

## **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. 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 loss for the Company calculated in accordance with GAAP for the three months ended October 31, 2006 and 2005.

	<b>(In thousands)</b>	
	<b>Three Months Ended</b>	
	<b>October 31,</b>	
	<b>(Unaudited)</b>	
	<b>2006</b>	<b>2005</b>
Mountain revenue, net	\$ 46,164	\$ 40,277
Mountain operating expense excluding stock-based compensation	(78,467)	(71,336)
Mountain equity investment income, net	835	850
Mountain Reported EBITDA excluding stock-based compensation	(31,468)	(30,209)
Mountain stock-based compensation	(1,020)	(955)
Mountain Reported EBITDA	(32,488)	(31,164)
Lodging revenue, net	40,408	41,750
Lodging operating expense excluding stock-based compensation	(36,016)	(37,235)
Lodging Reported EBITDA excluding stock-based compensation	4,392	4,515
Lodging stock-based compensation	(333)	(406)
Lodging Reported EBITDA	4,059	4,109
Resort Reported EBITDA*	(28,429)	(27,055)
Resort Reported EBITDA excluding stock-based compensation*	(27,076)	(25,694)
Real Estate revenue, net	26,922	3,393
Real Estate operating expense excluding stock-based compensation	(25,510)	(5,688)
Real Estate equity investment income, net	--	69
Real Estate Reported EBITDA excluding stock-based compensation	1,412	(2,226)
Real Estate stock-based compensation	(608)	(381)
Real Estate Reported EBITDA	804	(2,607)
Total Reported EBITDA	(27,625)	(29,662)
Depreciation and amortization	(21,585)	(18,923)
Relocation and separation charges	(735)	--
Asset impairment charges	--	(136)
Loss on disposal of fixed assets, net	(81)	(240)
Investment income, net	2,063	1,188
Interest expense, net	(8,936)	(9,437)
Contract dispute charges	(3,605)	--
Loss on put options, net	--	(992)
Minority interest in loss of consolidated subsidiaries, net	1,790	1,926
Loss before benefit from income taxes	(58,714)	(56,276)
Benefit from income taxes	22,899	21,947
Net loss	\$ (35,815)	\$ (34,329)

\* 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 (loss) income for the Company calculated in accordance with GAAP for the twelve months ended October 31, 2006 and 2005. Also presented is a reconciliation of Net Debt to Long-term Debt and the calculation of Net Debt to Reported EBITDA.

