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PRESENTATION

Operator

Good morning, everyone. Welcome to the Ryman Hospitality Properties fourth quarter 2025 earnings conference call. Hosting the call today from Ryman Hospitality Properties are Mr. Colin Reed, Executive Chairman; Mr. Mark Fioravanti, President and Chief Executive Officer; Ms. Jennifer Hutcheson, Chief Financial Officer; Mr. Patrick Chaffin, Chief Operating Officer; and Mr. Patrick Moore, Chief Executive Officer, Opry Entertainment Group.

This call will be available for digital replay. The number is 1(800) 688-9445 with no conference ID required. (Operator Instructions)

It is now my pleasure to turn the floor over to Ms. Jennifer Hutcheson. Please go ahead, ma'am.

Jennifer Hutcheson - *Ryman Hospitality Properties Inc - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

Good morning. Thank you all for joining us today. This call may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including statements about the company's expected financial performance. Any statements we make today that are not statements of historical fact may pertain to be forward-looking statements. Words such as believes or expects are intended to

identify these statements, which may be affected by many factors, including those listed in the company's SEC filings and in today's release. The company's actual results may differ materially from the results we discuss or project today. We will not update any forward-looking statements, whether as a result of new information, future events, or any other reason.

We will also discuss non-GAAP financial measures today. We reconcile each non-GAAP measure to the most comparable GAAP measure in exhibit to today's release.

I'll now turn it over -- I'll now turn the call over to Colin.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Thanks, Jenn. Good morning, everyone, and thanks for joining us today. We're pleased to report full year results above the midpoints of our guidance ranges, and for the entertainment segment as well as AFFO and AFFO per share above the high end of our guidance ranges. The fourth quarter came in ahead of our expectations at the start of the quarter due to strong reception for our holiday programming in our hotel portfolio and better-than-expected volumes in our Downtown Nashville entertainment venues.

Looking back at how we expected '25 to play out when we first provided guidance a year ago, our results, excluding the JW Desert Ridge acquisition, are almost right on the midpoints of that initial guidance range. To be in the position we sit in today is an incredible accomplishment in what was a challenging year and a testament to both the strength of our business model and the quality of our people.

Importantly, we managed last year's volatility while continuing to advance our long-term strategy. Our investments in the portfolio continue to differentiate our platform from our competitors and attract more premium group customers.

In our hotel portfolio, we acquired the JW Desert Ridge, an asset that's long been at the top of our acquisition list, which expands our rotational group customer strategy into a new top 10 meetings market, and creates opportunity for a second rotational pattern within the JW Marriott brand.

Also, we continue to progress our multiyear investment plan for Gaylord Opryland. To date, we've now refreshed about 40% of the hotel's existing competing meeting space, and we're nearly halfway through the 100,000 square foot meeting space expansion, which will open next year. Foundry Fieldhouse, the new sports bar development with premium indoor-outdoor reception space will open in April of this year.

Our recently completed investments are generating early returns. Gaylord Palms and Gaylord Rockies, which received meaningful investments in 2024, both delivered record top- and bottom-line performances in '25. And given the rotational nature of our customer base, these improvements are driving meaningful share gains for the portfolio as a whole.

For the trailing 12 months through the end of December, the same-store portfolio achieved the highest RevPAR index to the Marriott-defined competitive set in the portfolio's history, excluding, of course, the COVID impacted periods.

In our entertainment business, we've continued to expand our growth platform, especially in festivals and amphitheaters. This includes our latest win to program and manage the 14,000 square foot -- 14,000-seater-capacity CCNB Amphitheater in Simpsonville, South Carolina. Our partnership with Southern Entertainment, who's been producing the Greenville County Music Festival at CCNB since 2018 helped us build a strong relationship with the city of Simpsonville, and our combined capabilities and expertise offer a compelling solution. This success, in particular, underscores the strength of our platform model.

In addition, we are continuing the expansion of Category 10 -- the Category 10 brand with our friend and superstar Luke Combs, with a Las Vegas location opening in the fourth quarter of '26. And with the third location to be developed at Universal CityWalk in Orlando adjacent to the Islands of Adventure theme park.

Early returns on our investments behind Opry continue to exceed our expectations. Programming in October, the official birthday month, produced a record number of shows and attendance resulting in an all-time-high monthly revenue and adjusted EBITDAre for the brand. We expect this momentum to continue into '26 and before -- and beyond.

Now before I hand it over to Mark, a comment or two about what lies ahead. A week ago, I received a monthly report from an outstanding -- outside organization comparing returns for publicly traded lodging companies. It's worth highlighting that since our REIT conversion announcement in 2012, our stock has generated a nearly 12.5% annualized return, including reinvested dividends. This represents a rate of return of approximately 2.5 times greater than that of our next-highest REIT peer over the same period. This is quite an incredible difference.

Anecdotally reflecting about the last 13 years and how we're positioned for the future, it would be my view, and I think those of my colleagues, that we're certainly better positioned today to create value than we were back in 2013.

At our hotel business, we now own seven world-class market-leading hotels, which are in great physical shape, and most of which we plan to enhance and/or expand over the years ahead to make them even more competitive in the markets that they are in.

Over the years, I've heard some members of the analyst community questioning the underlying strength of the large meetings industry, particularly in economically trying times. And there was some of this during the last year's third quarter. But the reality is the large meetings industry is massive here in the United States, and the Gaylord Hotels brand has such a small share, but our relationship with the meeting planner is so good, and we believe we can capture more share as our rooms and meeting space grows.

And our relative positioning continues to strengthen, supported by our fabulous service levels and our people-centric culture continues to thrive. And from an amenities perspective, we're constantly upgrading, adding sports bars, upgrading restaurants, and expanding pools and other amenities. Yes, our hotel business is awfully well positioned as we look to the future.

And then, of course, so is this gem of an asset we own that we refer to as our entertainment business, that's growth characteristics are materially better today than back in 2013. It's quite incredible what is happening to the music we call country, as its popularity explodes all over the world and creates the desire for folks to come visit Nashville. Live entertainment is a very valuable asset in this day and age, and we're deeply engaged in figuring out the best possible path to create even more value for our shareholders.

