1st quarter

Three months ended September 30, 1999

INTRAWEST

To Our Shareholders

We are pleased with our performance for the first quarter of fiscal 2000. We view the coming months with a strong sense of optimism and anticipation, confident that the investments we have made both in growing our core business and building complementary businesses within a unique village resort concept are returning progressively better financial results.

As our network of properties has grown, they have received increasing attention and recognition as destinations of choice that cut across a wide demographic base. We continue to enhance and extend the appeal of these resorts and to implement new operational and marketing programs, which increase their efficiency and utilization.

Operating Results (all dollar amounts are in US currency)

Total revenue for the first quarter ended September 30, 1999 increased 50% to $125.7 million from the $83.7 million reported in the first quarter of fiscal 1999. Total Company EBITDA for the quarter increased 45% to $11.7 million, compared with $8.1 million in the prior year. This strong performance was offset by higher interest and depreciation, resulting in a seasonal loss from continuing operations for the period of $3.2 million, or $0.07 per share, lower than expected. This compares with a loss of $1.7 million, or $0.04 per share for the first quarter of fiscal 1999. The weighted average number of shares outstanding increased to 43.3 million from the 39.3 million reported for the period ended September 30, 1998.

Ski and resort operations revenue was $55.1 million, 48% more than last year's first quarter revenue of $37.2 million. Reflecting our goal to increase utilization of our resorts during all seasons, summer revenue increased at every mountain resort except Copper, which operated on a limited basis because of construction of the village core. Increased bed base and added attractions produced 27% revenue growth at Whistler/Blackcomb, 21% at Tremblant and 19% at Snowshoe. Sandestin also experienced double digit revenue growth, driven by an 18% increase in occupied room nights. The seasonal operating loss from ski and resort operations was reduced to $0.8 million for the quarter from $1.1 million last year.

Real estate sales totalled $67.2 million, an increase of 56% from the corresponding period last year, due mainly to the sales closings of the first condo-hotel projects at Copper and Mammoth. These sales generated operating profit of $10.2 million, compared to $7.7 million in 1998. The profit margin of 15.2% was in line with expectations for the quarter and reflects the mix of resorts and project types.

Developments

With the growth of our network of unique properties, we have moved aggressively to take advantage of the opportunities that accrue from a rapidly growing and loyal guest base. Accordingly, we recently introduced "Intrawest Vacations," an integrated reservation system which allows vacationers to book full ski and golf vacation packages, including travel arrangements, e.g. airfare and car rentals, hotel accommodations, lift and golf course tickets, and virtually any aspect of our operations.

In addition to making it easier for our guests to plan for their next stay or to view alternative destinations that offer our unique resort experience, the new system increases the reach and efficiency of our marketing, extends our brand awareness and provides for ongoing cross-selling opportunities.

We also announced plans to transform Blue Mountain Resort into a true distinctive four-season destination resort, with construction of the first village project to commence in the spring of 2000. The ten-year master plan calls for the development of approximately 1,200 condominium-hotel units and 100,000 square feet of retail space in the village, which will accommodate 60 to 70 shops and restaurants. In addition, 840 single-family lots and townhomes will be built on the surrounding lands in and around the nationally acclaimed Monterra Golf course.

Our resorts continue to receive awards for excellence. The December issue of Golf Digest magazine named Greywolf Golf Course at Panorama the 'Best New Canadian Golf Course' for 1999, noting that it prevailed against the strongest field of contenders in the nine-year history of the category.

Dividends and Redemptions

On November 15, 1999, the Board of Directors of the Company declared a dividend of Cdn. $.08 per common share payable on January 26, 2000 to shareholders of record on January 12, 2000.

The Company also announced that it will redeem 4,020,000, or approximately 30%, of its non-resort preferred ("NRP") shares on January 1, 2000 by payment of $2.65 per share for each NRP share to be redeemed. Quarterly redemptions will now be made on January 1, April 1, July 1 and October 1 at a redemption amount of $2.65 per share.

