

Reconciliation of Non-GAAP Financial Measures

Resort, Mountain, Lodging and Real Estate Reported EBITDA have been presented herein as measures of the Company's financial operating performance. Reported EBITDA is not a measurement of financial performance under accounting principles generally accepted in the United States ("GAAP"), and it might not be comparable to similarly titled measures. Reported EBITDA does not purport to represent cash provided by operating activities and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The Company believes that Reported EBITDA is an indicative measure of the Company's operating performance, and it is generally used by investors to evaluate companies in the resort and lodging industries. In addition, because of the significance of long-lived assets to the operations of the Company and the level of the Company's indebtedness, the Company also believes that Reported EBITDA is useful in measuring the Company's ability to fund capital expenditures and service debt. The Company uses Reported EBITDA targets in determining management bonuses.

Presented below is a reconciliation of Reported EBITDA to net income for the Company calculated in accordance with GAAP for the three and six months ended January 31, for the fiscal years 2005 and 2004.

	Three Months Ended		Six Months Ended	
	January 31,		January 31,	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Mountain Reported EBITDA	\$ 82,088	\$ 75,410	\$ 53,413	\$ 47,404
Lodging Reported EBITDA	1,258	(1,525)	2,066	(979)
Real Estate Reported EBITDA	<u>1,135</u>	<u>1,667</u>	<u>8,155</u>	<u>18,552</u>
Total Reported EBITDA	84,481	75,552	63,634	64,977
Depreciation and amortization expense	(23,273)	(22,568)	(44,348)	(42,933)
Asset impairment charge	-	(933)	-	(933)
Mold remediation	-	(5,500)	-	(5,500)
Loss on disposal of fixed assets	(623)	(545)	(1,481)	(1,556)
Investment income, net	1,174	328	1,301	893
Interest expense	(10,809)	(12,857)	(21,385)	(26,266)
Loss on extinguishment of debt	(612)	(36,195)	(612)	(36,195)
Gain on sale of equity investment	5,693	-	5,693	-
Gain (loss) on put options, net	975	(696)	1,188	(1,306)
Other income (expense), net	84	(10)	52	(10)
Minority interest in income of consolidated subsidiaries, net	<u>(4,665)</u>	<u>(4,094)</u>	<u>(2,765)</u>	<u>(2,003)</u>
Income (loss) before (provision) benefit from income taxes	52,425	(7,518)	1,277	(50,832)
(Provision) benefit for income taxes	<u>(20,184)</u>	<u>781</u>	<u>(492)</u>	<u>18,691</u>
Net income (loss)	<u>\$ 32,241</u>	<u>\$ (6,737)</u>	<u>\$ 785</u>	<u>\$ (32,141)</u>

* Resort represents the sum of Mountain and Lodging.

Presented below is a reconciliation of net income (loss) excluding the loss on extinguishment of debt and the gain on sale of equity investment and including a modification to adjust the effective tax rate to a normalized rate of 40% to net income of the Company calculated in accordance with GAAP for the three and six months ended January 31, 2005. Also presented is a reconciliation of net income (loss) per diluted share excluding loss on extinguishment of debt and the gain on sale of equity investment and including a modification to adjust the effective tax rate to a normalized rate of 40% to net loss per diluted share of the Company calculated in accordance with GAAP for the three and six months ended January 31, 2005. The Company has presented these non-GAAP measures as it believes that this presentation is more indicative of the Company's results from continuing operations.

	Three Months Ended <u>January 31, 2005</u>	Six Months Ended <u>January 31, 2005</u>
Net income (loss) excluding loss on extinguishment of debt and gain on sale of equity investment	\$ 28,406	\$ (2,283)
Loss on extinguishment of debt, before benefit from income tax	(612)	(612)
Gain on sale of equity investment, before provision for income tax	5,693	5,693
Adjustment to provision for income taxes to achieve 40% normalized effective tax rate	<u>(1,246)</u>	<u>(2,013)</u>
Net income	<u>\$ 32,241</u>	<u>\$ 785</u>
Diluted net income (loss) per common share excluding loss on extinguishment of debt and gain on sale of equity investment	\$ 0.79	\$ (0.06)
Loss on extinguishment of debt per diluted common share, before benefit from income tax	(0.02)	(0.02)
Gain on sale of equity investment per diluted common share, before provision for income tax	0.16	0.16
Adjustment to provision for income taxes to achieve 40% normalized effective tax rate, per diluted share	<u>(0.04)</u>	<u>(0.06)</u>
Diluted net income per common share	<u>\$ 0.89</u>	<u>\$ 0.02</u>

Presented below is a reconciliation of net income (loss) excluding the loss on extinguishment of debt and the mold remediation charge and including a modification to adjust the effective tax rate to a normalized rate of 40% to net income of the Company calculated in accordance with GAAP for the three and six months ended January 31, 2004. Also presented is a reconciliation of net income (loss) per diluted share excluding loss on extinguishment of debt and the mold remediation charge and including a modification to adjust the effective tax rate to a normalized rate of 40% to net loss per diluted share of the Company calculated in

accordance with GAAP for the three and six months ended January 31, 2004. The Company has presented these non-GAAP measures as it believes that this presentation is more indicative of the Company's results from continuing operations.

	Three Months Ended <u>January 31, 2004</u>	Six Months Ended
Net income (loss) excluding loss on extinguishment of debt and mold remediation charge	\$ 20,506	\$ (5,482)
Loss on extinguishment of debt, before benefit from income tax	(36,195)	(36,195)
Mold remediation charge, before benefit from income tax	(5,500)	(5,500)
Adjustment to provision for income taxes to achieve 40% normalized effective tax rate	<u>14,452</u>	<u>15,036</u>
Net loss	<u>\$ (6,737)</u>	<u>\$ (32,141)</u>
Diluted net income (loss) per common share excluding loss on extinguishment of debt and mold remediation charge	\$ 0.58	\$ (0.16)
Loss on extinguishment of debt per diluted common share, before benefit from income tax	(1.02)	(1.03)
Mold remediation charge per diluted common share, before benefit from income tax	(0.16)	(0.15)
Adjustment to provision for income taxes to achieve 40% normalized effective tax rate, per diluted share	<u>0.41</u>	<u>0.43</u>
Diluted net loss per common share	<u>\$ (0.19)</u>	<u>\$ (0.91)</u>