UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q. --QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

[X] Quarterly Report Pursuant To Section 13 Or 15(d) Of The Securities Exchange Act Of 1934
For the quarterly period ended January 31, 2000

[_] Transition Report Pursuant To Section 13 Or 15(d) Of The Securities Exchange Act Of 1934
For the transition period from ______________________ to ____________________

Commission File Number: 1-9614

Vail Resorts, Inc.
(Exact name of registrant as specified in its charter)

Delaware	51-0291762
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Post Office Box 7 Vail, Colorado	81658
(Address of principal executive offices)	(Zip Code)

(970) 476-5601
(Registrant's telephone number, including area code)

None.
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[X] Yes [_] No

As of March 13, 2000, 7,439,834 shares of Class A Common Stock and 27,177,698 shares of Common Stock were issued and outstanding.

Table of Contents

PART I FINANCIAL INFORMATION

Item 1. Financial Statements

Vail Resorts, Inc.
Consolidated Condensed Balance Sheets
(In thousands, except share and per share amounts)
(Unaudited)

	January 31, 2000	July 31, 1999	January 31, 1999
Assets			
Current assets:			
Cash and cash equivalents	$ 22,615	$ 25,324	$ 17,704
Receivables, net	42,648	29,650	57,683
Income taxes receivable	268	--	--
Inventories	26,257	22,805	24,426
Deferred income taxes	10,404	10,404	12,126
Other current assets	7,850	4,512	4,658
Total current assets	110,042	92,695	116,597
Property, plant and equipment, net	630,744	611,141	547,915
Real estate held for sale and investment	161,835	152,508	154,960
Deferred charges and other assets	32,515	31,391	19,146
Intangible assets, net	199,014	201,504	197,454
Total assets	$1,134,150	$1,089,239	$1,036,072
Liabilities and Stockholders' Equity			
Current liabilities:			
Accounts payable and accrued expenses	$ 151,406	$ 89,445	$ 124,976
Income taxes payable	--	1,633	2,239
Long-term debt due within one year (Note 4)	1,458	2,057	2,087
Total current liabilities	152,864	93,135	129,302
Long-term debt (Note 4)	399,587	396,129	332,745
Other long-term liabilities	30,600	31,146	29,368
Deferred income taxes	75,993	84,728	76,705
Commitments and contingencies (Note 2)	--	--	--
Minority interest in net assets of consolidated joint venture	7,550	7,326	8,305
Stockholders' equity:			
Common stock--			
Class A common stock, $0.01 par value, 20,000,000 shares authorized, 7,439,834, 7,439,834 and 7,439,834 shares issued and outstanding at January 31, 2000, July 31, 1999 and January 31, 1999, respectively	74	74	74
Common stock, $0.01 par value, 40,000,000 shares authorized, 27,177,698, 27,092,901 and 27,087,701 shares issued and outstanding at January 31, 2000, July 31, 1999 and January 31, 1999, respectively	272	271	271
Additional paid-in capital	405,200	402,923	402,514
Retained earnings	62,010	73,507	56,788
Total stockholders' equity	467,556	476,775	459,647
Total liabilities and stockholders' equity	$1,134,150	$1,089,239	$1,036,072

See accompanying notes to consolidated condensed financial statements.

Vail Resorts, Inc.
Consolidated Condensed Statements of Operations
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended January 31, 2000	Three Months Ended January 31, 1999
Net revenues:		
Resort	$161,128	$156,141
Real estate	1,749	3,816
Total net revenues	162,877	159,957
Operating expenses:		
Resort	113,031	105,625
Real estate	3,745	4,530
Depreciation and amortization	15,023	12,946
Total operating expenses	131,799	123,101
Income from operations	31,078	36,856
Other income (expense):		
Investment income	343	490
Interest expense	(10,016)	(6,178)
Gain (loss) on disposal of fixed assets	(32)	13
Other income (expense)	(73)	136
Minority interest in consolidated joint venture	(2,095)	(2,915)
Income before income taxes	19,205	28,402
Provision for income taxes	(8,258)	(11,872)
Net income	$ 10,947	$ 16,530
Net income per common share (Note 3):		
Basic	$ 0.32	$ 0.48
Diluted	$ 0.31	$ 0.47

See accompanying notes to consolidated condensed financial statements.

Vail Resorts, Inc.
Consolidated Condensed Statements of Operations
(In thousands, except per share amounts)
(Unaudited)

	Six Months Ended January 31, 2000	Six Months Ended January 31, 1999
Net revenues:		
Resort	$217,987	$191,126
Real estate	10,719	17,387
Total net revenues	228,706	208,513
Operating expenses:		
Resort	190,329	165,625
Real estate	9,608	12,140
Depreciation and amortization	29,923	24,747
Total operating expenses	229,860	202,512
Income (loss) from operations	(1,154)	6,001
Other income (expense):		
Investment income	698	905
Interest expense	(18,899)	(11,838)
Gain (loss) on disposal of fixed assets	(74)	26
Other income (expense)	(90)	139
Minority interest in consolidated joint venture	(651)	(1,801)
Loss before income taxes	(20,170)	(6,568)
Credit for income taxes	8,673	2,640
Net loss	$(11,497)	$ (3,928)
Net loss per common share (Note 3):		
Basic	$ (0.33)	$ (0.11)
Diluted	$ (0.33)	$ (0.11)

See accompanying notes to consolidated condensed financial statements.

Vail Resorts, Inc.
Consolidated Condensed Statements of Cash Flows
(In thousands)
(Unaudited)

	Six Months Ended January 31, 2000	Six Months Ended January 31, 1999
Cash flows from operating activities:		
Net loss	$ (11,497)	$ (3,928)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	29,923	24,747
Non-cash cost of real estate sales	3,166	6,903
Non-cash compensation related to stock grants	81	225
Non-cash equity (income) loss	(3,143)	1,574
Deferred financing costs amortized	867	292
(Gain) loss on disposal of fixed assets	74	(26)
Deferred income taxes, net	(8,673)	(2,640)
Minority interest in consolidated joint venture	651	1,801
Changes in assets and liabilities:		
Receivables, net	(12,998)	(30,186)
Inventories	(3,452)	3,081
Accounts payable and accrued expenses	61,961	53,901
Income taxes payable and receivable	(1,901)	--
Other assets and liabilities, net	(5,944)	(2,493)
Net cash provided by operating activities	49,115	53,251
Cash flows from investing activities:		
Cash paid in hotel acquisitions, net of cash acquired	--	(33,800)
Cash paid by consolidated joint venture in acquisition of retail operations	--	(10,516)
Cash received from sale of assets	252	--
Resort capital expenditures	(41,406)	(44,337)
Investments in real estate	(13,450)	(14,395)
Net cash used in investing activities	(54,604)	(103,048)
Cash flows from financing activities:		
Proceeds from the exercise of stock options	314	515
Deferred financing costs paid	(393)	--
Proceeds from borrowings under long-term debt	105,750	100,866
Payments on long-term debt	(102,891)	(53,392)
Net cash provided by financing activities	2,780	47,989
Net decrease in cash and cash equivalents	(2,709)	(1,808)
Cash and cash equivalents:		
Beginning of period	25,324	19,512
End of period	$ 22,615	$ 17,704

See accompanying notes to consolidated condensed financial statements.

Vail Resorts, Inc.
Notes to Consolidated Condensed Financial Statements
(Unaudited)

1. Basis of Presentation

Vail Resorts, Inc. ("Vail Resorts") is organized as a holding company and operates through various subsidiaries. Vail Resorts and its subsidiaries (collectively, the "Company") currently operate in two business segments--resort and real estate. Vail Associates, Inc., an indirect wholly owned subsidiary of Vail Resorts, and its subsidiaries, (collectively, "Vail Associates") operate four of the world's largest skiing facilities on Vail, Breckenridge, Keystone and Beaver Creek mountains in Colorado. In addition to the ski resorts, Vail Associates owns and operates Grand Teton Lodge Company ("GTLC"), which operates three resorts within Grand Teton National Park (under a National Park Service concessionaire contract) and the Jackson Hole Golf & Tennis Club in Wyoming. Vail Resorts Development Company ("VRDC"), a wholly owned subsidiary of Vail Associates, conducts the Company's real estate development activities. The Company's mountain resort businesses are seasonal in nature. The Company's ski resort businesses and related amenities typically have operating seasons from mid-October through mid-May; the Company's operations at GTLC generally run from mid-May through mid-October.

