



# INVESTORS' CONFERENCE

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MARCH 12-13, 2019

# CAUTION ON FORWARD-LOOKING STATEMENTS

Certain statements discussed in this presentation, other than statements of historical information, are forward-looking statements within the meaning of the federal securities laws, including our expectations regarding our fiscal 2019 performance, including our expected net income, Resort Reported EBITDA and Resort EBITDA margin; our assumptions related to our fiscal 2019 guidance; estimated fiscal 2019 skier visits at certain of our resorts; the payment of dividends; sales patterns concerning our season pass products; our calendar 2019 and beyond expected capital improvements; the timing of closing and subsequent integration of our announced acquisition of the Falls Creek and Hotham resorts as well as the expected stamp duty payment and Resort Reported EBITDA the resorts are expected to generate in the first 12 months post-closing. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include but are not limited to prolonged weakness in general economic conditions, including adverse effects on the overall travel and leisure related industries; unfavorable weather conditions or the impact of natural disasters; risks related to our reliance on information technology, including our failure to maintain the integrity of our customer or employee data; risks related to cyber-attacks; willingness of our guests to travel due to terrorism, the uncertainty of military conflicts or outbreaks of contagious diseases, and the cost and availability of travel options and changing consumer preferences; the seasonality of our business combined with adverse events that occur during our peak operating periods; competition in our mountain and lodging businesses; high fixed cost structure of our business; our ability to fund resort capital expenditures; risks related to a disruption in our water supply that would impact our snowmaking capabilities and operations; our reliance on government permits or approvals for our use of public land or to make operational and capital improvements; risks associated with obtaining governmental or third party approvals and the timing of closing for the pending acquisition of the Falls Creek and Hotham resorts; risks related to federal, state, local and foreign government laws, rules and regulations; risks related to changes in security and privacy laws and regulations which could increase our operating costs and adversely affect our ability to market our products and services effectively; our ability to hire and retain a sufficient seasonal workforce; risks related to our workforce, including increased labor costs; loss of key personnel; adverse consequences of current or future legal claims; a deterioration in the quality or reputation of our brands, including our ability to protect our intellectual property and the risk of accidents at our mountain resorts; our ability to successfully integrate acquired businesses, or that acquired businesses may fail to perform in accordance with expectations, including Okemo, Crested Butte, Stevens Pass, Mt. Sunapee or future acquisitions; our ability to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, with respect to acquired businesses; risks associated with international operations; fluctuations in foreign currency exchange rates where the Company has foreign currency exposure, primarily the Canadian and Australian dollars; changes in accounting judgments and estimates, accounting principles, policies or guidelines or adverse determinations by taxing authorities; risks associated with uncertainty of the impact of recently enacted tax reform legislation in the United States; a materially adverse change in our financial condition; and other risks detailed in the Company's filings with the Securities and Exchange Commission, including the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended July 31, 2018, which was filed on September 28, 2018.

All forward-looking statements attributable to us or any persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. All guidance and forward-looking statements in this presentation are made as of the date hereof and we do not undertake any obligation to update any forecast or forward-looking statements whether as a result of new information, future events or otherwise, except as may be required by law.

# NON-GAAP FINANCIAL MEASURES

We use the terms Resort Reported EBITDA, Resort EBITDA margin and Free Cash Flow, which are not financial measures under accounting principles generally accepted in the United States of America ("GAAP") and may not be comparable to similarly titled measures of other companies. These non-GAAP financial measures should not be considered in isolation or as an alternative to, or substitute for measures of financial performance or liquidity prepared in accordance with GAAP.

Reported EBITDA has been presented herein as a measure of the Company's performance. The Company believes that Reported EBITDA is an indicative measurement of the Company's operating performance, and is similar to performance metrics generally used by investors to evaluate other companies in the resort and lodging industries. We define Reported EBITDA as segment net revenue less segment operating expense, plus or minus segment equity investment income or loss, plus gain on litigation settlement and for the Real Estate segment plus gain on sale of real property. For Resort, we define Resort EBITDA margin as Resort Reported EBITDA divided by Resort net revenue. The Company believes Resort EBITDA margin is an important measurement of operating performance.

A reconciliation of non-GAAP measures referred to in this presentation is provided in the tables at the conclusion of this presentation and in our earnings release issued on March 8, 2019, which is available at [www.vailresorts.com](http://www.vailresorts.com).

# VAIL RESORTS

- Favorable travel industry dynamics
- Differentiated owned / operated resorts
- Driving stability with focus on advanced commitment and diversification
- Driving growth through personalized, data driven marketing
- Expanding network through strategic acquisitions that bolster guest-centered network
- Delivering high free cash flow and disciplined capital allocation

# FY19 PERFORMANCE

- Pass sales slightly softer than expectations
  - Prospect base skews lower frequency
- Early season challenges across portfolio
  - Expected full destination rebound from strong conditions, which did not materialize
- Strong performance from Holidays forward across the network
  - International pressure across resorts
  - Weather events particularly at WB and Tahoe continue to impact results

# INDUSTRY FUNDAMENTALS

- No new mountain resorts
- Guests are high-end vacation travelers
- Niche target market
  - Requires guest data and marketing sophistication
- High fixed cost
  - Volume critical to profitability
- Complex guest experience to deliver
- Weather variability

# DIFFERENTIATED BUSINESS MODEL

- Most visited resorts in volume driven business (6 of top 10 in NA)
- Strongest brands with 5 of top 6 in unaided destination awareness<sup>(1)</sup>
- Integrated owned network
- Industry-leading data driven marketing, operational capabilities and guest-facing technology
- Holistic product and pricing strategy
- Stability through pass and diversification
- Growing margins and free cash flow generation

1) Based on Vail Resorts survey of destination guests

# RESORT NETWORK OF TOP BRANDS



*\*Pending close of acquisition*

# TOP BRANDS IN NORTH AMERICA

	FY19E Skier Visits	Brand Awareness <sup>(1)</sup>	Differentiators
	2.6M	#1	<ul style="list-style-type: none"> <li>• High-end, luxury experience with world-class skiing</li> <li>• Highest resort service &amp; guest satisfaction scores</li> <li>• Signature events: Birds of Prey World Cup, Burton US Open</li> </ul>
	2.6M	#5	<ul style="list-style-type: none"> <li>• Largest North American resort by visits &amp; acreage</li> <li>• Extensive village adds year-round total resort experience</li> <li>• Global destination, attracting skiers from all over the world</li> </ul>
	1.8M	#2	<ul style="list-style-type: none"> <li>• Historic and authentic town with high-energy nightlife</li> <li>• Highest chairlift in the U.S.</li> <li>• Extended spring season</li> </ul>
	1.4M	#4	<ul style="list-style-type: none"> <li>• Largest U.S. resort by acreage</li> <li>• Seamless mountain to historic Main Street connection</li> <li>• Convenient location with easy access from SLC</li> </ul>
	1.2M	#6	<ul style="list-style-type: none"> <li>• Family oriented resort experience</li> <li>• Signature kid-focused programming</li> <li>• Aim to be first US resort to open with enhanced snowmaking</li> </ul>

1) Online survey conducted between March 21, 2018 and April 10, 2018. When you think of snow sports in N.A., what one ski resort first comes to mind?

1,407 residents of the United States participated. Destination travelers. Drive market skiers (Colorado, Salt Lake City and Lake Tahoe) are excluded from these groups.

Qualifications: Ages 21-65, Household Income of \$50,000 or more (USD), Traveled to a destination resort in the Western US, Rocky Mountain, Northeastern United States or Canada for a ski vacation in past two years.

#1 brand awareness survey statistic is specific to Vail Mountain

# STRONG REGIONAL POSITIONING

- Proximity to key destination skier markets
- Differentiated regional resort experiences
- Network effect combining drive-to regional and destination resort access on one pass
  - Creates stronger connection to destination guest base
  - Drives commitment to advanced purchase products

TAHOE



NORTHEAST



MIDWEST



PACIFIC NW



AUSTRALIA\*



**HOTHAM**

*\*Pending close of acquisition of Falls Creek and Hotham ski resorts*

# STABILITY

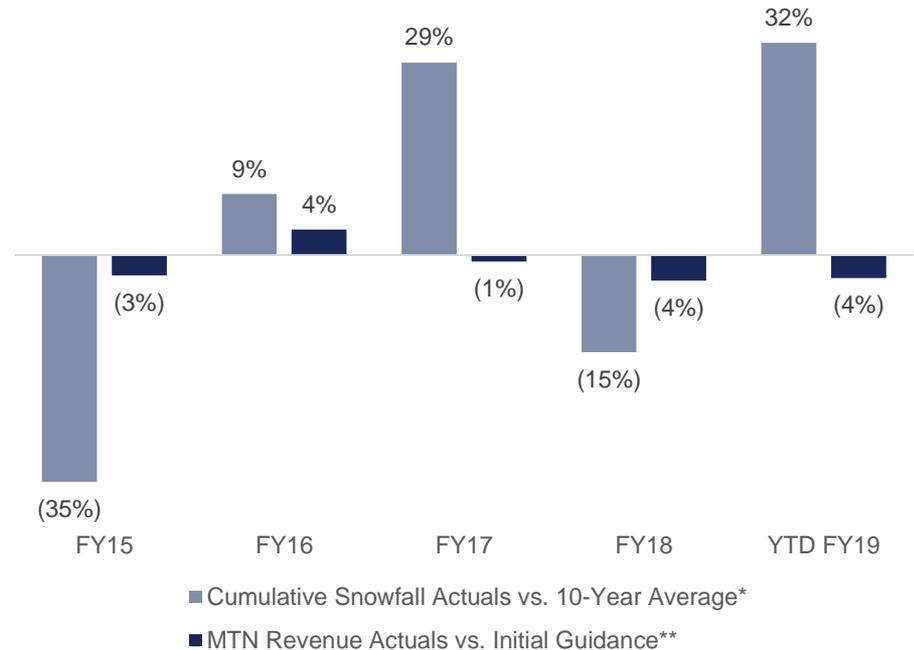
## DRIVERS OF STABILITY

- Season Pass
- Advanced Purchase
- Investment in Resort Experience
- Geographic Diversity

