

Vail Resorts Announces \$ 8.5 Million Favorable Judgment In Cheeca Lodge Litigation

Its Luxury Hotel Subsidiary, RockResorts, Wins \$8.5 Million For Wrongful Termination By Owner of the Cheeca Lodge & Spa

BROOMFIELD, Colo. -- March 1, 2007-Vail Resorts, Inc. (NYSE: MTN) today announced that its luxury hotel management company RockResorts International, LLC, won an \$8.5 million damages award against Cheeca Holdings LLC, the owner of the former RockResorts' property at Cheeca Lodge & Spa in Islamorada, Florida. The arbitrator's decision, rendered February 28, 2007, found that the owner of Cheeca Lodge & Spa had wrongfully terminated the hotel management contract and that RockResorts "did not breach the contract."

Also, in accordance with the arbitrator's ruling, RockResorts will seek recovery of its costs and attorneys fees in the next stage of the proceeding, expected to be concluded in the next 60-90 days. The total award, which will incorporate the \$8.5 million damage award, is final, binding and non-appealable. Upon completion of the cost recovery stage, RockResorts will proceed with collection of the total award.

"We are extremely pleased with the arbitrator's decision in the case," said Rob Katz, Chief Executive Officer of Vail Resorts. "It vindicates our belief all along that RockResorts performed its management obligations to Cheeca in good faith and in accordance with the management contract. RockResorts takes its contractual responsibilities seriously and is committed to delivering quality management services and financial performance to our ownership groups and exceptional vacation experiences to our lodging guests."

About Vail Resorts

Vail Resorts, Inc. is the leading mountain resort operator in the United States. The Company's subsidiaries operate the mountain resorts of Vail, Beaver Creek, Breckenridge and Keystone in Colorado, Heavenly in California and Nevada, and the Grand Teton Lodge Company in Jackson Hole, Wyo. The Company's subsidiary, RockResorts, a luxury resort hotel company, manages casually elegant properties across the United States. Vail Resorts Development Company is the real estate planning, development and construction subsidiary of Vail Resorts, Inc. Vail Resorts is a publicly held company traded on the New York Stock Exchange (NYSE: MTN). The Vail Resorts company website is www.vailresorts.com and consumer website is www.snow.com.

About RockResorts

The RockResorts collection features casually elegant resorts in six U.S. states. The RockResorts portfolio includes: The Pines Lodge in Beaver Creek, Colo.; Keystone Lodge in Keystone, Colo.; The Lodge at Vail in Vail, Colo.; La Posada de Santa Fe Resort & Spa in Santa Fe, N.M.; The Lodge & Spa at Cordillera, Edwards, CO; The Equinox Resort & Spa in Manchester Village, Vt.; Rosario Resort & Spa on Orcas Island, Wash.; and Snake River Lodge & Spa in Jackson Hole, Wyo. The Arrabelle at Vail Square, a RockResort in Vail Colorado, is also currently under development. Visit the new online pressroom, including downloadable image archive, at media.rockresorts.com.

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