Vail Resorts to Acquire Falls Creek and Hotham Ski Resorts in Victoria, Australia

•Vail Resorts will acquire Falls Creek and Hotham resorts in Victoria, Australia from a subsidiary of Merlin Entertainments for a purchase price of approximately AU$174 million, subject to certain adjustments related to the timing of closing
•With the acquisition of Falls Creek and Hotham in Victoria, Vail Resorts will operate three of the largest ski resorts in Australia including Perisher Ski Resort in New South Wales
•Upon closing, the 2019 Epic Australia Pass and 2018-19 Epic Pass will provide access to the best skiing and riding in Australia with Falls Creek, Hotham (subject to certain approvals) and Perisher; North America including Whistler Blackcomb, Vail, Park City and more; and Japan with Hakuba Valley and Rusutsu.

BROOMFIELD, Colo. – **Feb. 21, 2019** – Vail Resorts, Inc. (NYSE: MTN) announced today that it has entered into an agreement to purchase the ski fields at Falls Creek Alpine Resort ("Falls Creek") and Hotham Alpine Resort ("Hotham") in Victoria, Australia. Falls Creek, Victoria's largest ski resort, features a variety of terrain including fantastic beginner and intermediate trails that are well suited to families and first-timers. Considered the 'Powder Capital' of Australia, Hotham is the only resort in the Southern Hemisphere where the village is located on top of the mountain, ensuring ski-in, ski-out opportunities from anywhere in the village. The acquisition, which is subject to certain regulatory approvals, is expected to close prior to the commencement of the Australian snow season in June 2019.

The Company will purchase Australian Alpine Enterprises Holdings Pty. Ltd and all related corporate entities that operate Falls Creek and Hotham resorts from Living and Leisure Australia Group (LLA), a subsidiary of Merlin Entertainments, for a purchase price of approximately AU$174 million, subject to certain adjustments at closing, including an increase (or reduction) in the price for operating losses (or gains) incurred for the period from Dec. 29, 2018 through closing. The acquisition includes ski school, retail/rental, reservation and property management operations at both resort areas.

"We are thrilled to welcome the guests and employees of both Falls Creek and Hotham into the Vail Resorts family and further strengthen our position in Australia, which is one of our most important international markets. The acquisition of the leading mountain resorts in Victoria is part of our continued strategy to drive season pass sales and build loyalty with guests from around the world," said Rob Katz, chairman and chief executive officer of Vail Resorts. "After our success connecting with skiers in Sydney and across New South Wales since acquiring Perisher in 2015, we have a huge opportunity to create a deeper connection with Melbourne and broader Victorian skiers and riders."

"Vail Resorts has a great track record in developing world-class resorts," said Nick Mackenzie, Managing Director of Merlin Entertainments' Midway division. "We're confident that guests, employees and the surrounding communities of Hotham and Falls Creek will benefit from Vail Resorts' expertise, investment and know-how, and we wish the teams every success for the future."

When the transaction closes, the 2019 Epic Australia Pass and 2018-19 Epic Pass will include unlimited, unrestricted access to Falls Creek and is expected to include unlimited, unrestricted access to Hotham, subject to certain approvals. The Epic Australia Pass is the best value season pass for Australians, providing access to world-class skiing and riding at the largest and most celebrated resorts in the U.S., Canada, Japan and Australia. At just AU$839 for adults, AU$471 for students and AU$629 for seniors, the Epic Australia Pass pays for itself in under four days, with year-around skiing in Australia, Japan, Canada and the Best of the U.S. The Epic Pass offers world-class access including unlimited, unrestricted skiing and riding at Vail, Beaver Creek, Whistler Blackcomb, Breckenridge and more, including limited day access to several resort partners, including Telluride, Sun Valley, Hakuba Valley, Rusutsu and more.

Closing of Transaction

The transaction, which is subject to certain regulatory approvals, is expected to close prior to the commencement of the Australian snow season in June 2019. Operations at the two resorts will continue in the ordinary course of business, as will 2019 winter seasonal hiring. Upon closing, Vail Resorts plans to retain the vast majority of each resort's employees.

The Company indicated that it expects Falls Creek and Hotham to generate incremental Resort Reported EBITDA of approximately AU$18 million (approximately US$13 million) during its first twelve months of operation following the acquisition, which assumes normal conditions. After closing of the transaction, annual ongoing capital expenditures are expected to increase by approximately AU$4-5 million (approximately US$3-4 million) to support the addition of these two resorts.

About the Resorts

Victoria's largest alpine resort, Falls Creek features 450 hectares of terrain. With roughly 90 runs accessed by 14 lifts, there is a huge variety of terrain including fantastic beginner and intermediate trails that are well suited to families and first-timers. For advanced skiers and riders, the Summit is packed with steep black runs and is the launching pad for the deep powder stashes and tree runs of the Maze. Falls Creek provides a variety of different lodging properties alongside great restaurants, bars, and nightlife.

Hotham is nestled amongst the Victorian Alps of the Great Dividing Range. Famous for its off-piste skiing and riding, Hotham is one of the few resorts in Australia that has access to true side-country terrain, some of which is above tree line. The resort boasts spectacular views, its own airport and 320 hectares of ski terrain. Considered the 'Powder Capital' of Australia, Hotham is the only resort in the Southern Hemisphere where the village is located on top of the mountain, ensuring endless awe-inspiring views and ski-in, ski-out opportunities from anywhere in the village. With 13 chairlifts, 3 terrain parks and 35km of cross country skiing, Hotham has something for everyone, including off-mountain activities like tobogganing, snowmobile rides, luxurious day spas and 18 restaurants to choose from.

