



Consolidated Financial Statements  
Income Statement Projections  
Magic Mountain Ski Area

	<u>Y1</u>	<u>Y2</u>	<u>Y3</u>	<u>Y4</u>	<u>Y5</u>
<b>Skier Visits</b>	19610	23391	26889	30992	35812
	<b>Totals</b>	<b>Totals</b>	<b>Totals</b>	<b>Totals</b>	<b>Totals</b>
<b>Revenue</b>					
Season Passes	157,500	198,000	217,800	254,554	280,009
Ticket Sales	374,075	494,250	625,162	803,779	968,496
Lessons	55,335	83,216	96,333	111,720	129,796
Racing	22,875	25,163	27,679	30,447	33,491
Tube Park	44,889	49,425	50,013	56,265	58,110
Rentals	25,572	30,686	36,824	45,661	56,561
Food and Beverage*	26,485	30,876	35,493	40,909	47,272
Store**	1,598	2,301	2,762	3,425	4,242
<b>Total Revenues</b>	708,329	913,918	1,092,064	1,346,759	1,577,977
<b>Expenses</b>					
Personnel/payroll Taxes	424,560	471,470	485,614	516,279	547,856
Snowmaking/grooming	183,100	197,628	215,041	266,720	375,137
Marketing	66,455	68,449	70,502	74,027	77,729
Energy Costs (non SM)	45,550	49,088	53,996	59,396	65,335
Insurance	85,500	88,065	90,707	99,778	109,755
G&A	28,840	29,705	31,190	32,750	34,387
Sales and use Tax	36,122	46,342	55,788	69,616	81,791
<b>Total Expenses</b>	870,127	950,746	1,002,838	1,118,565	1,291,990

<b>EBITDA</b>	-161,797	-36,828	89,226	228,194	285,987
Property Tax	17,000	17,000	17,000	17,000	17,000
<b>Net Income</b>	-178,797	-53,828	72,226	211,194	268,987

\* F&B based on current concession agreement

\*\* Store based on current concession agreement



Consolidated Financial Statements  
 Capital Expenditure & Non-Routine Maintenance Projections  
 Magic Mountain Ski Area

All Capital Expenditures will be voted on by the BOD or the shareholders

	<u>Y1</u>	<u>Y2</u>	<u>Y3</u>	<u>Y4</u>	<u>Y5</u>	<u>Total Capital Expenditures</u>
<b><u>Grooming</u></b>						
General Maintenance	\$ 12,000					
Repair Tiller						
Replace Wheels						
New Groomer				\$ 100,000		
Repair Bombadier						
<b><u>Total Grooming</u></b>	\$ 12,000	\$ -	\$ -	\$ 100,000	\$ -	\$ 112,000
<b><u>Lifts</u></b>						
<i>Red Lift</i>						
Paint Chairs						
Bushings	\$ 1,000					
Replace Coupling		\$ 2,000				
Replace Vert Shaft	\$ 5,000					
Load Test	\$ 2,500					
Spare Parts/Gen. Main.	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	
<i>Black Lift</i>						
Rebuild Sheaves						
Repair Rollback						
Repair Electric	\$ 1,000					
Load Test	\$ 2,500					
Paint Chairs/towers				\$ 20,000		
<i>Handle Tows</i>						
Bury Wires	\$ 1,000					
Berm Tube Tow						
<i>Green Lift</i>						
Complete Lift						
<i>Magic Carpet</i>						
Purchase and Install						
<b><u>Total Lifts</u></b>	\$ 18,000	\$ 7,000	\$ 5,000	\$ 25,000	\$ 5,000	\$ 60,000

**Total Capital Expenditures**

Y1
Y2
Y3
Y4
Y5

**Snowmaking**

Complete Pond Rebuild	\$ 150,000					
Repair LMC Pipe						
Fix 250 Line						
Repair Wizard/SOH	\$ 5,000					
Maintain Fan Guns						
Upgrade Ratnicks						
repair compressor	\$ 15,000					
hydrants	\$ 5,000	\$ 5,000	\$ 5,000			
Repair Witch to Black	\$ 2,500					
Repair Pumps		\$ 3,000	\$ 3,000	\$ 3,000		
Snowmaking to Beg Area						
New Fan Guns						
New Stick Guns	\$ 30,000	\$ 30,000	\$ 30,000			
Add more outlets on 250		\$ 5,000	\$ 5,000			
Replace Pipe			\$ 25,000	\$ 25,000	\$ 25,000	
Add Mid Mtn Pump and refigure system/400HP Pump			\$ 50,000			
<b><u>Total Snowmaking</u></b>	\$ 207,500	\$ 43,000	\$ 118,000	\$ 28,000	\$ 25,000	\$ 421,500

**Lodge**

Repair Deck	\$ 2,000					
repair roof leaks	\$ 2,500					
New Roof			\$ 40,000	\$ 20,000		
Add Lockers	\$ 5,000					
replace/clean carpet		\$ 5,000				
outfit Kitchen	\$ 20,000					
Sprinkler System	\$ 15,000	\$ 15,000	\$ 15,000			
repair/replace deck						
<b><u>Total Lodge</u></b>	\$ 44,500	\$ 20,000	\$ 55,000	\$ 20,000	\$ -	\$ 139,500