## BENEFITS OF STABILITY

- Mitigates weather variability
- Drives loyalty
- Reduces cyclical impact

Snowfall vs. Revenue Variance



\*Based on cumulative season snowfall across Vail, Beaver Creek, Breckenridge, Keystone, Park City, Heavenly, Northstar and Kirkwood for FY16 and prior years. FY17 and beyond also includes Whistler Blackcomb. YTD FY19 through February 28, 2019

\*\*FY Resort Revenue variance to guidance provided in Q4 of previous fiscal year. FY15 revenue excludes Perisher as reported in actuals and in guidance. FY17 guidance as of 1Q17 inclusive of Whistler Blackcomb. "YTD FY19" actuals represents full year updated guidance provided March 8, 2019

# GROWTH FUNDAMENTALS

- Market dynamics
  - Consumer economy and high end travel demand
  - Healthy regional economies
  - Modest growth in destination skiers
- Strategic price management
- Data-driven targeted marketing
- Multi-year progression across business lines
  - Season pass
  - Lift tickets
  - Ancillary

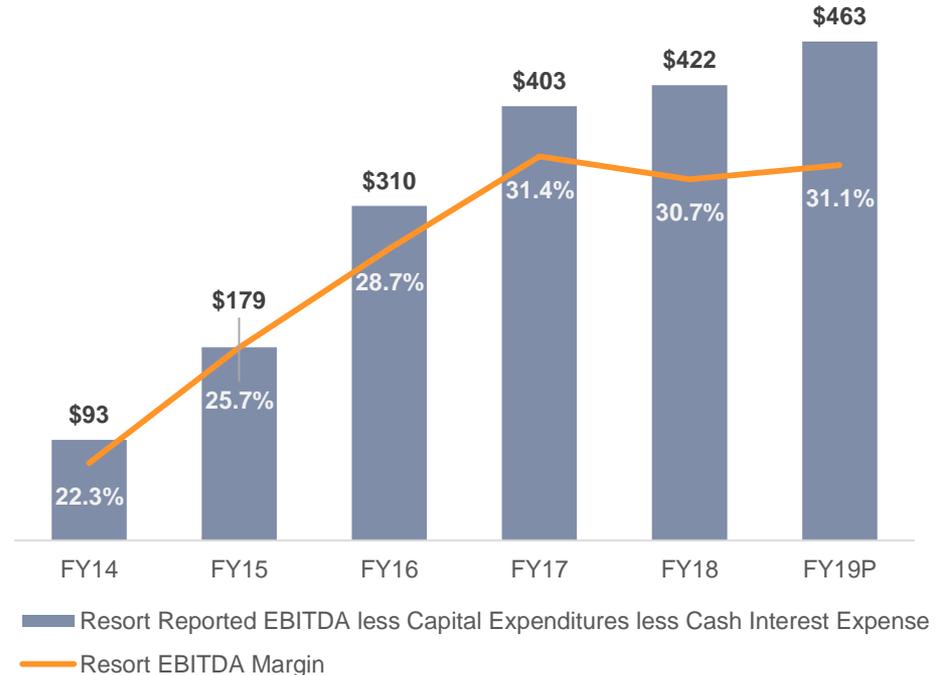
# GROWTH STRATEGIES

- Increase multi-year visit frequency
- Improve guest return rates
  - Targeted marketing
  - Guest experience
- Optimize product and pricing mix
- Drive ancillary revenue
- Strengthen network with targeted acquisitions

# FREE CASH FLOW GROWTH

- Margin Expansion
- Disciplined Capital Investment
- Free Cash Flow Growth
- Return of Capital

Resort Reported EBITDA Minus Capex & Cash Interest (\$M)<sup>(1)</sup>



Note: FY15 excludes gain on litigation settlement recorded

1) Based on midpoint of guidance provided on March 8, 2019. Refer to the 8-K filed with the SEC on March 8, 2019 for assumptions related to guidance

# DATA DRIVEN MARKETING

A blue-tinted photograph of a snowy mountain landscape. In the foreground, a skier is visible on the right side, moving down a slope and kicking up a cloud of snow. The middle ground is filled with a dense forest of evergreen trees covered in snow. In the background, a range of rugged, snow-capped mountains stretches across the horizon under a clear, deep blue sky. The overall scene is serene and winter-themed.

# DATA DRIVEN MARKETING

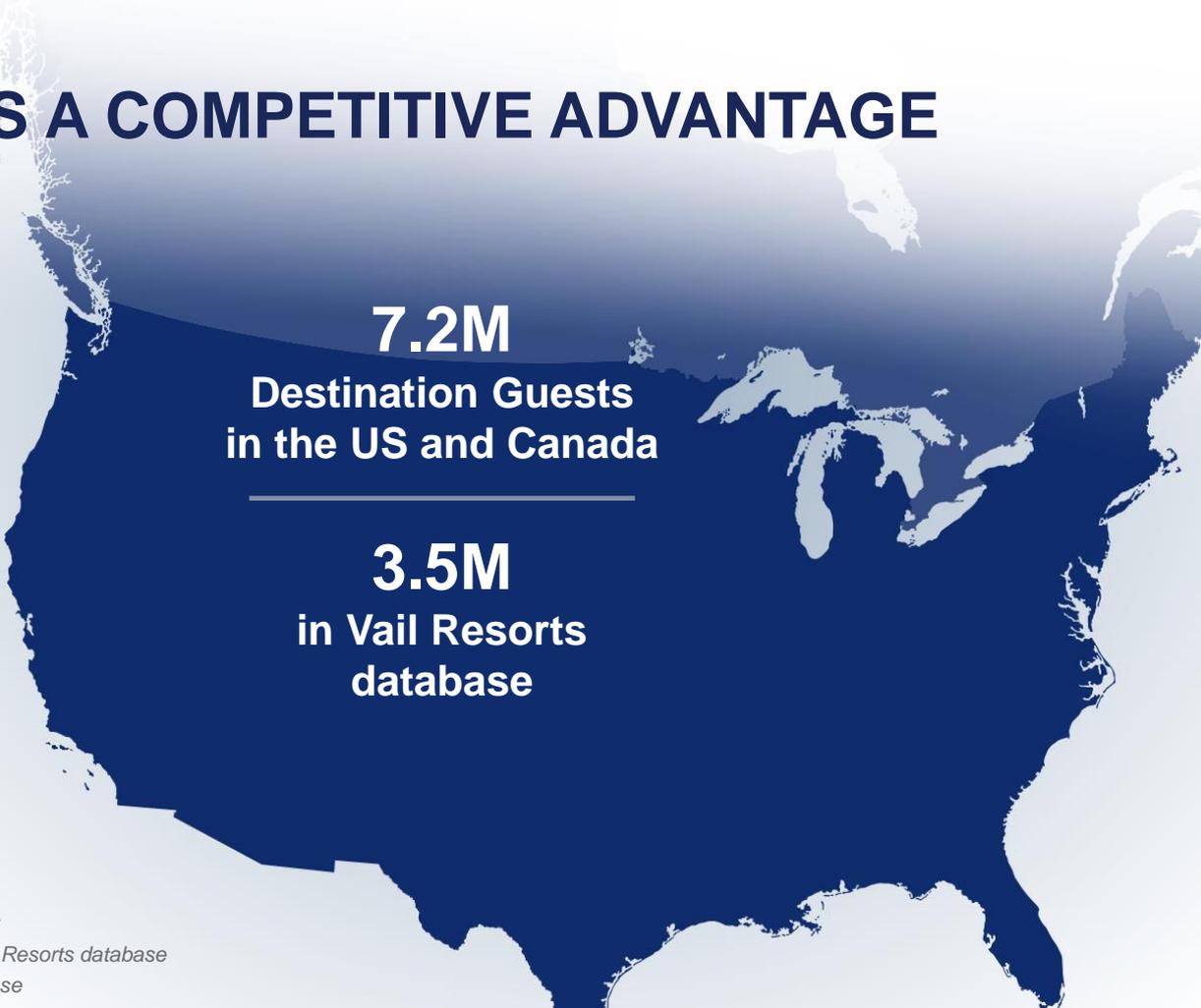
We use data to **understand, predict and influence** guest behavior

**Targeting and personalization** fuels our revenue growth strategies

1. Drive **Advance Commitment**
2. Grow Multi-Year **Frequency**
3. Increase **Repeat** Visitation
4. Attract **New** Guests



# VAIL RESORTS HAS A COMPETITIVE ADVANTAGE



Vail Resorts knows **almost half of all Destination Guests** in US and Canada

We can **market to them one-to-one**

**7.2M**  
Destination Guests  
in the US and Canada

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**3.5M**  
in Vail Resorts  
database

- (1) 7.2M is estimated unique Destination skiers over 5 years from RRC
- (2) 3.5M is the population of Destination skiers over 5 years in the Vail Resorts database
- (3) There are 18.2M total marketable guests in the Vail Resorts database

# DATA DRIVEN MARKETING JOURNEY

We continue to **strengthen** our Data Driven marketing capabilities

Data Driven Marketing is **more mature for Season Pass**

- Long history of data capture
- Started data driven approach almost 7 years ago
- Simpler guest decision with only 4 primary products

