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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2026

OR

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

For the transition period from _________ to

Commission File Number 001-37795

Park Hotels & Resorts Inc.

(Exact name of Registrant as specified in its Charter)

Delaware	**36-2058176**
(State or other jurisdiction of incorporation or organization)	(I.R.S Employer Identification No.)
1775 Tysons Boulevard, 7th Floor, Tysons, VA	**22102**
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code): (571) 302-5757

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

Title of each class	Trading Symbol	Name of exchange on which registered
Common Stock, $0.01 par value per share	PK	New York Stock Exchange

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

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

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

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

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

The number of shares of common stock outstanding on July 31, 2026 was 201,338,330.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

PARK HOTELS & RESORTS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except share and per share data)

	June 30, 2026 (unaudited)	December 31, 2025
ASSETS		
Property and equipment, net	$ 6,908	$ 6,955
Assets held for sale, net	13	14
Intangibles, net	40	41
Cash and cash equivalents	264	232
Restricted cash	38	32
Accounts receivable, net of allowance for doubtful accounts of $2 and $2	151	116
Prepaid expenses	54	60
Other assets	78	80
Operating lease right-of-use assets	156	170
TOTAL ASSETS (variable interest entities – $199 and $207)	$ 7,702	$ 7,700
LIABILITIES AND EQUITY		
Liabilities		
Debt	$ 3,915	$ 3,838
Accounts payable and accrued expenses	226	198
Dividends payable	51	56
Due to hotel managers	106	134
Other liabilities	184	189
Operating lease liabilities	187	209
Total liabilities (variable interest entities – $194 and $198)	4,669	4,624
Commitments and contingencies – refer to Note 12		
Stockholders' Equity		
Common stock, par value $0.01 per share, 6,000,000,000 shares authorized, 202,614,273 shares issued and 201,349,455 shares outstanding as of June 30, 2026 and 200,938,658 shares issued and 199,901,086 shares outstanding as of December 31, 2025	2	2
Additional paid-in capital	4,028	4,031
Accumulated deficit	(940)	(902)
Total stockholders' equity	3,090	3,131
Noncontrolling interests	(57)	(55)
Total equity	3,033	3,076
TOTAL LIABILITIES AND EQUITY	$ 7,702	$ 7,700

Refer to the notes to the unaudited condensed consolidated financial statements.

PARK HOTELS & RESORTS INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in millions, except per share data)

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Revenues				
Rooms	$ 401	$ 401	$ 757	$ 764
Food and beverage	188	180	370	362
Ancillary hotel	67	68	127	131
Other	24	23	48	45
Total revenues	680	672	1,302	1,302
Operating expenses				
Rooms	104	105	201	205
Food and beverage	125	122	247	245
Other departmental and support	149	152	294	303
Other property	42	50	96	107
Management fees	33	31	63	61
Impairment and casualty loss	22	—	27	70
Depreciation and amortization	66	122	130	191
Corporate general and administrative	20	19	38	37
Other	22	23	46	44
Total expenses	583	624	1,142	1,263
(Loss) gain on sales of assets, net	(2)	1	(3)	1
Gain on derecognition of assets	—	16	—	32
Operating income	95	65	157	72
Interest income	2	2	3	5
Interest expense	(52)	(53)	(103)	(105)
Interest expense associated with hotels in receivership	—	(16)	—	(32)
Equity in earnings from investments in affiliates	1	2	2	2
Other gain (loss), net	9	(1)	9	1
Income (loss) before income taxes	55	(1)	68	(57)
Income tax expense	(5)	(1)	(6)	(2)
Net income (loss)	50	(2)	62	(59)
Net income attributable to noncontrolling interests	(3)	(3)	(4)	(3)
Net income (loss) attributable to stockholders	$ 47	$ (5)	$ 58	$ (62)
Earnings (loss) per share:				
Earnings (loss) per share – Basic	$ 0.24	$ (0.02)	$ 0.29	$ (0.31)
Earnings (loss) per share – Diluted	$ 0.24	$ (0.02)	$ 0.29	$ (0.31)
Weighted average shares outstanding – Basic	200	199	200	199
Weighted average shares outstanding – Diluted	200	199	200	199

Refer to the notes to the unaudited condensed consolidated financial statements.

PARK HOTELS & RESORTS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in millions)

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Operating Activities:		
Net income (loss)	$ 62	$ (59)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	130	191
Loss (gain) on sales of assets, net	3	(1)
Gain on derecognition of assets	—	(32)
Impairment loss	25	70
Equity in earnings from investments in affiliates	(2)	(2)
Other (gain) loss, net	(3)	1
Share-based compensation expense	10	9
Amortization of deferred financing costs	4	4
Distributions from unconsolidated affiliates	5	1
Deferred income taxes	3	—
Changes in operating assets and liabilities	(37)	12
Net cash provided by operating activities	200	194
Investing Activities:		
Capital expenditures for property and equipment	(147)	(120)
Proceeds from asset dispositions, net	28	75
Proceeds from the sale of investments in affiliates, net	3	—
Net cash used in investing activities	(116)	(45)
Financing Activities:		
Borrowings from credit facilities	250	—
Repayments of credit facilities	(50)	—
Repayments of mortgage debt	(124)	(4)
Debt issuance costs	(7)	—
Dividends paid	(100)	(181)
Distributions to noncontrolling interests	(6)	(8)
Tax withholdings on share-based compensation	(9)	(4)
Repurchase of common stock	—	(45)
Net cash used in financing activities	(46)	(242)
Net increase (decrease) in cash and cash equivalents and restricted cash	38	(93)
Cash and cash equivalents and restricted cash, beginning of period	264	440
Cash and cash equivalents and restricted cash, end of period	$ 302	$ 347
Supplemental Disclosures		
Non-cash investing and financing activities:		
Accrued capital expenditures	$ 25	$ 30
Dividends declared but unpaid	50	50

Refer to the notes to the unaudited condensed consolidated financial statements.

PARK HOTELS & RESORTS INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(unaudited, in millions)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Non-controlling Interests	Total
	Shares	Amount				
Balance as of December 31, 2025	200	$ 2	$ 4,031	$ (902)	$ (55)	$ 3,076
Share-based compensation, net	1	—	(8)	4	—	(4)
Net income	—	—	—	11	1	12
Dividends and dividend equivalents[1]	—	—	—	(50)	—	(50)
Distributions to noncontrolling interests	—	—	—	—	(1)	(1)
Balance as of March 31, 2026	201	2	4,023	(937)	(55)	3,033
Share-based compensation, net	—	—	5	—	—	5
Net income	—	—	—	47	3	50
Dividends and dividend equivalents[1]	—	—	—	(50)	—	(50)
Distributions to noncontrolling interests	—	—	—	—	(5)	(5)
Balance as of June 30, 2026	201	$ 2	$ 4,028	$ (940)	$ (57)	$ 3,033

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Non-controlling Interests	Total
	Shares	Amount				
Balance as of December 31, 2024	203	$ 2	$ 4,063	$ (420)	$ (51)	$ 3,594
Share-based compensation, net	1	—	(1)	1	—	—
Net loss	—	—	—	(57)	—	(57)
Dividends and dividend equivalents[1]	—	—	—	(49)	—	(49)
Distributions to noncontrolling interests	—	—	—	—	(7)	(7)
Repurchase of common stock	(4)	—	(45)	—	—	(45)
Balance as of March 31, 2025	200	2	4,017	(525)	(58)	3,436
Share-based compensation, net	—	—	5	—	—	5
Net (loss) income	—	—	—	(5)	3	(2)
Dividends and dividend equivalents[1]	—	—	—	(50)	—	(50)
Distributions to noncontrolling interests	—	—	—	—	(1)	(1)
Balance as of June 30, 2025	200	$ 2	$ 4,022	$ (580)	$ (56)	$ 3,388

(1) Dividends declared per common share were $0.25 for each of the three months ended March 31, 2026, June 30, 2026, March 31, 2025 and June 30, 2025.

Refer to the notes to the unaudited condensed consolidated financial statements.

PARK HOTELS & RESORTS INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Note 1: Organization

Park Hotels & Resorts Inc. ("we," "us," "our" or the "Company" and, exclusive of any subsidiaries, "Park Parent") is a Delaware corporation that owns a portfolio of premium-branded hotels and resorts primarily located in prime city center and resort locations. On January 3, 2017, Hilton Worldwide Holdings Inc. ("Hilton") completed the spin-off of a portfolio of premium hotels and resorts that established Park Hotels & Resorts Inc. as an independent, publicly traded company.

We are a real estate investment trust ("REIT") for United States ("U.S.") federal income tax purposes. We have been organized and operated, and we expect to continue to be organized and operate, in a manner to qualify as a REIT. To qualify as a REIT, we must satisfy requirements related to, among other things, the real estate qualification of sources of our income, the real estate composition and values of our assets, the amounts we distribute to our stockholders annually and the diversity of ownership of our stock. From the date of our spin-off from Hilton, Park Intermediate Holdings LLC (our "Operating Company"), directly or indirectly, has held all our assets and has conducted all of our operations. We are structured as a traditional umbrella partnership REIT ("UPREIT"). Park Parent is the managing member of our Operating Company and PK Domestic REIT Inc., a direct subsidiary of Park Parent, is a member of our Operating Company. We may, in the future, issue interests in (or from) our Operating Company in connection with acquiring hotels, financings, issuance of equity compensation or other purposes.

Our strategic focus is on our "Core" portfolio, which includes 20 of our consolidated hotels and one unconsolidated joint venture and consists primarily of hotels and resorts that cater to both group and leisure demand. Our remaining hotels are considered "Non-Core." As of June 30, 2026, our remaining Non-Core portfolio included 10 consolidated hotels, which included one hotel sold in July 2026. The Company intends to divest of all remaining Non-Core hotels from its portfolio.

