

## SEGMENT DISCLOSURES

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

	Three months ended March 31		Nine months ended March 31	
	2000	1999	2000	1999
(in thousands of US dollars) (unaudited)				
<b>Revenue from external customers:</b>				
Ski and resort	\$ 227,011	\$ 207,760	\$ 340,543	\$ 289,059
Real estate	55,634	36,780	186,831	119,820
Warm-weather	13,278	10,232	37,346	27,954
Corporate and all other	12,146	3,806	15,147	6,216
	<b>\$ 308,069</b>	<b>\$ 258,578</b>	<b>\$ 579,867</b>	<b>\$ 443,049</b>
<b>Operating income before interest, depreciation and amortization, and income taxes:</b>				
Ski and resort	\$ 77,232	\$ 68,915	\$ 84,440	\$ 72,469
Real estate	10,080	7,395	35,313	24,570
Warm-weather	1,100	646	3,220	2,133
Corporate and all other	12,146	3,806	15,147	6,216
	<b>100,558</b>	<b>80,762</b>	<b>138,120</b>	<b>105,388</b>
Less:				
Interest	6,903	6,826	24,012	17,896
Depreciation and amortization	23,599	18,998	38,522	28,628
General and administrative	2,459	2,103	5,443	5,023
	<b>32,961</b>	<b>27,927</b>	<b>67,977</b>	<b>51,547</b>
	<b>\$ 67,597</b>	<b>\$ 52,835</b>	<b>\$ 70,143</b>	<b>\$ 53,841</b>

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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# 3<sup>rd</sup> quarter

Nine months ended March 31, 2000

INTRAWEST

## To Our Shareholders

We believe the solid and consistent performance of Intrawest in the third quarter – a 33% growth in income from continuing operations achieved on a same-resort basis – attests not only to the strength of our core businesses, but also to the complementary businesses we have built around them. Our portfolio of unique village-centered destination resorts continues to gain broader recognition and acceptance in the marketplace and among our growing loyal base of customers. Whistler/Blackcomb exceeded the two millionth visit for the second year in a row, unprecedented for any resort in North America, and Snowshoe and Panorama had record seasons. Demand for our real estate is high, driven by its location within and adjacent to our village resorts and increasing favorable demographic trends. As a result, our real estate pre-sales are at record levels.

At the same time, Intrawest Vacations, our Internet booking company, sold three times the amount of business for Whistler this quarter than a year ago. Our Resort Club business, Club Intrawest, had an excellent quarter with sales doubling compared with the third quarter of last year and we now intend to actively expand this business. Overall, we are in a very strong position with our core businesses and are in a unique situation to further develop and pursue opportunities that are now available given our established expertise and expansive network.

## Operating Results

Income from continuing operations for the third quarter ended March 31, 2000 grew 33% to \$47.7 million, or \$1.10 per share, compared with \$35.9 million, or \$.90 per share for the third quarter ended March 31, 1999. Revenue for the quarter increased 19% to \$308.1 million from \$258.6 million for the third quarter of 1999. Total Company EBITDA for the period increased to \$94.2 million, compared with \$80.3 million in the same period in 1999. The weighted average number of shares outstanding increased to 43,381,000 from the 39,674,000 reported for the quarterly period ended March 31, 1999.

Income from continuing operations for the nine months ended March 31, 2000 was 36% higher at \$48.8 million, or \$1.13 per share, compared with \$36.1 million, or \$0.91 per share last year. During this period revenue increased 31% to \$579.9 million from \$443.0 million last year.

Ski and resort operations revenue was \$240.3 million, 10% more than last year's third quarter revenue of \$218.0 million. Revenue from the mountain resorts increased to \$227.0 million from \$207.8 million, reflecting a record March, subsequent to a slow start in the period, due mainly to weak millenium bookings over the entire travel and hospitality industry. In aggregate, skier visits increased 2% over last year's third quarter, with revenue per visit increasing 8%. Revenue from warm-weather resorts was up 30% to \$13.3 million as both Sandestin and Intrawest Golf/Raven exhibited strong year over year performance. For the nine-month period ended March 31, 2000, ski and resort operations revenue increased 19% to \$377.9 million, compared with \$317.0 million for the quarter ended March 31, 1999.

Operating profit from ski and ski resort operations for the quarter increased to \$78.3 million compared with \$69.6 million last year. For the nine-month period ended March 31, 2000, operating profit from ski and ski resort operations was \$87.7 million, compared with \$74.6 million in the comparable 1999 period.

