Condensed Interim Consolidated Financial Statements of

WHISTLER BLACKCOMB HOLDINGS INC.

For the three months ended December 31, 2012 and 2011

(Unaudited)

WHISTLER BLACKCOMB HOLDINGS INC.

Condensed Interim Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)
(in thousands, except per share amounts)

	Three months ended December 31, 2012	Three months ended December 31, 2011
Revenue (note 3)	$ 50,281	$ 49,133
Operating expenses	32,670	31,009
Depreciation and amortization	10,646	9,533
Selling, general and administrative	7,358	7,393
	50,674	47,935
Earnings from operations	(393)	1,198
Disposal gains (losses)	(11)	(63)
Finance expense, net (note 6)	(4,251)	(4,586)
Net loss before income tax	(4,655)	(3,451)
Income tax benefit (note 7)	942	656
Net loss and comprehensive loss	$ (3,713)	$ (2,795)
Net loss and comprehensive loss:		
Attributable to Whistler Blackcomb Holdings Inc. shareholders	$ (2,585)	$ (2,035)
Attributable to non-controlling interest	(1,128)	(760)
	$ (3,713)	$ (2,795)
Earnings per share		
Basic	$ (0.07)	$ (0.05)
Diluted	$ (0.07)	$ (0.05)
Weighted average number of common shares outstanding		
Basic	37,912	37,868
Diluted	37,967	37,918

See accompanying notes to the condensed interim consolidated financial statements.

WHISTLER BLACKCOMB HOLDINGS INC.

Condensed Interim Consolidated Statements of Financial Position
(Unaudited)
(in thousands)

	December 31, 2012	September 30, 2012
Assets		
Current assets:		
Cash and cash equivalents (note 11)	$ 56,332	$ 43,634
Accounts receivable	8,800	3,481
Income taxes receivable	623	240
Inventory	14,946	13,788
Prepaid expenses	3,824	3,104
Notes receivable	303	303
	84,828	64,550
Notes receivable	2,788	2,792
Property, buildings and equipment (note 4)	323,680	328,414
Intangible assets (note 5)	320,737	324,028
Goodwill	135,574	135,574
Property held for development	9,244	9,244
	$ 876,851	$ 864,602
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 27,493	$ 24,060
Income taxes payable	120	153
Provisions	2,859	2,903
Deferred revenue	46,060	20,718
	76,532	47,834
Long-term debt	257,113	256,800
Deferred income tax liabilities	14,801	15,489
Equity		
Whistler Blackcomb Holdings Inc. shareholders' equity		
Preferred shares; no par value; unlimited number authorized; nil outstanding		
Common shares; no par value; unlimited number authorized; 37,922 outstanding (September 30, 2012 – 37,908)	441,642	441,476
Additional paid-in capital	747	721
Deficit	(43,712)	(31,887)
Total Whistler Blackcomb Holdings Inc. shareholders' equity	398,677	410,310
Non-controlling interest	129,728	134,169
	528,405	544,479
	$ 876,851	$ 864,602

Contingencies (note 10)
Subsequent events (note 9 and 12)

See accompanying notes to the condensed interim consolidated financial statements.

WHISTLER BLACKCOMB HOLDINGS INC.

Condensed Interim Consolidated Statements of Changes in Equity
(Unaudited)
(in thousands)

	Common shares		Additional	Retained	Total	Non-	
	Number	Share capital	Paid-in Capital	Earnings (Deficit)	Shareholders' Equity	controlling Interest	Total
Balance, September 30, 2011	37,868	$ 440,994	$ 654	$ (10,613)	$ 431,035	$ 139,733	$ 570,768
Net earnings (loss)	-	-	-	(2,035)	(2,035)	(760)	(2,795)
Share-based compensation	-	-	208	-	208	-	208
Distributions to non-controlling interest	-	-	-	-	-	(3,310)	(3,310)
Dividends declared (note 9)	-	-	-	(9,230)	(9,230)	-	(9,230)
Balance, December 31, 2011	37,908	$ 440,994	$ 862	$ (21,878)	$ 419,978	$ 135,663	$ 555,641

	Common shares		Additional	Retained	Total	Non-	
	Number	Share capital	Paid-in Capital	Earnings (Deficit)	Shareholders' Equity	controlling Interest	Total
Balance, September 30, 2012	37,908	$ 441,476	$ 721	$ (31,887)	$ 410,310	$ 134,169	$ 544,479
Net earnings (loss)	-	-	-	(2,585)	(2,585)	(1,128)	(3,713)
Share-based compensation	14	166	26	-	192	-	192
Distributions to non-controlling interest	-	-	-	-	-	(3,313)	(3,313)
Dividends declared (note 9)	-	-	-	(9,240)	(9,240)	-	(9,240)
Balance, December 31, 2012	37,922	$ 441,642	$ 747	$ (43,712)	$ 398,677	$ 129,728	$ 528,405

See accompanying notes to the condensed interim consolidated financial statements.