Note 2: Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

Principles of Consolidation

The unaudited condensed consolidated financial statements reflect our financial position, results of operations and cash flows, in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"). We have condensed or omitted certain information and footnote disclosures normally included in financial statements presented in accordance with U.S. GAAP. In our opinion, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, including normal recurring items, considered necessary for a fair presentation of the interim periods. All significant intercompany transactions and balances within the financial statements have been eliminated.

These financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2025 included in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission ("SEC") on February 20, 2026.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Interim results are not necessarily indicative of full year performance.

Summary of Significant Accounting Policies

Our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 20, 2026, contains a discussion of significant accounting policies. There have been no significant changes to our significant accounting policies since December 31, 2025.

Recently Issued Accounting Pronouncements

Accounting Standards Not Yet Adopted

In November 2024, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") No. 2024-03 ("ASU 2024-03"), *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*, which adds guidance on providing qualitative and quantitative disclosures about certain costs and expenses. ASU 2024-03 may be adopted on either a prospective or retrospective basis, with early adoption permitted, but we expect to adopt the ASU on a prospective basis when the requirements become effective for the year ended December 31, 2027. We are currently evaluating the effect that ASU 2024-03 will have on our consolidated financial statements.

In May 2026, the Financial Accounting Standards Board issued ASU No. 2026-02 ("ASU 2026-02"), *Environmental Credits and Environmental Credit Obligations (Topic 818)*, which adds guidance for the recognition, measurement, presentation and disclosure of assets, liabilities and expenses related to environmental credits and environmental credit obligations. ASU 2026-02 is required to be adopted on a retrospective basis. Although early adoption is permitted, we expect to adopt the ASU when the requirements become effective on January 1, 2028. We are currently evaluating the effect that ASU 2026-02 will have on our consolidated financial statements.

Note 3: Dispositions and Assets Held for Sale

During the six months ended June 30, 2026, we sold the two consolidated Non-Core hotels listed in the table below and received total gross proceeds of approximately $31 million. We recognized a net loss of approximately $3 million, which is included in *(loss) gain on sales of assets, net* in our condensed consolidated statements of operations.

Hotel	Location	Month Sold
Hilton Checkers Los Angeles	Los Angeles, California	January 2026
Hilton Seattle Airport & Conference Center	Seattle, Washington	April 2026

In May 2026, we sold our ownership interest in the unconsolidated joint venture that owns and operates the Embassy Suites by Hilton Alexandria Old Town for gross proceeds of $29 million, which was reduced by $25 million for our share of the mortgage debt in the joint venture. We recognized a net gain of approximately $4 million, which is included in *other gain (loss), net* in our condensed consolidated statements of operations.

Additionally, in June 2026, the ground lease for the Embassy Suites by Hilton Austin Downtown South Congress was terminated pursuant to an agreement, and the property reverted to the ground lessor. We received an early termination fee of approximately $6 million, which is included in *other gain (loss), net* in our condensed consolidated statements of operations. In addition, we sold all personal property and business assets of the hotel to the ground lessor and recognized a loss of approximately $1 million, which is included in *(loss) gain on sales of assets, net* in our condensed consolidated statements of operations.

In May 2025, we sold the Hyatt Centric Fisherman's Wharf for gross proceeds of $80 million. We recognized a net gain of approximately $1 million, which is included in *(loss) gain on sales of assets, net* in our condensed consolidated statements of operations.

Assets Held for Sale

In June 2026, we entered into a definitive agreement to sell the Hilton Short Hills, one of our Non-Core hotels, which was subsequently sold in July 2026 for gross proceeds of $12 million.

Assets held for sale related to this hotel were as follows as of June 30, 2026:

		(in millions)
Assets:		
Property and equipment, net	$	11
Accounts receivable, net of allowance for doubtful accounts		1
Prepaid expenses		1
Total Assets Held for Sale	$	13

Liabilities held for sale related to this hotel were approximately $1 million as of June 30, 2026, which is included in *other liabilities* in our condensed consolidated balance sheets.

Note 4: Property and Equipment

Property and equipment were:

		June 30, 2026[1]		December 31, 2025[1]
	(in millions)			
Land	$	2,915	$	2,918
Buildings and leasehold improvements		5,497		5,487
Furniture and equipment		996		931
Construction-in-progress		237		249
		9,645		9,585
Accumulated depreciation		(2,737)		(2,630)
	$	6,908	$	6,955

(1) Excludes $11 million and $13 million of property and equipment, net, classified as held for sale as of June 30, 2026 and December 31, 2025, respectively.

Depreciation of property and equipment was $65 million and $122 million during the three months ended June 30, 2026 and 2025, respectively, and $129 million and $191 million during the six months ended June 30, 2026 and 2025, respectively. Depreciation expense for the three and six months ended June 30, 2025 includes accelerated depreciation of approximately $56 million recognized in connection with the full-scale renovation at the Royal Palm South Beach Miami, a Tribute Portfolio Resort, which began in May 2025 and was completed in July 2026.

Note 5: Consolidated Variable Interest Entities ("VIEs") and Investments in Affiliates

Consolidated VIEs

We consolidate VIEs that own two hotels. We are the primary beneficiary of these VIEs as we have the power to direct the activities that most significantly affect their economic performance. Additionally, we have the obligation to absorb their losses and the right to receive benefits that could be significant to them. The assets of our VIEs are only available to settle the obligations of these entities. Our condensed consolidated balance sheets include the following assets and liabilities of these entities:

	June 30, 2026	December 31, 2025
	(in millions)	
Property and equipment, net	$ 179	$ 182
Cash and cash equivalents[1]	10	16
Restricted cash	4	3
Accounts receivable, net	4	3
Prepaid expenses	2	3
Debt	181	183
Accounts payable and accrued expenses	9	9
Due to hotel manager	—	2
Other liabilities	4	4

(1) As of December 31, 2025, included $7 million of cash held in a VIE related to a hotel sold in December 2024, which had not yet been distributed.

Unconsolidated Entities

One of our hotels is owned by an unconsolidated joint venture in which we hold an interest and is accounted for using the equity method. This hotel had total debt of approximately $525 million as of both June 30, 2026 and December 31, 2025. In May 2026, we sold our ownership interest in the unconsolidated joint venture that owns and operates the Embassy Suites by Hilton Alexandria Old Town, which had total debt of approximately $48 million as of December 31, 2025. Substantially all the debt is secured solely by the affiliates' assets or is guaranteed by other partners without recourse to us.

Note 6: Debt

Debt balances and associated interest rates as of June 30, 2026 were:

	Interest Rate at June 30, 2026	Maturity Date	Extended Maturity Date[1]	Principal balance as of June 30, 2026	Principal balance as of December 31, 2025
				(in millions)	
HHV Mortgage Loan[2]	4.20%	November 2026	None	$ 1,275	$ 1,275
Other mortgage loans[3]	Average rate of 4.48%	2026 to 2027[4]	None	231	355
Bonnet Creek Mortgage Loan	SOFR + 2.25%	April 2029	April 2031	—	—
2024 Term Loan	SOFR + 2.20%[5]	May 2027	None	200	200
Revolver[6]	SOFR + 2.25%	September 2029	September 2030	—	—
2025 Delayed Draw Term Loan[3]	SOFR + 2.20%[3]	January 2030	January 2031	200	—
2028 Senior Notes[7]	5.88%	October 2028	None	725	725
2029 Senior Notes[7]	4.88%	May 2029	None	750	750
2030 Senior Notes[7]	7.00%	February 2030	None	550	550
Finance lease obligations	6.88%	2027 to 2030	None	1	1
				3,932	3,856
Less: unamortized deferred financing costs and discount				(17)	(18)
				$ 3,915	$ 3,838

(1) The extension options are exercisable subject to compliance with certain covenants.

(2) In October 2016, we entered into a $1.275 billion CMBS loan secured by the Hilton Hawaiian Village Waikiki Beach Resort ("HHV Mortgage Loan").

(3) Our $800 million senior unsecured delayed draw term loan facility ("2025 Delayed Draw Term Loan") was incurred in September 2025. In June 2026, we drew $200 million from our 2025 Delayed Draw Term Loan to fully repay the $120 million mortgage loan secured by the Hyatt Regency Boston, which was scheduled to mature on July 1, 2026, with the remaining proceeds to be used for general corporate purposes. As of June 30, 2026, our all-in interest rate on the 2025 Delayed Draw Term Loan was 5.85%.

(4) The mortgage loan for Hilton Denver City Center matures in 2042 but became callable by the lender in August 2022 with six months notice. As of June 30, 2026, we had not received notice from the lender.

(5) Our $200 million senior unsecured term loan (“2024 Term Loan”) was incurred in May 2024. As of June 30, 2026, our all-in interest rate was 5.85%.

(6) Our senior unsecured revolving credit facility (“Revolver”) permits one or more standby letters of credit, up to a maximum aggregate outstanding balance of $50 million, to be issued on behalf of us. As of June 30, 2026, we had $1 billion of available capacity under our Revolver and no outstanding letters of credit.

(7) Our Operating Company, PK Domestic Property LLC, an indirect subsidiary of the Company, and PK Finance Co-Issuer Inc. issued an aggregate of $725 million of senior notes due 2028 (“2028 Senior Notes”) in September 2020, an aggregate of $750 million of senior notes due 2029 (“2029 Senior Notes”) in May 2021 and an aggregate of $550 million of senior notes due 2030 (“2030 Senior Notes”) in May 2024.

Mortgage Loans

Bonnet Creek Mortgage Loan

In April 2026, G/B/H Four Star, LLC, G/B/H Condo Owner, LLC, G/B/H Golf Course, LLC and Bonnet Creek Hilton Lessee LLC, each indirect subsidiaries of the Company, entered into a loan agreement, which provides for the ability to draw between $650 million and $700 million in a single disbursement no later than September 30, 2026 and matures on April 30, 2029, with an option to extend for two consecutive one-year periods (“Bonnet Creek Mortgage Loan”). When drawn upon, the Bonnet Creek Mortgage Loan will be secured by the 1,009-room Signia by Hilton Orlando Bonnet Creek and the 502-room Waldorf Astoria Orlando and associated golf course.

