

VAIL RESORTS

EXTRAORDINARY RESORTS
EXCEPTIONAL EXPERIENCES

Reconciliation of Non-GAAP Financial Measures

Resort, Mountain and Lodging, and Real Estate Reported EBITDA have been presented herein as measures of the Company's financial operating performance. Reported EBITDA and Net Debt 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 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 (loss), net change in cash and cash equivalents or other financial statement data. 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 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 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 Total Reported EBITDA to net loss attributable to Vail Resorts, Inc. calculated in accordance with GAAP for the three months ended October 31, 2009 and 2008.

	(In thousands)	
	(Unaudited)	
	Three Months Ended	
	October 31,	
	2009	2008
Mountain Reported EBITDA	\$ (37,010)	\$ (39,430)
Lodging Reported EBITDA	(1,268)	355
Resort Reported EBITDA*	(38,278)	(39,075)
Real Estate Reported EBITDA	1,115	15,373
Total Reported EBITDA	(37,163)	(23,702)
Depreciation and amortization	(27,184)	(25,078)
Loss on disposal of fixed assets, net	(113)	(180)
Investment income	230	643
Interest expense, net	(4,835)	(7,947)
Loss before benefit from income taxes	(69,065)	(56,264)
Benefit from income taxes	25,554	19,409
Net loss	\$ (43,511)	\$ (36,855)
Net loss attributable to noncontrolling interests	2,338	2,351
Net loss attributable to Vail Resorts, Inc.	\$ (41,173)	\$ (34,504)

* 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, 2009. Also presented is a reconciliation of Net Debt to Long-term Debt and the calculation of Net Debt to Total Reported EBITDA for the twelve months ended October 31, 2009.

	(In thousands) (Unaudited) Twelve Months Ended October 31, 2009
Mountain Reported EBITDA	\$ 166,809
Lodging Reported EBITDA	5,136
Resort Reported EBITDA*	171,945
Real Estate Reported EBITDA	29,822
Total Reported EBITDA	201,767
Depreciation and amortization	(109,319)
Loss on disposal of fixed assets, net	(997)
Investment income	1,380
Interest expense, net	(24,436)
Income before provision for income taxes	68,395
Provision for income taxes	(24,499)
Net income	\$ 43,896
Net income attributable to noncontrolling interests	(1,615)
Net income attributable to Vail Resorts, Inc	\$ 42,281

* Resort represents the sum of Mountain and Lodging

	(In thousands) (Unaudited) As of October 31, 2009
Long-term debt	\$ 489,919
Long-term debt due within one year	1,862
Total debt	491,781
Less: cash and cash equivalents	13,019
Net debt	\$ 478,762
Net debt to Total Reported EBITDA	2.4x