In the opinion of the Company, the accompanying consolidated condensed financial statements reflect all adjustments necessary to present fairly the Company's financial position, results of operations and cash flows for the interim periods presented. All such adjustments are of a normal recurring nature. Results for interim periods are not indicative of the results for the entire year. The accompanying consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended July 31, 1999, included in the Company's Annual Report on Form 10-K for the fiscal year ended July 31, 1999.

2. Commitments and Contingencies

Smith Creek Metropolitan District ("SCMD") and Bachelor Gulch Metropolitan District ("BGMD") were organized in November 1994 to cooperate in the financing, construction and operation of basic public infrastructure serving the Company's Bachelor Gulch Village development. SCMD was organized primarily to own, operate and maintain water, street, traffic and safety, transportation, fire protection, parks and recreation, television relay and translation, sanitation and certain other facilities and equipment of BGMD. SCMD is comprised of approximately 150 acres of open space land owned by the Company and members of the Board of Directors of SCMD. In two planned unit developments, Eagle County has granted zoning approval for 1,395 dwelling units within Bachelor Gulch Village, including various single family homesites, cluster homes, townhomes, and lodging units. As of January 31, 2000, the Company has sold 104 single-family homesites and twelve parcels to developers for the construction of various types of dwelling units. Currently, SCMD has outstanding $38.4 million of variable rate revenue bonds maturing on October 1, 2035, which have been enhanced with a $40.7 million letter of credit issued against the Company's Credit Facility (as defined herein). It is anticipated that, as Bachelor Gulch Village expands, BGMD will become self supporting and that within 25 to 30 years it will issue general obligation bonds, the proceeds of which will be used to retire the SCMD revenue bonds. Until that time, the Company has agreed to subsidize the interest payments on the SCMD revenue bonds. The Company has estimated the present value of the remaining aggregate subsidy to be $14.3 million at January 31, 2000. The Company has allocated $10.5 million of that amount to the Bachelor Gulch Village homesites which were sold as of January 31, 2000 and has recorded that amount as a liability in the accompanying financial statements. The total subsidy incurred as of January 31, 2000 and July 31, 1999 was $5.4 million and $4.3 million, respectively.

At January 31, 2000 the Company had various other letters of credit outstanding in the aggregate amount of $39.3 million.

2. Commitments and Contingencies (Continued)

On October 19, 1998, fires on Vail Mountain destroyed certain of the Company's facilities including the Ski Patrol Headquarters, a day skier shelter, the Two Elk Lodge restaurant and the chairlift drive housing for the High Noon Lift (Chair #5). Three other chairlifts sustained minor damage. The Company has completed the reconstruction and reparation of all of the damaged and destroyed facilities. All of the facilities damaged are fully covered by the Company's property insurance policy. Although the Company is unable to estimate the total amount which will be recovered through insurance proceeds, the Company does not expect to record a loss related to the property damage. The incident is also covered under the Company's business interruption insurance policy. The Company incurred business interruption losses as a result of the incident; however, due to mitigating measures being undertaken by the Company and the insurance coverage, the Company expects the net impact of the business interruption will not have a material effect on its results of operations and cash flows.

The Company purchased a Reduced Skier Day Insurance Policy, a customized insurance product, at the outset of the ski season. Under this policy, the Company receives a fixed payment for each paid skier day below certain targeted levels for the season. For the six months ended January 31, 2000, the net benefit recognized in the financial statements from the policy was $4.4 million.

The Company is a party to various lawsuits arising in the ordinary course of business. Management believes the Company has adequate insurance coverage and accrued loss contingencies for all matters and that, although the ultimate outcome of such claims cannot be ascertained, current pending and threatened claims are not expected to have a material adverse impact on the financial position, results of operations and cash flows of the Company.

The Company has executed as lessee operating leases for the rental of office space, employee residential units and office equipment through fiscal 2008. For the six months ended January 31, 2000 and 1999, lease expense of $3.8 million and $3.1 million, respectively, related to these agreements was recorded and is included in the accompanying consolidated statements of operations.

Future minimum lease payments under these leases as of January 31, 2000 are as follows (in thousands):

Due during fiscal year ending July 31:	
2000	$ 2,919
2001	3,846
2002	2,575
2003	2,031
2004	2,073
Thereafter	4,358
Total	$17,802

3. Net Earnings Per Common Share

Basic earnings per share ("EPS") excludes dilution and is computed by dividing net income available to common shareholders by the weighted average shares outstanding. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised resulting in the issuance of common shares that would then share in the earnings of the Company.

	Three Months Ended January 31,			
	2000		1999	
	(In thousands, except per share amounts)			
	Basic	Diluted	Basic	Diluted
Net income per common share:				
Net income	$10,947	$10,947	$16,530	$16,530
Weighted average shares outstanding	34,618	34,618	34,574	34,574
Effect of dilutive stock options		227		289
Total shares	34,618	34,845	34,574	34,863
Net income per common share	$ 0.32	$ 0.31	$ 0.48	$ 0.47

	Six Months Ended January 31,			
	2000		1999	
	(In thousands, except per share amounts)			
	Basic	Diluted	Basic	Diluted
Net loss per common share:				
Net loss	$(11,497)	$(11,497)	$(3,928)	$(3,928)
Weighted average shares outstanding	34,573	34,573	34,555	34,555
Effect of dilutive stock options		240		293
Total shares	34,573	34,813	34,555	34,848
Net loss per common share	$ (0.33)	$ (0.33)	$ (0.11)	$ (0.11)

4. Long-Term Debt

Long-term debt as of January 31, 2000 and July 31, 1999 is summarized as follows (in thousands):

	Maturity(e)	January 31, 2000	July 31, 1999
Industrial Development Bonds(a)	2002-2020	$ 63,200	$ 63,200
Credit Facilities (b)	2003	133,300	130,300
Senior Subordinated Notes (c)	2009	200,000	200,000
Other(d)	2000-2029	4,545	4,686
		401,045	398,186
Less: Maturities due within 12 months		1,458	2,057
		$399,587	$396,129

a) The Company has $41.2 million of outstanding Industrial Development Bonds (the "Industrial Development Bonds") issued by Eagle County, Colorado that mature, subject to prior redemption, on August 1, 2019. These bonds accrue interest at 6.95% per annum, with interest being payable semi-annually on February 1 and August 1. In addition, the Company has outstanding two series of refunding bonds. The Series 1990 Sports Facilities Refunding Revenue Bonds have an aggregate outstanding principal amount of $19.0 million, which matures in installments in 2006 and 2008. These bonds bear interest at a rate of 7.75% for bonds maturing in 2006 and 7.875% for bonds maturing in 2008. The Series 1991 Sports Facilities Refunding Revenue Bonds have an aggregate outstanding principal amount of $3.0 million and bear interest at 7.125% for bonds maturing in 2002 and 7.375% for bonds maturing in 2010.

4. Long-Term Debt (Continued)

b) The Company's credit facilities consist of a revolving credit facility ("Credit Facility") that provides for debt financing up to an aggregate principal amount of $450 million. In conjunction with the debt offering discussed in c) below, the Company amended its Credit Facility on May 11, 1999. Borrowings under the Credit Facility as amended bear interest annually at the Company's option at the rate of (i) LIBOR (5.86% at January 31, 2000) plus a margin ranging from 0.75% to 2.25% or (ii) the agent's prime lending rate, (8.50% at January 31, 2000) plus a margin of up to 0.75%. The Company also pays a quarterly unused commitment fee ranging from 0.20% to 0.50%. The interest margins fluctuate based upon the ratio of the Company's total Funded Debt to the Company's Resort EBITDA (as defined in the underlying Credit Facility). The Credit Facility matures on December 19, 2002.