The outstanding principal balance of the Bonnet Creek Mortgage Loan will bear interest based upon the forward-looking term rate based on the one-month term secured overnight financing rate (“SOFR”) plus 2.25%. We are also subject to a 0.25% ticking fee on the full loan commitment amount of $700 million until the Bonnet Creek Mortgage Loan is drawn upon. We may voluntarily repay any portion of the outstanding principal balance of the Bonnet Creek Mortgage Loan at any time, subject to certain minimum amounts and prepayment or other fees.

Our Operating Company has guaranteed the payment of certain losses of the administrative agent and the lenders resulting from certain specified bad acts by the Company’s indirect subsidiaries and/or their affiliates; however, the Operating Company has not otherwise guaranteed the repayment of the Bonnet Creek Mortgage Loan. The loan agreement also contains certain customary covenants, such as covenants, among other things, that require the Operating Company to maintain a minimum net worth and liquid assets.

During the three and six months ended June 30, 2026, we capitalized $7 million of financing fees related to the Bonnet Creek Mortgage Loan, which we will begin amortizing when drawn upon.

Debt Maturities

The contractual maturities of our debt, assuming the exercise of all extensions that are exercisable solely at our option, as of June 30, 2026 were:

Year	(in millions)
2026	$ 1,477
2027	230
2028	725
2029	750
2030	550
Thereafter	200
	$ 3,932

Note 7: Fair Value Measurements

We did not elect the fair value measurement option for our financial assets or liabilities. The fair values of our other financial instruments not included in the table below are estimated to be equal to their carrying amounts.

The fair value of our debt and the hierarchy level we used to estimate fair values are shown below:

		June 30, 2026		December 31, 2025	
	Hierarchy Level	Carrying Amount	Fair Value	Carrying Amount	Fair Value
		(in millions)			
Liabilities:					
HHV Mortgage Loan	3	$ 1,275	$ 1,263	$ 1,275	$ 1,248
Other mortgage loans	3	231	229	355	351
2024 Term Loan	3	200	198	200	200
2025 Delayed Draw Term Loan	3	200	183	—	—
2028 Senior Notes	1	725	725	725	725
2029 Senior Notes	1	750	734	750	732
2030 Senior Notes	1	550	564	550	564

During the six months ended June 30, 2026, we recognized impairment losses of approximately $5 million related to the Hilton Seattle Airport & Conference Center, which was sold in April 2026, and approximately $2 million related to the Hilton Short Hills, which was sold in July 2026, as the respective gross proceeds were less than the net book value of each Non-Core hotel. Additionally, during the three months ended June 30, 2026, we recognized an impairment loss of approximately $18 million related to two of our Non-Core hotels, due to our inability to recover the carrying value of the assets. During the six months ended June 30, 2025, we recognized an impairment loss of approximately $70 million related to the Hyatt Centric Fisherman's Wharf, which was sold in May 2025, as the gross proceeds were less than the net book value of the Non-Core hotel.

The estimated fair value of the assets that were measured on a nonrecurring basis, categorized by the level of inputs used in the valuation of the assets, are shown below:

	June 30,	
	2026[(1)]	2025[(2)]
	(in millions)	
Property and equipment		
Level 2	$ 29	$ —
Level 3	51	74
Total	$ 80	$ 74

(1) We determined fair value of certain assets based upon either a contracted sales price (Level 2) or, for assets held for sale, based upon contracted sales price less costs to sell (Level 2) as of June 30, 2026. Where the aforementioned inputs were not available, we estimated fair value using a discounted cash flow analysis, with an estimated stabilized growth rate of 3.0%, discounted cash flow term of 10 years, terminal capitalization rate of 7.5% and discount rate of 11.0% (Level 3). The discount and terminal capitalization rates used for the fair values of these assets reflect the risk profile of the markets where the properties are located.

(2) We estimated the fair value of the asset using a discounted cash flow analysis, with an estimated stabilized growth rate of 3.0%, a discounted cash flow term of 10 years, terminal capitalization rate of 7.3% and a discount rate of 10.0% (Level 3). The discount and terminal capitalization rates used for the fair value of the asset reflect the risk profile of the market where the property is located.

Note 8: Income Taxes

We are a REIT for U.S. federal income tax purposes. We have been organized and operated, and we expect to continue to be organized and operate in a manner to qualify as a REIT. To qualify as a REIT, we must satisfy requirements related to, among other things, the real estate qualification of sources of our income, the real estate composition and values of our assets, the amounts we distribute to our stockholders annually and the diversity of ownership of our stock. To the extent we continue to remain qualified as a REIT, we generally will not be subject to U.S. federal (and state) income tax on taxable income generated by our REIT activities that we distribute annually to our stockholders. Accordingly, no provision for U.S. federal income taxes has been included in our accompanying condensed consolidated financial statements for the six months ended June 30, 2026 and 2025 related to our REIT activities. Our taxable REIT subsidiaries ("TRSs") are generally subject to U.S. federal, state and local, and foreign income taxes (as applicable).

During the three and six months ended June 30, 2026, we recognized income tax expense of $5 million and $6 million, respectively, which was primarily related to taxable income from our TRSs.

Note 9: Share-Based Compensation

We issue equity-based awards to our employees pursuant to the 2017 Omnibus Incentive Plan (the "2017 Employee Plan") and our non-employee directors pursuant to the 2017 Stock Plan for Non-Employee Directors (the "2017 Director Plan"), both of which are amended and restated from time to time. The 2017 Employee Plan provides that a maximum of 14,070,000 shares of our common stock may be issued, and as of June 30, 2026, 2,916,992 shares of common stock remain available for future issuance. The 2017 Director Plan provides that a maximum of 1,825,000 shares of our common stock may be issued, and as of June 30, 2026, 720,073 shares of common stock remain available for future issuance. For the three months ended June 30, 2026 and 2025, we recognized $6 million and $5 million of share-based compensation expense, respectively. For the six months ended June 30, 2026 and 2025, we recognized $10 million and $9 million of share-based compensation expense, respectively. As of June 30, 2026, unrecognized compensation expense was $33 million, which is expected to be recognized over a weighted-average period of 1.8 years. The total fair value of shares vested (calculated as the number of shares multiplied by the vesting date share price) for the six months ended June 30, 2026 and 2025 was $21 million and $12 million, respectively.

Stock Awards

Stock awards generally vest in annual installments between one and three years from each grant date. The following table provides a summary of stock awards for the six months ended June 30, 2026:

	Number of Shares	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2026	1,253,844	$ 13.47
Granted	1,039,019	11.40
Vested	(681,501)	13.29
Forfeited	(57,697)	12.15
Unvested at June 30, 2026	1,553,665	$ 12.21

Performance Stock Units

Performance Stock Units ("PSUs") generally vest at the end of a three-year performance period. All PSUs granted prior to 2026 are subject to the achievement of a market condition based on a measure of our total shareholder return ("TSR metric") relative to the total shareholder return of the companies that comprise the FTSE Nareit Lodging Resorts Index (that have a market capitalization in excess of $1 billion as of the first day of the applicable performance period) (the "Peer Companies"). Beginning in 2026, 75% of PSUs granted continue to be subject to the foregoing TSR metric, while the remaining 25% of PSUs are subject to the achievement of a performance condition based on our growth in revenue per available room ("RevPAR") relative to RevPAR growth of the Peer Companies ("RevPAR metric"). The number of PSUs that may become vested ranges from zero to 200% of the number of PSUs granted to an employee, based on the level of achievement of the foregoing market and performance conditions.

The following table provides a summary of PSUs for the six months ended June 30, 2026:

	Number of Shares	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2026	1,866,254	$ 15.63
Granted	1,458,776	15.67
Vested	(1,165,826)	19.96
Forfeited	(6,685)	13.86
Unvested at June 30, 2026	2,152,519	$ 13.32

The grant date fair values and the corresponding compensation cost of the awards that are subject to the achievement of the TSR metric were determined using a Monte Carlo simulation valuation model with the following assumptions:

Expected volatility[1]	34.0 %
Dividend yield[2]	—
Risk-free rate[3]	3.6 %
Expected term	3 years

(1) Estimated using a blended approach of historical and implied volatility. Historical volatility is based on the historical movement of the Company's stock price for a period that corresponds to the expected terms of the PSUs.

(2) Dividends are assumed to be reinvested in shares of our common stock and dividends will not be paid unless shares vest.

(3) Based on the yields of U.S. Department of Treasury instruments with similar expected terms of the PSUs at the grant date of each award.

The grant date fair values and the corresponding compensation cost of the awards that are subject to the achievement of the RevPAR metric were determined using the closing stock price on the grant date multiplied by the percentage of shares expected to vest, and such percentage is reevaluated based on the probability of meeting the RevPAR metric each period.

Note 10: Earnings Per Share

The following table presents the calculation of basic and diluted earnings per share ("EPS"):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(in millions, except per share amounts)			
Numerator:				
Net income (loss) attributable to stockholders	$ 47	$ (5)	$ 58	$ (62)
Earnings attributable to participating securities	—	—	(1)	—
Net income (loss) attributable to stockholders, net of earnings allocated to participating securities	$ 47	$ (5)	$ 57	$ (62)
Denominator:				
Weighted average shares outstanding – basic	200	199	200	199
Weighted average shares outstanding – diluted	200	199	200	199
Earnings (loss) per share – Basic[1]	$ 0.24	$ (0.02)	$ 0.29	$ (0.31)
Earnings (loss) per share – Diluted[1]	$ 0.24	$ (0.02)	$ 0.29	$ (0.31)

(1) Per share amounts are calculated based on unrounded numbers and are calculated independently for each period presented.