Now hopefully, those of you who have followed our company for a while will remember that back in -- back a couple of years ago, we laid out a four-year plan to the investment community at our Investor Day in January '24. By the end of '26, we expect to have initiated all major capital projects in the plan, with the possible exception of the Gaylord Rockies expansion, and we will have meaningfully expanded OEG's growth platform as well. Looking ahead, we continue to feel very comfortable with the targets we outlined then, and we look forward to updating you on our progress as milestones are hit.

As we embark on 2026, the period ahead looks awfully exciting for us. And as always, we appreciate your interest and support.

Now with that, let me turn you over to Mark.

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

Thanks, Colin, and good morning, everyone. I will review our fourth quarter results and also provide some color on how we're thinking about 2026. I'll start with our hospitality business. Our same-store hospitality segment delivered the highest total revenue of any quarter and the highest adjusted EBITDAre of any fourth quarter driven by strong demand from holiday programming and higher leisure volumes across the portfolio.

ICE! ticket sales increased more than 14% to a record 1.5 million tickets. The Gaylord National had its best season since 2010, and Opryland and the Rockies had their best seasons ever. In its second year, ICE! at the JW Hill Country achieved the highest guest satisfaction ratings

for holiday attractions across the portfolio. Leisure performance at Opryland was a bright spot in the quarter. Both leisure demand and leisure ADR increased year-over-year and record ICE! volumes contributed to strong flow-through.

Our group business also performed well. Same-store attrition trend improved year-over-year and sequentially from the third quarter, and same-store banquet AV revenues were up nearly 5%, despite lower corporate group volumes compared to last year. Same-store banquet AV contribution for group room night, a proxy for catering spend per group guests, increased more than 10% year-over-year, an indication that once on property, groups continue to spend at healthy levels.

In the fourth quarter, the same-store portfolio booked more than 1.2 million gross group room nights for all future years. Notably, meeting planner sentiment improved as the quarter progressed, leading to record room night revenue and ADR bookings production for all future years during the month of December. ADR in those December bookings was up more than 10% compared to what was booked in December of 2024. As a result, at the end of December, same-store group rooms revenue, room nights, and ADR in the books for all future years were at all-time highs.

Looking ahead, our same-store group pace for 2026 and 2027 remains healthy. For 2026, same-store group rooms revenue on the books is up approximately 6% compared to the same time last year for 2025. And as expected, we entered the year with approximately 50 points of occupancy on the books. For 2027, same-store group rooms revenue on the books is up approximately 5% compared to the same time last year, and ADR on the book continues to pace up in the mid-single digits range. The number of new leads and late-stage opportunities also remains near record levels.

Let me make a few comments on the JW Marriott Desert Ridge before moving on to entertainment. The fourth quarter results were in line with our expectations. Transient demand increased nearly 10% year-over-year, supported by expanded holiday programming, which we view as an encouraging indicator ahead of introducing ICE! in 2026. The more that we learn about this property, the more bullish we are on its long-term potential under our ownership.

Now turning to our entertainment business. Entertainment segment delivered fourth quarter revenue growth of nearly 12% and adjusted EBITDAre growth of nearly 13%. As Colin mentioned earlier, the Opry delivered a record quarter behind strong October birthday month programming in attendance. In addition, a strong show calendar at the Ryman and improved volume in our downtown Nashville venues contributed to the growth.

Before I turn it over to Jennifer, let me provide some color on our initial guidance ranges for 2026. For our same-store hospitality business, at the midpoint, RevPAR growth of 2.5% implies modest assumptions for growth in group rooms revenue and flattish leisure performance. As I mentioned earlier, group room revenue on the books for 2026 is up approximately 6% compared to the same time last year. The difference between our pace entering the year and our RevPAR growth guidance range includes assumptions for in-the-year/for-the-year group bookings, group attrition and cancellations, and transient leisure performance.

Historically, it's typical for RevPAR growth to actualize lower than the group pace at the beginning of the year. Same-store total RevPAR growth, also 2.5% at the midpoint, reflects growth in banquet and AV revenue behind stronger corporate mix and contribution from the new sports bar at Gaylord Opryland beginning in the second quarter. The midpoint of guidance range for same-store hospitality adjusted EBITDAre implies approximately 2.5% operating expense growth, or 10 basis points of margin expansion, as we continue to work with Marriott to improve efficiencies.

The level of macroeconomic uncertainty and its impact on meeting volumes and meeting planner sentiment will be the primary driver of how our actual full-year results compared to this initial guidance range. Given the current political and economic environment here and abroad, we believe a measured view of demand is prudent.

For the JW Marriott Desert Ridge, the midpoint of guidance range for adjusted EBITDAre reflects our first full year of contribution. The meeting space conversion currently under construction remains on track to open in April 2026, and we have assumed some modest marketing investment behind the launch of our ICE! holiday programming at the property.

And finally, for our entertainment business, the midpoint of the guidance range for adjusted EBITDAre reflects nearly 10% growth year-over-year on increases in our existing businesses, as well as contributions from our recently announced projects coming online in 2026.

Note that 2026 seasonality will be more heavily weighted to the second quarter compared to 2025. The first quarter of 2025 is a challenging comparison for both business segments, and recent winter storm Fern was a modest drag on January results.

For the same-store hospitality business, we expect first quarter RevPAR and total RevPAR to be roughly flat and adjusted EBITDAre margin to decline approximately 100 basis points. The entertainment business, we expect first quarter adjusted EBITDAre to decline by several million dollars.

With that, now I'll turn it over to Jennifer to run you through our financial position and cash flow expectations for 2026.

Jennifer Hutcheson - *Ryman Hospitality Properties Inc - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

Thanks, Mark. Starting off with liquidity, we ended the fourth quarter with \$471 million of unrestricted cash on hand and our revolving credit facilities undrawn. Total available liquidity was nearly \$1.3 billion. We've retained an additional \$29 million of restricted cash available for FF&E in our maintenance projects.

