



Vail Resorts to Acquire Seven Springs Mountain Resort, Hidden Valley Resort and Laurel Mountain Ski Area in Pittsburgh Area

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BROOMFIELD, Colo., Dec. 8, 2021 /PRNewswire/ -- Vail Resorts, Inc. (NYSE: MTN) announced today that it has entered into an agreement to purchase Seven Springs Mountain Resort in Pennsylvania from Seven Springs Mountain Resort, Inc. As a part of the acquisition, Vail Resorts will also acquire Hidden Valley Resort and the operations of Laurel Mountain Ski Area. The purchase price for the ski areas, plus a hotel, conference center and other related operations, is approximately \$125 million, subject to certain adjustments.

"We are incredibly excited to have the opportunity to add Seven Springs to our family of resorts along with Hidden Valley and Laurel Mountain," said Kirsten Lynch, chief executive officer of Vail Resorts. "As a company, we have been focused on acquiring resorts near major metropolitan areas as we know many skiers and riders build their passion for the sport close to home. These great ski areas in Pennsylvania are a perfect complement to our existing resorts, creating a much stronger connection and compelling offering to our current and future guests in Pittsburgh as well as those in other critical markets such as Washington, D.C., Baltimore and Cleveland."

Seven Springs is Pennsylvania's premier four-season family resort. It is located one hour southeast of Pittsburgh and is among the largest ski resorts in Pennsylvania with 285 skiable acres and 750 vertical feet. In addition to skiing and snowboarding, Seven Springs offers significant resort amenities, including a 418-room hotel, conference center, a full-service spa and tubing. Hidden Valley offers 110 skiable acres and 470 vertical feet, with 26 slopes and trails and two terrain parks. Laurel Mountain offers 70 skiable acres and 761 vertical feet.

"The resorts truly are a part of the fabric of this region and a critical community asset. I am extremely proud of our stewardship of Seven Springs and its sister resorts, and even more so of all the people who we have worked with side-by-side to transform them into what they are today," said Robert Nutting, president and chief executive officer of Seven Springs Mountain Resort, Inc. "It has been an honor to be a part of their incredible growth for more than a decade and leave each resort a much stronger community asset than we found it."

"Vail Resorts is a perfect successor with a proven track record of honoring the unique character of each of its resorts," added Nutting. "They are the industry leader in investing in the guest experience, employee development and environmental stewardship. We are thrilled that the resorts will now become part of Vail Resorts' network and are confident that Vail Resorts will continue to invest in what makes these resorts so special."

Vail Resorts is acquiring all of the assets related to the mountain operations of the resorts and related base area lodging, conference center and amenities. Seven Springs Mountain Resort, Inc. is retaining select neighboring operations, including Highlands Market, Sporting Clays at Seven Springs, Seven Springs Golf Course and Hidden Valley Golf Club, Highlands Resort Realty and certain real estate owned and held for potential future development.

The transaction is expected to close this winter, however, operations at the three resorts for the 2021-22 winter season will continue in the ordinary course of business. Vail Resorts plans to add access to the three resorts to select Epic Pass products for the 2022-23 North American ski and ride season.

Additional Transaction Details

The acquisition is expected to generate incremental annual EBITDA in excess of \$15 million in Vail Resorts' fiscal year ending July 31, 2023. This expected impact includes an estimated incremental annual EBITDA of approximately \$5 million associated with the 418-room Slopeside Hotel and associated conference facilities and lodging operations at Seven Springs Mountain Resort. After closing the transaction, annual ongoing capital expenditures are expected to increase by approximately \$3 million to support the addition of these resorts.

Vail Resorts will, subject to receipt of consent from the Commonwealth of Pennsylvania, assume the state land lease for Laurel Mountain. Upon closing, Vail Resorts plans to retain the vast majority of each resort's employees and will be working with the local leadership teams in the coming months to determine the right long-term management structure for the resorts.