Certain of our outstanding equity awards were excluded from the above calculation of EPS for the three and six months ended June 30, 2026 and 2025 because their effect would have been anti-dilutive.

Note 11: Business Segment Information

As a result of a shift in our business strategy during the quarter ended December 31, 2025, we operate our business through three operating segments, our consolidated Core hotels, consolidated Non-Core hotels and unconsolidated hotels. Only our consolidated Core hotels and consolidated Non-Core hotels are reportable segments. Our Chief Operating Decision Maker (the "CODM"), who is our chief executive officer, evaluates our consolidated Core and Non-Core hotels primarily based on hotel adjusted earnings (loss) before interest income and expense, taxes and depreciation and amortization ("EBITDA") when deciding how to allocate resources, in making other day-to-day operating decisions and evaluating our operating performance against other companies within our industry.

Hotel Adjusted EBITDA, presented herein, is calculated as EBITDA from hotel operations and does not include the following items that are not reflective of our ongoing operating performance or incurred in the normal course of business, and thus excluded from the CODM's analysis:

- Gains or losses on sales of assets for both consolidated and unconsolidated investments;
- Costs associated with hotel acquisitions or dispositions expensed during the period;
- Severance expense;
- Share-based compensation expense;
- Impairment losses and casualty gains or losses; and
- Other items that we believe are not representative of our current or future operating performance.

The following tables present our reportable segment expenses, Hotel Adjusted EBITDA reconciled to net income (loss) and reportable segment revenues reconciled to our consolidated amounts. Prior period amounts have been recast to reflect the change in our reportable segments:

	Three Months Ended June 30,						Six Months Ended June 30,					
	2026			2025			2026			2025		
	Total	Core Hotels	Non-Core Hotels	Total	Core Hotels	Non-Core Hotels	Total	Core Hotels	Non-Core Hotels	Total	Core Hotels	Non-Core Hotels
	(in millions)											
Revenues:												
Rooms	$401	$335	$ 66	$401	$316	$ 85	$757	$634	$123	$764	$610	$154
Food and beverage	188	164	24	180	151	29	370	321	49	362	303	59
Ancillary hotel	67	61	6	68	58	10	127	115	12	131	114	17
Total segment revenues	656	560	96	649	525	124	1,254	1,070	184	1,257	1,027	230
Less:												
Rooms expense	104	86	18	105	81	24	201	166	35	205	158	47
Food and beverage expense	125	108	17	122	101	21	247	214	33	245	203	42
Other departmental and support expense	149	120	29	152	114	38	294	237	57	303	229	74
Management fees	33	29	4	31	27	4	63	55	8	61	52	9
Other property segment expenses(1)	37	35	2	48	36	12	90	75	15	101	75	26
Total segment expenses	448	378	70	458	359	99	895	747	148	915	717	198
Hotel Adjusted EBITDA	208	$182	$ 26	191	$166	$ 25	359	$323	$ 36	342	$310	$ 32
Other revenues	24			23			48			45		
Depreciation and amortization expense	(66)			(122)			(130)			(191)		
Corporate general and administrative expense	(20)			(19)			(38)			(37)		
Impairment and casualty loss	(22)			—			(27)			(70)		
Other operating expenses	(22)			(23)			(46)			(44)		
(Loss) gain on sales of assets, net	(2)			1			(3)			1		
Gain on derecognition of assets	—			16			—			32		
Interest income	2			2			3			5		
Interest expense	(52)			(53)			(103)			(105)		
Interest expense associated with hotels in receivership	—			(16)			—			(32)		
Equity in earnings from investments in affiliates	1			2			2			2		
Income tax expense	(5)			(1)			(6)			(2)		
Other gain (loss), net	9			(1)			9			1		
Other items	(5)			(2)			(6)			(6)		
Net income (loss)	$ 50			$ (2)			$ 62			$ (59)		

(1) Other property segment expenses primarily include real and personal property taxes, other local taxes, ground rent, equipment rent and property insurance incurred in the normal course of business.

	Three Months Ended June 30,						Six Months Ended June 30,					
	2026			2025			2026			2025		
	Total	Core Hotels	Non-Core Hotels	Total	Core Hotels	Non-Core Hotels	Total	Core Hotels	Non-Core Hotels	Total	Core Hotels	Non-Core Hotels
	(in millions)											
Revenues:												
Total revenues	$680			$672			$1,302			$1,302		
Less: Other revenues	(24)			(23)			(48)			(45)		
Total segment revenues	$656	$560	$ 96	$649	$525	$ 124	$1,254	$1,070	$ 184	$1,257	$1,027	$ 230

The following table presents total assets for our consolidated Core and Non-Core hotels, reconciled to total assets:

	June 30, 2026	December 31, 2025
	(in millions)	
Consolidated Core hotels	$ 7,277	$ 7,194
Consolidated Non-Core hotels	387	461
All other	38	45
Total assets	$ 7,702	$ 7,700

The following table presents total capital expenditures for property and equipment for our consolidated Core and Non-Core hotels, reconciled to total capital expenditures for property and equipment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(in millions)			
Consolidated Core hotels	$ 61	$ 39	$ 141	$ 112
Consolidated Non-Core hotels	3	4	6	8
Total capital expenditures for property and equipment	$ 64	$ 43	$ 147	$ 120

Note 12: Commitments and Contingencies

As of June 30, 2026, we had outstanding commitments under third-party contracts of approximately $137 million for capital expenditures at our properties, primarily related to the full-scale renovation of the Ali'i Tower at the Hilton Hawaiian Village Waikiki Beach Resort and guestroom renovations at the Hilton New Orleans Riverside. Our contracts contain clauses that allow us to cancel all or some portion of the work. If cancellation of a contract occurred, our commitment would be any costs incurred up to the cancellation date, in addition to any costs associated with the discharge of the contract.

We are involved in litigation arising from the normal course of business, some of which includes claims for substantial sums, and may make certain indemnifications or guarantees to select buyers of our hotels as part of a sale process. Currently, we are in active litigation with a ground lessor who alleges breach of a ground lease(s) related to the Hilton Salt Lake City Center, DoubleTree Hotel San Diego - Mission Valley and/or DoubleTree Hotel Durango, which remain in our portfolio, as well as the DoubleTree Hotel Sonoma Wine Country and/or the DoubleTree Hotel Seattle Airport for our period of ownership prior to their ground lease expiration in December 31, 2025, and against whom we allege, among other things, breach of the same ground lease(s). We are also involved in claims and litigation that is not in the ordinary course of business in connection with the spin-off from Hilton. The spin-off agreements provide that Hilton will indemnify us from certain of these claims as well as require us to indemnify Hilton for other claims. In addition, losses related to certain contingent liabilities could be apportioned to us under the spin-off agreements. In connection with our obligation to indemnify Hilton under the spin-off agreements, we have reserved approximately $8 million as of June 30, 2026 related to litigation with respect to an audit by the Australian Tax Office ("ATO") of Hilton related to the sale of the Hilton Sydney in June 2015. This amount could change as the litigation of the ATO's claim progresses.

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

The following discussion and analysis of the financial condition and results of operations of Park Hotels & Resorts Inc. ("we," "us," "our" or the "Company") should be read in conjunction with the accompanying unaudited condensed consolidated financial statements, related notes included elsewhere in this Quarterly Report on Form 10-Q, and with our Annual Report on Form 10-K for the year ended December 31, 2025.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"). Forward-looking statements include, but are not limited to our current expectations regarding the performance of our business, our financial results, our liquidity and capital resources, including the use of the remaining $600 million under our senior unsecured delayed draw term loan facility ("2025 Delayed Draw Term Loan") and our $700 million delayed draw loan facility ("Bonnet Creek Mortgage Loan"), which will be secured by the 1,009-room Signia by Hilton Orlando Bonnet Creek and the 502-room Waldorf Astoria Orlando and associated golf course (collectively, the "Bonnet Creek complex") when drawn upon, and the anticipated repayment of certain of our indebtedness, the completion of capital allocation priorities, the expected repurchase of our stock, the impact from macroeconomic factors (including elevated inflation and interest rates, potential economic slowdown or a recession and geopolitical conflicts or trends, including trade policy, travel barriers or changes in travel preferences for U.S. destinations, including as a result of another government or agency shutdown), the effects of competition, the effects of future legislation, executive action or regulations, tariffs, the expected completion of anticipated dispositions, including of our Non-Core hotels (as defined below), the declaration, payment and any change in amounts of future dividends and other non-historical statements. Forward-looking statements include all statements that are not historical facts, and in some cases, can be identified by the use of forward-looking terminology such as the words "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "projects," "predicts," "intends," "plans," "estimates," "anticipates", "hopes" or the negative version of these words or other comparable words. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could materially affect our results of operations, financial condition, cash flows, performance or future achievements or events.

All such forward-looking statements are based on current expectations of management and therefore involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the results expressed in these forward-looking statements. You should not put undue reliance on any forward-looking statements and we urge investors to carefully review the disclosures we make concerning risks and uncertainties in Item 1A: "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025, as such factors may be updated from time to time in our periodic filings with the Securities and Exchange Commission ("SEC"), which are accessible on the SEC's website at www.sec.gov, as well as risks, uncertainties and other factors discussed in this Quarterly Report on Form 10-Q. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Overview

We have a diverse portfolio of iconic and market-leading hotels and resorts with significant underlying real estate value. We currently have interests in 30 hotels, consisting of premium-branded hotels and resorts with over 21,000 rooms, located in prime U.S. markets and its territories. Our strategic focus is on our "Core" portfolio, which consists primarily of hotels and resorts that cater to group and leisure demand and includes 20 of our consolidated hotels that contribute over 90% of our Hotel Adjusted EBITDA as well as one unconsolidated joint venture. Over 96% of rooms in our Core portfolio are luxury and upper upscale, and our Core hotels are located in major urban and convention areas, such as New York City, Washington, D.C., Chicago, Boston, New Orleans and Denver; and premier resorts in key leisure destinations, including Hawaii, Orlando, Key West and Miami Beach; as well as hotels in select airport and suburban locations.