Destination Data Driven Marketing **still in early phases**

- Less data; Lift Ticket data capture started 4 years ago
- Complex guest decision: timing of visit, resort options, travel costs, many different products
- Significant amount of “sampling” behavior

We continue to **innovate and expand** our Data Driven Marketing capabilities



# WE ARE FOCUSED ON 4 CRITICAL INITIATIVES FOR FUTURE GROWTH

Epic for Everyone



Predictive Modeling



Personalization



Data Driven  
Ancillary Revenue



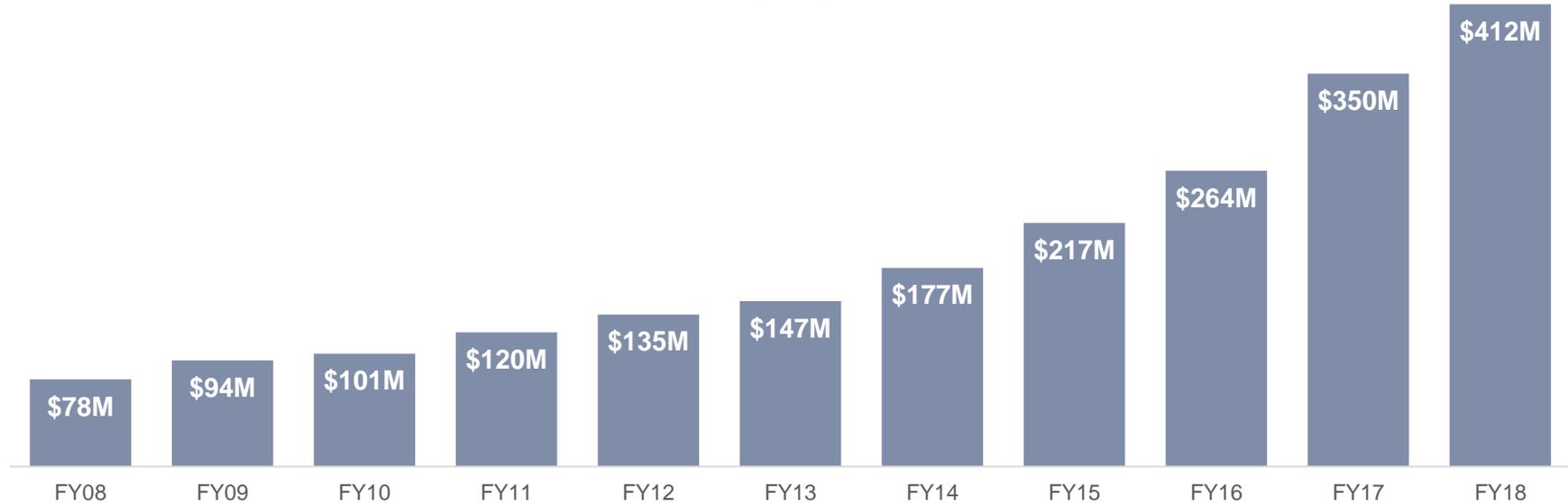
Evolve the product portfolio to meet our guests' needs...

...and expanding our industry leading data-driven capabilities



# VAIL RESORTS HAS ACHIEVED CONSISTENTLY STRONG PASS REVENUE GROWTH

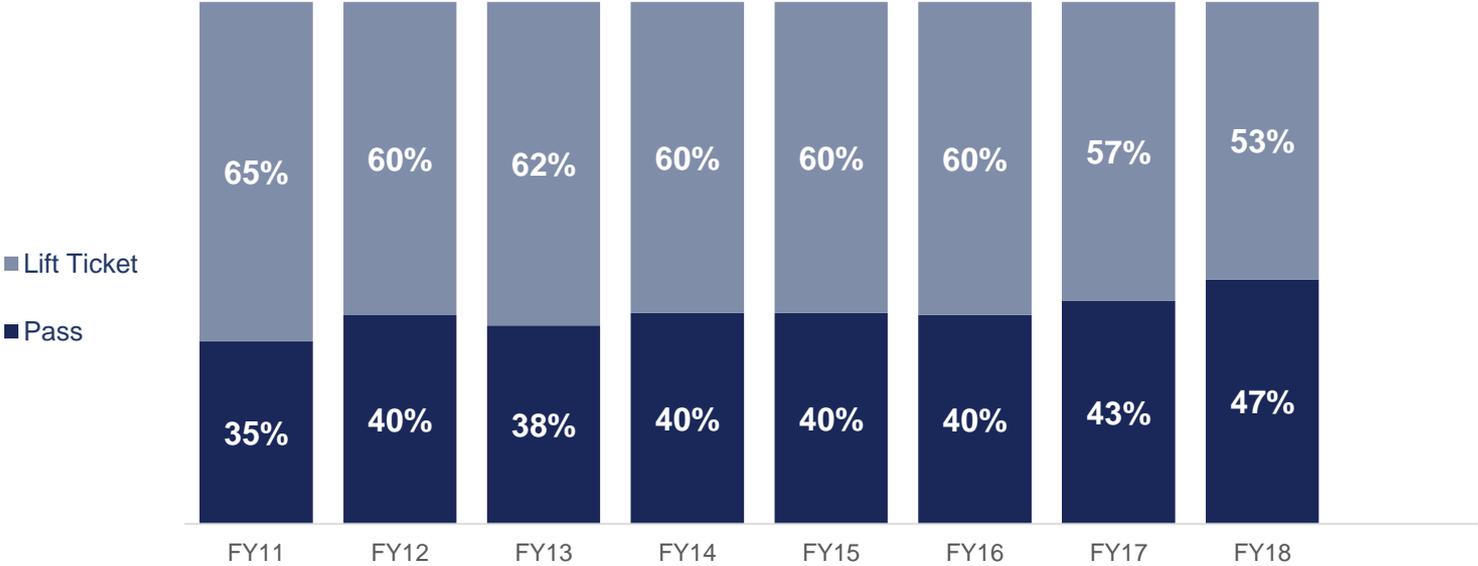
Pass Revenue



(1) Represents total Vail Resorts pass revenue

# ...SHIFTING A SIGNIFICANT PERCENT OF OUR REVENUE TO ADVANCE COMMITMENT

Lift Ticket and Pass Revenue Mix



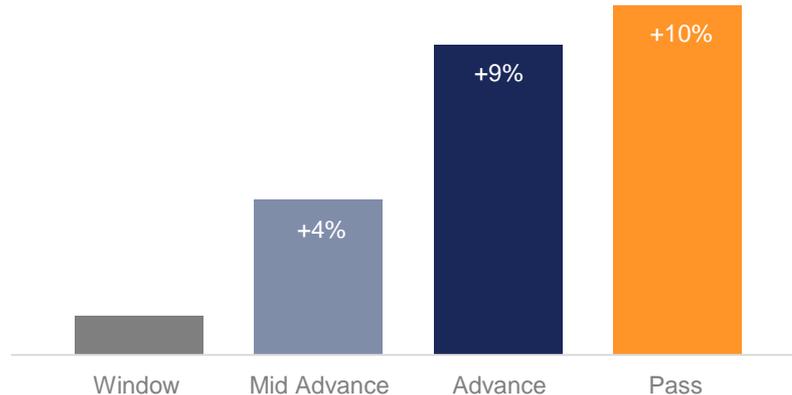
(1) Represents Lift Ticket/Pass recognized revenue mix for Vail Resorts owned mountains

# ADVANCE COMMITMENT DRIVES LONG TERM STRATEGIC BENEFITS

- Mitigates weather
- Guests who commit in advance also have higher Guest Satisfaction which leads to long term loyalty

Advance purchase has **higher guest satisfaction**

FY18 Guest satisfaction scores – destination guests



(1) % change comparisons versus Window Guest Satisfaction

# HOWEVER THERE ARE SIGNIFICANT NUMBER OF GUESTS NOT ON A PASS AND AT LOW FREQUENCY

56% Skier Visits were on a Pass in 2017/18

44% Skier Visits were on Lift Ticket in 2017/18, excluding comp tickets

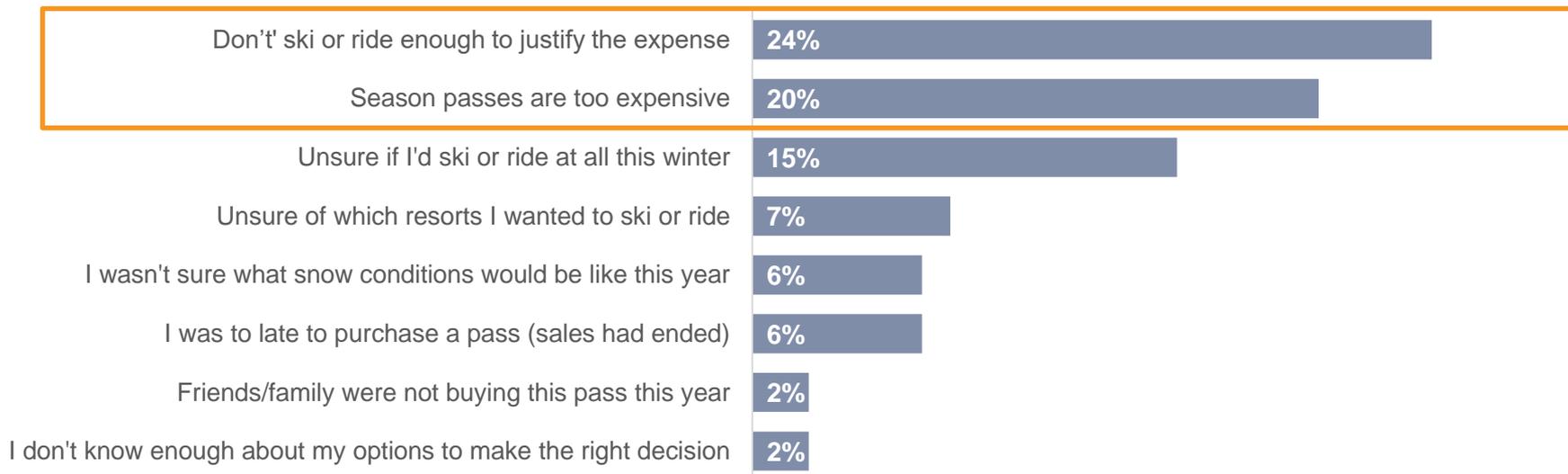
- Lift Ticket Frequency is 2.3 days
- 86% of the Lift Ticket guests that skied three or fewer days in 2017/18 have never been on a Pass



(1) Includes 2017/18 skier visits, excluding Perisher and Stowe

# WE KNOW THERE ARE KEY BARRIERS TO SHIFTING ALL OF OUR VISITS TO A PASS

## Primary Reason NOT to Purchase Among guests who did not purchase any 2018/19 Pass



Online survey January 30 through February 4, 2019. n=2,458 total respondents  
n=1,016 sample of 2018/19 Vail Resorts lift ticket and Pass purchasers who did not purchase any Pass (Vail Resorts or non-Vail Resorts) for the 2018/19 season  
Q: What was the #1 reason you chose not to purchase a season pass this winter?

