

Reconciliation of Non-GAAP Financial Measures

Resort, Mountain, Lodging and Real Estate Reported EBITDA and Resort, Mountain, Lodging and Real Estate Reported EBITDA excluding stock-based compensation have been presented herein as measures of the Company's financial operating performance. Reported EBITDA, Reported EBITDA excluding stock-based compensation and Net Debt (defined as long-term debt plus long-term debt due within one year less cash and cash equivalents) 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, Reported EBITDA excluding stock-based compensation 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 and Reported EBITDA excluding stock-based compensation are indicative measures of the Company's operating performance, and each similar to performance metrics generally used by investors to evaluate companies in the resort and lodging industries. The Company primarily uses Reported EBITDA excluding stock-based compensation 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 Reported EBITDA and Reported EBITDA excluding stock-based compensation to net income for the Company calculated in accordance with GAAP for the three and six months ended January 31, 2008 and 2007.

	(In thousands)	
	Three Months Ended	
	January 31,	
	(Unaudited)	
	2008	2007
Mountain revenue, net	\$ 279,722	\$ 272,026
Mountain operating expense excluding stock-based compensation	(162,438)	(158,814)
Mountain equity investment income, net	926	1,496
Mountain Reported EBITDA excluding stock-based compensation	118,210	114,708
Mountain stock-based compensation	(750)	(1,057)
Mountain Reported EBITDA	117,460	113,651
Lodging revenue, net	34,827	32,796
Lodging operating expense excluding stock-based compensation	(36,443)	(30,536)
Lodging Reported EBITDA excluding stock-based compensation	(1,616)	2,260
Lodging stock-based compensation	(339)	(221)
Lodging Reported EBITDA	(1,955)	2,039
Resort Reported EBITDA*	115,505	115,690
Resort Reported EBITDA excluding stock-based compensation*	116,594	116,968
Real Estate revenue, net	45,471	56,216
Real Estate operating expense excluding stock-based compensation	(43,572)	(49,905)
Gain on sale of real property	709	--
Real Estate Reported EBITDA excluding stock-based compensation	2,608	6,311
Real Estate stock-based compensation	(837)	(486)
Real Estate Reported EBITDA	1,771	5,825
Total Reported EBITDA	117,276	121,515
Depreciation and amortization	(23,621)	(21,759)
Relocation and separation charges	--	(500)
Loss on disposal of fixed assets, net	(157)	(10)
Investment income	2,019	2,417
Interest expense, net	(7,535)	(7,911)
Contract dispute charges	--	(672)
Minority interest in income of consolidated subsidiaries, net	(4,910)	(6,152)
Income before provision for income taxes	83,072	86,928
Provision for income taxes	(31,753)	(33,902)
Net income	\$ 51,319	\$ 53,026

* Resort represents the sum of Mountain and Lodging

	(In thousands)	
	Six Months Ended	
	January 31,	
	(Unaudited)	
	2008	2007
Mountain revenue, net	\$ 322,258	\$ 318,189
Mountain operating expense excluding stock-based compensation	(242,242)	(237,281)
Mountain equity investment income, net	2,895	2,331
Mountain Reported EBITDA excluding stock-based compensation	82,911	83,239
Mountain stock-based compensation	(1,894)	(2,077)
Mountain Reported EBITDA	81,017	81,162
Lodging revenue, net	78,144	73,204
Lodging operating expense excluding stock-based compensation	(77,419)	(66,552)
Lodging Reported EBITDA excluding stock-based compensation	725	6,652
Lodging stock-based compensation	(599)	(554)
Lodging Reported EBITDA	126	6,098
Resort Reported EBITDA*	81,143	87,260
Resort Reported EBITDA excluding stock-based compensation*	83,636	89,891
Real Estate revenue, net	57,504	83,138
Real Estate operating expense excluding stock-based compensation	(49,915)	(75,415)
Gain on sale of real property	709	--
Real Estate Reported EBITDA excluding stock-based compensation	8,298	7,723
Real Estate stock-based compensation	(1,407)	(1,094)
Real Estate Reported EBITDA	6,891	6,629
Total Reported EBITDA	88,034	93,889
Depreciation and amortization	(44,383)	(43,344)
Relocation and separation charges	--	(1,235)
Loss on disposal of fixed assets, net	(391)	(91)
Investment income	5,237	4,481
Interest expense, net	(15,179)	(16,847)
Contract dispute credit (charges), net	11,920	(4,276)
Minority interest in income of consolidated subsidiaries, net	(2,847)	(4,363)
Income before provision for income taxes	42,391	28,214
Provision for income taxes	(15,685)	(11,004)
Net income	\$ 26,706	\$ 17,210

* Resort represents the sum of Mountain and Lodging

Presented below is a reconciliation of Total Reported EBITDA to net income for the Company calculated in accordance with GAAP for the twelve months ended January 31, 2008. Also presented is a reconciliation of Net Debt to Long-term Debt and the calculation of Net Debt to Total Reported EBITDA.

