Management's Discussion and Analysis

WHISTLER BLACKCOMB HOLDINGS INC.

For the three and nine months ended June 30, 2013

Introduction

The following discussion summarizes significant factors affecting the consolidated operating results and financial condition of Whistler Blackcomb Holdings Inc. for the three and nine months ended June 30, 2013 compared to the three and nine months ended June 30, 2012. References to "WBHI", the "Corporation", "we", "us" or "our" are to be taken as reference to Whistler Blackcomb Holdings Inc.

Our unaudited condensed interim consolidated financial statements for the three and nine months ended June 30, 2013 have been prepared in accordance with International Financial Reporting Standards ("IFRS") on the basis of all available information up to August 6, 2013, the date of this discussion, and comply with International Accounting Standard 34 *Interim Financial Statements*. Amounts discussed below are based on our unaudited condensed consolidated interim financial statements and are presented in Canadian dollars, unless otherwise stated.

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the following:

- our unaudited condensed interim consolidated financial statements for the three and nine months ended June 30, 2013
- our most recent annual audited consolidated financial statements for the year ended September 30, 2012
- our most recent annual MD&A for the year ended September 30, 2012
- our most recent Annual Information Form ("AIF") dated December 12, 2012, and
- our disclosures below regarding forward-looking statements and risk factors

The documents outlined above, and additional information relating to us, are all available on our website at www.whistlerblackcombholdings.com and on SEDAR at www.sedar.com. None of the information on the SEDAR website is incorporated by reference into this document by this or any other reference.

In this MD&A we report Adjusted Earnings Before Interest, Tax, Depreciation and Amortization ("Adjusted EBITDA") and Cash Available for Payment of Dividends and Distributions, which are non-GAAP measures. For descriptions and definitions of the non-GAAP measures used in this MD&A, see pages 11-12.

Page Guide

Nine months ended June 30, 2013
Highlights and Significant Items

- Total revenue of $212.2 million for the nine months ended June 30, 2013, 1.5% higher than total revenue of $209.0 million in the same period of the prior year.
- Effective Ticket Price [(1)] ("ETP") of $51.68 for the nine months ended June 30, 2013, an increase of 5% compared to $49.23 in the same period of the prior year.
- Revenue per skier visit [(2)] of $95.59 for the nine months ended June 30, 2013, increasing 5.8% from $90.34 in the same period of the prior year.
- Adjusted EBITDA [(3)] of $85.9 million for the nine months ended June 30, 2013, increasing 1% from $85.0 million in the same period of the prior year.
- Net earnings attributable to WBHI shareholders of $23.2 million, or $0.61 per common share, for the nine months ended June 30, 2013 compared to $23.6 million, or $0.62 per common share, in the same period of the prior year.
- Cash and cash equivalents of $58.8 million as at June 30, 2013, increasing $5.2 million, or 9.7%, compared to $53.6 million as at June 30, 2012
- Announcement of an $18 million investment in two new ski lifts at Whistler Blackcomb, which are expected to open for the 2013-14 ski season.

Three months ended June 30, 2013
Highlights and Significant Items

- Total revenue of $29.7 million for the three months ended June 30, 2013, 13.6% lower than total revenue of $34.4 million in the same period of the prior year.
- ETP of $46.81 for the three months ended June 30, 2013, an increase of 9.9% compared to $42.58 in the same period of the prior year.
- Revenue per visit of $104.53 for the three months ended June 30, 2013, increasing 13.2% from $92.34 in the same period of the prior year.
- Adjusted EBITDA of $1.9 million for the three months ended June 30, 2013, decreasing $3.0 million from $4.9 million in the same period of the prior year.
- Net loss attributable to WBHI shareholders of $7.3 million, or $0.19 per common share for the three months ended June 30, 2013, compared to a net loss of $5.2 million, or $0.14 per common share, in the same period in the prior year.
- Early calendar timing of the Easter vacation period in the 2012-13 ski season affecting the comparability of results between quarterly periods. The quarter ended June 30, 2013 included one day of the Easter vacation period (March 29 to April 1, 2013), while the Easter vacation period in 2012 fell entirely into the third quarter (April 6 to April 9, 2012).

[(1)] Effective Ticket Price represents the yield-per-skier visit calculated as total ski-related lift revenue divided by total skier visits. Ski-related lift revenue and skier visits excludes revenue and visits from summer glacier skiing.

