



Gaylord Entertainment Reports Third Quarter 1999 Financial Results in Line With Previously Announced Expectations

October 29, 1999

NASHVILLE, Tenn.--(BUSINESS WIRE)--Oct. 28, 1999--Gaylord Entertainment Company (NYSE: GET) today announced net income for the third quarter of 1999 ended September 30, of \$0.7 million, or \$0.02 per diluted share, including net nonrecurring income totaling \$0.4 million after taxes, or \$0.01 per diluted share.

Revenues for the third quarter of 1999 were \$135.7 million, a 0.6% increase from the third quarter of 1998. Operating cash flow (operating income plus depreciation and amortization), excluding nonrecurring items, was \$16.9 million compared to \$22.6 million in the corresponding prior year period. The difference in operating cash flow was partially due to lower occupancy and room rates at the Opryland Hotel, start up expenses relating to GETdigitalmedia and increased costs and a change in the mix of products sold at Word Entertainment.

Terry E. London, President and Chief Executive Officer, remarked, "The Opryland Hotel results for the quarter were generally in line with our expectations, and operating cash flow at the hotel is still up year to date. We believe the hotel will have improved results for the fourth quarter, while the outlook for Word is somewhat less predictable due to the nature of its business. Our cable networks segment showed a positive comparison for the quarter, offset by the third quarter investment in our new Internet division, GETdigitalmedia, which contributed to the negative operating cash flow comparison overall.

"The investment in GETdigitalmedia is part of our ongoing strategy to use cash generated from our existing businesses to fund new long-term growth vehicles, including the two new hotels, country and Christian music assets, international cable networks and Internet entertainment and e-commerce businesses. We believe that each of these investments will strengthen our core hospitality, content and media assets, and bring us closer to achieving our long-term goal of creating a premiere entertainment company. Subsequent to the end of the quarter, we completed the divestiture of KTVT-TV in Dallas-Fort Worth. This transaction will result in an after tax gain in the fourth quarter of approximately \$280 million, further strengthening our financial condition and our ability to finance the development of businesses that we expect will drive the Company's long-term growth."

Third quarter 1999 hospitality and attractions revenues declined 4.0% to \$71.9 million compared to the corresponding prior year period, while operating cash flow declined 8.5% to \$17.8 million. Revenues declined 5.9% to \$51.5 million at the Opryland Hotel, which had an occupancy rate in the third quarter of 1999 of 73.7% compared with the 76.1% occupancy rate that was recorded in the third quarter of 1998. The average room rate at the hotel for the quarter was \$137.09 compared to \$141.83 in the corresponding prior year period. In addition, increased startup expenses for the Opryland Hospitality Group and a reduction in Nashville-area tourism also impacted third quarter 1999 results.

In the third quarter of 1999, excluding KTVT (which was acquired by CBS Corporation on October 12, 1999), broadcasting and music revenues increased 6.4% to \$52.0 million from \$48.9 million. The increase in revenues is primarily due to increased sales of distributed product at Word, and increased sales from new artists such as Sixpence None the Richer. Excluding KTVT, broadcasting and music operating cash flow for the third quarter of 1999 declined by \$4.6 million, partially attributable to higher warehouse start-up, selling, and product costs at Word, a higher percentage of lower margin distributed product sales at Word, and start-up expenses for GETdigitalmedia of \$1.1 million.

Third quarter 1999 revenues for the cable networks segment were \$1.3 million, a 57.1% increase over revenues of \$0.8 million recorded in the third quarter of 1998 due primarily to increased subscriber and advertising revenues in the Asia-Pacific region. Operating losses associated with the cable networks were \$1.7 million in the third quarter of 1999 compared to prior year quarterly losses of \$2.3 million.

Interest income for the third quarter of 1999 includes \$2.0 million associated with a working capital settlement with CBS. The Company recorded a related \$1.7 million reversal of merger costs during the quarter. These items relate to the acquisition by CBS of The Nashville Network and Country Music Television in 1997. The Company also incurred a restructuring charge of \$3.1 million during the most recent quarter, related to severance costs and other employee expenses, most of which were incurred at the Opryland Hotel. The reversal of merger costs and restructuring charge are reflected in "Corporate and other" in the accompanying statement of financial results.

Gaylord Entertainment will hold a conference call to discuss this release today at 4:15 p.m. Eastern time. Investors will have the opportunity to listen to the conference call over the Internet through <http://www.streetfusion.com>. To listen to the live call, please go to the web site at least fifteen minutes early to register, download, and install any necessary audio software. For those who cannot listen to the live broadcast, a replay will be available shortly after the call through the end of business on November 30, 1999.

Note: Certain matters discussed herein are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, that involve risks and uncertainties, including growth in the popularity of country music and country lifestyles; growth in the popularity of Christian music and family values lifestyles; the ability to control costs relating to the development of the Opry Mills retail complex; the ability to integrate the operations of acquired businesses into the Company's operations; the advertising market in the United States in general and in the Company's local television and radio markets in particular; the perceived attractiveness of Nashville, Tennessee and the Company's properties as a convention and tourist destination; the ability of the Opryland Hospitality Group to successfully develop hotel properties in other markets; consumer tastes and preferences for the Company's programming and other entertainment offerings; competition; the impact of weather on construction schedules; and consolidation in the broadcasting and cable distribution industries. These risks and uncertainties are detailed from time to time in the Company's SEC reports, including the report on Form 10-K for the year ended December 31, 1998.