On December 30, 1998, SSI Venture LLC established a credit facility ("SSV Facility") that provides debt financing up to an aggregate principal amount of $20 million. On October 15, 1999, the SSV Facility was amended to increase the aggregate principal amount to $25 million. The amended SSV Facility consists of (i) a $15 million Tranche A revolving credit facility and (ii) a $10 million Tranche B term loan facility. The SSV Facility matures on the earlier of December 31, 2003 or the termination date of the Credit Facility discussed above. Vail Associates guarantees the SSV Facility. A $250,000 principal payment was made on the SSV Facility's Tranche B term loan on January 31, 2000. Future minimum amortization under the Tranche B Term Loan Facility as amended is $0.5 million, $1.0 million, $1.0 million, $1.0 million and $5.25 million during fiscal years 2000, 2001, 2002, 2003, and 2004, respectively. The SSV Facility bears interest annually at the rates prescribed above for the Credit Facility. SSI Venture LLC also pays a quarterly unused commitment fee at the same rates as the unused commitment fee for the Credit Facility.

c) The Company completed a $200 million debt offering of Senior Subordinated Notes (the "Notes") on May 11, 1999. The Notes have a fixed annual interest rate of 8.75%, with interest due semi-annually on May 15 and November 15. The Notes will mature on May 15, 2009 and no principal payments are due to be paid until maturity. The Company has certain early redemption options under the terms of the Notes. Substantially all of the Company's subsidiaries have guaranteed the Notes. The Notes are subordinated to certain of the Company's debts, including the Credit Facility, and will be subordinated to certain of the Company's future debts. The proceeds of the offering were used to reduce the Company's outstanding debt under the Credit Facility.

d) Other obligations bear interest at rates ranging from 0.0% to 6.5% and have maturities ranging from 2000 to 2028.

e) Maturities are based on the Company's July 31 fiscal year end.

Aggregate maturities for debt outstanding are as follows (in thousands):

Due during fiscal years ending July 31.	As of January 31, 2000
2000	$ 920
2001	1,463
2002	1,444
2003	126,855
2004	5,558
Thereafter	264,805
Total Debt	$401,045

5. Guarantor Subsidiaries and Non-Guarantor Subsidiaries

The Company's payment obligations under the 8.75% Senior Subordinated Notes due 2009 (see Note 4), are fully and unconditionally guaranteed on a joint and several, senior subordinated basis by substantially all of the Company's consolidated subsidiaries (collectively, and excluding the Non-Guarantor Subsidiaries (as defined below), the "Guarantor Subsidiaries") except for SSI Venture LLC and Vail Associates Investments, Inc. (together, the "Non-Guarantor Subsidiaries"). SSI Venture LLC is a 51.9%-owned joint venture which owns and operates certain retail and rental operations. Vail Associates Investments, Inc. is a 100%-owned corporation which owns certain real estate held for sale.

Presented below is the consolidated condensed financial information of Vail Resorts, Inc. (the "Parent Company"), the Guarantor Subsidiaries and the Non-Guarantor Subsidiaries as of January 31, 2000 and July 31, 1999 and for the six months ended January 31, 2000 and 1999.

Investments in subsidiaries are accounted for by the Parent Company and Guarantor Subsidiaries using the equity method of accounting. Net income of Guarantor and Non-Guarantor Subsidiaries is, therefore, reflected in the Parent Company's and Guarantor Subsidiaries' investments in and advances to (from) subsidiaries. Net income of the Guarantor and Non-Guarantor Subsidiaries is reflected in Guarantor Subsidiaries and Parent Company as equity in consolidated subsidiaries. The elimination entries eliminate investments in Non-Guarantor Subsidiaries and intercompany balances and transactions.

Vail Resorts, Inc.
Notes to Consolidated Condensed Financial Statements--(Continued)
(Unaudited)

5. Guarantor Subsidiaries and Non-Guarantor Subsidiaries (Continued)

Supplemental Condensed Consolidating Balance Sheet
(in thousands)

	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
			January 31, 2000		
Current assets:					
Cash and cash equivalents	$ --	$ 20,879	$ 1,736	$ --	$ 22,615
Receivables	321	40,471	1,856	--	42,648
Income taxes receivable	268	--	--	--	268
Inventories, net	--	7,892	18,365	--	26,257
Deferred income taxes	1,353	9,051	--	--	10,404
Other current assets	--	6,862	988	--	7,850
Total current assets	1,942	85,155	22,945	--	110,042
Property, plant and equipment, net	--	617,577	13,167	--	630,744
Real estate held for sale	--	154,078	7,757	--	161,835
Deferred charges and other assets	10,985	21,256	274	--	32,515
Intangible assets, net	--	186,432	12,582	--	199,014
Investments in subsidiaries and advances to (from) subsidiaries	660,093	(1,856)	(7,550)	(650,687)	--
Total assets	$673,020	$1,062,642	$49,175	$(650,687)	$1,134,150
Current liabilities:					
Accounts payable and accrued expenses	$ 4,462	$ 125,370	$21,574	$ --	$ 151,406
Income taxes payable	--	--	--	--	--
Long-term debt due within one year	--	458	1,000	--	1,458
Total current liabilities	4,462	125,828	22,574	--	152,864
Long-term debt	200,000	189,287	10,300	--	399,587
Other long-term liabilities	1,002	29,598	--	--	30,600
Deferred income taxes	--	75,993	--	--	75,993
Minority interest in net assets of consolidated joint venture	--	--	7,550	--	7,550
Total stockholders' equity	467,556	641,936	8,751	(650,687)	467,556
Total liabilities and stockholders' equity	$673,020	$1,062,642	$49,175	$(650,687)	$1,134,150
			July 31, 1999		
Current assets:					
Cash and cash equivalents	$ --	$ 25,097	$ 227	$	$ 25,324
Receivables	321	28,790	539	--	29,650
Inventories, net	--	8,667	14,138	--	22,805
Deferred income taxes	1,353	9,051	--	--	10,404
Other current assets	--	4,326	186	--	4,512
Total current assets	1,674	75,931	15,090	--	92,695
Property, plant and equipment, net	--	600,497	10,644	--	611,141
Real estate held for sale	--	147,232	5,276	--	152,508
Deferred charges and other assets	8,752	22,519	120	--	31,391
Intangible assets, net	--	188,197	13,307	--	201,504
Investments in subsidiaries and advances to (from) subsidiaries	472,609	214,405	(6,122)	(680,892)	--
Total assets	$483,035	$1,248,781	$38,315	$(680,892)	$1,089,239
Current liabilities:					
Accounts payable and accrued expenses	$ 5,132	$ 76,341	$ 7,972	$ --	$ 89,445
Income taxes payable	--	1,633	--	--	1,633
Long-term debt due within one year	--	520	1,537	--	2,057
Total current liabilities	5,132	78,494	9,509	--	93,135
Long-term debt	--	382,829	13,300	--	396,129
Other long-term liabilities	1,128	30,018	--	--	31,146
Deferred income taxes	--	84,728	--	--	84,728
Minority interest in net assets of consolidated joint venture	--	--	7,326	--	7,326
Total stockholders' equity	476,775	672,712	8,180	(680,892)	476,775
Total liabilities and stockholders' equity	$483,035	$1,248,781	$38,315	$(680,892)	$1,089,239

5. Guarantor Subsidiaries and Non-Guarantor Subsidiaries (Continued)

Supplemental Condensed Consolidating Statement of Operations
(in thousands)