[(2)] Revenue per skier visit is calculated as Resort Revenue less other revenue divided by total skier visits.

[(3)] "Adjusted EBITDA" is a non-GAAP measure. See pages 11-12 in this MD&A for a discussion of non-GAAP measures, a definition of "EBITDA" and a reconciliation to its most directly comparable GAAP measure.

Financial Results Overview
Three and nine months ended June 30, 2013

(In thousands, except ETP, EPS, dividends declared and per skier amounts)

	Nine months ended June 30, 2013	Nine months ended June 30, 2012	Three months ended June 30, 2013	Three months ended June 30, 2012
Visit Metrics				
Skier visits	2,040	2,131	249	332
Other visits	159	141	100	89
Total visits	**2,199**	**2,272**	**349**	**421**
ETP	$ 51.68	$ 49.23	$ 46.81	$ 42.58
Revenue per skier visit	$ 95.59	$ 90.34	$ 104.53	$ 92.34
Financial Data				
Total revenue	$ 212,219	$ 209,017	$ 29,740	$ 34,422
Operating expenses, excluding depreciation and amortization	(105,008)	(103,201)	(22,024)	(24,012)
Selling, general and administrative	(21,309)	(20,779)	(5,790)	(5,479)
Adjusted EBITDA	**$ 85,902**	**$ 85,037**	**$ 1,926**	**$ 4,931**
Depreciation and amortization	(30,805)	(28,865)	(10,016)	(9,598)
Finance expense, net	(12,494)	(13,276)	(4,164)	(4,285)
Disposal gains (losses)	(749)	(22)	(749)	4
Net earnings (loss) before income tax	**$ 41,854**	**$ 42,874**	**$ (13,003)**	**$ (8,948)**
Income tax (expense) benefit	(7,973)	(8,208)	2,629	1,572
Consolidated net earnings (loss)	**$ 33,881**	**$ 34,666**	**$ (10,374)**	**$ (7,376)**
Net earnings attributable to:				
Corporation shareholders	$ 23,234	$ 23,639	$ (7,272)	$ (5,202)
Non-controlling Interest	10,647	11,027	(3,102)	(2,174)
Consolidated net earnings	**$ 33,881**	**$ 34,666**	**$ (10,374)**	**$ (7,376)**
EPS, basic	$ 0.61	$ 0.62	$ (0.19)	$ (0.14)
EPS, diluted	0.61	0.62	(0.19)	(0.14)
Weighted average number of common shares outstanding:				
Basic	37,940	37,892	37,958	37,908
Diluted	37,992	37,953	37,998	37,954
Dividends declared, per common share	$ 0.73125	$ 0.73125	$ 0.24375	$ 0.24375

Financial Results Discussion and Analysis
Nine months ended June 30, 2013

Revenue and Skier Visits

(In thousands, except ETP and per skier amounts)

Nine months ended June 30,	2013	2012	change	% change
Revenue				
Lift	$ 110,821	$ 109,484	$ 1,337	1.2%
Retail and rental	34,131	34,045	86	0.3%
Snow school	24,387	23,787	600	2.5%
Food and beverage	25,667	25,203	464	1.8%
Other	17,213	16,498	715	4.3%
Total revenue	**$ 212,219**	**$ 209,017**	**$ 3,202**	**1.5%**
Visit Metrics				
Skier visits	2,040	2,131	(91)	(4.3)%
Other visits	159	141	18	12.8%
Total visits	**2,199**	**2,272**	**(73)**	**(3.2)%**
ETP	**$ 51.68**	**$ 49.23**	**$ 2.40**	**5.0%**
Revenue per skier visit	**$ 95.59**	**$ 90.34**	**$ 5.20**	**5.8%**
Guest Mix [4]				
Local and regional guests	62%	61%	1	1.6%
Destination guests	38%	39%	(1)	2.6%

Total revenue for the nine months ended June 30, 2013 increased 1.5%, or $3.2 million, ETP increased 5.0%, or $2.40, and revenue per skier visit increased 5.8%, or $5.20, compared to the same period of the prior year. This was primarily attributable to increased pricing of our lift and other products, and increased guest spending patterns throughout our ancillary businesses, offset in part by a 4.3% decline in skier visits compared to the 2011-12 ski season. The decline in skier visits was primarily attributable to the timing of the Easter vacation period in 2013. As a result of the early Easter we experienced a loss of momentum in skier visits that typically accompanies such an occurrence, and this negatively affected skier visits in the third quarter of 2013 and contributed to the 0.1 million decline in skier visits for the 2012-13 ski season. Other visits increased 12.8% for the nine months ended June 30, 2013, reflecting growth in our sightseeing and bike park visits.

