



Gaylord Entertainment Receives Payoff Of \$138 Million On Note From Charter Communications

December 28, 1998

NASHVILLE, Tenn. -- December 28, 1998 -- Gaylord Entertainment Company (NYSE:GET) announced today that it has received payment of \$138 million, representing the remaining balance outstanding on its 10-year promissory note from Charter Communications.

As a result of the \$4.5 billion acquisition of Charter Communications by investor Paul G. Allen, Gaylord Entertainment expects to receive additional pretax proceeds of \$130 million, representing the value of certain equity participation rights held by Gaylord Entertainment. The note and equity participation rights were received by Gaylord Entertainment in connection with Charter's purchase of Gaylord Entertainment's cable television systems in September 1995. The initial payment of \$100 million announced on November 30 and the \$138 million announced today, have been used to prepay outstanding bank indebtedness.

The \$138 million payoff of the note will result in an after tax gain of an estimated \$10 million, or \$0.29 per share, in the fourth quarter of 1998. The collection of the \$130 million in pretax proceeds from Gaylord Entertainment's equity participation rights, which is currently anticipated in early 1999, will result in an after tax gain of an estimated \$85 million, or \$2.55 per share.

Gaylord Entertainment Company is a diversified entertainment company operating principally in three industry segments; hospitality and attractions; broadcasting and music; and cable networks.