

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 and Reported EBITDA excluding stock-based compensation are not measures of financial performance under accounting principles generally accepted in the United States of America ("GAAP"), and they might not be comparable to similarly titled measures. Reported EBITDA and Reported EBITDA excluding stock-based compensation do 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 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. Additionally, the company believes that reported EBITDA excluding stock-based compensation is an important measurement for comparability purposes as prior periods do not reflect the impact of the adoption of SFAS 123R.

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 six months ended January 31, 2006 and 2005.

	(In thousands)	
	Three Months Ended	
	January 31,	
	2006	2005
Mountain segment revenue, net	\$ 246,228	\$ 214,166
Mountain segment expense excluding stock-based compensation	(149,667)	(132,745)
Mountain equity investment income, net	1,455	771
Mountain Reported EBITDA excluding stock-based compensation	98,016	82,192
Mountain segment stock-based compensation	(999)	(104)
Mountain Reported EBITDA	97,017	82,088
Lodging segment revenue, net	32,079	42,589
Lodging segment expense excluding stock-based compensation	(32,480)	(40,535)
Lodging equity investment loss, net	--	(761)
Lodging Reported EBITDA excluding stock-based compensation	(401)	1,293
Lodging segment stock-based compensation	(414)	(35)
Lodging Reported EBITDA	(815)	1,258
Resort Reported EBITDA	96,202	83,346
Resort Reported EBITDA excluding stock-based compensation	97,615	83,485
Real Estate segment revenue, net	9,709	7,873
Real Estate segment expense excluding stock-based compensation	(5,982)	(6,677)
Real Estate equity investment income (loss), net	31	(24)
Real Estate Reported EBITDA excluding stock-based compensation	3,758	1,172
Real Estate segment stock-based compensation	(401)	(37)
Real Estate Reported EBITDA	3,357	1,135
Total Reported EBITDA	99,559	84,481
Depreciation and amortization	(21,431)	(23,273)
Mold remediation credit	852	--
Loss on disposal of fixed assets, net	(486)	(623)
Investment income, net	1,046	1,174
Interest expense	(9,502)	(10,809)
Loss on extinguishment of debt	--	(612)
Gain on sale of businesses, net	4,625	5,693
Gain on put options, net	1,026	975
Other income, net	51	84
Minority interest in income of consolidated subsidiaries, net	(5,231)	(4,665)
Income before income taxes	70,509	52,425
Provision for income taxes	(27,498)	(20,184)
Net income	\$ 43,011	\$ 32,241

* Resort represents the sum of Mountain and Lodging

	(In thousands)	
	Six Months Ended	
	January 31,	
	2006	2005
Mountain segment revenue, net	\$ 286,505	\$ 248,659
Mountain segment expense excluding stock-based compensation	(221,003)	(196,654)
Mountain equity investment income, net	2,305	1,565
Mountain Reported EBITDA excluding stock-based compensation	67,807	53,570
Mountain segment stock-based compensation	(1,954)	(157)
Mountain Reported EBITDA	65,853	53,413
Lodging segment revenue, net	73,829	88,864
Lodging segment expense excluding stock-based compensation	(69,714)	(84,065)
Lodging equity investment loss, net	--	(2,679)
Lodging Reported EBITDA excluding stock-based compensation	4,115	2,120
Lodging segment stock-based compensation	(821)	(54)
Lodging Reported EBITDA	3,294	2,066
Resort Reported EBITDA	69,147	55,479
Resort Reported EBITDA excluding stock-based compensation	71,922	55,690
Real Estate segment revenue, net	13,102	24,989
Real Estate segment expense excluding stock-based compensation	(11,671)	(16,719)
Real Estate equity investment income (loss), net	100	(59)
Real Estate Reported EBITDA excluding stock-based compensation	1,531	8,211
Real Estate segment stock-based compensation	(781)	(56)
Real Estate Reported EBITDA	750	8,155
Total Reported EBITDA	69,897	63,634
Depreciation and amortization	(40,354)	(44,348)
Asset impairment charge	(136)	--
Mold remediation credit	852	--
Loss on disposal of fixed assets, net	(726)	(1,481)
Investment income, net	2,234	1,301
Interest expense	(18,939)	(21,385)
Loss on extinguishment of debt	--	(612)
Gain on sale of businesses, net	4,625	5,693
Gain on put options, net	34	1,188
Other income, net	51	52
Minority interest in income of consolidated subsidiaries, net	(3,305)	(2,765)
Income before income taxes	14,233	1,277
Provision for income taxes	(5,551)	(492)
Net income	\$ 8,682	\$ 785

* Resort represents the sum of Mountain and Lodging

Presented below is a reconciliation of net income excluding stock-based compensation, tax effected, to net income of the Company calculated in accordance with GAAP for the three and six months ended January 31, 2006 and 2005. Also presented is a reconciliation of net income per diluted share excluding stock-based compensation, tax effected, to net income per diluted share of the Company calculated in accordance with GAAP for the three and six months ended January 31, 2006 and 2005. The Company has presented these non-GAAP measures as it believes that this presentation provides a more comparable measure of the Company's results from ongoing operations for the three and six months ended January 31, 2006 compared to January 31, 2005.

(In thousands, except per share amounts)	Three Months Ended January 31,	
	2006	2005
Net income excluding stock-based compensation	\$ 44,144	\$ 32,351
Stock-based compensation expense, before benefit from income taxes	(1,814)	(176)
Adjustment to benefit from income taxes	681	66
Net income	\$ 43,011	\$ 32,241
Diluted net income per common share excluding stock-based compensation	\$ 1.15	\$ 0.90
Stock-based compensation expense per diluted common share, before benefit from income taxes	(0.05)	(0.01)
Adjustment to benefit from income taxes, per diluted common share	0.02	0.00
Diluted net income per common share	\$ 1.12	\$ 0.89
(In thousands, except per share amounts)	Six Months Ended January 31,	
	2006	2005
Net income excluding stock-based compensation	\$ 10,902	\$ 952
Stock-based compensation expense, before benefit from income taxes	(3,556)	(267)
Adjustment to benefit from income taxes	1,336	100
Net income	\$ 8,682	\$ 785
Diluted net income per common share excluding stock-based compensation	\$ 0.29	\$ 0.03
Stock-based compensation expense per diluted common share, before benefit from income taxes	(0.09)	(0.01)
Adjustment to benefit from income taxes, per diluted common share	0.03	0.00
Diluted net income per common share	\$ 0.23	\$ 0.02