Other revenue increased 4.3% for the nine months ended June 30, 2013 and was primarily attributable to our heli-ski division, which experienced higher sales volumes compared to the same period of the prior year as a result of there being more days available for flying in 2013 than in 2012.

Sales and Deferred Revenue

Sales of season passes and frequency cards for the 2012-13 ski season totalled $44.5 million, which represents a 5.0%, or $2.1 million, increase over sales of season passes and frequency cards of $42.4 million for the prior year ski season. This was attributable to increased pricing compared to the same period of the prior year.

(4) Guest mix as estimated by management of Whistler Blackcomb Holdings Inc.

Financial Results Discussion and Analysis
Nine months ended June 30, 2013

2013-14 Spring Campaign

Whistler Blackcomb's spring campaign for 2013-14 season passes and frequency cards was completed in May 2013 and resulted in total sales of $12.1 million, which represents a $0.9 million or 8.0% increase from $11.2 million for the spring campaign in the prior year. This growth was attributable to increased pricing compared to the same period of the prior year, and a slight increase in the number of units sold.

Operating Expense, excluding Depreciation and Amortization

(In thousands)

Nine months ended June 30,	2013	2012	change	% change
Operating Expenses				
Operating labour and benefits costs	$ 51,923	$ 50,040	$ 1,883	3.8%
Retail and food services cost of sales	22,633	22,212	421	1.9%
Property taxes, utilities, rent and insurance	15,088	15,124	(36)	(0.2)%
Supplies, maintenance and other	15,364	15,825	(461)	(2.9)%
Total Operating Expenses	**$ 105,008**	**$ 103,201**	**$ 1,807**	**1.8%**

Total operating expenses for the nine months ended June 30, 2013 increased $1.8 million, or 1.8%, compared to the same period in the prior year.

Operating labour and benefit costs increased $1.9 million, or 3.8%, compared to the equivalent period in the prior year. This was attributable to market wage increases and to the increased volume of snow school lessons during the second quarter of the 2012-13 ski season.

Retail and food services cost of sales increased $0.4 million, or 1.9%, compared to the same period in the prior year, and was attributable to the increased volume of food and beverage sales resulting from increased guest spending.

Supplies, maintenance and other expenses experienced cost savings of 2.9% compared to the same period of the prior year reflecting the lower level of skier visits.

Depreciation and Amortization

Depreciation and amortization expense of $30.8 million for the nine months ended June 30, 2013 increased $1.9 million, or 6.7%, compared to the same period in the prior year. The increase was primarily attributable to updating the estimated useful life for depreciation of certain vehicles within our property, buildings and equipment, as disclosed in our MD&A for the three months ended December 31, 2012.

Financial Results Discussion and Analysis
Nine months ended June 30, 2013

Disposal Losses

During the nine months ended June 30, 2013 disposal losses increased $0.7 million compared to the same period in the prior year. This increase was primarily attributable to the removal and disposal of the Crystal Chair lift in conjunction with our installation of two new ski lifts on Whistler and Blackcomb mountains.

Finance Expense, Net

During the nine months ended June 30, 2013 finance expense, net, decreased $0.8 million, or 5.9%, to $12.5 million compared to the equivalent period in the prior year. Finance expense, net, for the nine months ended June 30, 2013 includes $12.2 million of interest expense on our credit facilities, $0.9 million of amortization of debt issuance costs, $0.6 million of offsetting interest income, and reflects an effective interest rate of 6.6% per annum on our credit facilities. The decrease in finance expense, net, compared to the same period in the prior year was mainly attributable to the amendment of our credit facilities in the third quarter of 2012 as disclosed in our MD&A for the year ended September 30, 2012.