WHISTLER BLACKCOMB HOLDINGS INC.

Condensed Interim Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

	Three months ended December 31, 2012	Three months ended December 31, 2011
Cash provided by (used in):		
Operations:		
Net earnings (loss)	$ (3,713)	$ (2,795)
Items not involving cash:		
Depreciation and amortization	10,646	9,533
Disposal losses (gains)	11	63
Share-based compensation	192	208
Amortization of debt issuance costs	313	318
Deferred income tax expense (benefit)	(688)	(574)
	6,761	6,753
Changes in non-cash operating working capital (note 11)	21,118	23,882
	27,879	30,635
Financing:		
Dividends paid on common shares (note 9)	(9,240)	(9,230)
Distributions to non-controlling interest	(3,313)	(3,310)
	(12,553)	(12,540)
Investing:		
Expenditures on property, buildings and equipment	(2,673)	(4,138)
Proceeds from sale of property and equipment	41	253
Repayment of notes receivable	4	4
	(2,628)	(3,881)
Increase in cash and cash equivalents	12,698	14,214
Cash and cash equivalents, beginning of period	43,634	30,023
Cash and cash equivalents, end of period	$ 56,332	$ 44,237

See supplemental cash flow information (note 11)

See accompanying notes to the condensed interim consolidated financial statements.

1. Operations:

The principal business activity of Whistler Blackcomb Holdings Inc. (the "Corporation") is the operation of a four season mountain resort in Whistler, British Columbia. The Corporation is a general partner of and holds a 75% interest in each of Whistler Mountain Resort Limited Partnership and Blackcomb Skiing Enterprises Limited Partnership, (collectively, the "Partnerships"). The 25% interest in the Partnerships that is not owned by the Corporation is owned by Nippon Cable Co. Ltd. and its affiliates, which are unrelated to the Corporation.

The address of the Corporation's registered office is 4545 Blackcomb Way, Whistler, British Columbia, V0N 1B4.

The Corporation's operations experience significant seasonality. The majority of skier visits occur between mid-December and the end of March. The three months ending March 31 generally generate the highest amount of revenue and net earnings. Principally due to the timing of skier visits and advance sale of tickets and passes, the Corporation's majority of cash flow from operations is typically generated during the three months ending December 31 and March 31.

2. Basis of presentation and significant accounting policies:

(a) Statement of compliance

These condensed interim consolidated financial statements comply with International Accounting Standard 34 *Interim Financial Statements*. Selected explanatory notes are included to explain significant events and transactions that have occurred since September 30, 2012. These condensed interim consolidated financial statements do not contain all of the information and disclosures required by International Financial Reporting Standards ("IFRS") for annual reporting purposes and should be read in conjunction with the Corporation's consolidated financial statements as at and for the year ended September 30, 2012.

These condensed interim consolidated financial statements were authorized for issuance by the Corporation's Board of Directors on January 31, 2013.

(b) Presentation and functional currency

These condensed interim consolidated financial statements have been prepared using the Canadian dollar as the presentation and functional currency.

(c) Significant accounting policies:

The accounting policies used in preparing these condensed interim consolidated financial statements are the same as those described in the Corporation's consolidated financial statements as at and for the year ended September 30, 2012.

(d) Estimates and judgments:

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results could differ from those estimates.

In preparing these condensed interim consolidated financial statements, the significant areas requiring management estimates and judgments are the same as those described in the Corporation's consolidated financial statements as at and for the year ended September 30, 2012.

3. Revenue:

	Three months ended December 31, 2012	Three months ended December 31, 2011
Revenue:		
Lift	$ 23,651	$ 23,079
Retail and rental shop	11,462	11,257
Ski school	5,648	5,889
Food and beverage	5,403	5,126
Other	4,117	3,782
Total revenue	$ 50,281	$ 49,133

4. Property, buildings and equipment:

	Land	Buildings	Ski lifts and area improvements	Automotive, furniture and equipment	Capital in progress	Total
Cost						
September 30, 2012	$ 18,504	$ 104,538	$ 200,353	$ 48,378	$ 4,390	$ 376,163
Additions	-	4	300	487	2,909	3,700
Transfers, net	-	-	-	-	(791)	(791)
Disposals	-	-	-	(1,778)	-	(1,778)
December 31, 2012	$ 18,504	$ 104,542	$ 200,653	$ 47,087	$ 6,508	$ 377,294
Accumulated depreciation						
September 30, 2012	$ -	$ 14,158	$ 24,160	$ 9,431	$ -	$ 47,749
Depreciation	-	1,835	3,226	2,294	-	7,355
Disposals	-	-	-	(1,490)	-	(1,490)
December 31, 2012	$ -	$ 15,993	$ 27,386	$ 10,235	$ -	$ 53,614
Net book value						
At September 30, 2012	$ 18,504	$ 90,380	$ 176,193	$ 38,947	$ 4,390	$ 328,414
At December 31, 2012	$ 18,504	$ 88,549	$ 173,267	$ 36,852	$ 6,508	$ 323,680