Turning to the balance sheet. At the end of the quarter, our pro forma net leverage ratio based on total consolidated net debt to adjusted EBITDAre, assuming a full year contribution of adjusted EBITDAre from the JW Marriott Desert Ridge was 4.3 times.

In December, Fitch upgraded our corporate family rating to BB from BB-, which in turn lowered the applicable interest rate margin on SOFR for our corporate term loan B from 200 basis points to 175 basis points.

And in January of 2026, we successfully refinanced our corporate revolving credit facility, increasing the size from \$700 million to \$850 million, and extending that maturity from May 2027 to January 2030. Pricing and other terms of that agreement are largely similar to our previous credit facility agreement. Pro forma for this transaction, total available liquidity increased to approximately \$1.4 billion.

And finally, let me comment on our anticipated major cash outflows for the year. Regarding our outlook for capital expenditures in 2026, we expect to invest between \$350 million to \$450 million, primarily in our hospitality business. Our earnings release provides more detail on our capital plans and expected project loan costs.

Regarding our dividend, we are pleased to announce the declaration of our first quarter dividend of \$1.20, payable on April 15, 2026, to shareholders of record as of March 31, 2026. It remains our intention to continue to pay 100% of our REIT taxable income through dividends.

With that, Bo, let's open it up for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Cooper Clark, Wells Fargo.

Cooper Clark - *Wells Fargo Securities, LLC - Analyst*

Curious if you can provide an update on your group business mix for the year and how that's impacting your spread between RevPAR and TRevPAR assumed in guidance?

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Sure. Yes. We are in a position as we entered the year with a higher level of corporate mix on the books. It's about 3 points higher than last year, a decline in our other segments in SMERF and association as a result, so that positions us well for outside-the-room spend as we head into this year.

Cooper Clark - *Wells Fargo Securities, LLC - Analyst*

Great. And then I appreciate some of the earlier comments in the prepared remarks on the RevPAR guide, but hoping you could provide some additional details on the puts and takes as we think about the 2.5% midpoint within the context of the 6% group pace for the year? Just trying to think about some of the headwinds potentially embedded in guide as we contemplate last year's higher initial RevPAR guidance on lower group pace?

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Mark, do you want to take that?

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

Yes. I mean, so typically, when you enter the year, you're typically going to -- by the time you factor in your in-the-year/for-the-year, your attrition to cancellation in your leisure business, you're typically going to finish the year at a lower average RevPAR growth. And as we mentioned in the prepared remarks, what we're really looking at is a combination of what we pick up from in-the-year/for-the-year bookings, as well as attrition and cancellation. We're not -- I would tell you that our guidance doesn't assume any major shift in what we're seeing in trends. As I said, we are in our guidance reflects flattish leisure business.

And broadly speaking, what I would tell you is, is that what it ultimately reflects is what we don't know about what's happening in the economy. When you look at what transpired last year with Liberation Day, tariffs on and off, some of the different political and geopolitical issues that are occurring right now in the economy and how they're influencing our meeting planner sentiment as well as meeting planner trends, there's just not a lot of clarity into how things are going to unfold this year. So as I said in my remarks, we felt like that it's prudent to have taken a fairly conservative view on demand for the year, and we'll see how it shakes out, and we'll update you as the year progresses on how we're performing.

Operator

Patrick Scholes, Truist Securities.

Patrick Scholes - *Truist Securities Inc. - Analyst*

Two questions. One, can you share any additional or latest thoughts about possible development or expansion at the Rockies? That's the first one.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Mark, do you want to take that one?

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

Sure. So we continue to work on expansion, as you know, Pat. That's an asset that pre-COVID, we were prepared to expand. That business, as you know, has performed extremely well. And we're very, very bullish on that market in the long term, for long-term potential of that market.

As we've said on previous calls, we're working through a number of issues at the local level in terms of property taxes, et cetera. And those -- that work will ultimately determine how we expand and when we expand. But I think we'll have more to say on that over the next few quarters.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

I think, if I may, that hotel this year, I think it's right, Patrick, has the highest occupancy and the demand for group in that hotel is as strong as it's ever been. And I think we're a lot nearer pulling the trigger on an expansion in that hotel today than we were a year ago. I think as Mark said, I think you just got to be a little bit patient with us over the next one or two quarters, but we really do like the trajectory of this hotel.

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

The other comment I'd make is just to remind everyone, the investments that we made over the last couple of years, the new food and beverage and the new -- some of the new meeting space, that all -- all those investments were made to accommodate an expansion. So from a food and beverage capacity and meeting space capacity, we're prepared to receive additional rooms there.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

And those investments are really paying off right now. They're doing extremely well.

You had two questions, Patrick?

Patrick Scholes - *Truist Securities Inc. - Analyst*

Yes. Second one, just a little bit more backward-looking here. You did have a sizable year-over-year increase in the year for the year cancellations in the quarter. Now granted, it was only like 5,000 room nights, but what drove that? Was it government cancellation? Anything else -- or not government, but the government shutdown-related cancellations?

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Yes, great question. This is Patrick Chaffin. Yes, to your point, cancellations are up about 3,000 room nights, but they were down significantly versus Q3, which is when we saw a lot of the impact of the tariff situation. But they were in line with levels that we saw both in 2016, 2017, 2018, and 2019, before COVID. So we're not concerned in any way.

And if you look at the nature of the cancellations, to your point, they were all company specific. There were no macroeconomic concerns or reasons given. Mostly, it was CEOs or C-suite turnover as the primary reason for the cancellation. So not macroeconomically driven and in line with what we saw prior to COVID, so we were not concerned.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

And let me remind you and everyone else that we have really good contracts. So when cancellations occur close both in, we tend to collect the profitability loss. So our business model is very different to most of the other hotels that you follow.

Operator

Smedes Rose, Citi.