Our objective is to be the preeminent lodging real estate investment trust ("REIT"), focused on consistently delivering superior, risk-adjusted returns to stockholders through active asset management and a thoughtful external growth strategy while maintaining a strong and flexible balance sheet. As a pure-play real estate company with direct access to capital and independent financial resources, we believe our enhanced ability to implement compelling return on investment initiatives represents a significant embedded growth opportunity, particularly for our Core portfolio. Finally, given our scale and investment expertise, we believe we will be able to successfully execute single-asset and portfolio acquisitions and dispose of all nine remaining “Non-Core” hotels, to further enhance the value and diversification of our assets throughout the lodging cycle.

We operate our business through three operating segments, our consolidated Core hotels, consolidated Non-Core hotels and unconsolidated hotels, following the shift in our business strategy to dispose of all Non-Core hotels. Only our consolidated Core hotels and consolidated Non-Core hotels are reportable segments. Refer to Note 11: “Business Segment Information” in our unaudited condensed consolidated financial statements included elsewhere within this Quarterly Report on Form 10-Q for additional information regarding our operating segments. Core and Non-Core hotel financial data presented is based on our consolidated hotels only.

Outlook

Geopolitical conflicts and trends, coupled with economic disruptions, including as a result of elevated interest and inflation rates, may adversely affect our business by affecting consumer sentiment and demand for both domestic and international travel. Additionally, heightened uncertainty due to ongoing changes to trade policy, tax policy and disruptions to government spending has resulted in inflationary concerns and changes in demand and travel preferences, which may affect the lodging industry. Recently, we have relied on the performance of our hotels, including benefits from demand from the World Cup and the 250th anniversary celebrations of the U.S., as well as active asset management to mitigate the effects of current macroeconomic uncertainty. While there can be no assurances that we will not experience further fluctuations in hotel revenues or earnings at our hotels due to inflation and other macroeconomic factors, local economic factors and demand, a potential economic slowdown or a recession, geopolitical conflicts or trends, disapproval of U.S. foreign or domestic policy, or another government or agency shutdown, we are cautiously optimistic for the remainder of 2026. This outlook is based on anticipated benefits from transformative renovations at certain of our hotels, including the recently completed comprehensive renovation and repositioning of the Royal Palm South Beach Miami, a Tribute Portfolio Resort (“Royal Palm”), which reopened in July 2026, and the benefits of divesting of our Non-Core hotels.

Key Business Metrics Used by Management

Occupancy

Occupancy represents the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels. Occupancy measures the utilization of our hotels’ available capacity. We use occupancy to gauge demand at a specific hotel or group of hotels in a given period. Occupancy levels also help us determine achievable Average Daily Rate (“ADR”) levels as demand for rooms increases or decreases.

Average Daily Rate

ADR represents rooms revenue divided by total number of room nights sold in a given period. ADR measures average room price attained by a hotel and ADR trends provide useful information concerning the pricing environment and the nature of the customer base of a hotel or group of hotels. ADR is a commonly used performance measure in the hotel industry, and we use ADR to assess pricing levels that we are able to generate by type of customer, as changes in rates have a more pronounced effect on overall revenues and incremental profitability than changes in occupancy, as described above.

Revenue per Available Room

Revenue per available room (“RevPAR”) represents rooms revenue divided by the total number of room nights available to guests for a given period. We consider RevPAR to be a meaningful indicator of our performance as it provides a metric correlated to two primary and key factors of operations at a hotel or group of hotels: occupancy and ADR. RevPAR is also a useful indicator in measuring performance over comparable periods.

Non-GAAP Financial Measures

We also evaluate the performance of our business through certain other financial measures that are not recognized under U.S. GAAP. Each of these non-GAAP financial measures should be considered by investors as supplemental measures to GAAP performance measures such as total revenues, operating profit and net income (loss).

EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA

EBITDA, presented herein, reflects net income (loss) excluding depreciation and amortization, interest income, interest expense, income taxes and also interest income and expense, income tax and depreciation and amortization included in equity in earnings from investments in affiliates.

Adjusted EBITDA, presented herein, is calculated as EBITDA, further adjusted to exclude the following items that are not reflective of our ongoing operating performance or incurred in the normal course of business, and thus, excluded from management's analysis in making day-to-day operating decisions and evaluations of our operating performance against other companies within our industry:

- Gains or losses on sales of assets for both consolidated and unconsolidated investments;
- Costs associated with hotel acquisitions or dispositions expensed during the period;
- Severance expense;
- Share-based compensation expense;
- Impairment losses and casualty gains or losses; and
- Other items that we believe are not representative of our current or future operating performance.

Hotel Adjusted EBITDA measures hotel-level results before debt service, depreciation and corporate expenses for our consolidated hotels, which excludes hotels owned by unconsolidated affiliates, and is a key measure of our profitability. We present Hotel Adjusted EBITDA to help us and our investors evaluate the ongoing operating performance of our consolidated hotels.

EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA are not recognized terms under U.S. GAAP and should not be considered as alternatives to net income (loss) or other measures of financial performance or liquidity derived in accordance with U.S. GAAP. In addition, our definitions of EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

We believe that EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA provide useful information to investors about us and our financial condition and results of operations for the following reasons: (i) EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA are among the measures used by our management team to make day-to-day operating decisions and evaluate our operating performance between periods and between REITs by removing the effect of our capital structure (primarily interest expense) and asset base (primarily depreciation and amortization) from our operating results; and (ii) EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA are frequently used by securities analysts, investors and other interested parties as a common performance measure to compare results or estimate valuations across companies in our industry.

EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA have limitations as analytical tools and should not be considered either in isolation or as a substitute for net income (loss) or other methods of analyzing our operating performance and results as reported under U.S. GAAP. Some of these limitations are:

- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect our interest expense;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect our income tax expense;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect the effect on earnings or changes resulting from matters that we consider not to be indicative of our future operations; and
- other companies in our industry may calculate EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA differently, limiting their usefulness as comparative measures.

We do not use or present EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA as measures of our liquidity or cash flow. These measures have limitations as analytical tools and should not be considered either in isolation or as a substitute for cash flow or other methods of analyzing our cash flows and liquidity as reported under U.S. GAAP. Because of these limitations, EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as measures of cash that will be available to us to meet our obligations. Some of these limitations are:

- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect the cash requirements necessary to service interest or principal payments, on our indebtedness;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect the cash requirements to pay our taxes;
- EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments; and
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA, Adjusted EBITDA and Hotel Adjusted EBITDA do not reflect any cash requirements for such replacements.

The following table provides a reconciliation of Net income (loss) to Hotel Adjusted EBITDA:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(in millions)			
Net income (loss)	$ 50	$ (2)	$ 62	$ (59)
Depreciation and amortization expense	66	122	130	191
Interest income	(2)	(2)	(3)	(5)
Interest expense	52	53	103	105
Interest expense associated with hotels in receivership[(1)]	—	16	—	32
Income tax expense	5	1	6	2
Interest income and expense, income tax and depreciation and amortization included in equity in earnings from investments in affiliates	1	2	1	4
EBITDA	172	190	299	270
Gain on sales of assets, net[(2)]	(2)	(1)	(1)	(1)
Gain on derecognition of assets[(1)]	—	(16)	—	(32)
Share-based compensation expense	6	5	10	9
Impairment and casualty loss	22	—	27	70
Other items	—	5	6	11
Adjusted EBITDA	198	183	341	327
Less: Adjusted EBITDA from investments in affiliates	(5)	(5)	(11)	(13)
Add: All other[(3)]	15	13	29	28
Hotel Adjusted EBITDA	208	191	359	342
Less: Adjusted EBITDA from Non-Core hotels	(26)	(25)	(36)	(32)
Core Hotel Adjusted EBITDA	$ 182	$ 166	$ 323	$ 310

(1) For the three and six months ended June 30, 2025, represents accrued interest expense associated with the default of the $725 million non-recourse CMBS loan (“SF Mortgage Loan”), which was offset by a gain on derecognition for the corresponding increase of the *contract asset* on our condensed consolidated balance sheets. The SF Mortgage Loan was assumed by the buyer of the 1,921-room Hilton San Francisco Union Square and the 1,024-room Parc 55 San Francisco – a Hilton Hotel (collectively, the “Hilton San Francisco Hotels”), which were sold by the court-appointed receiver in November 2025.

(2) For the three and six months ended June 30, 2026, includes a $4 million gain on the sale of our ownership interest in the Embassy Suites by Hilton Alexandria Old Town included in *other gain (loss), net* in our condensed consolidated statements of operations.

(3) Includes *other revenues* and *other expenses*, non-income taxes on leases with our taxable REIT subsidiaries included in *other property expenses* and *corporate general and administrative expenses.*

Nareit FFO attributable to stockholders and Adjusted FFO attributable to stockholders

We present Nareit FFO attributable to stockholders and Nareit FFO per diluted share (defined as set forth below) as non-GAAP measures of our performance. We calculate funds from (used in) operations ("FFO") attributable to stockholders for a given operating period in accordance with standards established by the National Association of Real Estate Investment Trusts ("Nareit"), as net income (loss) attributable to stockholders (calculated in accordance with U.S. GAAP), excluding depreciation and amortization, gains or losses on sales of assets, impairment, and the cumulative effect of changes in accounting principles, plus adjustments for unconsolidated joint ventures. Adjustments for unconsolidated joint ventures are calculated to reflect our pro rata share of the FFO of those entities on the same basis. As noted by Nareit in its December 2018 "Nareit Funds from Operations White Paper – 2018 Restatement," since real estate values historically have risen or fallen with market conditions, many industry investors have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient by themselves. For these reasons, Nareit adopted the FFO metric in order to promote an industry-wide measure of REIT operating performance. We believe Nareit FFO provides useful information to investors regarding our operating performance and can facilitate comparisons of operating performance between periods and between REITs. Our presentation may not be comparable to FFO reported by other REITs that do not define the terms in accordance with the current Nareit definition, or that interpret the current Nareit definition differently than we do. We calculate Nareit FFO per diluted share as our Nareit FFO divided by the number of fully diluted shares outstanding during a given operating period.