	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
	For the Six Months Ended January 31, 2000				
Total revenues	$ --	$188,502	$41,003	$ (799)	$228,706
Total operating expenses	1,050	190,622	38,987	(799)	229,860
Income (loss) from operations	(1,050)	(2,120)	2,016	--	(1,154)
Other expense	(8,701)	(9,002)	(662)	--	(18,365)
Minority interest in net income of consolidated joint venture	--	--	(651)	--	(651)
Income (loss) before income taxes	(9,751)	(11,122)	703	--	(20,170)
Credit for income taxes	4,193	4,480	--	--	8,673
Net income (loss) before equity in income of consolidated subsidiaries	(5,558)	(6,642)	703	--	(11,497)
Equity in income (loss) of consolidated subsidiaries	(5,939)	703	--	5,236	--
Net income (loss)	$(11,497)	$ (5,939)	$ 703	$5,236	$(11,497)
	For the Six Months Ended January 31, 1999				
Total revenues	$ --	$170,596	$38,678	$ (761)	$208,513
Total operating expenses	496	168,239	34,538	(761)	202,512
Income (loss) from operations	(496)	2,357	4,140	--	6,001
Other income (expense)	156	(10,528)	(396)	--	(10,768)
Minority interest in net income of consolidated joint venture	--	--	(1,801)	--	(1,801)
Income (loss) before income taxes	(340)	(8,171)	1,943	--	(6,568)
Credit for income taxes	137	2,503	--	--	2,640
Net income (loss) before equity in income of consolidated subsidiaries	(203)	(5,668)	1,943	--	(3,928)
Equity in income (loss) of consolidated subsidiaries	(3,725)	1,943	--	1,782	--
Net income (loss)	$ (3,928)	$ (3,725)	$ 1,943	$1,782	$ (3,928)

5. Guarantor Subsidiaries and Non-Guarantor Subsidiaries (Continued)

Supplemental Condensed Consolidating Statement of Cash Flows
(in thousands)

	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
	For the Six Months Ended January 31, 2000				
Cash flows provided by (used in) operating activities......	$(22,577)	$ 66,266	$ 5,426	$	$ 49,115
Cash flows from investing activities:					
Resort capital expenditures..............................		(39,852)	(1,554)	--	(41,406)
Investments in real estate...............................	--	(13,450)	--	--	(13,450)
Cash received from sale of assets........................		252			252
Net cash used in investing activities..................	--	(53,050)	(1,554)	--	(54,604)
Cash flows from financing activities:					
Proceeds from borrowings under long-term debt............	--	105,750	--	--	105,750
Payments on long-term debt...............................	--	(100,141)	(2,750)	--	(102,891)
Other financing activities...............................	(73)	(6)	--	--	(79)
Advances to (from) affiliates............................	22,650	(22,886)	236	--	--
Net cash provided by (used in) financing activities.....	22,577	(17,283)	(2,514)	--	2,780
Net increase (decrease) in cash and cash equivalents.......	--	(4,067)	1,358	--	(2,709)
Cash and cash equivalents:					
Beginning of period......................................	--	24,946	378	--	25,324
End of period..	$ --	$ 20,879	$ 1,736	$ --	$ 22,615
	For the Six Months Ended January 31, 1999				
Cash flows provided by (used in) operating activities......	$ (4,593)	$ 49,673	$ 8,171	$ --	$ 53,251
Cash flows from investing activities:					
Cash paid in hotel acquisitions, net of cash acquired.....	--	(33,800)	--	--	(33,800)
Cash paid by consolidated joint venture in acquisition of retail operations...................................	--	--	(10,516)	--	(10,516)
Resort capital expenditures..............................	--	(41,272)	(3,065)	--	(44,337)
Investments in real estate...............................	--	(14,395)	--	--	(14,395)
Net cash used in investing activities..................	--	(89,467)	(13,581)	--	(103,048)
Cash flows from financing activities:					
Proceeds from the exercise of stock options..............	515	--	--	--	515
Proceeds from borrowings under long-term debt............	--	93,165	7,701	--	100,866
Payments on long-term debt...............................	--	(53,392)	--	--	(53,392)
Advances to (from) affiliates............................	4,078	(4,681)	603	--	--
Net cash provided by financing activities..............	4,593	35,092	8,304	--	47,989
Net increase (decrease) in cash and cash equivalents.......	--	(4,702)	2,894	--	(1,808)
Cash and cash equivalents:					
Beginning of period......................................	--	19,512	--	--	19,512
End of period..	$	$ 14,810	$ 2,894	$ --	$ 17,704

6. Acquisitions

On June 14, 1999, the Company purchased 100% of the outstanding shares of GTLC, a Wyoming corporation, from CSX Corporation for a total purchase price of $55 million. The acquisition was accounted for under the purchase method of accounting. GTLC operates four resort properties in northwestern Wyoming: Jenny Lake Lodge, Jackson Lake Lodge, Colter Bay Village and Jackson Hole Golf & Tennis Club. GTLC operates the first three resorts, all located within Grand Teton National Park, under a concessionaire contract with the National Park Service. Jackson Hole Golf & Tennis Club is located outside the park on property owned by GTLC and includes approximately 30 acres of developable land.

The following unaudited pro forma revenue for the six months ended January 31, 1999 assumes the acquisition of GTLC occurred on August 1, 1998. The pro forma revenue is not necessarily indicative of the actual revenue that would have been recognized, nor is it necessarily indicative of future revenue. The unaudited revenue for the six months ended January 31, 2000 is provided for comparative purposes. Pro forma net income and EPS are not presented as the pro forma adjustments are immaterial to the actual net income and EPS of the Company, and, in the opinion of the Company, would not provide additional meaningful information to the reader.

	Six Months Ended January 31, 2000	Pro Forma Six Months Ended January 31, 1999
	(unaudited)	
Total revenue	$228,706	$222,742

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of financial condition and results of operations of the Company should be read in conjunction with the Company's July 31, 1999 Annual Report on Form 10-K and the consolidated condensed interim financial statements as of January 31, 2000 and 1999 and for the three and six months ended January 31, 2000 and 1999, included in Part I, Item 1 of this Form 10-Q, which provide additional information regarding the financial position, results of operations and cash flows of the Company.

Three Months Ended January 31, 2000 versus Three Months Ended January 31, 1999

	Three Months Ended January 31, 2000	Three Months Ended January 31, 1999	Increase	Percentage Increase
	(unaudited) (dollars in thousands)			
Resort Revenue......................	$161,128	$156,141	$4,987	3.2
Resort Operating Expense...........	113,031	105,625	7,406	7.0

Resort Revenue. Resort Revenue for the three months ended January 31, 2000 and 1999 is presented by category as follows:

	Three Months Ended January 31, 2000	Three Months Ended January 31, 1999	Increase (Decrease)	Percentage Increase (Decrease)
	(unaudited) (dollars and skier days in thousands, except ETP)			
Lift Ticket.........................	$ 57,385	$ 59,853	$(2,468)	(4.1)
Ski School..........................	14,966	15,663	(697)	(4.4)
Dining..............................	18,491	18,020	471	2.6
Retail/Rental.......................	29,813	29,924	(111)	(0.4)
Hospitality.........................	18,131	17,962	169	0.9
Other...............................	22,342	14,719	7,623	51.8
Total Resort Revenue................	$161,128	$156,141	$ 4,987	3.2
Total Skier Days....................	1,956	2,072	(116)	(5.6)
ETP.................................	$ 29.34	$ 28.89	$ 0.45	1.6

Lift ticket revenue decreased due to a 5.6% decrease in total skier days partially offset by a 1.6% increase in ETP (effective ticket price ("ETP") is defined as total lift ticket revenue divided by total skier days). The decrease in skier days is due primarily to the slow millennium period travel patterns across the U.S. travel industry, weak pre-Christmas activity and unfavorable weather early in the quarter. The increase in ETP is primarily attributable to an increase in lead ticket prices at Keystone and Breckenridge along with a higher sales price on the Company's Buddy Pass season pass product, a discounted season pass product for Keystone and Breckenridge Mountains.

The decrease in Ski School revenue is consistent with the decrease in skier days.

Dining revenue increased primarily due to the re-opening of Two Elk Lodge on Vail Mountain in December 1999 as well as increased conference business, which contributed to the revenue increase through increased banquet services.

The decrease in Retail/Rental revenue is attributable to decreases in skier days at many of the ski resorts at which the Company has retail and rental locations.

Hospitality revenue, while negatively impacted by the decline in skier days, increased as a result of increased conference business and successful yield management.