During the three months ended December 31, 2012, the Corporation made a change to reduce the estimated useful life of certain vehicles within property, buildings and equipment. The change in estimate has been accounted for prospectively commencing October 1, 2012 resulting in an additional $1.1 million charge to depreciation for the three months ended December 31, 2012.

5. Intangible assets:

	Mountain operating rights	Customer-related	Land tenures	Brand-related	Property management agreements	Total
Cost						
September 30, 2012 and December 31, 2012	$ 227,300	$ 14,000	$ 3,270	$ 106,116	$ 3,200	$ 353,886
Accumulated amortization						
September 30, 2012	$ 21,182	$ 8,202	$ 474	$ -	$ -	$ 29,858
Amortization	2,797	435	60	-	-	3,291
December 31, 2012	$ 23,979	$ 8,637	$ 534	$ -	$ -	$ 33,149
Net book value						
At September 30, 2012	$ 206,118	$ 5,798	$ 2,796	$ 106,116	$ 3,200	$ 324,028
At December 31, 2012	$ 203,321	$ 5,363	$ 2,737	$ 106,116	$ 3,200	$ 320,737

6. Finance expense, net:

	Three months ended December 31, 2012	Three months ended December 31, 2011
Interest income	$ 175	$ 137
Interest expense	(4,426)	(4,723)
Finance expense, net	$ (4,251)	$ (4,586)

7. Income taxes:

In the Corporation's condensed interim consolidated financial statements, income tax expense is recognized in each interim period based on management's best estimate of the weighted average annual income tax rate expected for the full fiscal year.

	Three months ended December 31, 2012	Three months ended December 31, 2011
Current tax benefit	$ 254	$ 82
Deferred tax benefit	688	574
	$ 942	$ 656

8. Share-based compensation:

Under its 2010 Omnibus Incentive Plan, the Corporation may grant the Corporation's common shares, stock options on shares of the Corporation's common stock and other share-based awards may be granted to directors, officers, employees or consultants of the Corporation or its affiliates.

The following provides a summary of the Corporation's share-based compensation awards since September 30, 2012:

	Restricted share units	Weighted average grant date fair value
	(number)	(dollars)
Unvested, September 30, 2012	160	$ 11.70
Vested	(14)	12.00
Forfeited	(20)	11.45
Unvested, December 31, 2012	126	$ 11.70

The restricted share units unvested and outstanding at the end of the period have vesting dates from January 2013 to September 2015.

9. Dividends:

Dividend per common share	Declaration date	Record date	Payment date	Total distribution
$0.24375	October 11, 2011	October 24, 2011	October 28, 2011	$ 9,230
$0.24375	October 9, 2012	October 23, 2012	October 26, 2012	$ 9,240
$0.24375	January 8, 2013	January 22, 2013	January 25, 2013	$ 9,240

10. Contingencies:

(a) Legal claims:

The Corporation is involved in several lawsuits arising from the ordinary course of business. Although the outcome of such matters cannot be predicted with certainty, management does not consider the Corporation's exposure to be material to these consolidated financial statements.

(b) Indemnities:

Under agreements with third parties, the Corporation and/or the Partnerships have agreed and will, in the future, agree to indemnify such third parties in certain circumstances.

11. Supplemental cash flow information:

Cash and cash equivalents are comprised of:

	December 31, 2012	September 30, 2012
Cash	$ 43,438	$ 40,534
Cash held in trust	12,894	3,100
	$ 56,332	$ 43,634

The changes in non-cash operating working capital consist of the following:

	Three months ended December 31, 2012	Three months ended December 31, 2011
Cash provided by (used in):		
Accounts receivable	$ (5,319)	$ (7,428)
Inventory	(1,158)	(1,407)
Prepaid expenses	(720)	999
Accounts payable and accrued liabilities	3,433	7,697
Income taxes	(416)	(132)
Provisions	(44)	147
Deferred revenue	25,342	24,006
	$ 21,118	$ 23,882

	Three months ended December 31, 2012	Three months ended December 31, 2011
Supplemental information:		
Interest paid, net	$ 3,885	$ 4,286
Income taxes paid	$ 1,323	$ 50

12. Subsequent event:

On January 18, 2013, the Corporation entered into a commitment for the purchase and construction of ski lifts in the amount of $18 million. A non-refundable deposit of $2 million was made as part of the commitment.