Real estate sales totalled \$53.7 million, an increase of 52% from \$35.4 million in the corresponding period last year, with the majority of the sales closed during the quarter coming from condo-hotel and townhome units at Whistler, Tremblant, Stratton and Keystone. Revenue from the Company's vacation ownership business doubled to \$11.1 million from \$5.7 million last year. Operating profit from real estate sales increased to \$9.1 million for the quarter, compared with \$6.7 million in the third quarter of 1999. For the nine-month period ended March 31, 2000, real estate revenue and operating profit were 57% and 45%, respectively, higher than the corresponding 1999 period. Recent real estate highlights include:

- 139 units in Squaw Valley sold out for an average price of \$644 per square foot for a total of \$73 million.
- 36 units sold in 35 minutes at Mammoth generating \$19 million.

## CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	Three months ended March 31		Nine months ended March 31	
	2000	1999	2000	1999
(in thousands of US dollars) (unaudited)				
<b>Supplemental information:</b>				
Interest paid	\$ 18,945	\$ 12,437	\$ 44,256	\$ 28,516
Taxes paid	828	407	1,203	505
<b>Non-cash financing activities:</b>				
Issue of capital stock	\$ —	\$ —	\$ 1,420	\$ 6,003
Bank and other borrowings	5,709	—	5,709	4,711
<b>Non-cash investing activities:</b>				
Business acquisitions	\$ 5,709	\$ —	\$ 5,709	\$ 10,714

## CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

	Three months ended March 31		Nine months ended March 31	
	2000	1999	2000	1999
(in thousands of US dollars) (unaudited)				
Retained earnings, beginning of period	\$ 135,045	\$ 104,752	\$ 136,288	\$ 106,607
Income for the period	48,134	35,850	49,294	36,074
Dividends	—	—	(2,403)	(2,079)
Retained earnings, end of period	\$ 183,179	\$ 140,602	\$ 183,179	\$ 140,602

## INFORMATION ON COMMON SHARES

As at March 31, 2000

### Authorized

200,000,000 without par value

	Number of common shares	Amount
	(in thousands)	(unaudited)
<b>Issued</b>		
March 31, 2000	43,427	\$ 398,460
<b>Stock options outstanding</b>	3,251	

## CONSOLIDATED STATEMENTS OF CASH FLOW

	Three months ended March 31		Nine months ended March 31	
	2000	1999	2000	1999
(in thousands of US dollars) (unaudited)				
<b>Cash provided by (used for)</b>				
<b>Operations:</b>				
Income from continuing operations	\$ 47,667	\$ 35,852	\$ 48,759	\$ 36,045
Items not affecting cash:				
Depreciation and amortization	23,599	18,998	38,522	28,628
Income from equity accounted investment	(1,700)	(1,490)	(1,700)	(1,490)
Non-controlling interest	6,706	5,749	7,637	6,328
Recovery of costs through real estate sales	44,598	28,678	149,076	93,530
Increase in amounts receivable, net	(7,579)	(2,069)	(5,280)	(30,155)
Acquisition and development of properties held for sale	(61,829)	(50,411)	(239,483)	(169,307)
Changes in non-cash operating working capital	24,484	39,467	34,120	48,752
Cash provided by continuing operations	75,946	74,774	31,651	12,331
Cash provided by discontinued operations	463	1,360	7,807	3,542
	76,409	76,134	39,458	15,873
<b>Financing:</b>				
Bank and other borrowings, net	8,463	7,705	128,318	254,957
Issue of capital stock	1,335	(922)	1,465	13,323
Redemption of non-resort preferred shares	(7,240)	–	(15,945)	(13,621)
Proceeds on sale of partnership interest	–	–	–	10,641
Dividends paid	–	–	(2,403)	(2,079)
Distributions to non-controlling interests	(1,302)	(1,233)	(1,302)	(1,999)
	1,256	5,550	110,133	261,222
<b>Investments:</b>				
Proceeds from (expenditures on) revenue-producing properties, net	(1,033)	(406)	3,442	(1,458)
Expenditures on ski and resort operation assets, net	(26,620)	(25,766)	(103,246)	(87,250)
Expenditures on other assets, net	741	(5,936)	(6,098)	(33,025)
Expenditures on business acquisitions, net of cash acquired	(18,905)	(19,761)	(18,905)	(181,001)
	(45,817)	(51,869)	(124,807)	(302,734)
Increase (decrease) in cash and short-term deposits	31,848	29,815	24,784	(25,639)
Cash and short-term deposits, beginning of period	75,393	24,282	82,457	79,736
Cash and short-term deposits, end of period	\$ 107,241	\$ 54,097	\$ 107,241	\$ 54,097

- 26 homes in Whistler sold out for an average price of Cdn\$1,000,000
- 48 out of 55 units sold in only a few hours at Tremblant for a total of Cdn\$30 million.