The increase in Other revenue is primarily attributable to the estimated insurance claim for the quarter on the Company's Reduced Skier Day Insurance Policy (see Note 2, Part I, Item 1 of this Form 10-Q) as well as increased private membership club operations, commercial leasing, and brokerage operations. In addition, the Company's purchase of an internet service provider and web development company in November 1999 contributed to the increase in Other revenue.

Resort Operating Expense. Resort Operating Expense for the three months ended January 31, 2000 was $113.0 million, an increase of $7.4 million, or 7.0%, compared to the three months ended January 31, 1999. The increase in Resort Operating Expense is primarily attributable to the greater level of variable operating expense proportionate to revenue associated with our non-lift operations, such as dining and hospitality, which have seen growth over fiscal 1999.

Real Estate Revenue. Revenue from real estate operations for the three months ended January 31, 2000 was $1.7 million, a decrease of $2.1 million, or 54.2%, compared to the three months ended January 31, 1999. The decrease is due to a decrease in the Company's real estate inventory available for sale as compared to the quarter ended January 31, 1999. Revenue for the three months ended January 31, 2000 consists primarily of the sale of one multi-family homesite at Bachelor Gulch Village and the Company's share of profit from the Company's investment in Keystone/Intrawest LLC. Profits generated by Keystone/Intrawest LLC during the quarter ended January 31, 2000 included the sale of five village condominium units, primarily at the River Run development at Keystone. Revenue for the three months ended January 31, 1999 consisted primarily of the sale of one luxury residential penthouse condominium at the Lodge at Vail, as well as the Company's share of profits from Keystone/Intrawest LLC, which included the sale of 24 village condominium units, primarily at River Run, and one single-family homesite on the River Run golf course development at Keystone.

Real Estate Operating Expense. Real estate operating expense for the three months ended January 31, 2000 was $3.7 million, a decrease of $0.8 million, or 17.3%, compared to the three months ended January 31, 1999. Real estate operating expense consists primarily of the cost of sales and related real estate commissions associated with the real estate sales detailed above for both fiscal 2000 and fiscal 1999. Profits generated by Keystone/Intrawest LLC are recorded using the equity method, therefore there are no operating expenses associated with this joint venture. Real estate operating expense also includes the selling, general and administrative expenses associated with the Company's real estate operations.

Depreciation and Amortization. Depreciation and amortization expense increased by $2.1 million, or 16.0%, for the three months ended January 31, 2000 as compared to the three months ended January 31, 1999. The increase was primarily attributable to the inclusion of depreciation and amortization associated with the GTLC acquisition and an increased fixed asset base due to fiscal 1999 capital improvements.

Interest expense. During the three months ended January 31, 2000 and January 31, 1999, the Company recorded interest expense of $10.0 million and $6.2 million, respectively, relating primarily to the Company's Credit Facility and the Industrial Development Bonds. In addition, the three months ended January 31, 2000 reflect interest expense related to the Company's senior subordinated debt issued in May 1999. The increase in interest expense for the three months ended January 31, 2000 related to the subordinated debt is partially offset by a reduction in the balance outstanding on the Credit Facility.

Six Months Ended January 31, 2000 versus Six Months Ended January 31, 1999

	Six Months Ended January 31, 2000	Six Months Ended January 31, 1999	Increase	Percentage Increase
	(unaudited) (dollars in thousands)			
Resort Revenue	$217,987	$191,126	$26,861	14.1
Resort Operating Expense	190,329	165,625	24,704	14.9

Resort Revenue. Resort Revenue for the six months ended January 31, 2000 and 1999 is presented by category as follows:

	Six Months Ended January 31, 2000	Six Months Ended January 31, 1999	Increase (Decrease)	Percentage Increase (Decrease)
	(unaudited) (dollars and skier days in thousands, except ETP)			
Lift Ticket	$ 57,850	$ 60,030	$(2,180)	(3.6)
Ski School	15,002	15,682	(680)	(4.3)
Dining	30,280	24,828	5,452	22.0
Retail/Rental	44,777	39,320	5,457	13.9
Hospitality	33,599	27,896	5,703	20.4
Other	36,479	23,370	13,109	56.1
Total Resort Revenue	$217,987	$191,126	$26,861	14.1
Total Skier Days	1,975	2,082	(107)	(5.1)
ETP	$ 29.29	$ 28.83	$ 0.46	1.6

Lift ticket revenue decreased due to a 5.1% decrease in total skier days partially offset by a 1.6% increase in ETP. The decrease in skier days is due to the slow millennium period travel patterns across the U.S. travel industry, weak pre-Christmas activity and unfavorable early season weather. The increase in ETP is primarily attributable to an increase in lead ticket prices at Keystone and Breckenridge along with a higher sales price on the Company's Buddy Pass season pass product.

The decrease in Ski School revenue is consistent with the decrease in skier days.

Dining revenue increased primarily as a result of the addition of eight dining operations with the acquisition of GTLC on June 14, 1999. In addition, the Company re-opened Two Elk Lodge in December 1999 and also experienced increased conference business, which contributed to the revenue increase through increased banquet services.

The increase in Retail/Rental revenue is attributable to the Company's acquisition of GTLC in June 1999 along with strong performance by the Company's existing retail/rental outlets operated by SSI Venture LLC, offset by the negative impact of skier day decreases at many of the ski resorts at which the Company has retail and rental locations.

Hospitality revenue increased as a result of the Company's acquisition of GTLC in June 1999, which included three lodging operations. In addition, the Company experienced increased conference business and successful yield management, offset by the negative impact of the decrease in skier days.

The increase in Other revenue is primarily attributable to the estimated insurance claim from the Company's Reduced Skier Day Insurance Policy (see Note 2, Part I, Item 1 of this Form 10-Q) and the GTLC acquisition, which provided a golf course operation and substantial other recreational services. In addition, the Company had increased private membership club operations, licensing and sponsorship activity increased, and an increase in commercial leasing and brokerage operations also contributed to the increase in Other revenue. The Company's purchase of an internet service provider and website development company in November 1999 was also a factor in the increased revenue.

Resort Operating Expense. Resort Operating Expense for the six months ended January 31, 2000 was $190.3 million, an increase of $24.7 million, or 14.9%, compared to the six months ended January 31, 1999. The increase in Resort Operating Expense is primarily attributable to the incremental operating expenses contributed by GTLC's operations. A portion of the increase can also be attributed to the greater level of variable operating expense proportionate to revenue associated with our non-lift operations, such as dining and hospitality, which have seen growth over fiscal 1999.

Real Estate Revenue. Revenue from real estate operations for the six months ended January 31, 2000 was $10.7 million, a decrease of $6.7 million, or 38.4%, compared to the six months ended January 31, 1999. The decrease is due to a decrease in the Company's real estate inventory available for sale as compared to the six months ended January 31, 1999. Revenue for the six months ended January 31, 2000 consists primarily of the sale of three multi-family homesites at Bachelor Gulch Village and one multi-unit development site at Arrowhead Village, and the Company's share of profits from the Company's investment in Keystone/Intrawest LLC. Profits generated by Keystone/Intrawest LLC during the six months ended January 31, 2000 included the sale of one luxury residential penthouse condominium at the Lodge at Vail, one single-family homesite at Bachelor Gulch Village and three multi-family homesites at Arrowhead, as well as the Company's share of profits from Keystone/Intrawest LLC, which included the sale of 130 village condominium units, primarily at River Run, and 57 single-family homesites surrounding the River Run golf course.

Real Estate Operating Expense. Real estate operating expense for the six months ended January 31, 2000 was $9.6 million, a decrease of $2.5 million, or 20.9%, compared to the six months ended January 31, 1999. Real estate operating expense consists primarily of the cost of sales and related real estate commissions associated with the real estate sales detailed above for both fiscal 2000 and fiscal 1999. Profits generated by Keystone/Intrawest LLC are recorded using the equity method, therefore there are no operating expenses associated with this joint venture. Real estate operating expense also includes the selling, general and administrative expenses associated with the Company's real estate operations.

Depreciation and Amortization. Depreciation and amortization expense increased by $5.2 million, or 20.9%, for the six months ended January 31, 2000 as compared to the six months ended January 31, 1999. The increase was primarily attributable to the inclusion of depreciation and amortization associated with the GTLC acquisition and an increased fixed asset base due to fiscal 1999 capital improvements.