Located in the picturesque Kosciuszko National Park in South Eastern New South Wales, Perisher's 1,214 hectares of skiable terrain, seven mountain peaks, five terrain parks, more than 100 groomed trails and over 100 kilometers of cross-country skiing trails, makes it the Southern Hemisphere's largest mountain resort. Perisher is comprised of four village areas - Perisher Valley, Smiggin Holes, Guthega, and Blue Cow – and has varied terrain suitable for any ability level.

Pass Access Details

When the transaction closes, the 2019 Epic Australia Pass and 2018-19 Epic Pass will include unlimited and unrestricted access to Falls Creek and is expected to include unlimited, unrestricted access to Hotham, subject to certain approvals.

- **Epic Australia Pass™**: The best value to ski and snowboard the best resorts in the U.S., Canada, Japan and Australia. Ideal for Australians looking for year-round skiing and snowboarding, plus local access across Australia. For AU$839, get unlimited, unrestricted access to Perisher, Falls Creek as well as Hotham (subject to certain approvals) during the 2019 season; unlimited, unrestricted access to Crested Butte in Colorado; Mount Sunapee in New Hampshire; Okemo in Vermont; and Stevens Pass in Washington State during the 2019-20 season. Navigate U.S. holiday restrictions in Breckenridge, Park City, Heavenly and more; ten days at Whistler Blackcomb, Vail and Beaver Creek combined with peak restrictions; five consecutive days with no blackouts at Rusutsu, Japan and Hakuba Valley, Japan during the 2019-2020 season. On sale now at www.epicaustraliapass.com.au.
- **Epic Australia Plus Pass**: Pass holders can elevate their skiing and snowboarding experience by upgrading the Epic Australia Pass to avoid holiday restrictions in the best resorts in the U.S. & Canada for unlimited, unrestricted North American access to Whistler Blackcomb, Vail, Beaver Creek, Breckenridge, Park City, and more for the 2019-2020 ski season. Visit www.epicaustraliapass.com.au.
- **Epic Pass™**: The Epic Pass offers world-class access including unlimited, unrestricted skiing and riding at Vail, Beaver Creek, Whistler Blackcomb, Breckenridge and limited day access to several resort partners, including Telluride, Sun Valley, Rusutsu, Hakuba Valley and more. For full access on the pass, please visit www.epicpass.com.

Vail Resorts will continue to honour previously sold 2019 Hero Pass products for both Falls Creek and Hotham.

Hotham Media Images: https://www.dropbox.com/sh/hkdapl186morrg3/AADwVUsQAn8f6ZUg3ahZx5yZa?dl=0
Falls Creek Media Images: https://www.dropbox.com/sh/hkdapl186morrg3/AADwVUsQAn8f6ZUg3ahZx5yZa?dl=0

About Vail Resorts, Inc. (NYSE: MTN)

Vail Resorts, Inc., through its subsidiaries, is the leading global mountain resort operator. Vail Resorts' subsidiaries operate 15 world-class mountain resorts and three urban ski areas, including Vail, Beaver Creek, Breckenridge, Keystone and Crested Butte in Colorado; Park City in Utah; Heavenly, Northstar and Kirkwood in the Lake Tahoe area of California and Nevada; Whistler Blackcomb in British Columbia, Canada; Perisher in Australia; Stowe and Okemo in Vermont; Mt. Sunapee in New Hampshire; Stevens Pass in Washington; 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, Wyo. Vail Resorts Development Company is the real estate planning and development subsidiary of Vail Resorts, Inc. Vail Resorts is a publicly held company traded on the New York Stock Exchange (NYSE: MTN). The Vail Resorts company website is www.vailresorts.com and consumer website is www.snow.com.

About Merlin Entertainments
Merlin Entertainments plc is a global leader in location based, family entertainment. As Europe's Number 1 and the world's second-largest visitor attraction operator, Merlin operates over 120 attractions, 18 hotels and 6 holiday villages in 25 countries and across 4 continents. Merlin's purpose is to deliver memorable experiences to over 65 million guests around the world, through its iconic global and local brands, and the commitment and passion of its c.28,000 employees (peak season).

Forward Looking Statements
Certain statements discussed in this press release and on the conference call, other than statements of historical information, are forward-looking statements within the meaning of the federal securities laws, including our expectations regarding the expected closing of the transaction, expected season pass offerings, incremental Resort Reported EBITDA and expected increase to annual ongoing capital expenditures. 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 the impact of natural disasters; risks related to our reliance on information technology, including our failure to maintain the integrity of our customer or employee data; risks related to cyber-attacks; willingness of our guests to travel due to terrorism, the uncertainty of military conflicts or outbreaks of contagious diseases, and 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; risks related to a disruption in our water supply that would impact our snowmaking capabilities and operations; our reliance on government permits or approvals for our use of public land or to make operational and capital improvements; risks related to federal, state, local and foreign government laws, rules and regulations; risks related to changes in security and privacy laws and regulations which could increase our operating costs and adversely affect our ability to market our products and services effectively; our ability to hire and retain a sufficient seasonal workforce; risks related to our workforce, including increased labor costs; loss of key personnel; 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 successfully integrate acquired businesses, or that acquired businesses may fail to perform in accordance with expectations, including Okemo, Crested Butte, Stevens Pass, Mt. Sunapee or future acquisitions; 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 where the Company has foreign currency exposure, primarily the Canadian and Australian dollars; changes in accounting judgments and estimates, accounting principles, policies or guidelines or adverse determinations by taxing authorities; risks associated with uncertainty of the impact of recently enacted tax reform legislation in the United States; 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, 2018, which was filed on September 28, 2018.

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.

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