We also present Adjusted FFO attributable to stockholders and Adjusted FFO per diluted share when evaluating our performance because we believe that the exclusion of certain additional items described below provides useful supplemental information to investors regarding our ongoing operating performance. Management historically has made the adjustments detailed below in evaluating our performance and in our annual budget process. We believe that the presentation of Adjusted FFO provides useful supplemental information that is beneficial to an investor's complete understanding of our operating performance. We adjust Nareit FFO attributable to stockholders for the following items, which may occur in any period, and refer to this measure as Adjusted FFO attributable to stockholders:

- Costs associated with hotel acquisitions or dispositions expensed during the period;
- Severance expense;
- Share-based compensation expense;
- Casualty gains or losses; and
- Other items that we believe are not representative of our current or future operating performance.

The following table provides a reconciliation of Net income (loss) attributable to stockholders to Nareit FFO attributable to stockholders and Adjusted FFO attributable to stockholders:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(in millions, except per share amounts)			
Net income (loss) attributable to stockholders	$ 47	$ (5)	$ 58	$ (62)
Depreciation and amortization expense	66	122	130	191
Depreciation and amortization expense attributable to noncontrolling interests	(1)	(1)	(2)	(2)
Gain on sales of assets, net[1]	(2)	(1)	(1)	(1)
Gain on derecognition of assets[2]	—	(16)	—	(32)
Impairment loss	20	—	25	70
Equity investment adjustments:				
Equity in earnings from investments in affiliates	(1)	(2)	(2)	(2)
Pro rata FFO of investments in affiliates	3	4	3	5
Nareit FFO attributable to stockholders	132	101	211	167
Share-based compensation expense	6	5	10	9
Interest expense associated with hotels in receivership[2]	—	16	—	32
Other items	2	7	9	13
Adjusted FFO attributable to stockholders	$ 140	$ 129	$ 230	$ 221
Nareit FFO per share – Diluted[3]	$ 0.66	$ 0.51	$ 1.05	$ 0.83
Adjusted FFO per share – Diluted[3]	$ 0.70	$ 0.64	$ 1.15	$ 1.10

(1) For the three and six months ended June 30, 2026, includes a $4 million gain on the sale of our ownership interest in the Embassy Suites by Hilton Alexandria Old Town included in *other gain (loss), net* in our condensed consolidated statements of operations.

(2) For the three and six months ended June 30, 2025, represents accrued interest expense associated with the default of the SF Mortgage Loan, which was offset by a gain on derecognition for the corresponding increase of the *contract asset* on our condensed consolidated balance sheets. The SF Mortgage Loan was assumed by the buyer of the Hilton San Francisco Hotels, which were sold by the court-appointed receiver in November 2025.

(3) Per share amounts are calculated based on unrounded numbers.

Results of Operations

Since January 1, 2025, we disposed of seven consolidated Non-Core hotels. The results of operations of these Non-Core hotels are included in our consolidated results only during our period of ownership.

Hotel Revenues and Operating Expenses

	Three Months Ended June 30,				Non-Core Hotels	
	2026	2025	Change	Change from Core Hotels	Change from Remaining Non-Core Hotels	Change from Disposed Hotels
				(in millions)		
Rooms revenue	$ 401	$ 401	$ —	$ 20	$ 3	$ (23)
Food and beverage revenue	188	180	8	13	—	(5)
Ancillary hotel revenue	67	68	(1)	2	—	(3)
Rooms expense	104	105	(1)	5	1	(7)
Food and beverage expense	125	122	3	7	—	(4)
Other departmental and support expense	149	152	(3)	6	1	(10)
Other property expense	42	50	(8)	(1)	(4)	(3)
Management fees expense	33	31	2	2	—	—

	Six Months Ended June 30,				Non-Core Hotels	
	2026	2025	Change	Change from Core Hotels	Change from Remaining Non-Core Hotels	Change from Disposed Hotels
				(in millions)		
Rooms revenue	$ 757	$ 764	$ (7)	$ 24	$ 7	$ (38)
Food and beverage revenue	370	362	8	18	(1)	(9)
Ancillary hotel revenue	127	131	(4)	1	—	(5)
Rooms expense	201	205	(4)	8	1	(13)
Food and beverage expense	247	245	2	11	(1)	(8)
Other departmental and support expense	294	303	(9)	8	1	(18)
Other property expense	96	107	(11)	—	(4)	(7)
Management fees expense	63	61	2	3	—	(1)

Group, transient, contract and other rooms revenue for the three and six months ended June 30, 2026, as well as the change for each type of rooms revenue compared to the same periods in 2025 were as follows:

	Three Months Ended June 30,				Non-Core Hotels	
	2026	2025	Change	Change from Core Hotels	Change from Remaining Non-Core Hotels	Change from Disposed Hotels
				(in millions)		
Group rooms revenue	$ 129	$ 121	$ 8	$ 9	$ 3	$ (4)
Transient rooms revenue	245	250	(5)	9	—	(14)
Contract rooms revenue	18	21	(3)	2	—	(5)
Other rooms revenue	9	9	—	—	—	—
Rooms revenue	$ 401	$ 401	$ —	$ 20	$ 3	$ (23)

	Six Months Ended June 30,				Non-Core Hotels	
	2026	2025	Change	Change from Core Hotels	Change from Remaining Non-Core Hotels	Change from Disposed Hotels
				(in millions)		
Group rooms revenue	$ 254	$ 245	$ 9	$ 11	$ 5	$ (7)
Transient rooms revenue	449	464	(15)	9	—	(24)
Contract rooms revenue	36	38	(2)	4	1	(7)
Other rooms revenue	18	17	1	—	1	—
Rooms revenue	$ 757	$ 764	$ (7)	$ 24	$ 7	$ (38)

The changes in hotel revenues and operating expenses for our Core hotels during the three and six months ended June 30, 2026 compared to the same periods in 2025 were primarily attributable to increases at the Hilton Hawaiian Village Waikiki Beach Resort, Bonnet Creek complex, Casa Marina Key West, Curio Collection, New York Hilton Midtown and the Hilton Santa Barbara Beachfront Resort in Southern California, partially offset by decreases at our hotels in Miami and New Orleans.

The Hilton Hawaiian Village Waikiki Beach Resort benefited from the completion of the final phase of guestroom renovations at the Rainbow Tower and experienced an increase in food and beverage revenue of 29%, or approximately $6 million, and 20%, or approximately $8 million, for the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025. Additionally, the Hilton Hawaiian Village Waikiki Beach Resort benefited from an over 13% increase in group demand for the three months ended June 30, 2026 and an approximately 10% increase in transient demand for both the three and six months ended June 30, 2026, resulting in an increase in occupancy of 12.0 percentage points and 8.3 percentage points, respectively, compared to the same periods in 2025.

The Waldorf Astoria Orlando benefited from a 40% increase in transient demand, resulting in increases in occupancy and ADR of 9.1 percentage points and 2.2%, respectively, for the three months ended June 30, 2026, while benefiting from increases in both group and transient demand for the six months ended June 30, 2026, resulting in increases in occupancy and ADR of 9.7 percentage points and 3.1%, respectively, compared to the same periods in 2025. The Signia by Hilton Orlando Bonnet Creek benefited from an approximately 20% increase in group demand for both the three and six months ended June 30, 2026, resulting in increases in occupancy and ADR of 6.0 percentage points and 3.1%, respectively, for the three months ended June 30, 2026 and 6.1 percentage points and 4.2%, respectively, for the six months ended June 30, 2026, compared to the same periods in 2025. Additionally, the Waldorf Astoria Orlando and the Signia by Hilton Orlando Bonnet Creek experienced a combined increase in food and beverage revenue of 10%, or over $3 million, and 13%, or approximately $9 million for the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025 as a result of continued benefits derived from the comprehensive renovation and expansion projects at the Bonnet Creek complex completed in early 2024.

The Casa Marina Key West, Curio Collection, benefited from increases in group demand of 44% and 14% for the three and six months ended June 30, 2026, respectively, and increases in transient demand of 10% and 12%, respectively, compared to the same periods in 2025, resulting in increases in occupancy of 12.3 percentage points and 8.7 percentage points, respectively, as well as increases in food and beverage revenue of 36% and 23%, respectively.

The New York Hilton Midtown benefited from an increase in transient demand for the three months ended June 30, 2026, resulting in an increase in ADR of 2.2%, while benefiting from a 10% increase in group demand for the six months ended June 30, 2026, resulting in an increase in occupancy of 2.9 percentage points, compared to the same periods in 2025. Food and beverage revenue also increased by 15% and 10% for the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025.

The Hilton Santa Barbara Beachfront Resort benefited from increases in group demand of 36% and 24% for the three and six months ended June 30, 2026, respectively, and increases in transient demand of 20% and 21%, respectively, compared to the same periods in 2025, resulting in increases in occupancy of 17.7 percentage points and 15.2 percentage points, respectively, in addition to increases in ADR of 1.4% and 2.2%, respectively. The hotel also experienced an increase in food and beverage revenue of 20% and 22% for the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025.

These increases were offset by decreases in hotel revenues at our hotels in Miami and New Orleans. The Royal Palm in Miami suspended operations for a transformative renovation that began in May 2025 and reopened in July 2026. The Hilton New Orleans Riverside experienced decreases in group and transient demand for the six months ended June 30, 2026, primarily driven by the Super Bowl that was held in February 2025, with ADR decreasing 8.7% compared to the same period in 2025.