Smedes Rose - *Citi Investment Research (US) - Analyst*

I wanted to ask you, you mentioned in your opening remarks significantly better holiday programming results. And I was just wondering, do you think you just went into the quarter being conservative, given what had happened in '24, where I think it's sort of a disappointing result? Or what are you sort of marketing or ticketing differently? Kind of what maybe did you learn this year that maybe can work going forward?

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

There's multiple things. So do you want to give it a shot, Patrick?

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Sure. Smedes, this is Patrick. Good question. We did a lot of research in September to try to understand the mindset of the consumer going into this holiday season. And it was very clear that there was a very cost-conscious attitude and really focused on value as we're entering the season.

So we shifted a lot of our marketing to buy early and bundling opportunities, and that started the volume of demand on the books early and we really built from there. Once we saw the consumer get on property, they were hesitant. So we feel that we made the right decision in getting them to book early through bundling and special offers. But as you can see, it still generated really, really solid revenue for us. So getting folks on property and getting them exposed to our food and beverage opportunities and other outside-the-room spend really paid off for us.

I would tell you that until we see a dramatic shift from a macroeconomic perspective, we're probably going to maintain that same strategy of getting folks in early and booking early and giving them bundling opportunities to do so, so they see the value. But we were very, very proud of where we performed this year, and have some exciting news that we'll be talking through in July as far as themes for next year that we think will drive even more demand.

Smedes Rose - *Citi Investment Research (US) - Analyst*

Great. And then can I just ask you, you mentioned in your release \$23 million of EBITDA disruption in '25. Does your outlook incorporate a certain amount of construction disruption this year as well?

Jennifer Hutcheson - *Ryman Hospitality Properties Inc - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

Smedes, it's Jennifer. Yes, it does. We have those projects that are outlined in the release that are continuing on into 2026, largely at Opryland, and of course, the rooms renovation wrapping up at the Gaylord Texan, as well as the rooms renovation in the Hill Country JW that will kick off midyear or post-April after the Valero Open. So those will have some impact on the results and our expectations for 2026, and we would not expect those to be meaningfully different than what we saw in '25.

Operator

David Katz, Jefferies.

David Katz - Jefferies LLC - Analyst

I wanted to just focus on the entertainment business. Mark, I think you may have said in your prepared remarks that 1Q entertainment should be down. Would you mind, A, repeating yourself just a bit; and two, just giving us some color on the cadence for the year as we think about the entertainment business and what's driving that cadence?

Mark Fioravanti - Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director

Yes. So in terms of the cadence for the year -- well, actually, do you want to --

Patrick Moore - Ryman Hospitality Properties Inc - Chief Executive Officer - Opry Entertainment Group

Sure. Sure. Yes. This is Patrick Moore. Yes, a couple of things in Q1. One, we had the launch of Opry 100 last year as an NBC special that that was a little bit of a spike in March. But most of what you're seeing from a Q1, the rest of the year is a shifting in concert count across the portfolio, which is much bigger, and the concentration in both amphitheaters and festivals in that Q2-Q3 period. So that's -- those are part of the reasons for that shift.

David Katz - Jefferies LLC - Analyst

Okay. And if we could just get an updated view, while we have you, on sort of how you see the earnings power of this. Looking out years, couple of years into the future, where should we be setting our sights on what this business can do as you see it today?

Colin Reed - Ryman Hospitality Properties Inc - Executive Chairman of the Board

Do you want me to take?

Patrick Moore - Ryman Hospitality Properties Inc - Chief Executive Officer - Opry Entertainment Group

Yes, please.

Colin Reed - Ryman Hospitality Properties Inc - Executive Chairman of the Board

So David. It's Colin. This business, in our opinion, is awfully valuable. Live entertainment is such a sought-after commodity in this day and age. And I think we see a lot of growth in this business over the next three, four, five years.

And I can tell you that the folks in this, from Patrick Moore and Mark and myself, we spend more of our time fielding inbound opportunities on this business than we do, certainly, on our hotel business. The opportunity for growth in this business, I think, over the next two to three years is extraordinary. We think that we will plug in more amphitheaters. We believe that we'll do more Category 10s, more Ole Reds.

And I think -- and I think there is opportunity here in Nashville for us to take all of our undeveloped land around the Opry House. And we have, I don't know, 12, 15 acres of undeveloped land there to do something fairly spectacular for our business in the city of Nashville to accommodate the amount of people that are just pouring into Nashville now, wanting to experience country music in its real, authentic form.

So we're not going to give you numbers for '27, '28, '29, but I can tell you, our Board last week reviewed our own range plan for this business, and it is very attractive. And we like what we have on our hands here, and we're trying to figure out how we create even more value for our shareholders than we have over the last few years. I know that's a bit waffly, but we've got a lot of things we're working on here, David. And this is an outstanding business.

Operator

Duane Pfennigwerth, Evercore ISI.

Duane Pfennigwerth - Evercore ISI Institutional Equities - Analyst

I appreciate the commentary about acknowledging what you don't know about how the macro will play out this year. But I wonder if you could comment on what your business is telling you. If we play back what you saw in the fourth quarter from a group demand perspective for future bookings, are you seeing any changes in booking patterns versus what you'd normally expect for a fourth quarter? Any particular types of customers or industries that stood out positively or negatively?

Patrick Chaffin - Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels

This is Patrick Chaffin. Let me hit a couple of things here. First, I'd start with bookings. As far as what we saw in the fourth quarter, I would say the most important thing was we saw an easing in the tensions that have been created by the tariff situation back in April of 2025.

So if you think about it, recall that our leads were down about 4% in the third quarter. And we were messaging on that third quarter call that there could be some hesitancy on the part of meeting planners as we move through the fourth quarter regarding forward bookings because of the macro situation, and we're going to watch that and see what would happen.

