

## **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 do not purport to represent cash flows generated by operating, investing or financing activities or other financial statement data and should not be considered in isolation or as a substitute for measures of financial performance or liquidity prepared in accordance with GAAP. 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 determining management bonuses.

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 nine months ended April 30, 2007 and 2006.

	<b>(In thousands)</b>	
	<b>Three Months Ended</b>	
	<b>April 30,</b>	
	<b>(Unaudited)</b>	
	<b>2007</b>	<b>2006</b>
Mountain revenue, net	\$ 308,712	\$ 294,773
Mountain operating expense excluding stock-based compensation	(152,011)	(148,733)
Mountain equity investment income, net	1,660	780
Mountain Reported EBITDA excluding stock-based compensation	158,361	146,820
Mountain stock-based compensation	(986)	(698)
Mountain Reported EBITDA	157,375	146,122
Lodging revenue, net	43,643	39,492
Lodging operating expense excluding stock-based compensation	(30,820)	(30,353)
Lodging Reported EBITDA excluding stock-based compensation	12,823	9,139
Lodging stock-based compensation	(306)	(162)
Lodging Reported EBITDA	12,517	8,977
Resort Reported EBITDA excluding stock-based compensation*	171,184	155,959
Resort Reported EBITDA*	169,892	155,099
Real Estate revenue, net	17,134	7,124
Real Estate operating expense excluding stock-based compensation	(24,805)	(11,087)
Real Estate equity investment loss	--	(20)
Real Estate Reported EBITDA excluding stock-based compensation	(7,671)	(3,983)
Real Estate stock-based compensation	(456)	(283)
Real Estate Reported EBITDA	(8,127)	(4,266)
Total Reported EBITDA	161,765	150,833
Depreciation and amortization	(23,513)	(22,942)
Relocation and separation charges	(166)	(3,778)
Loss on disposal of fixed assets, net	(242)	(108)
Investment income	4,334	3,156
Interest expense, net	(8,039)	(8,849)
Loss on sale of business	(601)	--
Contract dispute charges	(184)	(816)
Gain (loss) on put options, net	690	(113)
Minority interest in income of consolidated subsidiaries, net	(5,343)	(5,355)
Income before provision for income taxes	128,701	112,028
Provision for income taxes	(50,193)	(43,691)
Net income	\$ 78,508	\$ 68,337

\* Resort represents the sum of Mountain and Lodging

	<b>(In thousands)</b>	
	<b>Nine Months Ended</b>	
	<b>April 30,</b>	
	<b>(Unaudited)</b>	
	<b>2007</b>	<b>2006</b>
Mountain revenue, net	\$ 626,902	\$ 581,279
Mountain operating expense excluding stock-based compensation	(389,291)	(369,734)
Mountain equity investment income, net	3,990	3,085
Mountain Reported EBITDA excluding stock-based compensation	241,601	214,630
Mountain stock-based compensation	(3,064)	(2,653)
Mountain Reported EBITDA	238,537	211,977
Lodging revenue, net	116,848	113,321
Lodging operating expense excluding stock-based compensation	(97,374)	(100,067)
Lodging Reported EBITDA excluding stock-based compensation	19,474	13,254
Lodging stock-based compensation	(859)	(983)
Lodging Reported EBITDA	18,615	12,271
Resort Reported EBITDA excluding stock-based compensation*	261,075	227,884
Resort Reported EBITDA*	257,152	224,248
Real Estate revenue, net	100,272	20,226
Real Estate operating expense excluding stock-based compensation	(100,220)	(22,759)
Real Estate equity investment income	--	79
Real Estate Reported EBITDA excluding stock-based compensation	52	(2,454)
Real Estate stock-based compensation	(1,550)	(1,064)
Real Estate Reported EBITDA	(1,498)	(3,518)
Total Reported EBITDA	255,654	220,730
Depreciation and amortization	(66,857)	(63,296)
Relocation and separation charges	(1,401)	(3,778)
Asset impairment charge	--	(136)
Mold remediation credit	--	852
Loss on disposal of fixed assets, net	(332)	(835)
Investment income	8,815	5,390
Interest expense, net	(24,885)	(27,788)
(Loss) gain on sale of businesses, net	(601)	4,625
Contract dispute charges	(4,460)	(816)
Gain (loss) on put options, net	690	(79)
Other income, net	--	50
Minority interest in income of consolidated subsidiaries, net	(9,707)	(8,660)
Income before provision for income taxes	156,916	126,259
Provision for income taxes	(61,197)	(49,240)
Net income	\$ 95,719	\$ 77,019

\* Resort represents the sum of Mountain and Lodging

Presented below is a reconciliation of Reported EBITDA and Reported EBITDA excluding stock-based compensation to net income (loss) for the Company calculated in accordance with GAAP for the twelve months ended April 30, 2007 and 2006. Also presented is a reconciliation of Net Debt to Long-term Debt and the calculation of Net Debt to Total Reported EBITDA.