Impairment and casualty loss

During the six months ended June 30, 2026, we recognized impairment losses of approximately $5 million related to the Hilton Seattle Airport & Conference Center, which was sold in April 2026, and approximately $2 million related to the Hilton Short Hills, which was sold in July 2026, as the respective gross proceeds were less than the net book value of each Non-Core hotel. Additionally, during the three months ended June 30, 2026, we recognized an impairment loss of approximately $18 million related to two of our Non-Core hotels, due to our inability to recover the carrying value of the assets. During the six months ended June 30, 2025, we recognized an impairment loss of approximately $70 million related to the Hyatt Centric Fisherman's Wharf, which was sold in May 2025, as the gross proceeds were less than the net book value of the Non-Core hotel. Refer to Note 7: "Fair Value Measurements" in our unaudited condensed consolidated financial statements included elsewhere within this Quarterly Report on Form 10-Q for additional information.

Depreciation and amortization

Depreciation expense for the three and six months ended June 30, 2025 includes accelerated depreciation of approximately $56 million recognized in connection with the full-scale renovation at the Royal Palm South Beach Miami, a Tribute Portfolio Resort, which began in May 2025 and was completed in July 2026.

Corporate general and administrative

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Percent Change	2026	2025	Percent Change
	(in millions)			(in millions)		
General and administrative expenses	$ 13	$ 13	— %	$ 26	$ 26	— %
Share-based compensation expense	6	5	20.0	10	9	11.1
Other corporate expenses	1	1	—	2	2	—
Total corporate general and administrative	$ 20	$ 19	5.3 %	$ 38	$ 37	2.7 %

Gain on derecognition of assets

During the three and six months ended June 30, 2025, we recognized a gain of $16 million and $32 million, respectively, from the accrued interest expense associated with the default of the SF Mortgage Loan, which resulted in a corresponding increase of the *contract asset* in our condensed consolidated balance sheets. We ceased accruing interest expense when the SF Mortgage Loan was assumed by the buyer of the Hilton San Francisco Hotels, which were sold by the court-appointed receiver in November 2025.

Non-operating Income and Expenses

Interest income

Interest income decreased $2 million during the six months ended June 30, 2026 compared to the same period in 2025 primarily as a result of a decrease in average cash balances as we have reinvested cash into our Core portfolio, including the full-scale renovation of the Royal Palm.

Interest expense

Interest expense associated with our debt for the three and six months ended June 30, 2026 and 2025 were as follows:

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Percent Change	2026	2025	Percent Change
	(in millions)			(in millions)		
HHV Mortgage Loan[(1)]	$ 14	$ 14	— %	$ 27	$ 27	— %
Other mortgage loans[(2)]	4	5	(20.0)	8	8	—
Revolver[(3)]	1	1	—	2	2	—
2024 Term Loan[(4)]	3	3	—	6	6	—
2025 Delayed-Draw Term Loan[(2)]	1	—	100.0	1	—	100.0
2028 Senior Notes[(5)]	10	10	—	21	21	—
2029 Senior Notes[(5)]	9	9	—	18	18	—
2030 Senior Notes[(5)]	9	9	—	19	19	—
Other	1	2	(50.0)	1	4	(75.0)
Total interest expense	$ 52	$ 53	(1.9)%	$ 103	$ 105	(1.9)%

(1) In October 2016, we entered into a $1.275 billion CMBS loan secured by the Hilton Hawaiian Village Waikiki Beach Resort ("HHV Mortgage Loan").

(2) Our $800 million 2025 Delayed Draw Term Loan was incurred in September 2025. In June 2026, we drew $200 million from our 2025 Delayed Draw Term Loan to fully repay the $120 million mortgage loan secured by the Hyatt Regency Boston, which was scheduled to mature on July 1, 2026, with the remaining proceeds to be used for general corporate purposes.

(3) As of June 30, 2026, we had $1 billion of available capacity under our senior unsecured revolving credit facility ("Revolver").

(4) The $200 million senior unsecured term loan ("2024 Term Loan") was incurred in May 2024.

(5) Park Intermediate Holdings LLC, PK Domestic Property LLC, an indirect subsidiary of the Company, and PK Finance Co Issuer Inc. issued an aggregate of $725 million of senior notes due 2028 ("2028 Senior Notes") in September 2020, an aggregate of $750 million of senior notes due 2029 ("2029 Senior Notes") in May 2021 and an aggregate of $550 million of senior notes due 2030 ("2030 Senior Notes") in May 2024.

Interest expense associated with hotels in receivership

During the three and six months ended June 30, 2025, interest expense of $16 million and $32 million, respectively, represents accrued interest associated with the default of the SF Mortgage Loan. We ceased accruing interest expense when the SF Mortgage Loan was assumed by the buyer of the Hilton San Francisco Hotels, which were sold by the court-appointed receiver in November 2025.

Other gain (loss), net

During the three and six months ended June 30, 2026, we recognized a net gain of $9 million for both periods primarily related to the proceeds of $4 million from the sale of our ownership interest in the unconsolidated joint venture that owns and operates the Embassy Suites by Hilton Alexandria Old Town and the $6 million payment received associated with the ground lease termination of the Embassy Suites by Hilton Austin Downtown South Congress.

Income tax expense

Income tax expense increased $4 million during both the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily related to an increase in the year-to-date ordinary income that our estimated annual effective tax rate is applied to.

Liquidity and Capital Resources

Overview

We seek to maintain sufficient amounts of liquidity with an appropriate balance of cash, debt and equity to provide financial flexibility. As of June 30, 2026, we had total cash and cash equivalents of $264 million and $38 million of restricted cash. Restricted cash primarily consists of cash restricted as to use by our debt agreements and reserves for capital expenditures in accordance with certain of our management agreements.

With $1 billion available under our Revolver, $600 million available under our $800 million 2025 Delayed Draw Term Loan and our undrawn $700 million Bonnet Creek Mortgage Loan, in addition to the $264 million in existing cash and cash equivalents, we have sufficient liquidity to pay our debt maturities and to fund other liquidity obligations over the next 12 months and beyond. In June 2026, we drew $200 million from our 2025 Delayed Draw Term Loan to fully repay the $120 million mortgage loan secured by the Hyatt Regency Boston, which was scheduled to mature on July 1, 2026, with the remaining proceeds to be used for general corporate purposes. We intend to further draw upon the 2025 Delayed Draw Term Loan as well as the Bonnet Creek Mortgage Loan during the third quarter to fund the repayment of the $1.3 billion HHV Mortgage Loan maturing in the fourth quarter of 2026. Following the repayment of the HHV Mortgage Loan, we have no significant maturities until the fourth quarter of 2028. Refer to Note 6: "Debt" in our unaudited condensed consolidated financial statements included elsewhere within this Quarterly Report on Form 10-Q for additional information. We may also take actions to improve our liquidity, such as the issuance of additional debt, equity or equity-linked securities, if we determine that doing so would be beneficial to us. However, there can be no assurance as to the timing of any such issuance, which may be in the near term, or that any such additional financing will be completed on favorable terms, or at all.

Our known short-term liquidity requirements primarily consist of funds necessary to pay for operating expenses and other expenditures, including reimbursements to our hotel managers for payroll and related benefits, costs associated with the operation of our hotels, interest and contractually due principal payments on our outstanding indebtedness, capital expenditures for in-progress renovations and maintenance at our hotels, corporate general and administrative expenses and dividends to our stockholders. In April 2026, we declared a second quarter dividend of $0.25 per share that was paid on July 15, 2026 to stockholders of record as of June 30, 2026. In addition, we declared a third quarter dividend of $0.25 per share in July 2026 to be paid on October 15, 2026 to stockholders of record as of September 30, 2026. Many of the other expenses associated with our operations are relatively fixed, including portions of rent expense, property taxes, insurance and interest expense on our debt. Since we generally are unable to decrease these costs significantly or rapidly when demand for our hotels decreases, the resulting decline in our revenues can have a greater adverse effect on our net cash flow, margins and profits. Our long-term liquidity requirements primarily consist of funds necessary to pay for scheduled debt maturities, capital improvements at our hotels, and costs associated with potential acquisitions.

Our commitments to fund capital expenditures for renovations and maintenance at our hotels will be funded by cash and cash equivalents, restricted cash to the extent permitted by our lending agreements and cash flow from operations. We have construction contract commitments of approximately $137 million for capital expenditures at our properties, and our contracts contain clauses that allow us to cancel all or some portion of the work. Refer to Note 12: "Commitments and Contingencies" in our unaudited condensed consolidated financial statements included elsewhere within this Quarterly Report on Form 10-Q for additional information. Additionally, we have established reserves for capital expenditures ("FF&E reserve") in accordance with our management and certain debt agreements. Generally, these agreements require that we fund 4% of hotel revenues into an FF&E reserve, unless such amounts have been incurred.

Our cash management objectives continue to be to maintain the availability of liquidity, minimize operational costs, make debt payments and fund our capital expenditure programs and future acquisitions. Further, we have an investment policy that is focused on the preservation of capital and maximizing the return on new and existing investments.

Stock Repurchase Program

In February 2025, our Board of Directors authorized and approved a stock repurchase program allowing us to repurchase up to $300 million of our common stock over a two-year period ending in February 2027, subject to any applicable limitations or restrictions set forth in our credit facility and indentures related to our senior notes. Stock repurchases may be made through open market purchases, including through Rule 10b5-1 trading programs, in privately negotiated transactions, or in such other manner that would comply with applicable securities laws. The timing of any future stock repurchases and the number of shares to be repurchased will depend upon prevailing market conditions and other factors, and we may suspend the repurchase program at any time. As of June 30, 2026, $275 million remained available for stock repurchases.