# NEW EPIC DAY PASS ENABLES GUESTS TO CUSTOMIZE THEIR PASS



- All Resorts
- Choose Number of Days
- Choose Holidays/No Holidays
- Up to 50% off
- Non-refundable

# EPIC DAY PASS BENEFITS

Increase **Renewal Rate on Passes**

- Migration vs. Churn

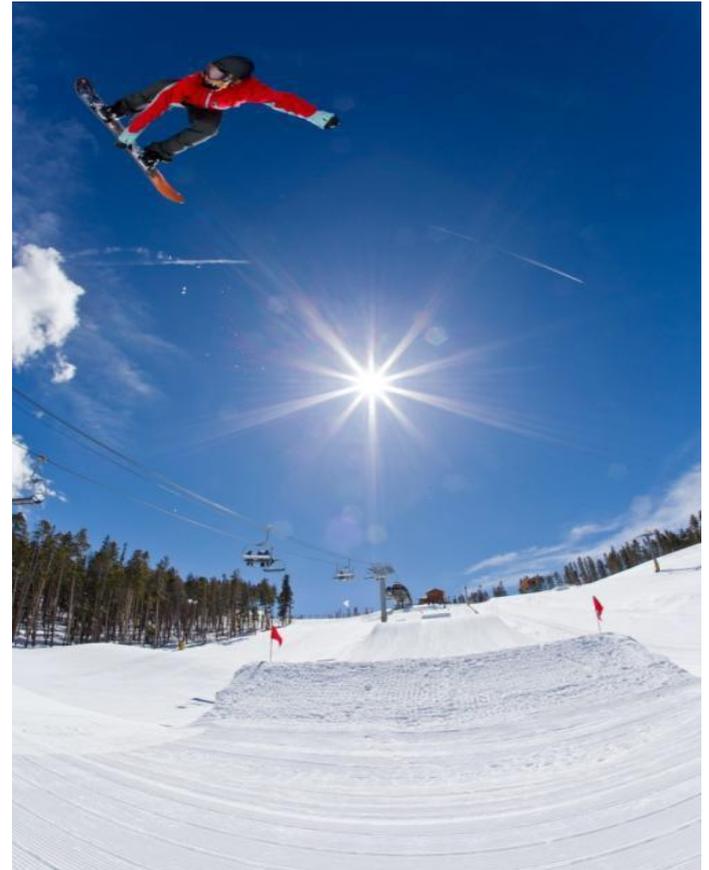
Convert **Lift Ticket Guests** to Advance Commitment

- Lower yield per visit

Increase Multi-Year **Frequency**

Improve **Price Perception**

**Grow** the Industry



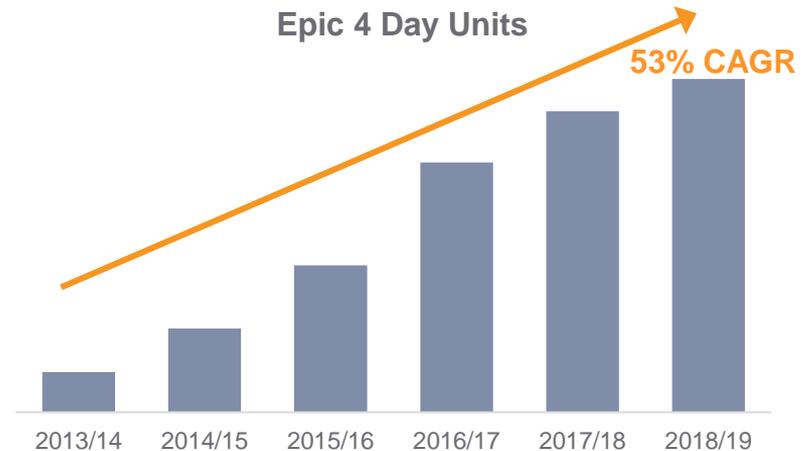
# IN FY14 WE LAUNCHED EPIC 4 DAY...A SUCCESSFUL CASE STUDY FOR EPIC DAY PASS

**Attract New Guests** – Over 70% of FY18 Epic 4 Day sales were sold to guests that were new to Pass

**Upsell More Days** – 53% of prior year lift ticket guests who purchased an Epic 4 Day ski more days

**Retain Paid Guests** – Return rate of guests who purchased an Epic 4 Day is +9ppts higher than guests who purchased a 4 Day Lift Ticket

**Upsell Into Season Pass** – Of the Epic 4 Day guests that renewed, 27% upgraded to a more premium product



(1) Over 70% of Epic 4 Day purchasers in 2017/18 were new to the season pass program

(2) 53% of guests that purchased a lift ticket in 2016/17 and Epic 4 Day in 2017/18, skied more days when they purchased an Epic 4 Day in 2017/18

(3) Return rate of guests who purchase an Epic 4 Day in 2016/17 and returned in 2017/18 is +9ppt higher than guests that purchase a 4 Day Lift Ticket in 2016/17 and returned in 2017/18

(4) 27% of guests that purchased an Epic 4 Day in 2016/17, and renewed the following season, upgraded to a higher premium product (Epic, Epic Local, Epic 7 Day)

# EPIC FOR EVERYONE

Epic Day Pass is an expansion of our existing Epic 4 Day and Epic 7 Day products

				Epic Season Passes		
	Window	Mid Advance	Advance	Epic 4	Epic 7	Epic / Epic Local
Time	0 Days	1-6 Days	7+ Days	March - November		
Unrestricted Discounts	0%	5%	18%	47%	54%	

(1) Unrestricted Discounts Pricing for Window, Mid Advance, Advance, Epic 4, Epic 7, Epic Local and Epic is based on starting 2018/19 rates versus 1 day peak rate at Vail Mountain

# EPIC FOR EVERYONE

- Unrestricted Epic Day Pass provides discounts up to 50% off Window per day
- The holiday restricted option is priced at 15% discount to unrestricted

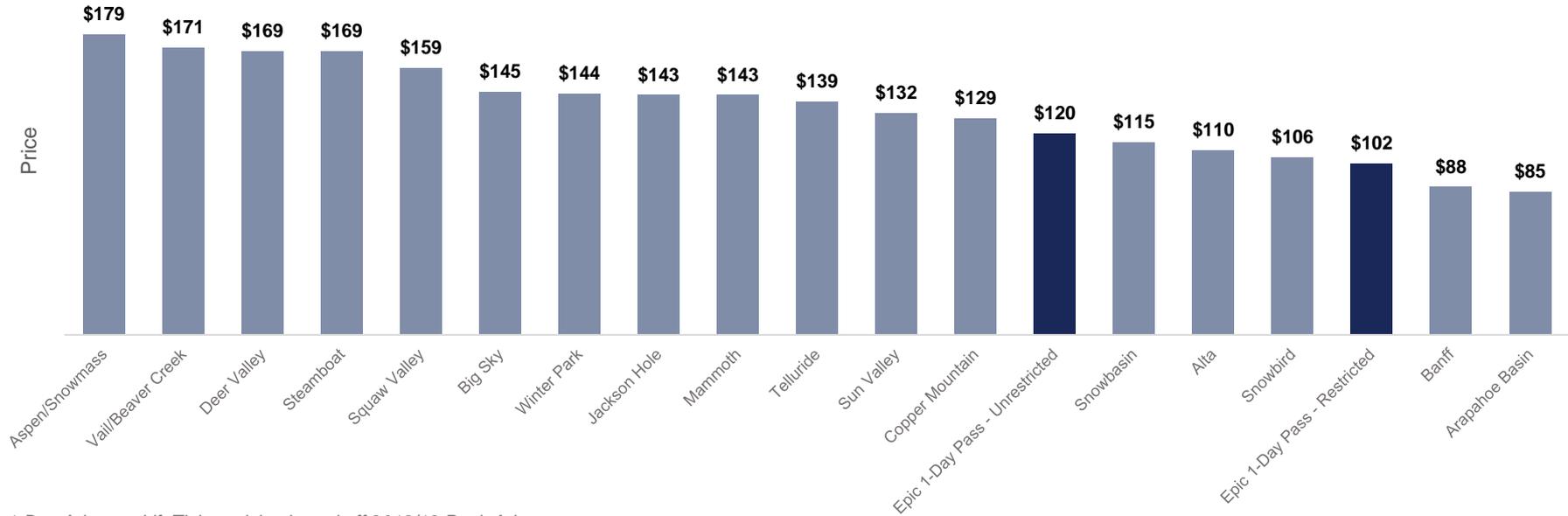
				Epic Day Pass						
	Window	Mid Advance	Advance	Epic 1	Epic 2	Epic 3	Epic 4	Epic 5	Epic 6	Epic 7
Time	0 Days	1-6 Days	7+ Days	March - November						
Unrestricted Discounts	0%	5%	18%	40%	42%	44%	45%	47%	49%	50%
Holiday Restrictions Discounts	0%	5%	18%	49%	51%	52%	54%	55%	56%	58%