Interest expense. During the six months ended January 31, 2000 and January 31, 1999, the Company recorded interest expense of $18.9 million and $11.8 million, respectively, relating primarily to the Company's Credit Facility and the Industrial Development Bonds. In addition, the six months ended January 31, 2000 reflect interest expense related to the Company's senior subordinated debt issued in May 1999. The increase in interest expense for the six months ended January 31, 2000 related to the subordinated debt is partially offset by a reduction in the balance outstanding on the Credit Facility.

Liquidity and Capital Resources

The Company has historically provided for operating expenditures, debt service, capital expenditures and acquisitions through a combination of cash flow from operations, short-term and long-term borrowings and sales of real estate.

The Company's cash flows used for investing activities have historically consisted of payments for acquisitions, resort capital expenditures, and investments in real estate. During the six months ended January 31, 2000, the Company made payments of $41.4 million for resort capital expenditures and $13.5 million for investments in real estate. The primary projects included in resort capital expenditures were a) continued construction of the Blue Sky Basin expansion on Vail Mountain, b) reconstruction and expansion of Two Elk lodge on Vail Mountain, c) a new high-speed six-passenger chairlift at Breckenridge Mountain, and d) construction of a new private on-mountain dining facility at Beaver Creek. The primary projects included in investments in real estate were a) continued construction of the Arrowhead Alpine Club, b) architectural and engineering planning for future developments at Breckenridge, Vail and Avon, c) continued development of Bachelor Gulch and Arrowhead Villages, and d) investments in developable land at strategic locations at Breckenridge.

The Company estimates that it will make resort capital expenditures totaling between $25 and $35 million during the remainder of fiscal 2000. The primary projects are anticipated to include a) continued construction of a 37,500 square foot exhibit hall at the Keystone Conference Center, b) continued development and construction of Blue Sky Basin at Vail Mountain, including a new high speed quad chairlift and c) continuing enhancements and upgrades to existing facilities at all resorts. Investments in real estate during the remainder of fiscal 2000 are expected to total approximately $20 to $30 million. The primary projects are anticipated to include a) continued development of Bachelor Gulch and Arrowhead Villages, b) architectural and engineering planning for future developments at Breckenridge, Vail and Avon, c) golf course development near Beaver Creek, d) completion of construction of the Arrowhead Alpine Club, and e) investments in developable land at strategic locations at all four Colorado resorts. The Company plans to fund these capital expenditures and investments in real estate with cash flow from operations and borrowings under the Credit Facility.

During the six months ended January 31, 2000, the Company generated $2.8 million in cash from its financing activities consisting of net long-term debt borrowings of $2.9 million, $0.3 million received from the exercise of employee stock options, less $0.4 million used in payment of deferred financing costs.

During the six months ended January 31, 2000, 35,633 employee stock options were exercised at exercise prices ranging from $6.85 to $10.75. Additionally, 8,751 shares were issued to management under the Company's restricted stock plan, and 40,413 shares were issued as consideration for the purchase of an internet service provider and website development company.

Based on current levels of operations and cash availability, management believes the Company is in a position to satisfy its current working capital, debt service, and capital expenditure requirements for at least the next twelve months.

Year 2000 Compliance

The Year 2000 issue is a result of certain computer programs being written using two digits rather than four to define the applicable year. Computer programs which are date-sensitive may recognize a date using "00" as the year 1900 rather than the year 2000, which could result in major computer system or program failures or miscalculations or equipment malfunctions. The Company recognizes that the impact of the Year 2000 issue extends beyond traditional computer hardware and software to embedded hardware and software contained in equipment used in operations, such as chairlifts, alarm systems and elevators, as well as to third parties.

Year 2000 Impact. The Company's Year 2000 Project has achieved project close out with no Year 2000-related failures that had a material impact upon the Company's operations or financial condition. The remaining systems that could be adversely affected by the Year 2000 problems are very minor embedded chip systems. We will monitor these systems but do not believe that any significant problems with these systems will occur. The Company has not experienced any disruption in service from its significant vendors as a result of the Year 2000 issue. The effect of Year 2000 on revenue and spending patterns is discussed below (see "Other").

Costs. The final multi-year cost of the Year 2000 project was approximately $900,000 and funded from operating cash flow. There has been no material change in our Year 2000 project costs. These costs are not expected to be material to the Company's consolidated results of operations, liquidity or capital resources. Of the total project cost, approximately $600,000 is attributable to the purchase of new software or equipment that will be capitalized. In a number of instances, the Company decided to install new software or upgraded versions of current software programs that are Year 2000 compliant. In these instances, the Company may capitalize certain costs of the new system in accordance with current accounting guidelines. As of January 31, 2000, the entire total estimated Year 2000 project costs have been incurred, of which $300,000 has been expensed and $600,000 was capitalized. Fiscal 1999 and 1998 expensed costs were approximately $150,000 and $150,000, respectively. Costs exclude expenditures for systems that were replaced under the Company's regularly planned schedule.

Other

The business indicators that relate to our financial performance look positive for the third fiscal quarter and current snow conditions are favorable at all four ski resorts. We had good visitation in February, highlighted by a successful Presidents Day Weekend, and despite Easter falling late in April this year, we anticipate solid business performance for the third quarter overall.

Cautionary Statement

Statements in this Form 10-Q, other than statements of historical information, are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Such risks and uncertainties include, but are not limited to:

- a significant downturn in general business and economic conditions,
- adverse weather conditions, particularly inadequate snowfall,
- competition in the ski and resort industry,
- failure to successfully integrate acquisitions, and
- failure or delay in receiving reduced skier day insurance proceeds.

Readers are also referred to the uncertainties and risks identified in the Company's Registration Statement on Form S-4 for its Senior Subordinated Debt exchange notes (Commission File No. 333-80621) and the Annual Report on Form 10-K for the year ended July 31, 1999.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk. The Company enters into interest rate swap agreements ("Swap Agreements") to reduce its exposure to interest rate fluctuations on its floating-rate debt. Swap Agreements exchange floating-rate for fixed-rate interest payments periodically over the life of the agreement without exchange of the underlying notional amounts. The notional amounts of interest rate agreements are used to measure interest to be paid or received and do not represent an amount of exposure to credit loss. For interest rate instruments that effectively hedge interest rate exposures, the net cash amounts paid or received on the agreements are accrued and recognized as an adjustment to interest expense. As of January 31, 2000 the Company had Swap Agreements in effect with notional amounts totaling $150.0 million, of which $75.0 million will mature in February 2000. The remaining $75.0 million will mature December 2002. Borrowings not subject to Swap Agreements at January 31, 2000 totaled $251.0 million. Swap Agreement rates are based on one-month LIBOR. Based on average floating-rate borrowings outstanding during the year ended January 31, 2000, a 100-basis point change in LIBOR would have caused the Company's monthly interest expense to change by $44,464. Management believes that these amounts are not significant to the Company's earnings.

PART II OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 2. Changes in Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

The Company held its Annual Meeting of Shareholders on December 14, 1999.

a) All of the Company's directors nominees were elected to serve until the next annual meeting of the shareholders with the voting results for each as follows:

DIRECTOR	FOR	AGAINST	ABSTENTIONS	BROKER NONVOTE
Adam M. Aron	26,453,891	28,241	--	--
Frank J. Biondi	26,458,101	24,031	--	--
Leon D. Black	7,439,542	--	--	--
Craig M. Cogut	7,439,542	--	--	--
Andrew P. Daly	7,439,542	--	--	--
Stephen C. Hilbert	26,451,281	30,851	--	--
Robert A. Katz	7,439,542	--	--	--
Thomas H. Lee	25,865,961	616,171	--	--
William L. Mack	7,439,542	--	--	--
Joe R. Micheletto	26,456,669	25,463	--	--
Antony P. Ressler	7,439,542	--	--	--
Marc. J. Rowan	7,439,542	--	--	--
John J. Ryan III	7,439,542	--	--	--
John F. Sorte	26,457,901	24,231	--	--
Bruce H. Spector	7,439,542	--	--	--
William P. Stiritz	25,872,091	610,041	--	--
James S. Tisch	25,863,319	618,813	--	--

b) Approval of the Vail Resorts, Inc. 1999 Long Term Incentive and Share Award Plan.