	(In thousands) (Unaudited)									
	Three Months Ended				Twelve Months Ended	Three Months Ended				Twelve Months Ended
	April 30, 2007	January 31, 2007	October 31, 2006	July 31, 2006	April 30, 2007	April 30, 2006	January 31, 2006	October 31, 2005	July 31, 2005	April 30, 2006
Mountain revenue, net	\$308,712	\$ 272,026	\$ 46,164	\$ 39,163	\$666,065	\$294,773	\$ 246,228	\$ 40,277	\$ 35,371	\$616,649
Mountain operating expense excluding stock-based compensation	(152,011)	(158,814)	(78,467)	(69,697)	(458,989)	(148,733)	(149,667)	(71,336)	(62,629)	(432,365)
Mountain equity investment income, net	1,660	1,496	835	792	4,783	780	1,455	850	300	3,385
Mountain Reported EBITDA excluding stock-based compensation	158,361	114,708	(31,468)	(29,742)	211,859	146,820	98,016	(30,209)	(26,958)	187,669
Mountain stock-based compensation	(986)	(1,057)	(1,020)	(1,032)	(4,095)	(698)	(999)	(955)	(50)	(2,702)
Mountain Reported EBITDA	157,375	113,651	(32,488)	(30,774)	207,764	146,122	97,017	(31,164)	(27,008)	184,967
Lodging revenue, net	43,643	32,796	40,408	42,486	159,333	39,492	32,079	41,750	51,202	164,523
Lodging operating expense excluding stock-based compensation	(30,820)	(30,536)	(36,016)	(41,293)	(138,665)	(30,353)	(32,480)	(37,235)	(50,170)	(150,238)
Lodging Reported EBITDA excluding stock-based compensation	12,823	2,260	4,392	1,193	20,668	9,139	(401)	4,515	1,032	14,285
Lodging stock-based compensation	(306)	(221)	(333)	(351)	(1,211)	(162)	(414)	(406)	(17)	(999)
Lodging Reported EBITDA	12,517	2,039	4,059	842	19,457	8,977	(815)	4,109	1,015	13,286
Resort Reported EBITDA excluding stock-based compensation*	171,184	116,968	(27,076)	(28,549)	232,527	155,959	97,615	(25,694)	(25,926)	201,954
Resort Reported EBITDA*	169,892	115,690	(28,429)	(29,932)	227,221	155,099	96,202	(27,055)	(25,993)	198,253
Real Estate revenue, net	17,134	56,216	26,922	42,378	142,650	7,124	9,709	3,393	33,452	53,678
Real Estate operating expense excluding stock-based compensation	(24,805)	(49,905)	(25,510)	(32,412)	(132,632)	(11,087)	(5,982)	(5,688)	(25,297)	(48,054)
Real Estate equity investment income	--	--	--	711	711	(20)	31	69	5	85
Real Estate Reported EBITDA excluding stock-based compensation	(7,671)	6,311	1,412	10,677	10,729	(3,983)	3,758	(2,226)	8,160	5,709
Real Estate stock-based compensation	(456)	(486)	(608)	(441)	(1,991)	(283)	(401)	(381)	(18)	(1,083)
Real Estate Reported EBITDA	(8,127)	5,825	804	10,236	8,738	(4,266)	3,357	(2,607)	8,142	4,626
Total Reported EBITDA	161,765	121,515	(27,625)	(19,696)	235,959	150,833	99,559	(29,662)	(17,851)	202,879
Depreciation and amortization	(23,513)	(21,759)	(21,585)	(22,802)	(89,659)	(22,942)	(21,431)	(18,923)	(20,580)	(83,876)
Relocation and separation charges	(166)	(500)	(735)	(1,317)	(2,718)	(3,778)	--	--	--	(3,778)
Asset impairment charges	--	--	--	(75)	(75)	--	--	(136)	(977)	(1,113)
Mold remediation credit	--	--	--	559	559	--	852	--	--	852
Loss on disposal of fixed assets, net	(242)	(10)	(81)	(200)	(533)	(108)	(486)	(240)	(9)	(843)
Investment income	4,334	2,417	2,063	2,605	11,419	3,156	1,046	1,188	623	6,013
Interest expense, net	(8,039)	(7,911)	(8,936)	(8,690)	(33,576)	(8,849)	(9,502)	(9,437)	(9,565)	(37,353)
(Loss) gain on sale of businesses, net	(601)	--	--	--	(601)	--	4,625	--	(13,043)	(8,418)
Contract dispute charges	(184)	(672)	(3,605)	(2,467)	(6,928)	(816)	--	--	--	(816)
Gain (loss) on put options, net	690	--	--	(1,133)	(443)	(113)	1,026	(992)	417	338
Other income, net	--	--	--	--	--	--	51	--	--	51
Minority interest in (income) loss of consolidated subsidiaries, net	(5,343)	(6,152)	1,790	1,966	(7,739)	(5,355)	(5,231)	1,926	1,742	(6,918)
Income (loss) before (provision) benefit for income taxes	128,701	86,928	(58,714)	(51,250)	105,665	112,028	70,509	(56,276)	(59,243)	67,018
(Provision) benefit for income taxes	(50,193)	(33,902)	22,899	19,987	(41,209)	(43,691)	(27,498)	21,947	22,808	(26,434)
Net income (loss)	\$ 78,508	\$ 53,026	\$ (35,815)	\$ (31,263)	\$ 64,456	\$ 68,337	\$ 43,011	\$ (34,329)	\$ (36,435)	\$ 40,584

\*Resort represents the sum of Mountain and Lodging

	As of April 30, 2007	As of April 30, 2006
Long-term debt	\$575,162	\$516,871
Long-term debt due within one year	401	4,420
Total debt	575,563	521,291
Less: cash and cash equivalents	316,439	240,116
Net debt	\$259,124	\$281,175
<b>Net Debt to Total Reported EBITDA</b>	<b>1.10</b>	<b>1.39</b>



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, 2007 is presented below.

	<b>(In thousands)</b>	
	<b>For the Year Ending</b>	
	<b>July 31, 2007</b>	
	<b>Low End</b>	<b>High End</b>
	<b>Range</b>	<b>Range</b>
Resort Reported EBITDA excluding stock-based compensation <sup>(1)</sup>	\$ 225,000	\$ 230,000
Resort segment stock-based compensation	(5,000)	(5,000)
Resort Reported EBITDA <sup>(1)</sup>	220,000	225,000
Real Estate Reported EBITDA excluding stock-based compensation	--	3,000
Real Estate segment stock-based compensation	(2,000)	(2,000)
Real Estate Reported EBITDA	(2,000)	1,000
Total Reported EBITDA	218,000	226,000
Depreciation and amortization	(87,000)	(87,000)
Relocation and separation charges	(1,500)	(1,500)
Loss on disposal of fixed assets, net	(500)	(500)
Investment income	11,800	12,000
Interest expense, net	(33,600)	(33,600)
Loss on sale of business	(600)	(600)
Contract dispute credit, net <sup>(2)</sup>	4,000	4,000
Gain on put options, net	700	700
Minority interest in income of consolidated subsidiaries, net	(7,800)	(7,700)
Income before provision for income taxes	103,500	111,800
Provision for income taxes	(40,400)	(43,600)
Net income	\$ 63,100	\$ 68,200

(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.

(2) Assumes that we will receive payment of the arbitration award relating to the termination of RockResorts' Cheeca Lodge & Spa management agreement in the fourth quarter.

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, 2007 is presented below.

	<b>(In thousands)</b>	
	<b>For the Year Ending</b>	
	<b>July 31, 2007</b>	
	<b>Low End</b>	<b>High End</b>
	<b>Range</b>	<b>Range</b>
Net income excluding stock-based compensation	\$ 67,370	\$ 72,470
Stock-based compensation expense, before benefit from income taxes	(7,000)	(7,000)
Adjustment for benefit from income taxes	2,730	2,730
Net income	\$ 63,100	\$ 68,200