(1) Unrestricted Discounts Pricing for Window, Mid Advance, Advance, and Epic Day Passes is based on 2018/19 1 day peak rate at Vail Mountain

(2) Holiday Restrictions Discounts pricing for Window, Mid Advance, Advance, and Epic Day Passes is based on 2018/19 1 day off-peak rate at Vail Mountain

# EPIC DAY PASS IS A SIGNIFICANT VALUE VS. ADVANCE LIFT TICKET OPTIONS

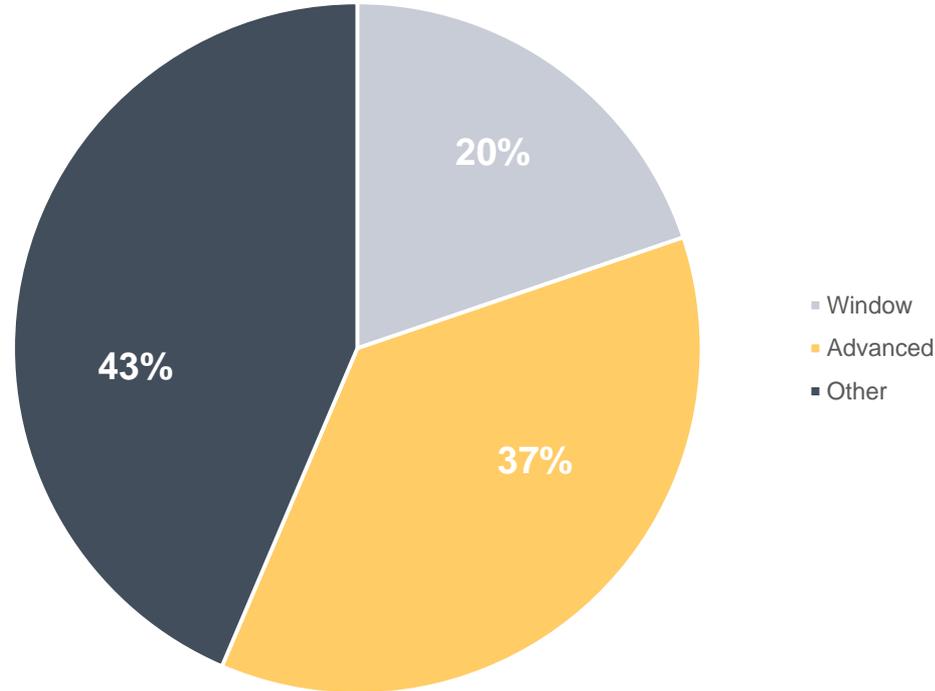
2018/19 Advance Lift Ticket 1 Day Rate Options



- (1) 1-Day Advance Lift Ticket pricing based off 2018/19 Peak Advance rates
- (2) Epic 1 Day Pass prices discounted 4% to FY19
- (3) Non-Vail Resorts properties 1-day Lift Ticket rates as of March 4, 2019

# THIS WILL BE A MULTI-YEAR PROGRESSION STARTING WITH ADVANCED LIFT TICKETS

Paid Lift Ticket Revenue Mix



(1) Based on 2017/18 Paid lift ticket revenue, excluding Perisher and Stowe

(2) Window category includes Full Day Tickets only. Excludes sightseeing and Partial Day tickets

# OTHER SEASON PASS CHANGES

Partnerships are focused on **Destination Partners that expand the network**

- FY19 Added Telluride Ski Resort, Resorts of the Canadian Rockies, and Hakuba Valley
- FY20 Added Rusutsu, Sun Valley, Snowbasin
- Expanded access at Les 3 Vallees and Skirama Dolomiti

**Arapahoe Basin** partnership will end after 2018/2019 season

- FY20 partnership expenses expected to be comparable to FY18
- New Keystone Early Open and Breckenridge Late Season
- New Keystone Pass Plus

Increase in **Buddy Tickets**

**Military Pass** continued with \$30 price increase

- Military launch impacted Spring 2018



# epic<sup>™</sup> FOR EVERYONE

FROM ONE DAY TO EVERYDAY

## EPIC PASSES

epic<sup>™</sup> PASS<sup>™</sup>  
epic<sup>™</sup> LOCAL PASS<sup>™</sup>  
epic<sup>™</sup> 1-DAY PASS<sup>™</sup>  
epic<sup>™</sup> 2-DAY PASS<sup>™</sup>  
epic<sup>™</sup> 3-DAY PASS<sup>™</sup>  
epic<sup>™</sup> 4-DAY PASS<sup>™</sup>  
epic<sup>™</sup> 5-DAY PASS<sup>™</sup>  
epic<sup>™</sup> 6-DAY PASS<sup>™</sup>  
epic<sup>™</sup> 7-DAY PASS<sup>™</sup>

## REGIONAL

TAHOE LOCAL PASS<sup>™</sup>  
TAHOE VALUE PASS<sup>™</sup>  
SUMMIT VALUE PASS<sup>™</sup>  
KEYSTONE PLUS PASS<sup>™</sup>  
WHISTLER BLACKCOMB  
PASSES

## SPECIALTY

MILITARY epic<sup>™</sup> PASS<sup>™</sup>  
SENIOR PASSES  
COLLEGE PASSES  
epic<sup>™</sup> AUSTRALIA PASS<sup>™</sup>

## 2. PREDICTIVE MODELING

Approximately 70%-80% of destination guests that lapse still take a ski vacation and are **driven by “sampling” new experiences**

Goal of leveraging our network, experiences and personalization to **convert “samplers” to stay in network** and ultimately convert to season pass

Last year we learned that **multi-resort messaging underperforms single resort**

Evolution is **predicting the next resort**



## 2. PREDICTIVE MODELING

We can use **predictive modeling to predict resort recommendations** based on historical behavior in order to reduce guest lapse rate

Goal is to maintain guests in our network by providing **1:1 personalized resort recommendations**

Initial test results show **+16% lift in engagement** for guests receiving content from their Next Resort versus guests receiving only prior resort content



(1) Engagement is any guest that has opened a Destination email

(2) Results are showing percent of guests that have opened a Destination email season-to-date through February 17, 2019

(3) Destination guest to Vail Resorts' portfolio for guests living in US/Canada, visiting outside of Local Zones (Colorado, Utah, Lake Tahoe and British Columbia)

### 3. PERSONALIZATION

The **next phase of personalization** will be enabled through a **Marketing Automation Platform**

- Creating a “Single View” of each Guest
- Integrating all touchpoints across Email, SMS, Push, Web-Personalization, Paid Media, and Call Center
- Orchestrated & Automated Omni-Channel Campaign and Audience Management
- Automation optimization enabling feedback and refinement

Investments in data and technology will **drive marketing effectiveness and efficiency through:**

- Deeper understanding of conversion, retention, and upsell drivers
- 1:1 relationships with guests and consistent messaging across all touchpoints
- Automation and real-time actions

**Year One will include:**

- Adobe Experience Cloud – Best in-class hub for integrated campaign management & automation
- Segment Management – People, process & tools for centralized management of guest segments
- Guest Data Mart – Incorporating guest recognition, transactions, and behaviors
- Touchpoint Enablement – Integration across Email, SMS, Push, Web-Personalization, and Paid Media

## 4. DATA DRIVEN ANCILLARY REVENUE

The **next evolution of our Data Driven Marketing** is focused on driving incremental revenue growth for Ski School

The Vail Resorts Ski School business is **significant revenue**, \$190M in 2017/18

Only about **10% of the adult Destination guests** in the database have taken Ski School

We have **significant Ski School data** due to EpicMix Academy and Guest Data Capture, such as

- ✓ Skill level and skill progress by guest
- ✓ Products purchased
- ✓ Resort affinity
- ✓ Guest demographics
- ✓ Vacation timing



*(1) Ski School Revenue for FY18 includes Whistler Blackcomb*

# GUEST EXPERIENCE

A blue-tinted photograph of a snowy mountain landscape. In the foreground, a skier is visible on the right side, moving down a slope and kicking up a cloud of snow. The middle ground is filled with a dense forest of evergreen trees, and the background shows a range of snow-capped mountains under a clear sky. The overall scene is serene and captures the essence of a winter sports destination.

