



### **Reconciliation of Non-GAAP Financial Measures**

Reported EBITDA, Net Debt, and Net Real Estate Cash Flow are not measures of financial performance under GAAP, and they might not be comparable to similarly titled measures of other companies. Reported EBITDA, Net Debt, and Net Real Estate Cash Flow 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 (loss), net change in cash and cash equivalents or other financial statement data.

Reported EBITDA and Net Real Estate Cash Flow have been presented herein as measures 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. The Company primarily uses Reported EBITDA based targets in evaluating performance. The Company believes that Net Debt is an important measurement of liquidity as it is an indicator of the Company's ability to obtain additional capital resources for its future cash needs. Additionally, the Company believes Net Real Estate Cash Flow is important as a cash flow indicator for our Real Estate segment.

Presented below is a reconciliation of Total Reported EBITDA to net loss attributable to Vail Resorts, Inc. calculated in accordance with GAAP for the three months ended October 31, 2013 and 2012.

(In thousands)  
(Unaudited)  
Three Months Ended  
October 31,

	2013	2012
Mountain Reported EBITDA	\$ (66,840)	\$ (55,202)
Lodging Reported EBITDA	309	702
Resort Reported EBITDA*	(66,531)	(54,500)
Real Estate Reported EBITDA	(385)	(3,684)
Total Reported EBITDA	(66,916)	(58,184)
Depreciation and amortization	(34,156)	(31,679)
Loss on disposal of fixed assets	(429)	(2)
Investment income, net	95	54
Interest expense	(16,098)	(8,375)
Loss before benefit from income taxes	(117,504)	(98,186)
Benefit from income taxes	44,067	37,583
Net loss	\$ (73,437)	\$ (60,603)
Net loss attributable to noncontrolling interests	61	23
Net loss attributable to Vail Resorts, Inc.	\$ (73,376)	\$ (60,580)

\* 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 October 31, 2013.

(In thousands)  
(Unaudited)  
Twelve Months Ended  
October 31,  
2013

Mountain Reported EBITDA	\$ 217,061
Lodging Reported EBITDA	11,768
Resort Reported EBITDA*	228,829
Real Estate Reported EBITDA	(5,807)
Total Reported EBITDA	223,022
Depreciation and amortization	(135,165)
Loss on disposal of fixed assets	(1,649)
Investment income, net	392
Interest expense	(46,689)
Income before provision for income taxes	39,911
Provision for income taxes	(15,135)
Net income	\$ 24,776
Net loss attributable to noncontrolling interests	171
Net income attributable to Vail Resorts, Inc.	\$ 24,947

\* 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 October 31, 2013.

	(In thousands) (Unaudited) As of October 31, 2013	
Long-term debt	\$	797,062
Long-term debt due within one year		1,003
Total debt		798,065
Less: cash and cash equivalents		114,225
Net debt	\$	683,840
Net debt to Total Reported EBITDA		3.1 x

The following table reconciles Real Estate Reported EBITDA to Net Real Estate Cash Flow for the three months ended October 31, 2013.

	(In thousands) (Unaudited) Three Months Ended October 31, 2013	
Real Estate Reported EBITDA	\$	(385)
Non-cash Real Estate cost of sales		6,713
Non-cash Real Estate stock-based compensation		426
Change in Real Estate deposits and recovery of previously incurred project costs less investments in Real Estate		701
Net Real Estate Cash Flow	\$	7,455