

## 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 (loss) for the Company calculated in accordance with GAAP for the three and twelve months ended July 31, 2008 and 2007.

	<b>(In thousands)</b>	
	<b>Three Months Ended</b>	
	<b>July 31,</b>	
	<b>(Unaudited)</b>	
	<b>2008</b>	<b>2007</b>
Mountain revenue, net	\$ 37,549	\$ 38,475
Mountain operating expense excluding stock-based compensation	(67,436)	(69,594)
Mountain equity investment income, net	1,797	1,068
Mountain Reported EBITDA excluding stock-based compensation	(28,090)	(30,051)
Mountain stock-based compensation	(985)	(759)
Mountain Reported EBITDA	(29,075)	(30,810)
Lodging revenue, net	48,323	45,604
Lodging operating expense excluding stock-based compensation	(45,946)	(45,787)
Lodging Reported EBITDA excluding stock-based compensation	2,377	(183)
Lodging stock-based compensation	(354)	(232)
Lodging Reported EBITDA	2,023	(415)
Resort Reported EBITDA*	(27,052)	(31,225)
Resort Reported EBITDA excluding stock-based compensation*	(25,713)	(30,234)
Real Estate revenue, net	184,587	12,436
Real Estate operating expense excluding stock-based compensation	(145,574)	(12,887)
Real Estate Reported EBITDA excluding stock-based compensation	39,013	(451)
Real Estate stock-based compensation	(880)	(533)
Real Estate Reported EBITDA	38,133	(984)
Total Reported EBITDA	11,081	(32,209)
Depreciation and amortization	(23,941)	(20,807)
Relocation and separation charges	--	(32)
Loss on disposal of fixed assets, net	(1,167)	(751)
Investment income, net	589	3,588
Interest expense, net	(7,047)	(7,739)
Loss on sale of business, net	--	(38)
Contract dispute charges	--	(181)
Minority interest in loss of consolidated subsidiaries, net	2,548	1,903
Loss before benefit for income taxes	(17,937)	(56,266)
Benefit for income taxes	6,814	21,944
Net loss	\$ (11,123)	\$ (34,322)

\* Resort represents the sum of Mountain and Lodging

	<b>(In thousands)</b>	
	<b>Twelve Months Ended</b>	
	<b>July 31,</b>	
	<b>(Unaudited)</b>	
	<b>2008</b>	<b>2007</b>
Mountain revenue, net	\$ 685,533	\$ 665,377
Mountain operating expense excluding stock-based compensation	(466,528)	(458,884)
Mountain equity investment income, net	5,390	5,059
Mountain Reported EBITDA excluding stock-based compensation	224,395	211,552
Mountain stock-based compensation	(3,834)	(3,824)
Mountain Reported EBITDA	220,561	207,728
Lodging revenue, net	170,057	162,451
Lodging operating expense excluding stock-based compensation	(158,538)	(143,161)
Lodging Reported EBITDA excluding stock-based compensation	11,519	19,290
Lodging stock-based compensation	(1,294)	(1,091)
Lodging Reported EBITDA	10,225	18,199
Resort Reported EBITDA*	230,786	225,927
Resort Reported EBITDA excluding stock-based compensation*	235,914	230,842
Real Estate revenue, net	296,566	112,708
Real Estate operating expense excluding stock-based compensation	(248,202)	(113,107)
Gain on sale of real property	709	--
Real Estate Reported EBITDA excluding stock-based compensation	49,073	(399)
Real Estate stock-based compensation	(3,136)	(2,083)
Real Estate Reported EBITDA	45,937	(2,482)
Total Reported EBITDA	276,723	223,445
Depreciation and amortization	(93,794)	(87,664)
Relocation and separation charges	--	(1,433)
Loss on disposal of fixed assets, net	(1,534)	(1,083)
Investment income, net	8,285	12,403
Interest expense, net	(30,667)	(32,625)
Loss on sale of businesses, net	--	(639)
Contract dispute credit (charges), net	11,920	(4,642)
Gain on put options, net	--	690
Minority interest in income of consolidated subsidiaries, net	(4,920)	(7,801)
Income before provision for income taxes	166,013	100,651
Provision for income taxes	(63,086)	(39,254)
Net income	\$ 102,927	\$ 61,397

\* 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 July 31, 2008. Also presented is a reconciliation of Net Debt to Long-term Debt and the calculation of Net Debt to Total Reported EBITDA.