# ELEVATING THE GUEST EXPERIENCE

- **Guest experience drives guest return rates**
- **Increased capabilities to rigorously track guest experience**

## RESORT INFRASTRUCTURE INVESTMENTS

- Lifts
- Restaurants
- Snowmaking
- Terrain Expansion
- Retail / Hospitality

## COMPANY-WIDE TECHNOLOGY & PROCESS IMPROVEMENTS

- Lift Tickets
- Food Service
- Rentals
- Guest Communication
- Employee Training

# PARK CITY BEGINNER AREA & DINING INVESTMENTS

- Enhanced world-class learning area at Canyons
  - New high speed quad lift
  - Improved terrain features
  - Expanded snowmaking capabilities
- Elevated dining experience
  - Cloud Dine 200 seat expansion and upgrades
  - Mid-Mountain Lodge transformation
  - Tombstone dining expansion



# SNOWMAKING INVESTMENT

- **Transformational early-season terrain enhancement at Vail, Keystone and Beaver Creek**

## VAIL

- Expect to open at least one week earlier
- Adding 192 acres of new/enhanced snowmaking terrain
- Earlier access to higher elevation terrain at Mid Vail / Mountaintop Express
- Earlier top to bottom skiing and access from two primary base areas
- Improved early ski school terrain

## KEYSTONE

- Expect to be first to open in U.S., three weeks earlier
- Automation to increase production and efficiency
- Expect to accelerate opening up to three weeks earlier with same opening terrain footprint
- Expect to double opening terrain by historic opening date with multiple peaks and top to bottom ski experiences

# REDUCED WAIT TIME TECHNOLOGY INVESTMENT

- Eliminating guest wait times to dramatically improve the guest experience
- New mobile technology to bypass ticket window entirely
  - Increase lift ticket express fulfillment capacity by 40%
  - Create Direct to Lift experience for ticket purchasers
- Facilitate utilization of season pass benefit tickets
  - Pre-purchase pass benefit tickets online (Buddy & Ski With A Friend)



# COMMITMENT TO ZERO

## ZERO NET EMISSIONS BY 2030

- Reducing electricity and natural gas use by another 15%
- Entered virtual power purchase agreement to purchase equivalent electricity needed to power our North American operations

## ZERO WASTE TO LANDFILL BY 2030

- Eliminating all single-use, guest-facing conventional plastic products
- Building out resort-wide composting capabilities

## ZERO NET OPERATING IMPACT TO FORESTS AND WILDLIFE HABITAT



# EXPANSION STRATEGY

A blue-tinted photograph of a snowy mountain landscape. In the foreground, a skier is visible on the right side, moving down a slope and kicking up a cloud of snow. The middle ground is filled with a dense forest of evergreen trees covered in snow. In the background, a range of rugged, snow-capped mountains stretches across the horizon under a clear, deep blue sky. The overall scene is serene and captures a winter sports environment.

# CONNECTED GLOBAL MARKETS



Skier visits based on 5-year average. Central Europe defined as the Alps and Western Europe (excluding U.K.)  
Source: Vanat, L. 2018 International Report on Snow & Mountain Tourism

# KEY ACQUISITION CRITERIA

- Global opportunities
  - North America
  - Asia-Pacific
  - Europe
- Selective set of potential resorts
  - Location / Accessibility
  - Brand
  - Network Connectivity
  - Guest Demographics
  - Guest Experience
  - Absolute Price and Purchase Multiple

# SUCCESSFUL TRACK RECORD

## Destination



PARK CITY

- Whistler Blackcomb skier visits expected to increase by approximately 20% from FY16 through FY19
- Park City skier visits expected to increase by approximately 18% from FY15 through FY19

## Northeast



OKEMO  
MOUNTAIN RESORT

- Pass sales in Northeast have grown over 50% since acquiring Stowe in 2017

## Midwest



- Season pass sales in Minneapolis and Detroit have grown over 150% since 2012/2013 season
- Chicago pass sales have increased over 50% since acquisition of Wilmot

## Australia



- Pass sales in Australia have more than doubled since acquiring Perisher

# FALLS CREEK AND HOTHAM ACQUISITION

- Falls Creek and Hotham offer unique experiences
  - Falls Creek: wide variety of terrain, catering to families and first-timers
  - Hotham: higher concentration of advanced terrain and Australia's highest alpine village
- Targeting Melbourne and broader Victoria guests with two of top three resorts
  - Victoria market serves approximately 75% as many skier visits as New South Wales
- Further strengthens Australian connection to our global network
  - Three of the top five Australian resorts on same pass
  - Closer ties between Victoria skiers and riders and our North American resorts
  - Improves positioning for future Asia expansion
- Expected to generate approximately AU\$18 million (US\$13 million) Resort Reported EBITDA in first 12 months post-closing
- Closing expected to occur in advance of 2019 operating season
  - Purchase price adjusted for cash flow associated with resort operations from 12/29/18 through closing and expect to pay stamp duty of estimated A\$4 million
  - Plan to integrate in advance of 2020 ski season

# CONTINUED NETWORK EXPANSION

- North America
  - Enhance overall network strength with select destination resorts
  - Increase guest connection in key markets through addition of regional and urban ski areas
- Asia-Pacific
  - Improve network connection to Australia and Asia with addition of internationally-oriented ski areas in Japan
  - Strong market for long term secular growth
- Europe
  - Leverage operating and marketing expertise to build out destination resort presence within largest ski market in the world

# FINANCIAL RESULTS

A blue-tinted photograph of a snowy mountain landscape. In the foreground, a skier is visible on the right side, moving down a slope and kicking up a cloud of snow. The middle ground is filled with a dense forest of evergreen trees covered in snow. In the background, a range of rugged, snow-capped mountains stretches across the horizon under a clear, deep blue sky. The overall scene is serene and winter-themed.

# SEASON-TO-DATE HIGHLIGHTS

## Pass Sales<sup>(1)</sup>

- Pass sales up 21% in units and 13% in sales dollars compared to prior year
- Excluding sales of military passes to new purchasers, pass sales up 8% in units and 10% in sales dollars compared to prior year
- Strong growth but slightly softer than expectations

## Early Season

- Very strong growth in local visits with 34% increase over prior year<sup>(2)</sup>
- Despite strong conditions, destination guest visitation much lower than anticipated in pre-holiday period, particularly December 1st through December 21st
- Primary driver of reduction in guidance

## Holiday+

- Destination guest visitation largely in line with expectations during key holiday weeks and through remainder of January
- International pressure across resorts and weather events particularly at WB and Tahoe impacting results

## Guidance<sup>(3)</sup>

- Expecting FY19 Resort Reported EBITDA of \$690 million to \$710 million
- Includes \$12 million of acquisition and integration expenses; \$4 million negative FX impact to prior guidance issued in September 2018
- Assumes normal weather and terrain and stable economic environment for remainder of fiscal year

1) Pass sales through December 2, 2018 compared to prior year sales through December 3, 2017. Includes Stevens Pass and Triple Peaks pass sales in both periods and are adjusted to eliminate impact of foreign currency by applying current period exchange rates to the prior period. Excludes Epic Australia Pass sales

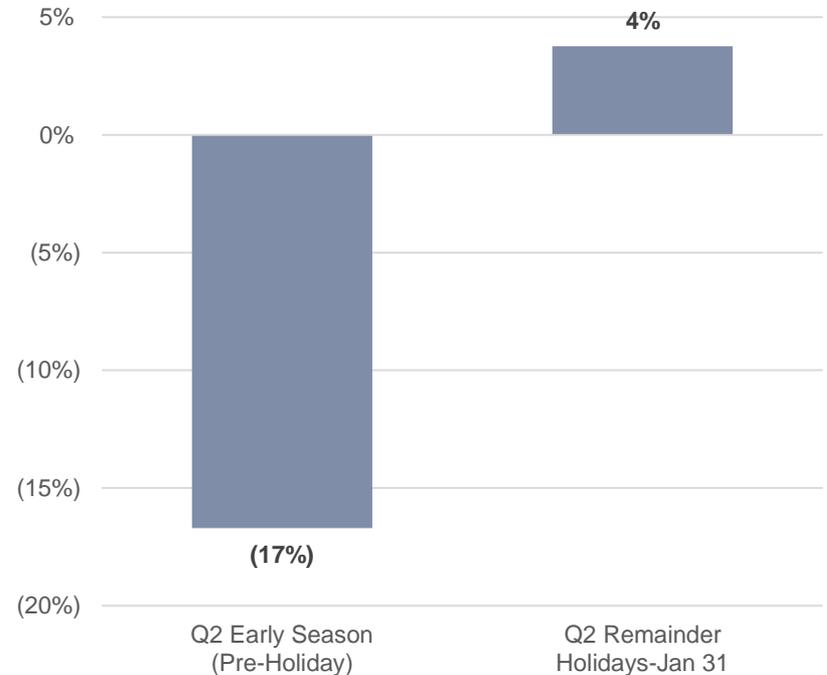
2) Based on local skier visits to Vail, Beaver Creek, Breckenridge, Keystone, Park City, Heavenly, Northstar, Kirkwood and Whistler Blackcomb

3) Refer to the 8-K filed with the SEC on March 8, 2019 for assumptions related to guidance

# EARLY SEASON IMPACT

- Good conditions across majority of our geographies
- Building up to holiday period, each week increasingly more important for destination visitation
- Destination guest visitation much lower than anticipated across geographies
  - Concerns from two prior years of poor early season conditions
  - No pickup in short term bookings

