

February 21, 2017

## **Vail Resorts to Acquire Stowe Mountain Resort in Stowe, Vermont**

***- As the premier high-end ski resort on the East Coast, Stowe Mountain Resort (Stowe) complements Vail Resorts' network of world-class mountain resorts***

***- The acquisition of Stowe Mountain Resort represents the Company's first ski resort on the East Coast***

BROOMFIELD, Colo., Feb. 21, 2017 /PRNewswire/ -- Vail Resorts, Inc. (NYSE: MTN) today announced that on Feb. 17, 2017, it entered an agreement to acquire Stowe Mountain Resort from Mt. Mansfield Company, Inc. (MMC), a wholly owned subsidiary of American International Group, Inc. (AIG), for a purchase price of \$50 million, subject to certain adjustments. Stowe Mountain Resort will be Vail Resorts' first mountain resort on the East Coast and complements the Company's network of 10 world-class mountain resorts and three urban ski areas.

This acquisition brings together Vail Resorts, the world's leading mountain resort operator, with AIG Global Real Estate (AIGGRE), a best-in-class real estate developer, who share a common vision for the long-term success of Stowe Mountain Resort as the premier, high-end resort for skiers and snowboarders on the East Coast. Vail Resorts is acquiring all of the assets related to the mountain operations of the resort, including base area skier services (food and beverage, retail and rental, lift ticket offices and ski and snowboard school facilities) at Mount Mansfield and Spruce Peak. Other facilities such as the Stowe Mountain Lodge, Stowe Mountain Club, Stowe Country Club and certain real estate owned and held for potential future development will be retained by MMC.

"We're thrilled to add Stowe Mountain Resort to our family of world-class mountain resorts. With the investments in both mountain infrastructure and base area facilities that AIG has made over the years, Stowe Mountain Resort has become the premier, high-end resort for East Coast skiers and snowboarders. We look forward to working with AIG to continue enhancing the guest experience and to ensure the resort's long-term success," said Rob Katz, chairman and chief executive officer of Vail Resorts.

Douglas Tymins, president and chief executive officer of AIG Global Real Estate, said, "Under Vail Resorts' management, Stowe's reputation as a premier ski destination with a commitment to excellent service will continue to grow. AIGGRE is looking forward to combining Vail Resorts' tremendous mountain operations capabilities with our continued commitment to the development of the Spruce Peak community."

Stowe Mountain Resort in Stowe, Vt., has a long history of providing outstanding hospitality and adventure for its guests and has reinforced its internationally respected brand with world-class improvements both on and off the mountain. The resort's newest facilities and improvements include the Spruce Peak Adventure Center, the new Meadows Quad on Spruce Peak, Evolution Stowe's RFID tickets, passes and gates and the new Shops at Spruce Peak. Spruce Peak also has new high-speed lifts, new base facilities and gourmet restaurants. MMC will retain ownership of the renowned Stowe Mountain Lodge at Stowe Mountain Resort, a 312-room hotel and spa that has already been recognized as one of the greenest and most luxurious mountainside hotels in the world, and additional slopeside real estate opportunities.

This transaction is subject to Vermont administrative review. At closing, the purchase price will be adjusted for certain agreed upon terms, including a reduction (or increase) in the price by the amount that the resort's EBITDA exceeds capital expenditures for the period from Nov. 1, 2016, through closing. Stowe Mountain Resort is expected to generate incremental annual EBITDA in excess of \$5 million in Vail Resorts' fiscal year ending July 31, 2018.

Operations at the resort for the remainder of the 2016-17 ski season will continue in the ordinary course as will future summer and winter seasonal hiring. Vail Resorts will be retaining the vast majority of the resort's year-round staff.

Vail Resorts looks forward to integrating Stowe Mountain Resort into its Epic Pass and other season pass products for the 2017-18 winter season, subject to the acquisition closing. With the Epic Pass, Vermont skiers and snowboarders will have unlimited access locally at Stowe at an attractive price as well as the best of the West at Vail, Beaver Creek, Breckenridge and Keystone in Colorado; Park City in Utah; Heavenly, Northstar and Kirkwood in Tahoe; and Whistler Blackcomb in British Columbia, Canada.

### **About Vail Resorts, Inc. (NYSE: MTN)**

Vail Resorts, Inc., through its subsidiaries, is the leading global mountain resort operator. Vail Resorts' subsidiaries operate ten world-class mountain resorts and three urban ski areas, including Vail, Beaver Creek, Breckenridge and Keystone 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 in Australia; Wilmot Mountain in Wisconsin; Afton Alps in Minnesota and Mt. Brighton in Michigan. Vail Resorts owns and/or manages a collection of casually elegant hotels under the RockResorts brand, as well as the Grand Teton Lodge Company in Jackson Hole, Wyoming. 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](http://www.vailresorts.com) and consumer website is [www.snow.com](http://www.snow.com).

### **Forward Looking Statements**

Statements in this press release, other than statements of historical information, are forward-looking statements, including our expectations regarding fiscal 2018 incremental EBITDA. These statements are forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. 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 prolonged weakness in general economic conditions, including adverse effects on the overall travel and leisure related industries; unfavorable weather conditions or natural disasters; willingness of our guests to travel due to terrorism, the uncertainty of military conflicts or outbreaks of contagious diseases, the cost and availability of travel options and changing consumer preferences; the seasonality of our business combined with adverse events that occur during our peak operating periods; competition in our mountain and lodging businesses; high fixed cost structure of our business; our ability to fund resort capital expenditures; our reliance on government permits or approvals for our use of public land or to make operational and capital improvements; risks related to a disruption in our water supply that would impact our snowmaking capabilities; risks related to federal, state, local and foreign government laws, rules and regulations; risks related to our reliance on information technology, including our failure to maintain the integrity of our customer or employee data; adverse consequences of current or future legal claims; 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 hire and retain a sufficient seasonal workforce; risks related to our workforce, including increased labor costs; loss of key personnel; our ability to successfully integrate acquired businesses or that acquired businesses may fail to perform in accordance with expectations, including Whistler Blackcomb or future acquisitions; our ability to realize anticipated financial benefits from Park City; our ability to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, with respect to acquired businesses; risks associated with international operations; fluctuations in foreign currency exchange rates, particularly the Canadian dollar and Australian dollar; changes in accounting estimates and judgments, accounting principles, policies or guidelines; a materially adverse change in our financial condition; 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, 2016, which was filed on Sept. 26, 2016 and the Company's Quarterly Report on Form 10-Q for the quarter ended Oct. 31, 2016, which was filed Dec. 9, 2016.

All forward-looking statements attributable to us or any persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. All guidance and forward-looking statements in this press release are made as of the date hereof and we do not undertake any obligation to update any forecast or forward-looking statements whether as a result of new information, future events or otherwise, except as may be required by law.

# VAIL RESORTS<sup>®</sup>

To view the original version on PR Newswire, visit:<http://www.prnewswire.com/news-releases/vail-resorts-to-acquire-stowe-mountain-resort-in-stowe-vermont-300410380.html>

SOURCE Vail Resorts, Inc.

News Provided by Acquire Media