	<b>(In thousands)</b> <b>Twelve</b> <b>Months Ended</b> <b>July 31,</b> <b>2008</b>
Mountain Reported EBITDA	\$ 220,561
Lodging Reported EBITDA	10,225
Resort EBITDA*	230,786
Real Estate Reported EBITDA	45,937
Total Reported EBITDA	276,723
Depreciation and amortization	(93,794)
Loss on disposal of fixed assets, net	(1,534)
Investment income, net	8,285
Interest expense, net	(30,667)
Contract dispute credit, net	11,920
Minority interest in income of consolidated subsidiaries, net	(4,920)
Income before provision for income taxes	166,013
Provision for income taxes	(63,086)
Net income	\$ 102,927

\* Resort represents the sum of Mountain and Lodging

	<b>(In thousands)</b> <b>As of</b> <b>July 31,</b> <b>2008</b>
Long-term debt	\$ 541,350
Long-term debt due within one year	15,355
Total debt	556,705
Less: cash and cash equivalents	162,345
Net debt	\$ 394,360
Net debt to Total Reported EBITDA	1.43

Presented below is a reconciliation of net income (loss) excluding stock-based compensation, tax effected, to net income (loss) of the Company calculated in accordance with GAAP for the three and twelve months ended July 31, 2008 and 2007. Also presented is a reconciliation of net income (loss) per diluted share excluding stock-based compensation, tax effected, to net income (loss) per diluted share of the Company calculated in accordance with GAAP for the three and twelve months ended July 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 twelve months ended July 31, 2008 and July 31, 2007 to prior periods.

(In thousands, except per share amounts)	<b>Three Months Ended July 31, (Unaudited)</b>	
	<b>2008</b>	<b>2007</b>
Net loss excluding stock-based compensation	\$ (9,745)	\$ (33,370)
Stock-based compensation expense, before benefit from income taxes	(2,219)	(1,524)
Adjustment for benefit from income taxes	841	572
<b>Net loss</b>	<b>\$ (11,123)</b>	<b>\$ (34,322)</b>
Diluted net loss per share excluding stock-based compensation	\$ (0.26)	\$ (0.85)
Stock-based compensation expense per diluted common share, before provision from income taxes	(0.06)	(0.04)
Adjustment for benefit from income taxes, per diluted common share	0.02	0.01
<b>Diluted net loss per share</b>	<b>\$ (0.29)</b>	<b>\$ (0.88)</b>

(In thousands, except per share amounts)	<b>Twelve Months Ended July 31, (Unaudited)</b>	
	<b>2008</b>	<b>2007</b>
Net income excluding stock-based compensation	\$ 108,057	\$ 65,767
Stock-based compensation expense, before provision for income taxes	(8,264)	(6,998)
Adjustment for benefit from income taxes	3,134	2,628
<b>Net income</b>	<b>\$ 102,927</b>	<b>\$ 61,397</b>
Diluted net income per share excluding stock-based compensation	\$ 2.78	\$ 1.67
Stock-based compensation expense per diluted common share, before provision for income taxes	(0.21)	(0.18)
Adjustment for benefit from income taxes, per diluted common share	0.08	0.07
<b>Diluted net income per share</b>	<b>\$ 2.64</b>	<b>\$ 1.56</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, 2009 is presented below.

	<b>(In thousands)</b>	
	<b>For the Year Ending</b>	
	<b>July 31, 2009</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>	\$ 206,000	\$ 226,000
Resort segment stock-based compensation	(6,000)	(6,000)
Resort Reported EBITDA <sup>(1)</sup>	200,000	220,000
Real Estate Reported EBITDA excluding stock-based compensation	38,000	44,000
Real Estate segment stock-based compensation	(4,000)	(4,000)
Real Estate Reported EBITDA	34,000	40,000
Total Reported EBITDA	234,000	260,000
Depreciation and amortization	(105,000)	(105,000)
Loss on disposal of fixed assets, net	(2,400)	(2,400)
Investment income	5,000	5,000
Interest expense, net	(28,200)	(28,000)
Minority interest in income of consolidated subsidiaries, net	(4,900)	(5,800)
Income before provision for income taxes	98,500	123,800
Provision for income taxes	(38,400)	(48,300)
Net income	\$ 60,100	\$ 75,500

(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, 2009 is presented below.

	<b>(In thousands)</b>	
	<b>For the Year Ending</b>	
	<b>July 31, 2009</b>	
	<b>Low End</b>	<b>High End</b>
	<b>Range</b>	<b>Range</b>
Net income excluding stock-based compensation	\$ 66,200	\$ 81,600
Stock-based compensation expense, before benefit from income taxes	(10,000)	(10,000)
Adjustment for benefit from income taxes	3,900	3,900
Net income	\$ 60,100	\$ 75,500