October-November really followed that trend where we saw leads down and production down. But then December, which is the most important bookings month of the entire year for us, came roaring back, and we saw meeting planners relax in their hesitation. And our sales team came through really, really strong with the very best December production in terms of room nights that we've ever seen in the company's history, and ADR continued to be strong. So that's a clear indication that we weren't just selling room nights to get room nights out the door, but we were doing it at a growing rate, would end it up being a record for the company. So we were encouraged by what we saw develop as we went through the fourth quarter in bookings because it did indicate that the tension around tariffs was starting to ease.

We've talked a little bit about leisure, when we hit that side of the business. We are talking about flattish, but the reality is if you dig into that, leisure is flattish because of the renovations that are going on at Texan and Hill Country, and the fact that we have more group room nights on the books. And so some of that group is blocking out some of the transient opportunities. And so when you consider that and you look at the hotels that don't have renovations, they either have more group business on the books, or they actually see an improvement in leisure year-over-year. So group business is moving in a good direction. Leisure looks very, very strong.

As we look at spring break, everything is coming in as we expect thus far, we're still early in that process or in that timeline, but we see nothing that gives us concerns.

And then governments -- the last thing I'll hit, there's been a lot of concern around government business. We've been pivoting away from it, and it composes less than 0.4% of what's on the books for us. So we feel like we're in the right group business right now given everything

that's going on, and our leisure business remains strong. So fourth quarter for us gave a lot of confidence that we're in a good spot going into this year.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

And just talk a little bit about January.

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

In terms of performance?

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Yeah, just in terms of the mood of the meeting planner, because this is what Duane is asking.

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Yes. I mean the mood of the meeting planner has remained resilient, I guess, I would say. We went into the month, I would tell you that winter storm Fern obviously had an impact on us, but we were pacing ahead as we started January until we got to that winter storm, and meeting planner sentiment remains very resilient and interested in booking forward. So our funnel remains strong, and we feel good about where forward bookings are heading.

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

Leads are good. Attrition and cancellations, really no issues. On-property spending is still very good. So the early indicators that we look for, we're not seeing anything flashing yellow or flashing red. It's really just a recognition of the fact that when you look at what's happened over the last 12 months, environmentally, it's very difficult to predict where we're going to be tonight after the State of the Union, let alone six months from now.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Yes. And look, the other point I want to make, and I sort of try to make it in my prepared remarks, is that the folks sitting around this table that have been looking after and building this hotel business, we've been doing this for 20 years. And we -- over the period -- over this period of time, we have dealt so many times with the mood of the meeting planners shifting, yet our returns and our business and our performance, we sail through that because our relative positioning is so strong compared to those folks that we compete with. And so yes, maybe the meeting planners' mood may shift in '26 negatively like it did in the third quarter of last year, but our business will be just fine.

Operator

Chris Woronka, Deutsche Bank.

Chris Woronka - *Deutsche Bank Securities Inc. - Analyst*

I was hoping to get a little bit more color on how you expect the pavilion, new sports bar patio complex at Opryland, how that's going to kind of unfold over the next couple of years? And the question really is, is it meant to draw a little bit more (inaudible) shoulder periods and

weekends, in addition to being obviously a big amenity for groups? Or just kind of thoughts on whether that helps leisure in addition to group at Opryland?

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Chris, this is Patrick. I would tell you that the sports bar is all about seat count. Gaylord Opryland does not -- is not able to accommodate the demand that it has for food and beverage. There are just not enough outlets in that hotel. And so we're adding -- taking the best of what we've learned at Texan and Palms and Rockies, we're building the sports bar as far as the size and the capacity, and then putting that event lawn right next to it, 12,000 square foot of events lawn, so that you have an indoor and outdoor component, and we've added a whole lot of flexibility to it. So you can sell one portion of it, you can sell the entire restaurant. It is a very flexible outlet. And so this is all about adding seat count and giving additional buyout opportunities to groups who want to get their folks together.

It is strategically located right outside of the convention center, because we know that as folks are coming out of the convention center, they want to go with a group of folks that they've spent the whole day with and sit down and have a beer or a drink, watch a show, spend some time together. And so we feel this is both a leisure opportunity for us when we're in the off-season for group, but primarily a group opportunity for buyouts and just capturing more seats, more demand in-house for Opryland, because it just does not have the seats necessary to support demand.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

And what I was going to say, Patrick, is that when we have done this before, this is not our first rodeo. We've done this before in other hotels, and the returns on the investment have been spectacular. It's just that we haven't had one of these in this particular hotel, which is, really candidly, the most successful convention resort in the United States of America. This year, that hotel will push \$200 million of EBITDA out of it. I know we don't break it down in our guidance, but there is not another hotel like this in America. And so we believe, because of the volume of consumers in this hotel, both group and leisure, these -- the returns on investment here will be very encouraging.

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

And Chris, this is the first outlet of a multiyear kind of food and beverage refresh and expansion at Opryland. It's -- to Patrick's point, it's to increase the seat count to capture demand that is there that we are not monetizing. And it's also to raise the level of food and beverage experience in that hotel as we attract more and more premium corporate customers to that property.

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

And I would tell you that both with what's happening in the meeting space renovations and the new expansion, as well as the sports bar, site visits to this property are revealing a lot of excitement from meeting planners who are starting to lay eyes on this. It's all been a rendering and a promise for the past couple of years, and now they're seeing it come to fruition, and there's a lot of excitement and a lot of energy to get booked into these spaces.

Chris Woronka - *Deutsche Bank Securities Inc. - Analyst*

Okay. A lot of great color there. Appreciate that. Just as a follow-up, and this goes back to the entertainment OEG, which I agree you guys done a great job of building over the years. Maybe, Colin, a strategic question or remark, I mean are there any impediments to franchising potentially one of those brands, you got Category 10, you have Ole Red, I understand the REIT framework, but I think you probably have some room within that if this was something you wanted to do. So any thoughts on whether that's being considered?

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Well, it's very interesting you raise that question. The music of this city, when you look at what is happening in markets like the United Kingdom, you look at throughout Northern Europe, France, Holland, Belgium. Luke Combs will go over and play Wembley Stadium in July, three nights, sell out Wembley Stadium, 80,000 people a night. He'll go to Ireland, playing Slane Castle, 80,000 people there. Goes to Murrayfield in Scotland, plays that stadium, sold out already, that will happen in July.