Year 2000 Compliance

Intrawest initiated a formal program to address the Year 2000 issue in September 1997. The program involved comprehensive system reviews at all of the Company's resorts and real estate locations, testing of hardware and software, and modification or replacement of non-compliant systems. To date the system reviews, testing and remedial activities are all substantially complete. The Company remains on schedule to ensure full compliance of its computer systems by November 30,1999. The Company has also endeavoured to ascertain the Year 2000 readiness of its key customers and suppliers and at the current time it is not aware of any non-compliant systems at critical third-party vendors that would have a material adverse effect on the Company's business.

As a precautionary measure, the Company is also developing contingency plans to mitigate the potential disruptions that may result from the Year 2000 issue. These plans include manual work-arounds for some automated processes, securing alternative sources for key suppliers and a communications plan in the event a problem arises. These contingency plans are expected to be complete by November 30, 1999. Although a final assessment has not been completed, the Company believes that neither the Year 2000 issue nor the financial impact of the reviews, testing and modifications is expected to have a material adverse effect on the Company's business or its financial condition.

Looking Ahead

Over the past three years, we have invested heavily in our resorts with the result that our resorts today enjoy a significant competitive advantage and are very well positioned to capitalize on the dramatic expansion in our villages that will occur over the next three years. We have also acquired new resorts which have given us a network that has the critical mass to support specialized expertise across all our business and marketing initiatives which up until now had not been conceivable in the destination resort business. As this process has taken hold, the name Intrawest is becoming synonymous with quality, excellence and customer loyalty in destination resorts across North America. It is a reputation that has been built on the hard work and dedication of a talented and diverse group of employees. The focus in the Company is now on harvesting the financial benefits that will flow from our network and the expansion of the villages within our resorts. Looking forward, we are targeting growth in earnings per share at greater than 20% per annum and you can expect to see that this year.

Joe S. Houssian	Daniel O. Jarvis
Chairman, President and Chief Executive Officer	Executive Vice President and Chief Financial Officer

November 15, 1999

CONSOLIDATED STATEMENTS OF OPERATIONS

For the three months ended September 30
(in thousands of US dollars, except per share amounts) (unaudited)

	1999	1998
Revenue:		
Ski and resort operations	**$ 55,106**	$ 37,205
Real estate sales	**67,222**	43,134
Rental properties	**1,445**	1,373
Interest and other income	**1,945**	1,996
	125,718	83,708
Expenses:		
Ski and resort operations	**55,904**	38,343
Real estate costs	**57,002**	35,482
Rental properties	**665**	696
Interest	**8,517**	5,800
Depreciation and amortization	**6,543**	4,250
General and administrative	**1,693**	1,534
	130,324	86,105
Loss before undernoted	**(4,606)**	(2,397)
Provision for income taxes	**(1,035)**	(677)
Loss before non-controlling interest and discontinued operations	**(3,571)**	(1,720)
Non-controlling interest	**(381)**	9
Loss from continuing operations	**(3,190)**	(1,729)
Results of discontinued operations	**238**	156
Loss for the period	**$ (2,952)**	$ (1,573)
Loss per common share:		
Loss from continuing operations	**$ (0.07)**	$ (0.04)
Net loss	**$ (0.07)**	$ (0.04)
Weighted average number of common shares outstanding (in thousands)	**43,273**	39,314

CONSOLIDATED BALANCE SHEETS

As at September 30
(in thousands of US dollars) (unaudited)

	1999	1998
Assets		
Current assets:		
Cash and short-term deposits	**$ 53,576**	$ 50,257
Amounts receivable	**48,761**	50,042
Other assets	**42,584**	44,109
Properties:		
Resort	**193,931**	122,653
Discontinued operations	**8,487**	4,916
	347,339	271,977
Ski and resort operations	**714,477**	573,511
Properties:		
Resort	**295,798**	273,805
Discontinued operations	**10,305**	20,434
Amounts receivable	**29,671**	32,474
Other assets	**72,607**	46,501
Goodwill	**19,484**	17,696
	$ 1,489,681	$ 1,236,398
Liabilities and Shareholder's Equity		
Current liabilities:		
Amounts payable	**$ 101,665**	$ 86,995
Deferred revenue	**43,431**	23,376
Bank and other indebtedness, current portion:		
Resort	**185,809**	136,154
Discontinued operations	**4,969**	5,452
	335,874	251,977
Bank and other indebtedness:		
Resort	**545,671**	483,158
Discontinued operations	**3,975**	4,264
Due to joint venture partners	**18,343**	8,948
Deferred revenue	**26,826**	15,913
Deferred income taxes	**14,760**	7,774
Non-controlling interest in subsidiaries	**22,600**	17,245
	968,049	789,279
Shareholders' equity:		
Capital stock	**430,473**	374,800
Retained earnings	**133,336**	105,034
Foreign currency translation adjustment	**(42,177)**	(32,715)
	521,632	447,119
	$ 1,489,681	$ 1,236,398