About Vail Resorts, Inc. (NYSE: MTN)

Vail Resorts, Inc., through its subsidiaries, is the leading global mountain resort operator. Vail Resorts' subsidiaries operate 37 destination mountain resorts and regional ski areas, including Vail, Beaver Creek, Breckenridge, Keystone and Crested Butte in Colorado; Park City in Utah; Heavenly, Northstar and Kirkwood in the Lake Tahoe area of California and Nevada; Whistler Blackcomb in British Columbia, Canada; Perisher, Falls Creek and Hotham in Australia; Stowe, Mount Snow, Okemo in Vermont; Hunter Mountain in New York; Mount Sunapee, Attitash, Wildcat and Crotched in New Hampshire; Stevens Pass in Washington; Liberty, Roundtop, Whitetail, Jack Frost and Big Boulder in Pennsylvania; Alpine Valley, Boston Mills, Brandywine and Mad River in Ohio; Hidden Valley and Snow Creek in Missouri; Wilmot in Wisconsin; Afton Alps in Minnesota; Mt. Brighton in Michigan; and Paoli Peaks in Indiana. Vail Resorts owns and/or manages a collection of casually elegant hotels under the Rock Resorts brand, as well as the Grand Teton Lodge Company in Jackson Hole, Wyo. Vail Resorts Development Company is the real estate planning and development subsidiary of Vail Resorts, Inc. Vail Resorts is a publicly held company traded on the New York Stock Exchange (NYSE: MTN). The Vail Resorts company website is www.vailresorts.com and consumer website is www.snow.com.

Forward-Looking Statements

Certain statements discussed in this press release, other than statements of historical information, are forward-looking statements within the meaning of the federal securities laws, including our expectations regarding fiscal 2023 incremental EBITDA this acquisition is expected to generate, the expected increase in annual ongoing capital expenditures, and the expected timing for closing of the transaction. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include but are not limited to the ultimate duration of COVID-19 and its short-term and long-term impacts on consumer behaviors, the economy generally and our business and results of operations, including the ultimate amount of refunds that we would be required to refund to our pass product holders for qualifying circumstances

under our Epic Coverage program; prolonged weakness in general economic conditions, including adverse effects on the overall travel and leisure related industries; willingness or ability of our guests to travel due to terrorism, the uncertainty of military conflicts or outbreaks of contagious diseases (such as the ongoing COVID-19 pandemic), and the cost and availability of travel options and changing consumer preferences; unfavorable weather conditions or the impact of natural disasters; risks related to interruptions or disruptions of our information technology systems, data security or cyberattacks; risks related to our reliance on information technology, including our failure to maintain the integrity of our customer or employee data and our ability to adapt to technological developments or industry trends; the seasonality of our business combined with adverse events that occur during our peak operating periods; competition in our mountain and lodging businesses or with other recreational and leisure activities; high fixed cost structure of our business; our ability to fund resort capital expenditures; risks related to a disruption in our water supply that would impact our snowmaking capabilities and operations; our reliance on government permits or approvals for our use of public land or to make operational and capital improvements; risks associated with obtaining governmental or third party approvals; risks related to federal, state, local and foreign government laws, rules and regulations; risks related to changes in security and privacy laws and regulations which could increase our operating costs and adversely affect our ability to market our products and services effectively; risks related to our workforce, including increased labor costs; loss of key personnel and our ability to hire and retain a sufficient seasonal workforce; a deterioration in the quality or reputation of our brands, including our ability to protect our intellectual property and the risk of accidents at our mountain resorts; our ability to successfully integrate acquired businesses, or that acquired businesses may fail to perform in accordance with expectations; risks associated with international operations; fluctuations in foreign currency exchange rates where the Company has foreign currency exposure, primarily the Canadian and Australian dollars; changes in tax laws, regulations, interpretations, or adverse determinations by taxing authorities; risks related to our indebtedness and our ability to satisfy our debt service requirements under our outstanding debt including our unsecured senior notes, which could reduce our ability to use our cash flow to fund our operations, capital expenditures, future business opportunities and other purposes; a materially adverse change in our financial condition; adverse consequences of current or future legal claims; changes in accounting judgments and estimates, accounting principles, policies or guidelines; and other risks detailed in the Company's filings with the Securities and Exchange Commission, including the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended July 31, 2021, which was filed on September 23, 2021.



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