And so the demand for this music overseas is very, very, very high, very strong. And I think our view is that the opportunity to expand the brands that we have built with these iconic artists are really, really good. But I think we would like to -- if we do it overseas, we would want to find a partner that does it on our behalf so we don't have to set up shop in these countries. But the answer is yes, it's a big opportunity, and it's a bigger opportunity because of the popularity of what is happening to the product of the city on a global basis.

Operator

Ari Klein, BMO Capital Markets.

Ari Klein - *BMO Capital Markets Corp. - Analyst*

I was hoping to get a little bit more color on the total RevPAR guide for '26. It looks like in '25, RevPAR and total RevPAR kind of grew similarly. And in '26, you have the benefit of a higher corporate group mix component. Why wouldn't we expect total RevPAR growth to outperform RevPAR growth this year?

Jennifer Hutcheson - *Ryman Hospitality Properties Inc - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

Yes. Some of that is just the law of numbers, Ari, with a bigger base on TRevPAR than it is to RevPAR. Patrick Chaffin mentioned earlier that it's about a 3-point swing. And corporate mix does tend to, as you know, outperform outside the room, but we also can get good performance from premium association and noncorporate groups as well. And we saw that did play out favorably in the fourth quarter of '25 as well. So I think those are the factors to think about when you think about the relative room revenue -- RevPAR to TRevPAR outlook in '26.

Ari Klein - *BMO Capital Markets Corp. - Analyst*

Okay. And then, Colin, you mentioned the potential rotational benefits with JW DR and a new market, recognizing that it's still fairly early. What are some of the early trends you've been seeing on that front?

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Could you repeat that first part of -- the first part of the question?

Ari Klein - *BMO Capital Markets Corp. - Analyst*

Just in terms of the rotational benefits with JW DR and having a new market to offer, fully recognize that it's still early, but just curious what some of the early trends you're seeing there from a rotational element standpoint?

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Yes. So with Desert Ridge and Hill Country both in the family now, we are -- we talked about this in the last quarterly call that we had hired a couple of positions that would focus just on that multiyear rotational business, moving them back and forth between the JWs, and then

JW to the Gaylord. And I would tell you that we've had some good success. We've only had about one quarter of having those positions in place, but we've booked about 22,000 multiyear room nights that were manufactured just as a result of that JW relationship of the two hotels being able to push back and forth to each other, or over to the Gaylord. So we continue to believe that there's upside here, and we'll continue to push that really hard.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

And Patrick, de facto in what you've said, we've aligned the sales organization. So maybe just talk a little bit about that, will you?

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Yes. So we have a really strong sales team in the Gaylord side of the house, and we have added resources to ensure that there's more communication and more synergy between the JWs and the Gaylords, and that we're taking all the learnings from creating a multiyear rotational business across the Gaylords and applying that to the JWs, and that is what we're starting to see gain some traction.

Operator

Dan Politzer, J.P. Morgan.

Daniel Politzer - *J.P. Morgan Securities LLC - Analyst*

First, I want to touch on the leisure. Obviously, your guidance reflects a flattish outlook there. Can you maybe talk about what you're seeing across your portfolio, specifically what's embedded in your outlook for Nashville, just given that was a bit of a headwind in 2025 on the leisure side.

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Yes. So as it relates specifically to Nashville, Gaylord Opryland has a really solid book of business on the books going into this year. They're in a better position than they were last year. So we see really kind of more flattish because some of that group demand is taken up some of the -- is pushing out some of the leisure opportunities. But this market has sustained a lot of supply increase, but we've held our own and increased our RevPAR penetration, and we see that continuing as we move into '26.

Daniel Politzer - *J.P. Morgan Securities LLC - Analyst*

Got it. And then just for my follow-up. I think it was you, Colin, that mentioned the 2027 guidance that you laid out back in January 2024. I mean it sounds like you feel very comfortable with the target there, we'll get an update later in the year, but just to clarify, when you talk about the level of comfort there, does that now include Desert Ridge, which obviously you've acquired ex post?

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

Yes, there are some, what I would say, kind of ins and outs in terms of our assumptions. To your point, we did not assume Desert Ridge when we made those projections in '24, but we assumed that we had -- we would have our rooms addition open in the Rockies. And so if you kind of trade one property out for the other, we are -- we remain well within that guidance range. And I would tell you that depending on whether you include Desert Ridge in or whether you leave it out, you're in the guidance range, it's just a question of whether you're -- where you're at in the guidance range.

Operator

Rich Hightower, Barclays.

Richard Hightower - *Barclays Capital Inc. - Analyst*

I guess as we think about the ranges within the varying sort of guidance parameters, I guess, to hit the high end from where we sit today, let's say, of EBITDA or FFO, is it going to be revenue driven to get there? Is it going to be expense driven? I know you said there's an embedded expense growth assumption of around 2.5%. But what -- just walk us through maybe the different flex points that would bring you to one end to the other?

Jennifer Hutcheson - *Ryman Hospitality Properties Inc - Chief Financial Officer, Executive Vice President, Chief Accounting Officer*

Yes. On the top line, I think we've said it in various ways, but it's going to come down to where kind of group lands, and all the components that Mark mentioned in his prepared remarks and some of the Q&A, we've referenced how do attrition and cancellations play out, how do meeting volumes respond to meeting plan or sentiment in response to what policy changes may come out of Washington and how that affects the macro. So it's largely on the group side, I think, where we can see driving a lot of where we land within the range of outcomes, particularly on that RevPAR range.

From an expense standpoint, the midpoint of our guide assumes that we're a little shy of 3% in terms of operating expense growth. So that feels pretty manageable at this point. I don't think that there are big drivers, I think, on the operating expense side that are going to move it. It's going to be demand-driven.