FOR	AGAINST	ABSTENTIONS	BROKER NONVOTES
28,806,441	3,412,319	8,475	1,694,439

c) Ratification of appointment of Arthur Andersen LLP as independent public accountants.

FOR	AGAINST	ABSTENTIONS	BROKER NONVOTES
33,910,223	7,317	4,134	--

Item 5. Other Information.

None.

Item 6. Exhibits and Reports on Form 8-K.

a) Index to Exhibits

The following exhibits are either filed herewith or, if so indicated, incorporated by reference to the documents indicated in parentheses, which have previously been filed with the Securities and Exchange Commission.

Exhibit Number	Description	Sequentially Numbered Page
3.1	Amended and Restated Certificate of Incorporation filed with the Secretary of State of the State of Delaware on the Effective Date. (Incorporated by reference to Exhibit 3.1 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No 33-52854) including all amendments thereto.)	
3.2	Amended and Restated By-Laws adopted on the Effective Date. (Incorporated by reference to Exhibit 3.2 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	
4.1	Form of Class 2 Common Stock Registration Rights Agreements between the Company and holders of Class 2 Common Stock. (Incorporated by reference to Exhibit 4.13 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	
4.2	Purchase Agreement, dated as of May 6, 1999 among Vail Resorts, Inc., the guarantors named on Schedule I thereto, and Bear Sterns & Co. Inc., NationsBanc Montgomery Securities LLC, BT Alex. Brown Incorporated, Lehman Brothers Inc. and Salomon Smith Barney Inc. (Incorporated by reference to Exhibit 4.2 of the Registration Statement on Form S-4 of Vail Resorts, Inc. (Registration No. 333-80621) including all amendments thereto.)	
4.3	Indenture, dated as of May 11, 1999, among Vail Resorts, Inc., the guarantors named therein and the United States Trust Company of New York, as trustee. (Incorporated by reference to Exhibit 4.3 of the Registration Statement on Form S-4 of Vail Resorts, Inc. (Registration No. 333-80621) including all amendments thereto.)	
4.4	Form of Global Note (Included in Exhibit 4.3 incorporated by reference to Exhibit 4.3 of the Registration Statement on Form S-4 of Vail Resorts, Inc. (Registration No. 333-80621) including all amendments thereto.)	
4.5	Registration Rights Agreement, dated as of May 11, 1999 among Vail Resorts, Inc., the guarantors signatory thereto and Bear Stearns & Co. Inc., NationsBanc Montgomery Securities LLC, BT Alex. Brown Incorporated, Lehman Brothers Inc. and Salomon Smith Barney Inc. (Incorporated by reference to Exhibit 4.5 of the Registration Statement on Form S-4 of Vail Resorts, Inc. (Registration No. 333-80621) including all amendments thereto.)	
4.6	First Supplemental Indenture, dated as of August 22, 1999, among the Company, the guarantors named therein and the United States Trust Company of New York, as trustee. (Incorporated by reference to Exhibit 4.6 of the Registration Statement on Form S-4 of Vail Resorts, Inc. (Registration No. 333-80621) including all amendments thereto.)	

Exhibit Number	Description	Sequentially Numbered Page
10.1	Management Agreement by and between Beaver Creek Resort Company of Colorado and Vail Associates, Inc. (Incorporated by reference to Exhibit 10.1 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	
10.2	Forest Service Term Special Use Permit for Beaver Creek ski area. (Incorporated by reference to Exhibit 10.2 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	
10.3	Forest Service Special Use Permit for Beaver Creek ski area. (Incorporated by reference to Exhibit 10.3 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	
10.4	Forest Service Unified Permit for Vail ski area. (Incorporated by reference to Exhibit 10.4 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	
10.6	Joint Liability Agreement by and among Gillett Holdings, Inc. and the subsidiaries of Gillett Holdings, Inc. (Incorporated by reference to Exhibit 10.10 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	
10.7	Management Agreement between Gillett Holdings, Inc. and Gillett Group Management, Inc. dated as of the Effective Date. (Incorporated by reference to Exhibit 10.11 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	
10.8	Amendment to Management Agreement by and among the Company and its subsidiaries dated as of November 23, 1993. (Incorporated by reference to Exhibit 10.12(b) of the report on Form 10-K of Gillett Holdings, Inc. for the period from October 9, 1992 through September 30, 1993.)	
10.9(a)	Tax Sharing Agreement between Gillett Holdings, Inc. dated as of the Effective Date. (Incorporated by reference to Exhibit 10.12 of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	
10.9(b)	Amendment to Tax Sharing Agreement by and among the Company and its subsidiaries dated as of November 23, 1993. (Incorporated by reference to Exhibit 10.13(b) of the report on Form 10-K of Gillett Holdings, Inc. for the period from October 9, 1992 through September 30, 1993.)	
10.10	Form of Gillett Holdings, Inc. Deferred Compensation Agreement for certain GHTV employees. (Incorporated by reference to Exhibit 10.13(b) of the Registration Statement on Form S-4 of Gillett Holdings, Inc. (Registration No. 33-52854) including all amendments thereto.)	

Exhibit Number	Description	Sequentially Numbered Page
10.12(a)	Agreement for Purchase and Sale dated as of August 25, 1993 by and among Arrowhead at Vail, Arrowhead Ski Corporation, Arrowhead at Vail Properties Corporation, Arrowhead Property Management Company and Vail Associates, Inc. (Incorporated by reference to Exhibit 10.19(a) of the report on Form 10-K of Gillett Holdings, Inc. for the period from October 9, 1992 through September 30, 1993.)	

Exhibit Number	Description	Sequentially Numbered Page
10.12(b)	Amendment to Agreement for Purchase and Sale dated September 8, 1993 by and between Arrowhead at Vail, Arrowhead Ski Corporation, Arrowhead at Vail Properties Corporation, Arrowhead Property Management Company and Vail Associates, Inc. (Incorporated by reference to Exhibit 10.19(b) of the report on Form 10-K of Gillett Holdings, Inc. for the period from October 9, 1992 through September 30, 1993.)	
10.12(c)	Second Amendment to Agreement for Purchase and Sale dated September 22, 1993 by and between Arrowhead at Vail, Arrowhead Ski Corporation, Arrowhead at Vail Properties Corporation, Arrowhead Property Management Company and Vail Associates, Inc. (Incorporated by reference to Exhibit 10.19(c) of the report on Form 10-K of Gillett Holdings, Inc. for the period from October 9, 1992 through September 30, 1993.)	
10.12(d)	Third Amendment to Agreement for Purchase and Sale dated November 30, 1993 by and between Arrowhead at Vail, Arrowhead Ski Corporation, Arrowhead at Vail Properties Corporation, Arrowhead Property Management Company and Vail/Arrowhead, Inc. (Incorporated by reference to Exhibit 10.19(d) of the report on Form 10-K of Gillett Holdings, Inc. for the period from October 9, 1992 through September 30, 1993.)	
10.13	1993 Stock Option Plan of Gillett Holdings, Inc. (Incorporated by reference to Exhibit 10.20 of the report on Form 10-K of Gillett Holdings, Inc. for the period from October 9, 1992 through September 30, 1993.)	
10.14	Agreement to Settle Prospective Litigation and for Sale of Personal Property dated May 10, 1993, between the Company, Clifford E. Eley, as Chapter 7 Trustee of the Debtor's Bankruptcy Estate, and George N. Gillett, Jr. (Incorporated by reference to Exhibit 10.21 of the report on Form 10-K of Gillett Holdings, Inc. for the period from October 9, 1992 through September 30, 1993.)	
10.15	Employment Agreement dated October 1, 1996 between Vail Associates, Inc. and Andrew P. Daly. (Incorporated by reference to Exhibit 10.5 of the report on Form S-2/A of Vail Resorts, Inc. (Registration # 333-5341) including all amendments thereto.)	
10.16	Employment Agreement dated July 29, 1996 between Vail Resorts, Inc. and Adam M. Aron. (Incorporated by reference to Exhibit 10.21 of the report on form S-2/A of Vail Resorts, Inc. (Registration # 333-5341) including all amendments thereto.)	
10.17(a)	Shareholder Agreement among Vail Resorts, Inc., Ralston Foods, Inc., and Apollo Ski Partners, L.P. dated January 3, 1997. (Incorporated by reference to Exhibit 2.4 of the report on Form 8-K of Vail Resorts, Inc. dated January 8, 1997.)	15
10.17(b)	First Amendment to the Shareholder Agreement dated as of November 1, 1999, among Vail Resorts, Inc., Ralcorp Holdings, Inc. (f/k/a Ralston Foods, Inc.) and Apollo Ski Partners, L.P.	
10.18	1996 Stock Option Plan (Incorporated by reference from the Company's Registration Statement on Form S-3, File No. 333-5341).	
10.19	Agreement dated October 11, 1996 between Vail Resorts, Inc. and George Gillett. (Incorporated by reference to Exhibit 10.27 of the report on form S-2/A of Vail Resorts, Inc. (Registration # 333-5341) including all amendments thereto.)	

