

**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 nine months ended April 30, for the fiscal years 2005 and 2004.

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>April 30,</b>		<b>April 30,</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
Mountain Reported EBITDA	\$ 124,864	\$ 108,105	\$ 178,277	\$ 155,508
Lodging Reported EBITDA	13,121	11,956	15,187	10,981
Real Estate Reported EBITDA	<u>(1,872)</u>	<u>13,231</u>	<u>6,283</u>	<u>31,782</u>
	136,113	133,292	199,747	198,271
Depreciation and amortization expense	(25,039)	(22,406)	(69,387)	(65,340)
Asset impairment charge	(1,573)	--	(1,573)	(933)
Mold remediation	--	--	--	(5,500)
Loss on disposal of fixed assets	(38)	(11)	(1,519)	(1,567)
Investment income, net	141	445	1,443	1,338
Interest expense	(9,349)	(10,664)	(30,734)	(36,930)
Loss on extinguishment of debt	--	--	(612)	(36,195)
Gain on sale of equity investment	(3)	--	5,690	--
Gain (loss) on put options, net	(447)	(433)	741	(1,739)
Other income (expense), net	--	2	49	(9)
Minority interest in income of consolidated subsidiaries, net	<u>(4,216)</u>	<u>(4,178)</u>	<u>(6,980)</u>	<u>(6,181)</u>
Income before provision for income taxes	95,589	96,047	96,865	45,215
Provision for income taxes	<u>(36,801)</u>	<u>(33,562)</u>	<u>(37,293)</u>	<u>(14,871)</u>
Net income	<u>\$ 58,788</u>	<u>\$ 62,485</u>	<u>\$ 59,572</u>	<u>\$ 30,344</u>

\* Resort represents the sum of Mountain and Lodging.

Presented below is a reconciliation of net income 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 nine months ended April 30, 2005. Also presented is a reconciliation of net income per diluted share 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 loss per diluted share of the Company calculated in accordance with GAAP for the nine months ended April 30, 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.

	Nine Months Ended April 30,	
	<u>2005</u>	<u>2004</u>
Net income excluding loss on extinguishment of debt, gain on sale of equity investment and mold remediation charge	\$ 55,072	\$ 52,146
Loss on extinguishment of debt, before benefit from income tax	(612)	(36,195)
Gain on sale of equity investment, before provision for income tax	5,690	--
Mold remediation charge, before benefit for income tax	--	(5,500)
Adjustment to provision for income taxes to achieve 40% normalized effective tax rate	<u>(578)</u>	<u>19,893</u>
Net income	<u>\$ 59,572</u>	<u>\$ 30,344</u>
Diluted net income per common share excluding loss on extinguishment of debt, gain on sale of equity investment and mold remediation charge	\$ 1.53	\$ 1.48
Loss on extinguishment of debt per diluted common share, before benefit from income tax	(0.02)	(1.02)
Gain on sale of equity investment per diluted common share, before provision for income tax	0.16	--
Mold remediation charge per diluted common share, before benefit from income tax	--	(0.16)
Adjustment to provision for income taxes to achieve 40% normalized effective tax rate, per diluted share	<u>(0.02)</u>	<u>0.56</u>
Diluted net income per common share	<u>\$ 1.65</u>	<u>\$ 0.86</u>

A reconciliation of the low and high ends of the forecasted guidance range given for Reported EBITDA for the Company's fiscal year ending July 31, 2005 is presented below.

	<b>For the Year Ending July 31, 2005</b>	
	<u><b>Low End Range</b></u>	<u><b>High End Range</b></u>
Reconciliation to consolidated loss before provision for income taxes:		
*Resort Reported EBITDA	\$ 160,000	\$ 166,000
Real Estate Reported EBITDA	<u>10,000</u>	<u>16,000</u>
Total Reported EBITDA	170,000	182,000
Depreciation and amortization	(91,300)	(91,300)
Asset impairment charge	(1,573)	(1,573)
Loss on disposal of fixed assets	(1,800)	(1,800)
Other income (expense):		
Investment income	1,700	1,700
Interest expense	(40,500)	(40,000)
Loss on extinguishment of debt	(612)	(612)
Loss on sale of hotel assets	(2,000)	(2,000)
Gain on sale of equity investment	5,690	5,690
Gain on put options, net	741	741
Other income	50	50
Minority interest in income of consolidated subsidiaries, net	<u>(5,000)</u>	<u>(5,500)</u>
Income before provision for income taxes	35,395	47,395
Provision for income taxes	<u>(13,600)</u>	<u>(18,250)</u>
Net income	<u>\$ 21,795</u>	<u>\$ 29,145</u>

\* Resort represents the sum of Mountain and Lodging. The Company provides Reported EBITDA ranges for the Mountain and Lodging segments, as well as for the two combined. Readers are cautioned to recognize that the low end of the expected ranges provided for the Lodging and Mountain segments, while possible, do not sum to the low end of the Resort Reported EBITDA range provided because we do not necessarily expect or assume that we will actually hit the low end of both ranges, as the actual Resort Reported EBITDA will depend on the actual mix of the Lodging and Mountain components. Similarly, the high end of the ranges for the Lodging and Mountain segments do not sum to the high end of the Resort range.