Richard Hightower - *Barclays Capital Inc. - Analyst*

Okay. Very helpful. And then, I guess, maybe a slightly bigger-picture question, but you did Desert Ridge last year. It sounds like that's folding into the portfolio successfully. And I guess as you think about the transaction market more broadly, there might be one or two assets on the market, coming to market this year. It's not a lot, but there might be something in there that might fit within what you guys are trying to do. So talk about maybe your appetite for doing another deal in line with maybe the size of a Desert Ridge, balance sheet capacity, how much could we do there? And what's the appetite, if any?

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

Yes. Look, I would tell you that we certainly have the balance sheet capacity to do a transaction. We are in the process right now of kicking off some renovation and some enhancements at Hill Country and digesting Desert Ridge. So we're very focused on those two properties.

If an asset came to market that checks all of our strategic boxes in terms of the quality of the product, the market, the fact that it's group-oriented has the leisure components, and it's priced appropriately, it's certainly something we would look at, and we have the capacity to do it. But the reality of it is that when we look across our current portfolio and the opportunities we have to reinvest incremental capital at very, very high rates of return, that's very, very -- that's a very attractive alternative to us. So for us to add a hotel, it needs to be a bullseye for us. We're not -- we wouldn't look at marginal deals.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Yes. So Rich, just to give you a little bit more color. These two hotels that we've acquired over the last two years are hotels that we had earmarked to purchase, I want to say, 8, 10 years ago. We've been looking at these hotels every single year. And I don't think that there is

another hotel that had -- that we have the same appetite for as those two. So as Mark said, it would have to be something extraordinarily special.

But the great news for us is we have tremendous opportunity to grow. We can grow the ones that we own. I mean, six of the seven that we own, we would consider expanding. And then we have an entertainment business that's growing like a weed. And so the growth characteristics of our company are great. We don't have to go to the market and go buy some fancy hotel in a market that really, over time, won't create the value that the existing portfolio will.

Operator

Shaun Kelley, Bank of America.

Shaun Kelley - BofA Global Research (US) - Analyst

For Colin or whoever the right person is, I think there's a proposal out there for a potential Sphere, or a smaller version of it in or around the National Harbor complex. I'm just wondering if you could -- if you explored that, or could talk a little bit about that and what the potential for that might be, especially given how transformative it's been for certain surrounding hotels in Las Vegas.

Colin Reed - Ryman Hospitality Properties Inc - Executive Chairman of the Board

Well, I think that was -- there's been some chatter in the market about the developer of National Harbor, the Peterson Company. I think I read this partnering with the Sphere organization to do something like that. And if it did, it would be great for National Harbor.

And so the answer is we would encourage them, the Peterson Company, to do it. But the reality is the Spheres are very expensive. You can't build one of these things probably under \$1 billion, unless it's a real small Sphere. And so the issue for us is that we like projects that generate 12%, 14%, 15% rates of return. We would be a cheerleader in Washington.

Patrick Chaffin - Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels

Yes. And at the right time, this is probably two to three years off, but at the right time, we would reach out and partner with that organization to create packages and opportunities for us at the hotel -- our hotel and the Sphere to work together in bringing folks in and giving them overnight visitation into our hotel.

Shaun Kelley - BofA Global Research (US) - Analyst

Got it. Great. And then back in the prepared remarks, there was a mention around working with Marriott on efficiency. And obviously, I think that was in the context of the margin profile that you're looking for for this year's guide. But could you just talk a little bit more broadly about initiatives there, what you've been able to accomplish, and sort of anything that they're doing on the charge-out rates kind of following the credit card transactions that they're working on and just sort of how your fee structure with them is evolving?

Patrick Chaffin - Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels

Yes. I would tell you, our focus has primarily been -- we've spent about six to seven months of 2025 working with them on procurement, as well as third-party vendor contracts, really going back to some of our largest third-party contracts and breaking them down, looking at alternative vendor sourcing and really pushing folks to get the most aggressive and efficient contract in place.

Same thing on the procurement side. There's been some changes with Avendra and other outside vendors that Marriott uses on procurement. And we are really pleased with the results of that.

On the credit card, we have been told that we stand to potentially benefit. That's not something that Marriott gives a lot of insight on to, and that is within the management agreement that that's something they keep a little closer to the chest, but we understand it is a benefit for the system, and we wait to see what that will be.

Operator

John DeCree, CBRE.

John DeCree - *CBRE Capital Advisors - Analyst*

I think most have been answered, but I think I heard a comment about government business, I wanted to circle back to, if I heard correctly, was it 4% or 0.4% of your bookings for this year so far?

And then the follow-up, are there any other sectors that your group business might be indexed to? A lot of us are kind of focusing on the technology sector, et cetera. Is there anything that you would call out that you have more exposure to than another sector?

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Yes. So the comment I made earlier was if you look at the same-store, what we booked in the fourth quarter, government accounted for just about 0.4% of the production. And similarly, on the books, government room nights as of January 1 stood at about 0.4% of our total group room nights on the books. So very small exposure there as we have tried to pivot away from that, given some of the challenges there that we've seen over the past year or so.

Again, as a reminder, we have less than 5% of our business in any one sector. We're very well diversified as far as sources of our group business. We have been leaning into West Coast tech and fintech to try and grow that business that we see opportunity there. So limiting where we see some contraction on the government side, and really pursuing and trying to grow our West Coast and fintech exposure.

Operator

Jay Kornreich, Cantor Fitzgerald.

Jay Kornreich - *Cantor Fitzgerald & Co. - Analyst*

Just one for me. You mentioned seeing positive momentum from the meeting planners recently. And I was just curious as you look at the out years such as 2027 and 2028, which have more of the benefit from completed CapEx projects, can you comment just as to how room rate and overall bookings are trending at this point?

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Yes. We've talked about '26 is in a great position, '27's in a good position. And as you look out beyond, we're very encouraged rate. What the sales team has been able to do by -- we've pivoted our value proposition with all these investments and the sales team has been able to deliver on the rate side. And obviously, rate is more sticky. It's going to stay with us once it's booked. So as we look out into the future years, we continue to see really solid growth as far as what we already have on the books, and rate is the major driver of that.