Fiscal Q2 2019 Total Skier Visits Variance to Fiscal Q2 2016<sup>(1)</sup>

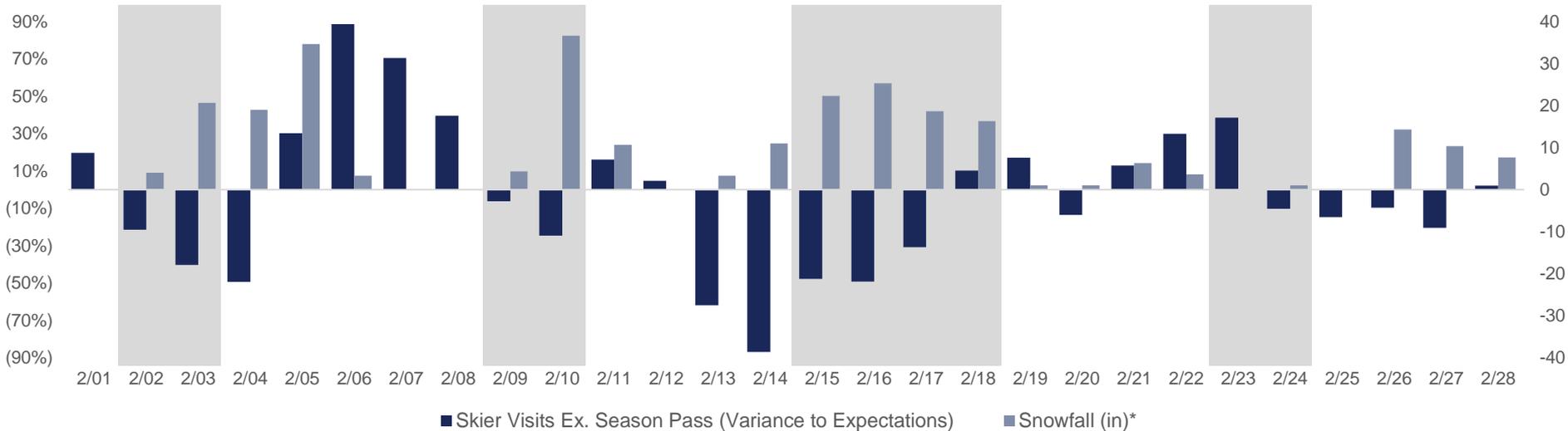


<sup>1)</sup> Based on total skier visits to Vail, Beaver Creek, Breckenridge, Keystone, Park City, Heavenly, Northstar and Kirkwood. Pre-Holiday refers to the beginning of the ski season through December 16, 2018 and through December 20, 2016, respectively

# SNOWFALL IMPACT

- Snowfall supports comprehensive terrain package
- Storms with significant snow can cause operational and travel disruption that can impact results

Tahoe February 2019 Snowfall & Visitation



\*Based on average of Heavenly, Northstar and Kirkwood daily snowfall. Shading reflects weekends/holidays

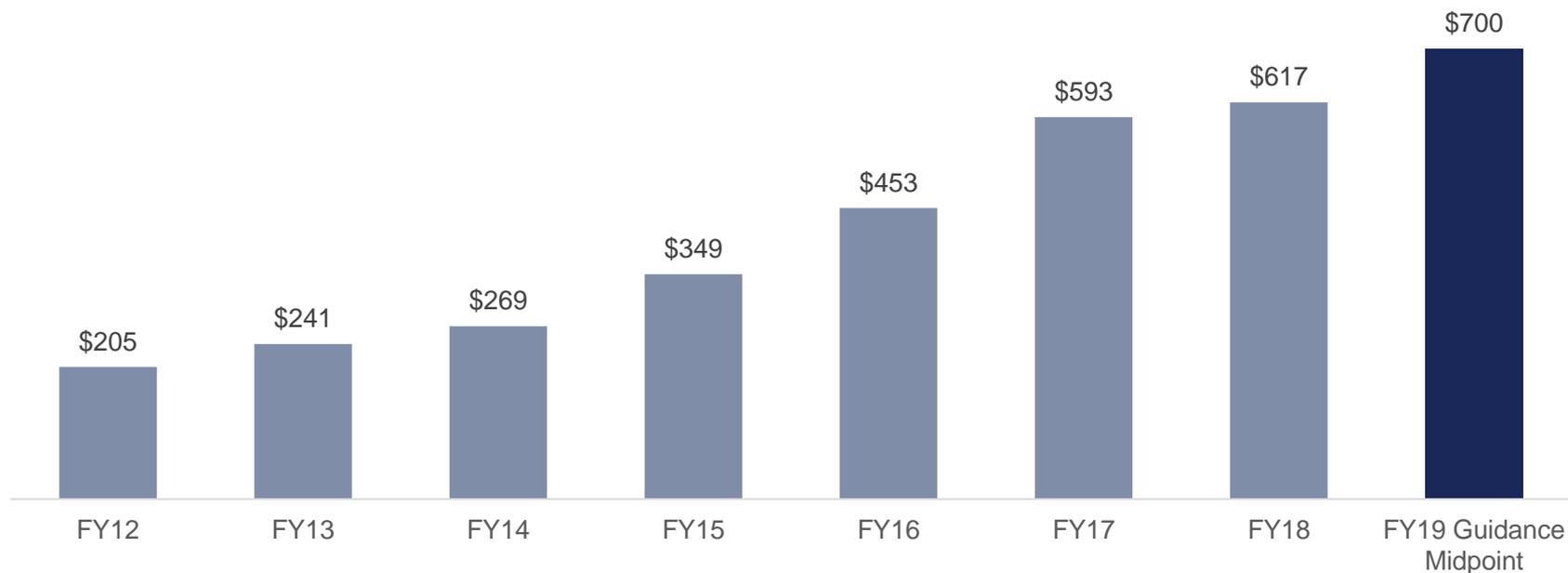
# SEASON-TO-DATE METRICS

North American Destination Resorts	Season-to-date Jan. 6, 2019	Season-to-date Mar. 3, 2019
Total Lift Revenue	12.2%	9.6%
Ski School Revenue	9.5%	7.4%
Dining Revenue	14.8%	7.9%
Resort Retail/Rental Revenue	12.0%	7.3%
Total Skier Visits	16.9%	7.9%

*Note: 2019 comparisons to prior year through January 7, 2018 and March 4, 2018, respectively. Based on our North American resorts, excluding results from Perisher and our urban ski areas in both periods. Includes growth for season pass revenue based on estimated fiscal 2019 North American season pass sales compared to fiscal 2018 North American season pass sales, and the metrics are adjusted as if Steven Pass and Triple Peaks, LLC were owned in both periods and adjusted to eliminate the impact of foreign currency by applying current period exchange rates to the prior period for Whistler Blackcomb's results. Interim period data subject to fiscal quarter end review and adjustments*

# RESORT REPORTED EBITDA GROWTH

Resort Reported EBITDA (\$M)

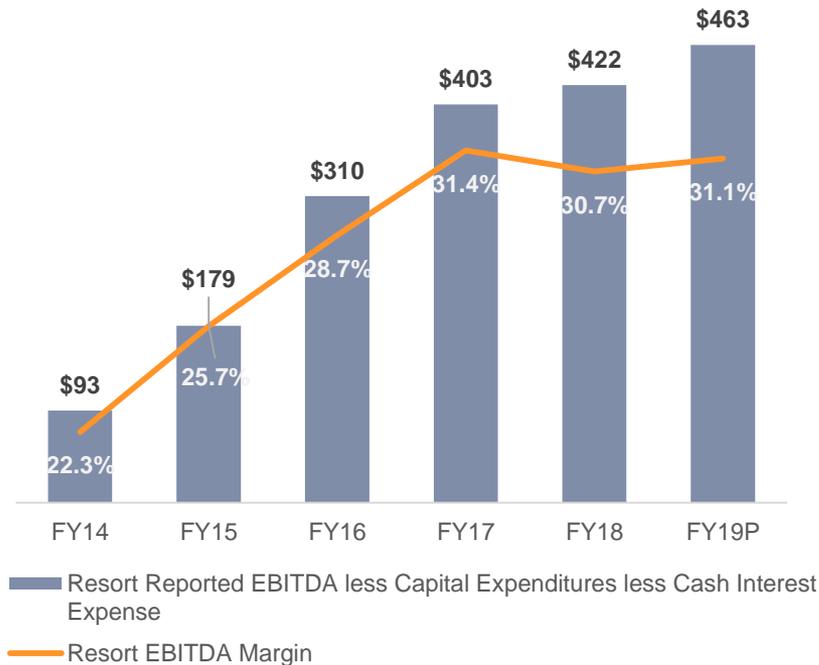


*Note: FY15 excludes gain on litigation settlement recorded. Refer to the 8-K filed with the SEC on March 8, 2019 for assumptions related to FY19 guidance*

# FREE CASH FLOW GENERATION

- Significant operating leverage
  - Fixed cost structure
  - Highly scalable
- Disciplined capital reinvestment
- Flexible capital structure
- Cash tax benefits
  - Canyons lease treatment yields annual tax savings of ~\$11 million over next 9 years
  - Bonus depreciation from tax reform
- Driving significant increases in free cash flow

Resort Reported EBITDA Minus Capex & Cash Interest (\$M)<sup>(1)</sup>



Note: FY15 excludes gain on litigation settlement recorded

1) Based on midpoint of guidance provided on March 8, 2019. Refer to the 8-K filed with the SEC on March 8, 2019 for assumptions related to guidance