Income Taxes

Income tax expense of $8.0 million for the nine months ended June 30, 2013 represents a decrease of $0.2 million, or 2.9%, compared to the same period in the prior year. This is attributable to our decreased net earnings during the nine months ended June 30, 2013 compared to the same period of the prior year. Income tax expense for WBHI includes income taxes on our 75% share of the Partnerships' net earnings, and income taxes on the 100% owned non-material subsidiaries of WBHI. Our effective tax rate for the nine months ended June 30, 2013 was 19% and is consistent with the effective tax rate for the comparable period in the prior year. The effective tax rate differs from the statutory tax rate of 26% primarily because of the non-controlling interest held by Nippon Cable Co. Ltd and its affiliates ("Nippon"). Nippon's income tax expenses are not included in WBHI's consolidated financial statements.

Adjusted EBITDA

Adjusted EBITDA increased 1.0% to $85.9 million for the nine months ended June 30, 2013 compared to $85.0 million for the comparable period in 2012. Higher revenue was offset in part by higher operating costs.

Liquidity and Capital Resources

As of June 30, 2013, cash and cash equivalents presented on our condensed interim consolidated statement of financial position totalled $58.8 million, increasing $5.2 million, or 9.7%, compared to $53.6 million of cash and cash equivalents on hand as at June 30, 2012. Our primary source of funding to satisfy our financial obligations is our cash and cash equivalents and cash provided by our operations, which we believe are currently sufficient to sustain our operations. Aside from our trade payables and working capital requirements, our financial obligations consist of the Partnerships' long-term debt and interest payments thereon.

Financial Results Discussion and Analysis
Nine months ended June 30, 2013

Cash Flows - Sources and Uses of Cash

(In thousands)

Nine months ended June 30,	2013	2012	change	% change
Net cash provided by operations	$ 64,976	$ 67,799	$ (2,823)	(4.2)%
Net cash used in financing activities	(37,692)	(37,915)	223	0.6%
Net cash used in investing activities	(12,073)	(6,269)	(5,804)	(92.6)%
Increase (decrease) in cash and cash equivalents	**$ 15,211**	**$ 23,615**	**$ (8,404)**	**(35.6)%**
Cash and cash equivalents, beginning of period	43,634	30,023	13,611	45.3%
Cash and cash equivalents, end of period	**$ 58,845**	**$ 53,638**	**$ 5,207**	**9.7%**

Cash provided by operations

Cash flows from operations of $65.0 million for the nine months ended June 30, 2013 decreased by $2.8 million, or 4.2%, compared to the equivalent period in the prior year. The decrease was primarily attributable to the timing of purchases during the nine months ended June 30, 2013 compared to the same period in the prior year.

Cash used in financing activities

For the nine months ended June 30, 2013 cash used in financing activities comprised distributions of $9.9 million made by the Partnerships to Nippon, and dividends of $27.7 million paid to our common shareholders, both of which are consistent with the comparable period in the prior year.

Cash used in investing activities

Cash used in investing activities of $12.1 million for the nine months ended June 30, 2013 increased $5.8 million, or 92.6%, compared to the same period in the prior year. This increase was attributable to costs associated with our installation of two new ski lifts on Whistler and Blackcomb mountains, which are expected to be in use for the 2013-2014 ski season.

Contractual Obligations and Commitments

During the nine months ended June 30, 2013 we announced an $18 million investment in two new ski lifts at Whistler Blackcomb. The investment will result in the replacement of the Harmony high-speed quad chairlift with a new high-speed, detachable, six-pack chairlift capable of transporting six people on each chair. In addition, Blackcomb Mountain will see a new high-speed quad chairlift going into the Crystal Zone, currently accessed by a fixed-grip triple chair. The total budgeted investment includes the cost to purchase and install the two new lifts as well as snowmaking enhancements, terrain work and other improvements.

Financial Results Discussion and Analysis
Three months ended June 30, 2013

Revenue and Skier Visits

(In thousands, except ETP and per skier amounts)

Three months ended June 30,	2013	2012	change	% change
Revenue				
Lift	$ 15,016	$ 16,953	$ (1,937)	(11.4)%
Retail and rental	4,576	5,400	(824)	(15.3)%
Snow school	2,356	3,488	(1,132)	(32.5)%
Food and beverage	4,080	4,815	(735)	(15.3)%
Other	3,712	3,766	(54)	(1.4)%
Total revenue	**$ 29,740**	**$ 34,422**	**$ (4,682)**	**(13.6)%**
Visit Metrics				
Skier visits	249	332	(83)	(25)%
Other visits	100	89	11	12.4%
Total visits	**349**	**421**	**(72)**	**(17.1)%**
ETP	**$ 46.81**	**$ 42.58**	**$ 4.23**	**9.9%**
Revenue per skier visit	**$ 104.53**	**$ 92.34**	**$ 12.19**	**13.2%**

