Vail Resorts’ 3Q net income up; skier visits down at Heavenly, Northstar

By AP

BROOMFIELD, Colo. — Vail Resorts said Thursday its earnings rose 23 percent in its fiscal third quarter, as late spring snow helped boost skier visits to its Colorado resorts and visitors proved willing to spend on food, lessons and gear.

The Broomfield-based company reported net income of $97.6 million, or $2.66 per share, for the three months that ended April 30. That’s up from $79.5 million, or $2.17 per share, during the same period last year. Analysts had forecast earnings of $2.74 per share.

Revenue climbed 12 percent to $469.7 million.

Fewer people went to Northstar and Heavenly last season compared to the previous year. Photo/LTN file

Vail Resorts Inc. operates the Vail, Beaver Creek, Breckenridge and Keystone resorts in Colorado; Heavenly, Northstar and Kirkwood in the Lake Tahoe area; Afton Alps in

Minnesota; Mount Brighton in Michigan; and Grand Teton Lodge Co. in the Jackson, Wyo., area. Last month, it announced it has reached a deal to also operate Canyons in Park City, Utah.

Excluding recently purchased Kirkwood, Afton Alps and Mount Brighton, skier visits climbed 9.1 percent from a year ago. Visits to the company’s Colorado resorts were up 11.8 percent, but Heavenly and Northstar together saw a 0.4 percent decline in skier visits after an unusually warm, dry spring, Vail Resorts said.

Visitors also were spending. Lift revenue, excluding season passes, was up 13.4 percent, dining revenue was up 13.9 percent, ski school revenue was up 11.8 percent, and retail and rental revenue was up 7.4 percent from a year ago, excluding the newly acquired resorts.

Vail Resorts reported selling roughly 138,000 season passes this spring for the 2013-14 season. Spring season pass sales through May 28 are up 18 percent in terms of units sold and up 24 percent in sales dollars from a comparable period last year. CEO Rob Katz said some of the customers include those who would normally have bought passes in the fall.

Nearly all spring pass sales will be recorded as revenue in fiscal 2014 over the course of next ski season.

For the fiscal year ending July 31, Vail Resorts said it now expects $31.5 million to $39 million in net income, down from an earlier estimate of $39 million to $49 million. It estimates $8.7 million in losses relating to the signing May 29 of its long-term lease to operate Canyons, including $2.2 million in operating losses and about $6.5 million in one-time transaction costs.