# CAPITAL ALLOCATION PRIORITIES

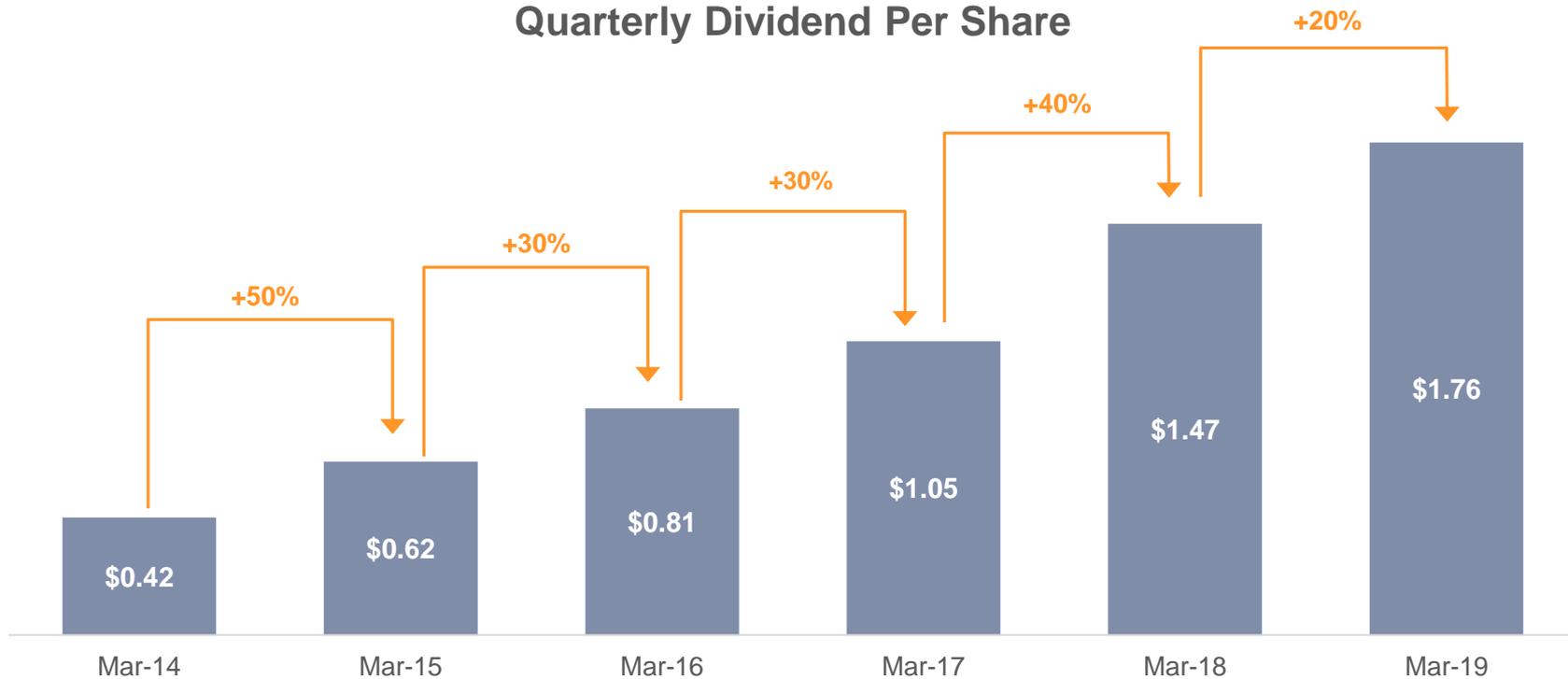
- Consistently reinvest in resorts to maintain high quality experience and competitive advantage
- Capacity to opportunistically execute strategic acquisitions and investments
- Invest in people, wages and housing to support our guest experience and growth
- Return excess capital to shareholders

# CY19 FULL CAPITAL PLAN

- CY19 core capital plan of \$139-143 million
  - \$85-90 million maintenance capital
  - High ROI discretionary projects
  - Core plan expected to grow with inflation in the absence of acquisitions
- Total CY19 capital plan of \$180-185 million
  - One-time Triple Peaks & Stevens Pass investments (\$14M) and integration (\$7M)
  - Summer activities (\$4M) and real estate related projects
  - Reimbursable investments (\$13M)

# DIVIDEND

## Quarterly Dividend Per Share



# LONG TERM GROWTH

- High end leisure travel
- Differentiated scale network with top rated owned resorts
- Data-driven targeted marketing
- Stability and growth through advanced commitment
  - Season Pass
  - Epic Day Pass
  - Destination Tickets
  - Ancillary
- Strategic acquisitions and partnerships
- Leveraged free cash flow growth

# APPENDIX

A blue-tinted photograph of a snowy mountain landscape. In the foreground, a skier is visible on the right side, moving down a slope and kicking up a cloud of snow. The middle ground is filled with a dense forest of evergreen trees covered in snow. In the background, a range of snow-capped mountains stretches across the horizon under a clear, deep blue sky. The overall scene is serene and captures a winter sports environment.

# RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Presented below is a reconciliation of Resort Reported EBITDA to net income attributable to Vail Resorts, Inc. calculated in accordance with GAAP for fiscal 2019 guidance and actual results for the years ended July 31, 2018, 2017, 2016, 2015, 2014, 2013 and 2012.

	(In thousands) (Unaudited) Fiscal 2019 Guidance for the Year Ending July 31, 2019			(In thousands) (Unaudited) Fiscal Year Ended July 31,						
	Low End Range	Mid Point	High End Range	2018	2017	2016	2015	2014	2013	2012
Mountain Reported EBITDA excluding gain on litigation settlement	\$ 659,000	\$ 669,000	\$ 679,000	\$ 591,605	\$ 566,338	\$ 424,415	\$ 327,704	\$252,050	\$ 228,699	\$ 198,908
Lodging Reported EBITDA	29,000	31,000	33,000	25,006	27,087	28,169	21,676	16,724	12,161	6,353
Resort Reported EBITDA excluding gain on litigation settlement <sup>(1)</sup>	690,000	700,000	710,000	616,611	593,425	452,584	349,380	268,774	240,860	205,261
Gain on litigation settlement	-	-	-	-	-	-	16,400	-	-	-
Real Estate EBITDA	(7,000)	(5,000)	(3,000)	957	(399)	2,784	(6,915)	(7,040)	(9,106)	(16,007)
Total Reported EBITDA	683,000	695,000	707,000	617,568	593,026	455,368	358,865	261,734	231,754	189,254
Depreciation and amortization	(219,000)	(216,000)	(213,000)	(204,462)	(189,157)	(161,488)	(149,123)	(140,601)	(132,688)	(127,581)
Interest expense, net	(81,000)	(79,500)	(78,000)	(63,226)	(54,089)	(42,366)	(51,241)	(63,997)	(38,966)	(33,586)
Other	(6,400)	(4,900)	(3,400)	(9,788)	(1,331)	(8,895)	1,839	(2,233)	(871)	(995)
Loss on extinguishment of debt	-	-	-	-	-	-	(11,012)	(10,831)	-	-
Income before (provision) benefit from income taxes	376,600	394,600	412,600	340,092	348,449	242,619	149,328	44,072	59,229	27,092
(Provision) benefit from income taxes	(83,600)	(87,600)	(91,600)	61,138	(116,731)	(93,165)	(34,718)	(15,866)	(21,619)	(10,701)
Net income	293,000	307,000	321,000	401,230	231,718	149,454	114,610	28,206	37,610	16,391
Net (income) loss attributable to noncontrolling interests	(25,000)	(23,000)	(21,000)	(21,332)	(21,165)	300	144	272	133	62
Net income attributable to Vail Resorts, Inc.	\$ 268,000	\$ 284,000	\$ 300,000	\$ 379,898	\$ 210,553	\$ 149,754	\$ 114,754	\$ 28,478	\$ 37,743	\$ 16,453

1) For Fiscal 2019 Guidance (issued on March 8, 2019), the Company provides Reported EBITDA ranges for the Mountain and Lodging segments, as well as for the two combined. The low and high of the expected ranges provided for the Mountain and Lodging segments, while possible, do not sum to the high or low end of the Resort Reported EBITDA range provided because we do not expect or assume that we will hit the low or high end of both ranges. Refer to the 8-K filed with the SEC on March 8, 2019 for assumptions related to Fiscal 2019 guidance

# RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Presented below is a reconciliation of Resort Reported EBITDA less Capital Expenditures less Cash Interest Expense for fiscal 2019 guidance and actual results for the years ended July 31, 2018, 2017, 2016, 2015 and 2014.

	(In thousands) (Unaudited) Fiscal 2019 Guidance for the Year Ending July 31, 2019			(In thousands) (Unaudited) Fiscal Year Ended July 31,				
	Low End Range	Mid Point	High End Range	2018	2017	2016	2015	2014
Resort Reported EBITDA excluding gain on litigation settlement <sup>(1)</sup> <sup>(2)</sup>	\$ 690,000	\$ 700,000	\$ 710,000	\$ 616,611	\$ 593,425	\$ 452,584	\$ 349,380	\$ 268,774
Less: Capital Expenditures		(168,900)		(140,611)	(144,432)	(109,237)	(123,884)	(118,305)
Less: Cash Interest expense		(68,400)		(53,842)	(46,454)	(33,243)	(46,483)	(57,217)
Resort Reported EBITDA less Capital Expenditures less Cash Interest Expense	n/a	\$ 462,700	n/a	\$ 422,158	\$ 402,539	\$ 310,104	\$ 179,013	\$ 93,252

1) Refer to the 8-K filed with the SEC on March 8, 2019 for assumptions related to Fiscal 2019 guidance

2) Resort Reported EBITDA for the fiscal year ended July 31, 2015 excludes the \$16.4 million gain on litigation settlement

# RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Presented below is a calculation of the Resort Reported EBITDA Margins for fiscal 2019 guidance and actual results for the fiscal years ended July 31, 2018, 2017, 2016, 2015 and 2014.

	(In thousands) (Unaudited) Fiscal Year Ended July 31,					
	2019 <sup>(1)</sup>	2018	2017	2016	2015	2014
Resort Revenue	\$ 2,248,000	\$ 2,007,565	\$ 1,890,300	\$ 1,579,158	\$ 1,358,582	\$ 1,205,860
Resort Reported EBITDA excluding gain on litigation settlement <sup>(2)</sup>	\$ 700,000	\$ 616,611	\$ 593,425	\$ 452,584	\$ 349,380	\$ 268,774
Resort Reported EBITDA Margin	31.1%	30.7%	31.4%	28.7 %	25.7 %	22.3 %

1) Represents the mid-point range of guidance provided on March 8, 2019. Refer to the 8-K filed with the SEC on March 8, 2019 for assumptions related to Fiscal 2019 guidance

2) Resort Reported EBITDA for the fiscal year ended July 31, 2015 excludes the \$16.4 million gain on litigation settlement