**Miscellaneous**

Upgrade Rental Fleet		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	
<b><u>Total Misc</u></b>	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 20,000

**Total Capital Expenditures**

\$ 282,000
\$ 75,000
\$ 183,000
\$ 178,000
\$ 35,000
\$ 753,000

Consolidated Financial Statements

Financial History

Magic Mountain Ski Area

	FYE June 11	FYE June 10	FYE June 09	FYE June 08	FYE June 07	FYE June 06	FYE June 05	FYE June 04
<b>Skier/Tubing Visits</b>	<b>19,458</b>	<b>19,037</b>	<b>16,725</b>	<b>16,870</b>	<b>16,377</b>	<b>5,000*</b>	<b>10,000*</b>	<b>13750*</b>
<b>Revenue</b>								
Ski Tickets/Passes	525,296	457,288	382,268	451,449	404,399	130,311	353,029	425,528
Tubing	14,015	31,274	52,713	-	22,520	32,435	21,038	24,420
Learning Center	37,700	46,114	40,061	47,629	32,921	15,071	47,509	38,502
Rentals	19,410	19,796	20,438	23,898	24,725	14,950	23,888	22,875
Concessions	27,839	28,373	24,852	19,361	18,513	11,704	8,123	7,948
Mtn Services						32,477	1,365	450
Cell Towers				100	200	11,000		-
Catamount/Enernoc		987	2,813	2,735	762	25,000		-
Race Program/Racing	42,103	30,875	20,214	15,792	8,658			
Ski Shop	1,412		1,153	887				
Other	8,930	16,588	14,826	12,803		-		-
<b>Total Revenue</b>	<b>676,705</b>	<b>631,295</b>	<b>559,338</b>	<b>574,654</b>	<b>512,698</b>	<b>272,948</b>	<b>454,952</b>	<b>519,723</b>
<b>Expenses</b>								
Advertising/Marketing	9,866.00	16,513	31,039	38,442	21,187	4,513	3,078	45,278
Contract Labor	11,553	10,359	4,544	12,415	51,308	20,454	14,378	11,742
Fees/Inspections	24,511	24,433	18,001	22,187	18,974	33,096	38,714	63,523
Insurance	18,936	42,130	19,313	15,752	20,136	26,767	44,926	132,481
Professional Services	2,250	2,917	2,884	4,810	6,203			
Leases		10,000	11,030	44,664	114,314	22,537	46,767	78,824
Other/Misc		753	1,536	1,578	1,961	-	-	(18,913)
Payroll	169,407	144,548	164,268	254,481	214,839	199,351	220,579	309,344
Repairs and Maint	65,605	36,896	24,809	13,172	14,977	29,183	73,093	42,729
Gasoline	2,945	3,620	3,817	4,644	2,978	4,802	3,340	4,083
Supplies	11,720	7,977	14,759	22,276	21,117	9,822	16,881	(11,229)
Postage/Overnight Shipping	421	626	384	1,669	541			
Petty Cash	704	1,825	1,251	(2,804)	2,973			
Tax - Payroll & Sales & Use Taxes	89,655	79,778	98,499	127,425	100,985	78,132	118,682	78,958
SM/Grooming/Summer Diesel	63,771	42,832	29,204	47,866	62,911	212,221	139,467	138,978
SM Other Expense (Equip/Supp)	24,710	29,341	3,308	893	1,720			
Heating Fuel	17,404	17,244	13,457	21,354	16,255			
Electric	87,855	90,041	79,886	110,280	64,994			
Phone/Cable/Internet	7,658	9,828	8,981	14,633	11,728	10,627	9,232	8,125
Waste Removal	2,591	3,037	1,505	3,605	2,370			
Wastewater	-1,067	5,925						
Interest Paid	5,400	7,200	16,022					
Travel	4,652	3,953	4,290	4,069	7,158	-	8,499	-
Employee/Contractor Housing	10,250			1,899	14,300	-	75,000	75,000
Charitable Contributions	1,650	725	500					
Cap Ex/Tools/Equip.	41,669	24,675	27,611	80,699	300,896	14,042	30,510	45,095
<b>Total Expense</b>	<b>674,116</b>	<b>617,176</b>	<b>580,898</b>	<b>846,009</b>	<b>1,074,825</b>	<b>665,547</b>	<b>843,146</b>	<b>1,004,018</b>
<b>Net Ordinary Income</b>	<b>2,589</b>	<b>14,119</b>	<b>(21,560)</b>	<b>(271,355)</b>	<b>(562,127)</b>	<b>(392,599)</b>	<b>(388,194)</b>	<b>(484,295)</b>
Other Income (Expense)				-	-	(8,993)	192,950	(50,892)
<b>Net Income</b>	<b>2,589</b>	<b>14,119</b>	<b>(21,560)</b>	<b>(271,355)</b>	<b>(562,127)</b>	<b>(401,592)</b>	<b>(195,244)</b>	<b>(535,187)</b>

Prior to FYE 6/07 skier visit numbers are estimated based on limited financial information from prior operator.