority have any questions to this notification or to the Concentration as such, kindly contact the undersigned.

Yours sincerely,
ARNTZEN de BESCHE ADVOKATFIRMA AS

A handwritten signature in blue ink, appearing to read 'Stein Ove Solberg', with a long horizontal flourish underneath.

Stein Ove Solberg

Enclosures