

Vail Resorts Closes Its Acquisition Of Heavenly Ski Resort

VAIL, Colo. - May 9, 2002 - Vail Resorts, Inc. (NYSE: MTN) announced that it has closed on its acquisition of Heavenly Ski Resort in the Lake Tahoe area of California and Nevada. The acquisition of Heavenly, in addition to bringing greater diversification to its winter resort business, enables Vail Resorts to further advance its reputation as the leading mountain resort operator in the United States. The transaction closed for consideration of \$102 million (including \$2.7 million of assumed debt), less a cash adjustment of \$2.8 million resulting in net consideration of \$99.2 million. The cash adjustment is intended to offset the losses incurred by Heavenly during the period from closing until the end of Vail Resorts' fiscal year on July 31, 2002. The actual loss expected to be incurred during that period is approximately \$3 million.

Vail Resorts, Inc. is the leading mountain resort operator in the United States. The Company operates the Colorado mountain resorts of Vail, Beaver Creek, Breckenridge and Keystone, and the Grand Teton Lodge Company in Jackson Hole, Wyo. The Company also holds a majority interest in Rockresorts, a luxury resort hotel company with 11 distinctive properties across the United States. Vail Resorts Development Company is the real estate planning, development, construction, retail leasing and management 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.

Statements in this press release, other than statements of historical information, are forward looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof. Such risks and uncertainties include but are not limited to general business and economic conditions, competitive factors in the ski and resort industries, failure to close announced transactions on time or at all, failure to successfully integrate acquisitions, failure to achieve the expected results, the impact of the September 11 terrorist attacks on the travel industry and the company and/or misinterpretation of same, the possibility of additional terrorist attacks, and the weather. Investors are also directed to other risks discussed in documents filed by the Company with the Securities and Exchange Commission.

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