Currently, we have a record backlog of real estate contracts with total pre-sales of \$560 million set to close in the remainder of 2000, 2001 and 2002.

### Dividends

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

### NRP Shares

Since January 1, 2000 to date, the Company has purchased 37,200 non-resort preferred shares under its normal course issuer bid at an average cost of \$1.69 per non-resort preferred share. A quarterly redemption will not be made on July 1, 2000 since the funds available for distribution are below the threshold of Cdn\$2 million.

### Outlook

In the coming months, we will be introducing new business initiatives with particular emphasis on membership programs for our loyal guests and expansion of our Internet-based reservations system. We believe these programs will help generate additional growth and provide opportunities to leverage our strong customer relationships and network of properties across North America. We expect that the strong cash flow generated from our core businesses over the coming years will provide a solid foundation for new business initiatives.

With our proven industry leadership, track record of delivering financial objectives and strong position for continued growth, we are committed to continually providing you with a solid investment.



Joe S. Houssian  
Chairman, President and  
Chief Executive Officer



Daniel O. Jarvis  
Executive Vice President  
and Chief Financial Officer

May 15, 2000

## CONSOLIDATED STATEMENTS OF OPERATIONS

	Three months ended March 31		Nine months ended March 31	
	2000	1999	2000	1999
(in thousands of US dollars, except per share amounts) (unaudited)				
<b>Revenue:</b>				
Ski and resort operations	\$ 240,289	\$ 217,992	\$ 377,889	\$ 317,013
Real estate sales	53,732	35,363	181,870	116,133
Rental properties	1,902	1,417	4,961	3,687
Income from equity accounted investment	1,700	1,490	1,700	1,490
Interest and other income	10,446	2,316	13,447	4,726
	<b>308,069</b>	<b>258,578</b>	<b>579,867</b>	<b>443,049</b>
<b>Expenses:</b>				
Ski and resort operations	161,957	148,431	290,229	242,411
Real estate costs	44,598	28,678	149,076	93,530
Rental properties	956	707	2,442	1,720
Interest	6,903	6,826	24,012	17,896
Depreciation and amortization	23,599	18,998	38,522	28,628
General and administrative	2,459	2,103	5,443	5,023
	<b>240,472</b>	<b>205,743</b>	<b>509,724</b>	<b>389,208</b>
Income before undernoted	67,597	52,835	70,143	53,841
Provision for income taxes	13,224	11,234	13,747	11,468
Income before non-controlling interest and discontinued operations	54,373	41,601	56,396	42,373
Non-controlling interest	6,706	5,749	7,637	6,328
Income from continuing operations	47,667	35,852	48,759	36,045
Results of discontinued operations	467	(2)	535	29
Income for the period	\$ 48,134	\$ 35,850	\$ 49,294	\$ 36,074
Income per common share:				
Income from continuing operations	\$ 1.10	\$ 0.90	\$ 1.13	\$ 0.91
Net income	\$ 1.10	\$ 0.90	\$ 1.13	\$ 0.91
Weighted average number of common shares outstanding (in thousands)	43,381	39,674	43,333	39,513

## CONSOLIDATED BALANCE SHEETS

As at March 31  
(in thousands of US dollars) (unaudited)

	2000	1999
<b>Assets</b>		
Current assets:		
Cash and short-term deposits	\$ 107,241	\$ 54,092
Amounts receivable	58,871	69,675
Other assets	64,522	56,303
Properties:		
Resort	270,091	182,236
Discontinued operations	—	5,114
	<b>500,725</b>	<b>367,420</b>
Ski and resort operations	768,789	658,700
Properties:		
Resort	301,437	271,107
Discontinued operations	10,311	20,563
Amounts receivable	48,007	32,783
Other assets	66,579	61,013
Goodwill	17,988	14,853
	<b>\$ 1,713,836</b>	<b>\$ 1,426,439</b>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Amounts payable	\$ 143,333	\$ 121,732
Deferred revenue	60,976	53,305
Bank and other indebtedness, current portion:		
Resort	134,025	169,528
Discontinued operations	550	5,438
	<b>338,884</b>	<b>350,003</b>
Bank and other indebtedness:		
Resort	718,564	535,531
Discontinued operations	4,025	4,070
Due to joint venture partners	13,443	7,962
Deferred revenue	34,854	11,666
Deferred income taxes	3,513	9,367
Non-controlling interest in subsidiaries	29,551	22,836
	<b>1,142,834</b>	<b>941,435</b>
Shareholders' equity:		
Capital stock	423,740	375,128
Retained earnings	183,179	140,602
Foreign currency translation adjustment	(35,917)	(30,726)
	<b>571,002</b>	<b>485,004</b>
	<b>\$ 1,713,836</b>	<b>\$ 1,426,439</b>