

Reconciliation of Non-GAAP Financial Measures

Resort, Mountain and Lodging, and Real Estate Reported EBITDA have been presented herein as measures of the Company's financial operating performance. Reported EBITDA and Net Debt are not measures of financial performance or liquidity under accounting principles generally accepted in the United States of America ("GAAP"), and they might not be comparable to similarly titled measures of other companies. Reported EBITDA and Net Debt 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 including net income, net change in cash and cash equivalents or other financial statement data. 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 companies in the resort and lodging industries. The Company primarily uses Reported EBITDA based targets in evaluating performance. The Company believes that Net Debt is an important measurement as it is an indicator of the Company's ability to obtain additional capital resources for its future cash needs.

Presented below is a reconciliation of Total Reported EBITDA to net income attributable to Vail Resorts, Inc. calculated in accordance with GAAP for the three and nine months ended April 30, 2012 and 2011.

	(In thousands)			
	(Unaudited)			
	Three Months Ended April 30,		Nine Months Ended April 30,	
	2012	2011	2012	2011
Mountain Reported EBITDA	\$ 170,711	\$ 169,688	\$ 242,882	\$ 255,302
Lodging Reported EBITDA	6,869	8,834	6,375	11,258
Resort Reported EBITDA*	177,580	178,522	249,257	266,560
Real Estate Reported EBITDA	(3,482)	(5,088)	(11,695)	(1,087)
Total Reported EBITDA	\$ 174,098	\$ 173,434	\$ 237,562	\$ 265,473
Depreciation and amortization	(33,266)	(30,937)	(95,245)	(88,945)
Loss on disposal of fixed assets, net	(90)	(35)	(1,123)	(343)
Asset impairment charge	--	(2,561)	--	(2,561)
Investment (loss) income	(18)	114	356	578
Interest expense, net	(8,443)	(8,515)	(25,226)	(25,110)
Loss on extinguishment of debt	--	(6,615)	--	(6,615)
Income before provision for income taxes	132,281	124,885	116,324	142,477
Provision for income taxes	(52,753)	(48,045)	(46,108)	(54,140)
Net income	\$ 79,528	\$ 76,840	\$ 70,216	\$ 88,337
Net loss attributable to noncontrolling interests	41	27	34	58
Net income attributable to Vail Resorts, Inc.	\$ 79,569	\$ 76,867	\$ 70,250	\$ 88,395

* Resort represents the sum of Mountain and Lodging

Presented below is a reconciliation of Total Reported EBITDA to net income attributable to Vail Resorts, Inc. calculated in accordance with GAAP for the twelve months ended April 30, 2012.

	(In thousands) (Unaudited) Twelve Months Ended April 30, 2012
Mountain Reported EBITDA	\$ 200,747
Lodging Reported EBITDA	3,872
Resort Reported EBITDA*	204,619
Real Estate Reported EBITDA	(15,643)
Total Reported EBITDA	188,976
Depreciation and amortization	(124,257)
Loss on disposal of fixed assets, net	(1,335)
Investment income	497
Interest expense, net	(33,757)
Loss on extinguishment of debt	(757)
Income before provision for income taxes	29,367
Provision for income taxes	(13,066)
Net income	\$ 16,301
Net loss attributable to noncontrolling interests	43
Net income attributable to Vail Resorts, Inc.	\$ 16,344

* Resort represents the sum of Mountain and Lodging

The following table reconciles Net Debt to long-term debt and the calculation of Net Debt to Total Reported EBITDA for the twelve months ended April 30, 2012.

	(In thousands) (Unaudited) As of April 30, 2012
Long-term debt	\$ 489,757
Long-term debt due within one year	1,119
Total debt	490,876
Less: cash and cash equivalents	147,110
Net Debt	\$ 343,766
Net Debt to Total Reported EBITDA	1.8x