

Whistler acquisition a bonus for Vail earnings

By Dan Caplinger, Motley Fool

Investors in ski-resort operator Vail Resorts wait longingly each year for the winter months to come around, because that's when the company makes most of its money. Even with a small operation in Australia, where winter comes during the Northern Hemisphere's summer months, Vail Resorts still relies on North America for the vast majority of its revenue and profit.

Coming into Friday's fiscal second-quarter financial report, Vail Resorts investors had high expectations for growth, thanks to the recent purchase of the Whistler Blackcomb resort in British Columbia. Vail's results were even stronger than most had anticipated, and that helped lead the company to reward shareholders with a big dividend boost.

Vail Resorts' fiscal second-quarter results were extremely favorable. The company reported revenue of \$725.2 million, which was up 21 percent from the year-ago period, topping investor expectations for 18 percent to 19 percent top-line growth.

Vail's net income grew even faster, climbing 27.5 percent to \$149.2 million, and that worked out to earnings of \$3.63 per share. That exceeded the consensus forecast among those following the stock by \$0.22 per share.

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