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

'28 rates and beyond is up over 5%.

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Yes. We're kind of holding that mid-single-digit rate growth for '28, '29, et cetera.

Operator

Chris Darling, Green Street.

Chris Darling - *Green Street Advisors, LLC - Analyst*

Colin, in the prepared remarks, I think you mentioned that the same-store hospitality portfolio RevPAR index share is effectively at the highest point it's ever been. Curious if you could share what that figure looks like?

And then as you look out forward, and it probably some of the prior questions, but what's your level of confidence in being able to take further share over time? I always wonder if there's sort of a natural upper bound in your ability to push price relative to your concept.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Yes. Let me talk big picture, and then Patrick will give you the detail. What we have tried to do over the years that have gone by is to create a business, a hotel business, that is -- has relative sustainability to it compared to the organizations we compete with. And we do it through a number of pillars. One, the physical product of the hotels have got to be world-class. And we have -- I think we've demonstrated over the last years our desire to continue to improve the quality of the assets, each asset in the portfolio.

The second part of it is the service levels. And the way we sit on Marriott in terms of customer satisfaction, and the work we do directly going to the meeting planner, speaking directly to the meeting planner, our organization, not through Marriott, speaking directly to the meeting around understanding the level of service execution, and we keep growing that.

And then the third part of it is these convention goes, when they go to a market, they want to go to markets where they can have fun over three, four days. And so the constant improvement to what I would call the fun side of the stay is something that we have just continued to focus on. And this is why we are spending a lot of money on things like pool complexes, sports bars, improving the quality of the restaurants, music in these hotels. And then it's just the knowledge of the meeting planner itself and understanding is exactly what they want.

And it's a combination of these things that build this sort of sustainably -- this business that is continuing to get more and more market share. And this is one of the things that I feel very, very strongly about. We go through these periods where the meeting planner switches off, the meeting planner switches on. We have an economic meltdown, we have two or three years of economic growth. But what we're interested in is managing through that noise. We have such a small share of this industry, and we are continuing to take out the customers that we don't want, bring in customers that we do want, the higher-rated business, and building just sustainable business here, and that is showing up in these RevPAR indexes.

So Patrick, that's the precursor.

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

So to Colin's point, fourth quarter, we delivered an average RevPAR index on the same-store side of 143% versus the comp set. That's a 1,200-basis-point improvement year-over-year. So really, really solid performance by the hotels in stealing share. Full year, our RevPAR for the same store against the comp set finished 127%. That's an increase of 610 bps year-over-year, and even an increase of 410 bps versus 2023.

So to Colin's point, we continue to invest to enhance the value proposition. We increased our distribution, that allows us to capture more multiyear rotational business and a greater share of each individual meeting planners' total book of meetings business, and that's how we'll continue to steal share.

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

And that's why there's no upper bound, because the product -- we continue to evolve the product, and we continue to change the value proposition. So we don't view it as a -- if there's an upper bound on this. We can continue to drive more and more and more share and take share away from others who aren't investing.

Operator

Stephen Grambling, Morgan Stanley.

Stephen Grambling - *Morgan Stanley & Co. LLC - Analyst*

This is maybe a big-picture question, but how do you think about the impact of AI on the hospitality business, both as you think about demand drivers and the makeup of what meetings may look like? Plus any opportunities you're seeing now on an operational -- from an operational standpoint for potential margin uplift?

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Yes. Stephen, this is a question that we've spent a lot of time as a company asking ourselves and asking Marriott, and frankly, discussing it with our Board. We had a long conversation about this last week at our Board level.

And so Patrick, do you want to just give Stephen a broad outline of the engagement that we have made with Marriott and the areas that we see AI really helping in terms of efficiency?

Patrick Chaffin - *Ryman Hospitality Properties Inc - Executive Vice President, Chief Operating Officer - Hotels*

Yes. I would say that our primary three areas of focus are going to be on the sales transaction and efficiency around that. Second, around revenue management, with dynamic pricing and just understanding the competition and in enhancing our capabilities there. And then finally, which may get overlooked, but it's a massive opportunity, labor is over 60% of our total cost. And so the ability to use -- to move away from Microsoft Excel spreadsheets, to move away from some of the current systems that are pretty antiquated in the light of the AI revolution, and move to AI-capable labor management tools, we're really focused on those three areas. And we are, like all owners, putting a lot of pressure on Marriott, and Marriott is working to understand exactly what the cadence and pace of their investment and progress will be here. And so it's an ongoing discussion, but those are the three areas we're focused on.

Mark Fioravanti - *Ryman Hospitality Properties Inc - President, Chief Executive Officer, Director*

And the interesting thing about our business, both the hotel business and the entertainment business, the live entertainment business, is that they are both businesses that are almost kind of an anti-AI play in that. We're going to reach a point where unless you're in the room with someone, you don't know whether it's real or whether it's AI-generated.

And so much like the pandemic became a tailwind for both of our businesses, I would argue that I think AI may ultimately be a tailwind as well, because people are going to value -- they're one, going to have more time; and two, they're going to value being face-to-face with other human beings in the same room.

Colin Reed - *Ryman Hospitality Properties Inc - Executive Chairman of the Board*

Yes. I agree with that, Mark, 100%. And so anyway, Stephen, hopefully, that helped you understand that it is a major focus for us as a company, and we are going to continue to work with our friends at Marriott to make sure that we are an early adopter, and that the efficiency of the company just improves here over the next one to two years.

Beau, I think that's everybody in the queue. So we would like to thank everyone for their participation this morning, and upward and onward. And if you have any further questions, you know how to get a hold of us here at Ryman. Thank you very much indeed for your time.

Operator

Thank you very much, Mr. Reed. Ladies and gentlemen, that will conclude today's Ryman Hospitality Properties fourth quarter earnings conference call. Again, thanks so much for joining us, everyone. We wish you all a great day. Goodbye.

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