

Vail Resorts Announces 2000 Third Quarter And Nine Months Results

VAIL, Colo., - June 7, 2000 - Vail Resorts, Inc. (NYSE: MTN) today announced financial results for the third quarter and nine months ended April 30, 2000.

Resort Revenue (which excludes revenue from real estate operations) for the third quarter increased 19% to \$223.8 million from \$188.2 million in the comparable period last year. Total Revenue for the quarter (which includes revenue from real estate operations) grew 24% to \$249.8 million from \$202.2 in the same quarter in fiscal 1999.

Earnings from resort operations before interest, income taxes, depreciation and amortization ("Resort EBITDA") for the third quarter increased 30% to \$98.3 million compared to \$75.4 million in the same quarter last year. In addition, included in third quarter Resort EBITDA is \$6.2 million of expected net proceeds from a Reduced Skier Day Insurance Policy which the Company previously announced it had purchased.

Net income for the quarter was \$42.8 million compared to \$30.2 million in the third quarter last year. Earnings per diluted share increased 42% to \$1.23 from \$0.87 in the same period last year.

For the nine months ended April 30, 2000, Resort Revenue increased 16% to \$441.7 million compared to \$379.3 million in the same period last year. Total Revenue grew 17% to \$478.5 million from \$410.8 million in the first nine months of fiscal 1999.

Resort EBITDA for the nine-month period increased 25% to \$126.0 million compared to \$100.9 million in the same period last year.

Net income for the nine-month period was \$31.3 million compared to \$26.3 million in the same quarter last year. Earnings per diluted share increased 19% to \$0.90 from \$0.76 in the same period last year.

In the third quarter of fiscal 2000, revenue per skier day grew 13% to \$85.47 from \$75.38 in the comparable quarter last year. Total skier days for the third quarter increased 5% to 2.6 million compared to 2.5 million in the same period last year. Even though many actual lift ticket prices were not increased on a year-over-year basis, average prices realized were up 8% year-over-year due largely to improvements in skier visit mix. Non-lift ticket revenue per skier day also grew 17% year-over-year.

Adam Aron, Chairman and Chief Executive Officer, commented, "We are certainly pleased by Vail Resorts' third quarter performance, with Resort Revenues up 19%, Resort EBITDA up 30%, and earnings per share up 42%. In the quarter, we gained market share and significantly outperformed our industry. We are especially proud of our employees' efforts, who served our guests extremely well in a particularly busy February/March period and who managed expenses tightly at the same time."

Aron further commented, "This strength in the Vail Resorts' third quarter is especially impressive given the difficult start to the 1999-2000 ski season, because of both poor early season snowfall and a significant decline in vacation travel around the New Years' holiday due to Y2K concerns. Fortunately, we were able to mitigate these latter risks with insurance coverage that contributed meaningfully to our Company's full season financial results."

Vail Resorts, Inc. is the premier mountain resort operator in North America. The Company operates the Colorado mountain resorts of Vail, Breckenridge, Keystone, and Beaver Creek and the Grand Teton Lodge Company in Jackson Hole, Wyoming.

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 or delay in receipt of anticipated insurance recoveries; 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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