Exhibit Number	Description	Sequentially Numbered Page
10.21(a)	Sports and Housing Facilities Financing Agreement among the Vail Corporation (d/b/a "Vail Associates, Inc.") and Eagle County, Colorado, dated April 1, 1998. (Incorporated by reference to Exhibit 10 of the report on Form 10-Q of Vail Resorts, Inc. for the quarter ended April 30, 1998.)	
10.21(b)	Trust Indenture dated as of April 1, 1998 securing Sports and Housing Facilities Revenue Refunding Bonds by and between Eagle County, Colorado and US Bank, N.A., as Trustee. (Incorporated by reference to Exhibit 10.1 of the report on Form 10-Q of Vail Resorts, Inc. for the quarter ended April 30, 1998.)	
10.22	Credit agreement dated December 30, 1998 among SSI Venture LLC and NationsBank of Texas, N.A., (Incorporated by reference to Exhibit 10.24 of the report on Form 10-Q of Vail Resorts, Inc. for the quarter ended January 31, 1999.)	
10.23	Amended and Restated Credit Agreement among The Vail Corporation (d/b/a "Vail Associates, Inc"), and NationsBank, N.A. and NationsBanc Montgomery Securities LLC dated as of May 1, 1999. (Incorporated by reference to Exhibit 10.25 of the report on Form 10-Q of Vail Resorts, Inc. for the quarter ended April 30, 1999.)	
10.24	Employment Agreement dated October 28, 1996 by and between Vail Resorts, Inc. and James P. Donohue. (Incorporated by reference to Exhibit 10.24 of the report on Form 10-Q of Vail Resorts, Inc. for the quarter ended October 31, 1999.)	
10.25	Vail Resorts, Inc. 1999 Long Term Incentive and Share Award Plan. (Incorporated by reference to the Company's registration statement on Form S-8, File No. 333-32320).	
21	Subsidiaries of Vail Resorts, Inc. (Incorporated by reference to Exhibit 21 of the report on Form 10-K of Vail Resorts, Inc. for the fiscal year ended July 31, 1999.)	
27	Financial Data Schedules	

b) Reports on Form 8-K

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on March 15, 2000.

VAIL RESORTS, INC.

Date: March 15, 2000 By /s/

James P. Donohue
Senior Vice President and
Chief Financial Officer

EXHIBIT 10.17(b)

FIRST AMENDMENT TO

SHAREHOLDER AGREEMENT

This FIRST AMENDMENT to the SHAREHOLDER AGREEMENT dated as of November 1, 1999 (the "First Amendment") is made by and among Vail Resorts, Inc., a Delaware corporation ("Vail"), Ralcorp Holdings, Inc., a Missouri corporation (f/k/a Ralston Foods, Inc., a Nevada corporation) ("Foods"), and Apollo Ski Partners, L.P., a Delaware limited partnership ("Apollo"), amending certain provisions of the Shareholder Agreement dated as of January 3, 1997 (the "Shareholder Agreement"), by and among Vail, Foods and Apollo. Terms used but not otherwise defined herein shall have the respective meanings ascribed thereto in the Shareholder Agreement.

WHEREAS, the Shareholder Agreement contains a covenant pursuant to which Foods has agreed to vote each class of Vail Equity owned by Foods and its Affiliates in the manner set forth in the Shareholder Agreement;

WHEEREAS, Vail, Foods and Apollo have agreed to modify the voting provisions of the Shareholder Agreement as specifically set forth in this First Amendment.

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

AMENDMENTS TO THE SHAREHOLDER AGREEEMENT

1.1. Section 2.3 of the Shareholder Agreement is revised in its entirety to read as follows:

"Section 2.3 Voting of Vail Equity. Foods agrees that during the term of this Agreement, with respect to the election of directors of Vail, each class of Vail Equity owned by Foods and its Affiliates shall be voted (i) "for" the nominees recommended by the Board of Directors of Vail, provided Vail and Apollo are in compliance with the terms of Section 11.2 of this Agreement, (ii) in accordance with the recommendation of the Board of Directors of Vail on each proposal of a security holder pursuant to Rule 14a-8 under the Exchange Act, so long as the subject matter of such proposal does not fall, within the second proviso hereto, and (iii) with respect to all other matters requiring a vote of the Vail Equity, "for" any proposal in the same proportion as the votes cast "for" any proposal in the same proportion as the votes cast "for" such proposal by the holders of the Vail Securities of the same class (excluding the Vail Equity owned by Foods), and "against" any proposal in the same proportion as the votes cast "against" such proposal in the same proportion as the votes cast "against" such proposal by the holders of each such class of Vail Securities (excluding the Vail Equity owned by Foods) and that with respect to broker non-votes and abstentions, each class of Vail Equity owned by Foods will be voted in the same proportion as votes deemed "for," "against" or "abstain," giving effect to broker non-votes and abstentions as required under the laws and rules then applicable; provided, however, that Foods shall retain the right to vote all of its Vail Equity in favor of the approval of the Vail Resorts, Inc. 1999 Long Term Incentive and Share Award Plan as adopted and approved by the Board of Directors of Vail and submitted to a vote of the shareholders generally; provided, further, that Foods shall retain the right to vote its Vail Equity in any manner it sees fit with respect to any proposals for (1) the merger, consolidation or other business combination of Vail or any subsidiary of Vail with or into any other corporation, (2) the sale, lease, exchange, transfer or other disposition of all or substantially all of the assets of Vail and all of its subsidiaries taken together as a single business, (3) the creation of any other class of stock with voting rights, (4) changes to the Certificate of Incorporation or Bylaws of Vail that adversely affect Foods' rights under this Agreement. The provisions of this Section 2.3 shall apply to both the casting of votes at meetings of shareholders and execution of actions by written consent."

ARTICLE II

PROVISIONS OF GENERAL APPLICATION

2.1. Except as otherwise expressly provided by this First Amendment, all of the terms, conditions and provisions to the Shareholder Agreement remain unaltered. The Shareholder Agreement and this First Amendment shall be read and construed as one agreement.

2.2. If any of the terms of this First Amendment shall conflict in any respect with any of the terms of the Shareholder Agreement, the terms of this First Amendment shall be controlling.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by their duly authorized officers, all as of the day and year first above written.

VAIL RESORTS, INC.

By: /s/ Martha D. Rehm
Name: Martha D. Rehm
Title: Senior Vice President

RALCORP HOLDINGS, INC.

By: /s/ Joe R. Micheletto
Name: Joe R. Micheletto
Title: Chief Executive Officer and President

APOLLO SKI PARTNERS, L.P.

By: Apollo Investment Fund, L.P.

By: Apollo Advisors, L.P.

By: Apollo Capital Management, Inc.

By: /s/ Robert Katz
Name: Robert Katz
Authorized Signatory

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