Sources and Uses of Our Cash and Cash Equivalents

The following tables summarize our net cash flows and key metrics related to our liquidity:

	Six Months Ended June 30,		
	2026	2025	Percent Change
	(in millions)		
Net cash provided by operating activities	$ 200	$ 194	3.1 %
Net cash used in investing activities	(116)	(45)	157.8
Net cash used in financing activities	(46)	(242)	(81.0)

Operating Activities

Cash flow from operating activities are primarily generated from the operating income generated at our hotels. The $6 million increase in net cash provided by operating activities for the six months ended June 30, 2026 compared to the six months ended June 30, 2025 was primarily due to increases in occupancy across a majority of our portfolio and timing of interest paid, offset by timing of receipts from our customers and payments to our vendors and other third parties, as well as the loss of cash from operations from the Royal Palm, which suspended operations in May 2025 for a full-scale renovation and reopened in July 2026.

Investing Activities

The $116 million in net cash used in investing activities for the six months ended June 30, 2026 was attributable to $147 million of capital expenditures, partially offset by $31 million of net proceeds from the disposal of the Hilton Checkers Los Angeles, Hilton Seattle Airport & Conference Center and Embassy Suites by Hilton Alexandria Old Town.

The $45 million in net cash used in investing activities for the six months ended June 30, 2025 was attributable to $120 million of capital expenditures, partially offset by $75 million of net proceeds from the sale of the Hyatt Centric Fisherman’s Wharf.

Financing Activities

The $46 million in net cash used in financing activities for the six months ended June 30, 2026 was primarily attributable to $174 million of mortgage loan and credit facility repayments, including the mortgage loan secured by the Hyatt Regency Boston, and $100 million of dividends paid, partially offset by $250 million drawn from our credit facilities.

The $242 million in net cash used in financing activities for the six months ended June 30, 2025 was primarily attributable to $181 million of dividends paid and the repurchase of approximately 3.5 million shares of our common stock for $45 million.

Dividends

As a REIT, we are required to distribute at least 90% of our REIT taxable income, determined without regard to the deduction for dividends paid and excluding net capital gains, to our stockholders on an annual basis. Therefore, as a general matter, we intend to make distributions of all, or substantially all, of our REIT taxable income (including net capital gains) to our stockholders, and, as a result, we will generally not be required to pay tax on our REIT income. Consequently, it is unlikely that we will be able to retain substantial cash balances that could be used to meet our liquidity needs from our annual taxable income. Instead, we will need to meet these needs from external sources of capital and amounts, if any, by which our cash flow generated from operations exceeds taxable income.

We declared the following dividends to holders of our common stock during 2026:

Record Date	Payment Date	Dividend per Share
March 31, 2026	April 15, 2026	$ 0.25
June 30, 2026	July 15, 2026	$ 0.25
September 30, 2026	October 15, 2026	$ 0.25

Debt

As of June 30, 2026, our total indebtedness was approximately $3.9 billion, including over $2 billion of our Senior Notes, and excluding our share of debt from investments in affiliates. Substantially all the debt of the unconsolidated affiliate is secured solely by the affiliate's assets or is guaranteed by other partners without recourse to us. Refer to Note 6: "Debt" in our unaudited condensed consolidated financial statements included elsewhere within this Quarterly Report on Form 10-Q for additional information.

Critical Accounting Estimates

The preparation of our financial statements in accordance with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of our financial statements, the reported amounts of revenues and expenses during the reporting periods and the related disclosures in our unaudited condensed consolidated financial statements and accompanying footnotes. We have discussed those estimates that we believe are critical and require the use of complex judgment in their application in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 20, 2026. There have been no material changes to our critical accounting policies or the methods or assumptions we apply.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk primarily from changes in interest rates, which may affect our future income, cash flows and fair value, depending on changes to interest rates. In certain situations, we may seek to reduce cash flow volatility associated with changes in interest rates by entering into financial arrangements intended to provide a hedge against a portion of the risks associated with such volatility.

There have been no material changes from the qualitative and quantitative disclosures about market risk previously disclosed in "Item 7A of Part II" of our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management has evaluated, under the supervision and with the participation of the Company's Chief Executive Officer and Chief Financial Officer, the effectiveness of the disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, (the "Exchange Act")), as required by paragraph (b) of Rules 13a-15 and 15d-15 of the Exchange Act. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of June 30, 2026, our disclosure controls and procedures were effective to ensure that information we are required to disclose in reports filed or submitted with the Securities and Exchange Commission (i) is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and (ii) is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

We are involved in various claims and lawsuits arising in the ordinary course of business, some of which include claims for substantial sums, including proceedings involving tort and other general liability claims, employee claims and consumer protection claims. Most occurrences involving liability, claims of negligence and employees are covered by insurance with solvent insurance carriers. For those matters not covered by insurance, which include commercial matters, we recognize a liability when we believe the loss is probable and can be reasonably estimated. The ultimate results of claims and litigation cannot be predicted with certainty. We believe we have adequate reserves against such matters. We currently believe that the ultimate outcome of such lawsuits and proceedings will not, individually or in the aggregate, have a material adverse effect on our consolidated financial position, results of operations or liquidity. However, depending on the amount and timing, an unfavorable resolution of some or all of these matters could materially affect our future results of operations in a particular period.

Item 1A. Risk Factors.

There have been no material changes from the risk factors previously disclosed in response to "Part I – Item 1A. Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025.

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

2(a): Unregistered Sales of Equity Securities and Use of Proceeds

None.

2(b): Use of Proceeds from Registered Securities

None.

2(c): Purchases of Equity Securities

During the six months ended June 30, 2026, repurchases made pursuant to our stock repurchase program were as follows:

Period	Total number of shares purchased[1]	Weighted average price paid per share[2]	Total number of shares purchased as part of publicly announced plans or programs[3]	Maximum number (or approximate dollar value) of common shares that may yet be purchased under the plans or programs *(in millions)*[3]
January 1, 2026 through January 31, 2026	—	$ —	—	$ 275
February 1, 2026 through February 28, 2026	224,117	$ 11.30	—	$ 275
March 1, 2026 through March 31, 2026	749	$ 11.17	—	$ 275
April 1, 2026 through April 30, 2026	1,094	$ 11.18	—	$ 275
May 1, 2026 through May 31, 2026	1,237	$ 11.07	—	$ 275
June 1, 2026 through June 30, 2026	49	$ 14.04	—	$ 275
Total	227,246		—	

(1) The number of shares purchased represents shares of common stock surrendered by certain of our employees to satisfy their federal and state tax obligations associated with the vesting of restricted common stock.

(2) The weighted average price paid per share for shares of common stock surrendered by certain employees is based on the closing price of our common stock on the trading date immediately prior to the date of delivery of the shares.

(3) On February 14, 2025, our Board of Directors authorized and approved a $300 million stock repurchase program, which expires on February 19, 2027.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits

Exhibit Number	Description
2.1	Distribution Agreement by and among Hilton Worldwide Holdings Inc., Park Hotels & Resorts Inc., Hilton Grand Vacations Inc. and Hilton Domestic Operating Company Inc., dated as of January 2, 2017 (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K, filed on January 4, 2017).
2.2	Agreement and Plan of Merger by and among Park Hotels & Resorts Inc., PK Domestic Property LLC, PK Domestic Sub LLC, and Chesapeake Lodging Trust, dated as of May 5, 2019 (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K, filed on May 6, 2019).
3.1	Amended and Restated Certificate of Incorporation of Park Hotels & Resorts Inc. (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K, filed on April 30, 2019).
3.2	Amended and Restated By-laws of Park Hotels & Resorts Inc. (incorporated by reference to Exhibit 3.2 to our Current Report of Form 10-Q, filed on August 1, 2024).
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Park Hotels & Resorts Inc. (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K, filed on April 19, 2024).
10.1	Loan Agreement, dated April 30, 2026, among G/B/H Four Star, LLC, G/B/H Condo Owner, LLC and G/B/H Golf Course, LLC, collectively, as Borrowers, Bonnet Creek Hilton Lessee LLC, as Operating Lessee, Wells Fargo Bank, National Association, as administrative agent, and the financial institutions party thereto as lenders (incorporated by reference to Exhibit 10.5 to our Current Report on Form 8-K, filed on May 1, 2026).
31.1*	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished herewith.
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished herewith.
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).
*	Filed herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Park Hotels & Resorts Inc.

Date: August 7, 2026	By:	/s/ Thomas J. Baltimore Jr.
		Thomas J. Baltimore, Jr. Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)
Date: August 7, 2026	By:	/s/ Sean M. Dell'Orto
		Sean M. Dell'Orto Executive Vice President, Chief Operating Officer, Chief Financial Officer and Treasurer (Principal Financial Officer)
Date: August 7, 2026	By:	/s/ Darren W. Robb
		Darren W. Robb Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas J. Baltimore, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Park Hotels & Resorts Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in the Securities Exchange Act of 1934, as amended, Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2026

By: /s/ Thomas J. Baltimore, Jr.

Thomas J. Baltimore, Jr.
Chairman of the Board, President and
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Sean M. Dell'Orto, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Park Hotels & Resorts Inc.;

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

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

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in the Securities Exchange Act of 1934, as amended, Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: August 7, 2026

By: /s/ Sean M. Dell'Orto

Sean M. Dell'Orto
Executive Vice President, Chief Operating Officer,
Chief Financial Officer and Treasurer

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Park Hotels & Resorts Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Thomas J. Baltimore, Jr., President and Chief Executive Officer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: August 7, 2026

By: /s/ Thomas J. Baltimore, Jr.

Thomas J. Baltimore, Jr.
Chairman of the Board, President and
Chief Executive Officer

In accordance with SEC Release NO. 34-47986, this Exhibit is furnished to the SEC as an accompanying document and is not deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Park Hotels & Resorts Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Sean M. Dell’Orto, Executive Vice President, Chief Operating Officer and Chief Financial Officer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: August 7, 2026

By: /s/ Sean M. Dell’Orto

Sean M. Dell’Orto
Executive Vice President, Chief Operating Officer,
Chief Financial Officer and Treasurer

In accordance with SEC Release NO. 34-47986, this Exhibit is furnished to the SEC as an accompanying document and is not deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended.