

Reconciliation of Non-GAAP Financial Measures

Resort, Mountain, Lodging and Real Estate Reported EBITDA have been presented herein as measures of the Company's financial operating performance. Reported EBITDA is not a measurement of financial performance under accounting principles generally accepted in the United States ("GAAP"), and it might not be comparable to similarly titled measures. Reported EBITDA does not purport to represent cash provided by operating activities and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The Company believes that Reported EBITDA is an indicative measure of the Company's operating performance, and it is generally used by investors to evaluate companies in the resort and lodging industries. In addition, because of the significance of long-lived assets to the operations of the Company and the level of the Company's indebtedness, the Company also believes that Reported EBITDA is useful in measuring the Company's ability to fund capital expenditures and service debt. The Company uses Reported EBITDA targets in determining management bonuses.

Presented below is a reconciliation of Reported EBITDA to net loss of the Company calculated in accordance with GAAP for the three months ended October 31, 2004 and 2003.

<i>Reconciliation to consolidated net income:</i>	Three Months Ended	
	October 31,	
	<u>2004</u>	<u>2003</u>
Mountain Reported EBITDA	\$ (28,674)	\$ (28,006)
Lodging Reported EBITDA	809	547
Real Estate Reported EBITDA	<u>7,019</u>	<u>16,884</u>
Total Reported EBITDA	(20,846)	(10,575)
Depreciation and amortization expense	(21,076)	(20,366)
Loss on disposal of fixed assets	(858)	(1,010)
Other income (expense):		
Investment income, net	128	565
Interest expense	(10,576)	(13,408)
Gain (loss) on put options, net	213	(610)
Other expense, net	(33)	--
Minority interest in loss of consolidated subsidiaries, net	<u>1,900</u>	<u>2,091</u>
Loss before benefit from income taxes	(51,148)	(43,313)
Benefit from income taxes	<u>19,692</u>	<u>17,910</u>
Net loss	<u>\$ (31,456)</u>	<u>\$ (25,403)</u>