	(In thousands) (Unaudited)									
	Three Months Ended				Twelve Months Ended	Three Months Ended				Twelve Months Ended
	October 31, 2006	July 31, 2006	April 30, 2006	January 31, 2006	October 31, 2006	October 2005	July 31, 2005	April 30, 2005	January 31, 2005	October 31, 2005
Mountain revenue, net	\$ 46,164	\$ 39,163	\$ 294,773	\$ 246,228	\$ 626,328	\$ 40,277	\$ 35,371	\$ 256,825	\$ 214,166	\$ 546,639
Mountain operating expense excluding stock-based compensation	(78,467)	(69,697)	(148,733)	(149,667)	(446,564)	(71,336)	(62,629)	(132,349)	(132,745)	(399,059)
Mountain equity investment income, net	835	792	780	1,455	3,862	850	300	438	771	2,359
Mountain Reported EBITDA excluding stock-based compensation	(31,468)	(29,742)	146,820	98,016	183,626	(30,209)	(26,958)	124,914	82,192	149,939
Mountain stock-based compensation	(1,020)	(1,032)	(698)	(999)	(3,749)	(955)	(50)	(50)	(104)	(1,159)
Mountain Reported EBITDA	(32,488)	(30,774)	146,122	97,017	179,877	(31,164)	(27,008)	124,864	82,088	148,780
Lodging revenue, net	40,408	42,486	39,492	32,079	154,465	41,750	51,202	56,285	42,589	191,826
Lodging operating expense excluding stock-based compensation	(36,016)	(41,293)	(30,353)	(32,480)	(140,142)	(37,235)	(50,170)	(43,147)	(40,535)	(171,087)
Lodging equity investment loss, net	--	--	--	--	--	--	--	--	(761)	(761)
Lodging Reported EBITDA excluding stock-based compensation	4,392	1,193	9,139	(401)	14,323	4,515	1,032	13,138	1,293	19,978
Lodging stock-based compensation	(333)	(351)	(162)	(414)	(1,260)	(406)	(17)	(17)	(35)	(475)
Lodging Reported EBITDA	4,059	842	8,977	(815)	13,063	4,109	1,015	13,121	1,258	19,503
Resort Reported EBITDA*	(28,429)	(29,932)	155,099	96,202	192,940	(27,055)	(25,993)	137,985	83,346	168,283
Resort Reported EBITDA excluding stock-based compensation*	(27,076)	(28,549)	155,959	97,615	197,949	(26,694)	(25,926)	138,052	83,485	168,917
Real Estate revenue, net	26,922	42,378	7,124	9,709	86,133	3,393	33,452	14,341	7,873	59,059
Real Estate operating expense excluding stock-based compensation	(25,510)	(32,412)	(11,087)	(5,982)	(74,991)	(5,688)	(25,297)	(16,147)	(6,677)	(53,809)
Real Estate equity investment income, net	--	711	(20)	31	722	69	5	(48)	(24)	2
Real Estate Reported EBITDA excluding stock-based compensation	1,412	10,677	(3,983)	3,758	11,864	(2,226)	8,160	(1,854)	1,172	5,252
Real Estate stock-based compensation	(608)	(441)	(283)	(401)	(1,733)	(381)	(18)	(18)	(37)	(454)
Real Estate Reported EBITDA	804	10,236	(4,266)	3,357	10,131	(2,607)	8,142	(1,872)	1,135	4,798
Total Reported EBITDA	(27,625)	(19,696)	150,833	99,559	203,071	(29,662)	(17,851)	136,113	84,481	173,081
Depreciation and amortization	(21,585)	(22,802)	(22,942)	(21,431)	(88,760)	(18,923)	(20,580)	(25,039)	(23,273)	(87,815)
Relocation and separation charges	(735)	(1,317)	(3,778)	--	(5,830)	--	--	--	--	--
Asset impairment charges	--	(75)	--	--	(75)	(136)	(977)	(1,573)	--	(2,686)
Mold remediation credit	--	559	--	852	1,411	--	--	--	--	--
Loss on disposal of fixed assets, net	(81)	(200)	(108)	(486)	(875)	(240)	(9)	(38)	(623)	(910)
Investment income, net	2,063	2,605	3,156	1,046	8,870	1,188	623	141	1,174	3,126
Interest expense, net	(8,936)	(8,690)	(8,849)	(9,502)	(35,977)	(9,437)	(9,565)	(9,349)	(10,809)	(39,160)
Loss on extinguishment of debt	--	--	--	--	--	--	--	--	(612)	(612)
Gain (loss) on sale of businesses, net	--	--	--	4,625	4,625	--	(13,043)	(3)	5,693	(7,353)
Contract dispute charges	(3,605)	(2,467)	(816)	--	(6,888)	--	--	--	--	--
(Loss) gain on put options, net	--	(1,133)	(113)	1,026	(220)	(992)	417	(447)	975	(47)
Other income, net	--	--	--	51	51	--	--	--	84	84
Minority interest in loss (gain) of consolidated subsidiaries, net	1,790	1,966	(5,355)	(5,231)	(6,830)	1,926	1,742	(4,216)	(4,665)	(5,213)
(Loss) income before benefit (provision) for income taxes	(58,714)	(51,250)	112,028	70,509	72,573	(56,276)	(59,243)	95,589	52,425	32,495
Benefit (provision) for income taxes	22,899	19,987	(43,691)	(27,498)	(28,303)	21,947	22,808	(36,801)	(20,184)	(12,230)
Net (loss) income	\$ (35,815)	\$ (31,263)	\$ 68,337	\$ 43,011	\$ 44,270	\$ (34,329)	\$ (36,435)	\$ 58,788	\$ 32,241	\$ 20,265

	As of October 31, 2006	As of October 31, 2005
Long-term debt	\$ 542,990	\$ 524,174
Long-term debt due within one year	430	6,128
Total debt	543,420	530,302
Less: cash and cash equivalents	117,311	58,692
Net debt	\$ 426,109	\$ 471,610

Net Debt to Total EBITDA

2.1

2.7

Presented below is a reconciliation of net loss excluding stock-based compensation, tax effected, to net loss of the Company calculated in accordance with GAAP for the three months ended October 31, 2006 and 2005. Also presented is a reconciliation of diluted net loss per share excluding stock-based compensation, tax effected, to diluted net loss per share of the Company calculated in accordance with GAAP for the three months ended October 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 months ended October 31, 2006 and October 31, 2005 to prior periods.

(In thousands, except per share amounts)	<b>Three Months Ended October 31, (Unaudited)</b>	
	<b>2006</b>	<b>2005</b>
Net loss excluding stock-based compensation	\$ (34,591)	\$ (33,241)
Stock-based compensation expense, before benefit from income taxes	(1,961)	(1,742)
Adjustment to benefit from income taxes	737	654
<b>Net loss</b>	<b>\$ (35,815)</b>	<b>\$ (34,329)</b>
Diluted loss per share excluding stock-based compensation	\$ (0.89)	\$ (0.90)
Stock-based compensation expense per diluted share, before benefit from income taxes	(0.05)	(0.05)
Adjustment to benefit from income taxes, per diluted share	0.02	0.02
<b>Diluted net loss per share</b>	<b>\$ (0.93)</b>	<b>\$ (0.93)</b>