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

For the three months ended September 30
(in thousands of US dollars) (unaudited)

	1999	1998
Retained earnings, beginning of period	**$ 136,288**	$ 106,607
Loss for the period	**(2,952)**	(1,573)
Retained earnings, end of period	**$ 133,336**	$ 105,034

CONSOLIDATED STATEMENTS OF CASH FLOW FROM CONTINUING OPERATIONS

For the three months ended September 30
(in thousands of US dollars, except per share amounts) (unaudited)

	1999	1998
Loss from continuing operations	**$ (3,571)**	$ (1,720)
Items not affecting cash:		
Depreciation and amortization	**6,543**	4,250
Non-controlling interest	**(381)**	9
Cash flow from continuing operations	**2,591**	2,539
Cash flow from continuing operations per common share	**$ 0.06**	$ 0.06

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended September 30
(in thousands of US dollars) (unaudited)

	1999	1998
Cash provided by (used for)		
Operations:		
Cash flow from continuing operations	**$ 2,591**	$ 2,539
Recovery of costs through real estate sales	**57,002**	35,482
Increase in amounts receivable, net	**(1,125)**	(2,748)
Acquisition and development of properties held for sale	**(77,097)**	(51,834)
Changes in non-cash operating working capital	**10,788**	6,064
Cash used for continuing operations	**(7,841)**	(10,497)
Cash provided by (used for) discontinuing operations	**1,037**	(1,242)
	(6,804)	(11,739)
Financing:		
Bank and other borrowings, net	**1,871**	162,426
Redemption of non-resort preferred shares	**(8,705)**	(13,621)
Issue of capital stock	—	14,752
Proceeds on sale of partnership interest	—	10,641
Distributions to non-controlling interests	—	(766)
	(6,834)	173,432
Investments:		
Expenditures on revenue-producing properties, net	**(206)**	(777)
Expenditures on ski and resort operation assets, net	**(12,910)**	(15,456)
Expenditures on other assets, net	**(2,127)**	(14,500)
Expenditures on business acquisitions, net of cash acquired	—	(160,439)
	(15,243)	(191,172)
Decrease in cash and short-term deposits	**(28,881)**	(29,479)
Cash and short-term deposits, beginning of period	**82,457**	79,736
Cash and short-term deposits, end of period	**$ 53,576**	$ 50,257

	1999	1998
Supplemental information:		
Interest paid	**$ 14,924**	$ 4,294
Taxes paid	**181**	63
Non-cash financing activities:		
Issue of capital stock	**$ 1,420**	$ 2,422
Bank and other borrowings	**—**	4,711
Non-cash investing activities:		
Business acquisitions	**$ —**	$ 7,133

SEGMENT DISCLOSURES

The following table presents the Company's results from continuing operations by reportable segment:

For the three months ended September 30
(in thousands of US dollars) (unaudited)

	1999	1998
Revenue from external customers:		
Ski and resort	**$ 40,984**	$ 24,167
Real estate	**68,667**	44,507
Warm-weather	**14,122**	13,038
Corporate and all other	**1,945**	1,996
	$ 125,718	$ 83,708
Operating income (loss) before interest, depreciation and amortization, and income taxes:		
Ski and resort	**$ (3,263)**	$ (3,434)
Real estate	**11,000**	8,329
Warm-weather	**2,465**	2,296
Corporate and all other	**1,945**	1,996
	12,147	9,187
Less:		
Interest	**8,517**	5,800
Depreciation and amortization	**6,543**	4,250
General and administrative	**1,693**	1,534
	16,753	11,584
	$ (4,606)	$ (2,397)

There have been no changes from the June 30, 1999 audited consolidated financial statements in the basis of segmentation or in the basis of measurement of segment profit or loss.

INTRAWEST

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