Gaylord Entertainment, headquartered in Nashville, is a diversified entertainment company with operations in hospitality, attractions, music, entertainment, broadcasting and cable networks. Among its properties are WSM Radio and the Grand Ole Opry, the Opryland Hotel, Acuff-Rose Music

Publishing, Word Entertainment, Country Music Television International, Z Music Television, the Wildhorse Saloon, the Ryman Auditorium, Cornerstone Sports, WWTN Radio and Opryland Productions.

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONSOLIDATED FINANCIAL RESULTS
(Amounts in thousands, except per share data)

	Three Months Ended September 30,		%
	1999	1998	chg
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Revenues			
Hospitality and attractions	\$ 71,864	\$ 74,846	(4.0)
Broadcasting and music, excl. KTVT	52,039	48,915	6.4
KTVT	10,485	10,301	1.8
Cable networks	1,323	842	57.1
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Total revenues	135,711	134,904	0.6
	=====	=====	=====
Operating cash flow (a)			
Hospitality and attractions	17,754	19,412	(8.5)
Broadcasting and music, excl. KTVT	3,323	7,913	(58.0)
KTVT	2,430	2,294	5.9
Cable networks	(1,214)	(1,786)	32.0
Corporate and other (b)	(6,716)	(5,260)	(27.7)
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Total operating cash flow	15,577	22,573	(31.0)
	=====	=====	=====
Operating income			
Hospitality and attractions	10,149	12,039	(15.7)
Broadcasting and music, excl. KTVT	318	6,339	(95.0)
KTVT	1,662	1,705	(2.5)
Cable networks	(1,702)	(2,251)	24.4
Corporate and other (b)	(8,258)	(6,430)	(28.4)
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Total operating income	2,169	11,402	(81.0)
Interest expense	(4,268)	(8,116)	47.4
Interest income (c)	2,875	6,519	(55.9)
Other	404	1,811	--
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Income before taxes	1,180	11,616	(89.8)
Income taxes	454	4,473	(89.9)
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Net income	\$ 726	\$ 7,143	(89.8)
	=====	=====	=====
Net income per share (basic)	\$ 0.02	\$ 0.22	(90.9)
	=====	=====	=====
Avg. shares outstanding (basic)	32,924	32,808	0.4
	=====	=====	=====
Net income per share (diluted)	\$ 0.02	\$ 0.22	(90.9)
	=====	=====	=====

Avg. shares outstanding (diluted)	33,244	33,115	0.4
	=====	=====	=====

	Nine Months Ended September 30,		%
	1999	1998	chg
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Revenues			
Hospitality and attractions	\$ 213,583	\$ 211,886	0.8
Broadcasting and music, excl. KTVT	126,037	115,313	9.3
KTVT	34,460	37,798	(8.8)
Cable networks	3,132	4,891	(36.0)
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Total revenues	377,212	369,888	2.0
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Operating cash flow (a)			
Hospitality and attractions	46,479	51,327	(9.4)
Broadcasting and music, excl. KTVT	4,624	12,473	(62.9)
KTVT	10,149	14,019	(27.6)
Cable networks	(4,703)	(6,573)	28.4
Corporate and other (b)	(17,797)	(14,771)	(20.5)
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Total operating cash flow	38,752	56,475	(31.4)
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Operating income			
Hospitality and attractions	23,598	30,224	(21.9)
Broadcasting and music, excl. KTVT	(2,601)	8,349	--
KTVT	8,049	12,391	(35.0)
Cable networks	(6,152)	(7,922)	22.3
Corporate and other (b)	(21,948)	(18,168)	(20.8)
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Total operating income	946	24,874	(96.2)

Interest expense	(11,286)	(22,673)	50.2
Interest income (c)	4,269	19,463	(78.1)
Other	130,672	5,173	--
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Income before taxes	124,601	26,837	364.3
Income taxes	43,425	10,333	320.3
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Net income	\$ 81,176	\$ 16,504	391.9
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Net income per share (basic)	\$ 2.47	\$ 0.50	394.0
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Avg. shares outstanding (basic)	32,850	32,804	0.1
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Net income per share (diluted)	\$ 2.45	\$ 0.50	390.0
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Avg. shares outstanding (diluted)	33,157	33,190	(0.1)
	=====	=====	=====

(a) Operating income plus depreciation and amortization

(b) 1999 amounts include restructuring charge of \$3.1 million and an offsetting reversal of merger costs of \$1.7 million

(c) 1999 amounts include interest income associated with a working

capital settlement with CBS of \$2.0 million

GAYLORD ENTERTAINMENT COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
September 30, 1999 and 1998
(Amounts in thousands)

	1999	1998
ASSETS		
Current assets:		
Cash	\$ 8,875	\$ 13,909
Trade receivables	98,278	97,455
Other current assets	79,124	65,887
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Total current assets	186,277	177,251
Property and equipment, net of accumulated depreciation	603,804	583,301
Intangible assets, net of accumulated amortization	128,507	98,553
Investments	91,328	77,309
Long-term notes and interest receivable	37,026	225,949
Other assets	39,010	51,386
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Total assets	\$1,085,952	\$ 1,213,749
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Current portion of long-term debt	\$ 1,125	\$ 1,125
Accounts payable and accrued liabilities	104,562	115,186
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Total current liabilities	105,687	116,311
Long-term debt	302,201	500,839
Deferred income taxes	50,091	34,627
Other liabilities	33,315	32,289
Minority interest	2,231	12,660
Stockholders' equity	592,427	517,023
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Total liabilities and stockholders' equity	\$1,085,952	\$1,213,749
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KEYWORD: TENNESSEE TEXAS

INDUSTRY KEYWORD: CABLE ENTERTAINMENT MUSIC TELEVISION/RADIO
TRAVEL EARNINGS