	(In thousands) Twelve Months Ended January 31, 2008
Mountain Reported EBITDA	\$ 207,583
Lodging Reported EBITDA	12,228
Resort EBITDA*	219,811
Real Estate Reported EBITDA	(2,219)
Total Reported EBITDA	217,592
Depreciation and amortization	(88,702)
Relocation and separation charges	(198)
Loss on disposal of fixed assets, net	(1,384)
Investment income	13,159
Interest expense, net	(30,957)
Loss on sale of businesses, net	(639)
Contract dispute credit, net	11,555
Gain on put options, net	690
Minority interest in income of consolidated subsidiaries, net	(6,287)
Income before provision for income taxes	114,829
Provision for income taxes	(43,934)
Net income	\$ 70,895

* Resort represents the sum of Mountain and Lodging

	(In thousands) As of January 31, 2008
Long-term debt	\$ 554,411
Long-term debt due within one year	100,710
Total debt	655,121
Less: cash and cash equivalents	274,433
Net debt	\$ 380,688
Net debt to Total Reported EBITDA	1.75

Presented below is a reconciliation of net income excluding stock-based compensation, tax effected, to net income of the Company calculated in accordance with GAAP for the three and six months ended January 31, 2008 and 2007. Also presented is a reconciliation of net income per diluted share excluding stock-based compensation, tax effected, to net income per diluted share of the Company calculated in accordance with GAAP for the three and six months ended January 31, 2008 and 2007. The Company has presented these non-GAAP measures as it believes that this presentation provides a more comparable measure of the Company's historical results from ongoing operations for the three and six months ended January 31, 2008 and January 31, 2007 to prior periods.

(In thousands, except per share amounts)	Three Months Ended January 31, (Unaudited)	
	2008	2007
Net income excluding stock-based compensation	\$ 52,515	\$ 54,121
Stock-based compensation expense, before benefit from income taxes	(1,926)	(1,764)
Adjustment for benefit from income taxes	730	669
Net income	\$ 51,319	\$ 53,026
Diluted net income per share excluding stock-based compensation	\$ 1.34	\$ 1.38
Stock-based compensation expense per diluted common share, before benefit from income taxes	(0.05)	(0.04)
Adjustment for benefit from income taxes, per diluted common share	0.02	0.02
Diluted net income per share	\$ 1.31	\$ 1.35

(In thousands, except per share amounts)	Six Months Ended January 31, (Unaudited)	
	2008	2007
Net income excluding stock-based compensation	\$ 29,127	\$ 19,522
Stock-based compensation expense, before benefit from income taxes	(3,900)	(3,725)
Adjustment for benefit from income taxes	1,479	1,413
Net income	\$ 26,706	\$ 17,210
Diluted net income per share excluding stock-based compensation	\$ 0.74	\$ 0.50
Stock-based compensation expense per diluted common share, before benefit from income taxes	(0.10)	(0.10)
Adjustment for benefit from income taxes, per diluted common share	0.04	0.04
Diluted net income per share	\$ 0.68	\$ 0.44

A reconciliation of the low and high ends of the forecasted guidance range given for Reported EBITDA and Reported EBITDA excluding stock-based compensation for the Company's fiscal year ending July 31, 2008 is presented below.

	(In thousands)	
	For the Year Ending	
	July 31, 2008	
	Low End	High End
	Range	Range
Resort Reported EBITDA excluding stock-based compensation ⁽¹⁾	\$ 235,000	\$ 245,000
Resort segment stock-based compensation	(5,000)	(5,000)
Resort Reported EBITDA ⁽¹⁾	230,000	240,000
Real Estate Reported EBITDA excluding stock-based compensation	57,000	63,000
Real Estate segment stock-based compensation	(3,000)	(3,000)
Real Estate Reported EBITDA	54,000	60,000
Total Reported EBITDA	284,000	300,000
Depreciation and amortization	(91,500)	(90,500)
Loss on disposal of fixed assets, net	(1,000)	(1,000)
Investment income	12,000	12,500
Interest expense, net	(31,000)	(30,000)
Contract dispute credit, net	11,920	11,920
Minority interest in income of consolidated subsidiaries, net	(5,000)	(6,000)
Income before provision for income taxes	179,420	196,920
Provision for income taxes	(67,900)	(74,800)
Net income	\$ 111,520	\$ 122,120

(1) 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.

A reconciliation of the low and high ends of the forecasted guidance range given for net income excluding stock-based compensation for the Company's fiscal year ending July 31, 2008 is presented below.

	(In thousands)	
	For the Year Ending	
	July 31, 2008	
	Low End	High End
	Range	Range
Net income excluding stock-based compensation	\$ 116,520	\$ 127,120
Stock-based compensation expense, before benefit from income taxes	(8,000)	(8,000)
Adjustment for benefit from income taxes	3,000	3,000
Net income	\$ 111,520	\$ 122,120