The 11.4% decrease in lift revenue for the three months ended June 30, 2013 compared to the same period in the prior year was attributable to the calendar timing of the Easter vacation period in the 2012-13 ski season. The quarter ended June 30, 2013 included one day of the Easter vacation period (March 29 to April 1, 2013), while the Easter vacation period in 2012 fell entirely into the third quarter (April 6 to April 9, 2012). The decline in skier visits was offset in part by a 9.9% improvement in our effective ticket price for the third quarter of 2013 compared to the comparable period in 2012. This increase in ETP was mainly a result of increased pricing on our lift products and the relative visit mix during the third quarter of 2013.

The timing of the Easter vacation period in 2013 contributed to a decline in skier visits of approximately 0.1 million visits for the three months ended June 30, 2013 when compared to the same period of the prior year. As a result of the early Easter we experienced a loss of momentum in skier visits that typically accompanies such an occurrence, and this negatively affected skier visits in the third quarter of 2013. The timing of holiday periods can have a meaningful effect on the comparability of results between quarterly reporting periods. Accordingly, we experienced decreases in retail and rental revenue of 15.3%, snow school revenue of 32.5%, and food and beverage revenue of 15.3% when compared to the equivalent period in 2012, which included the full Easter vacation period for the 2011-12 ski season. This variability between periods highlights the importance of considering our results for the full year-to-date rather than on a quarterly basis.

Total revenue decreased $4.7 million, or 13.6%, when compared to the same period of the prior year, with the decline in skier visits in 2013 being offset in part by a 13.2% increase in our revenue per visit for the third quarter compared to the third quarter last year. Revenue per visit improved as a result of the higher ETP, as well as increased pricing and guest spending patterns in our ancillary businesses.

Financial Results Discussion and Analysis
Three months ended June 30, 2013

Operating Expense, excluding Depreciation and Amortization

(In thousands)

Three months ended June 30,	**2013**	**2012**	**change**	**% change**
Operating Expenses				
Operating labour and benefits costs	$ 10,924	$ 11,764	$ (840)	(7.1)%
Retail and food services cost of sales	3,483	4,085	(602)	(14.7)%
Property taxes, utilities, rent and insurance	4,126	4,077	49	1.2%
Supplies, maintenance and other	3,491	4,086	(595)	(14.6)%
Total Operating Expenses	**$ 22,024**	**$ 24,012**	**$ (1,988)**	**(8.3)%**

Total operating expenses for the three months ended June 30, 2013 decreased $2.0 million, or 8.3%, compared to the same period in the prior year. Operating labour and benefit costs decreased $0.8 million, or 7.1%, retail and food services cost of sales decreased $0.6 million, or 14.7%, and supplies, maintenance and other decreased $0.6 million, or 14.6%, when compared to the equivalent period in the prior year. These decreases were primarily attributable to management adjusting staffing levels and business inputs to reflect the lower skier volumes experienced during the period.

Depreciation and Amortization

Depreciation and amortization expense of $10.0 million for the three months ended June 30, 2013 increased $0.4 million, or 4.4%, compared to the same period in the prior year. The increase was primarily attributable to updating the estimated useful life for depreciation of certain vehicles within our property, buildings and equipment, as disclosed in our MD&A for the three months ended December 31, 2012.

Disposal Losses

During the three months ended June 30, 2013 disposal losses increased $0.7 million compared to the same period in the prior year. This increase was primarily attributable to the removal and disposal of the Crystal Chair lift in conjunction with our installation of two new ski lifts on Whistler and Blackcomb mountains.

Finance Expense, Net

For the three months ended June 30, 2013 finance expense, net, decreased $0.1 million, or 2.8%, to $4.2 million compared to the equivalent period in the prior year. Finance expense, net, for the three months ended June 30, 2013 included $4.1 million of interest expense on our credit facilities, $0.3 million of amortization of debt issuance costs, $0.2 million of offsetting interest income, and reflects an effective interest rate of 6.6% per annum on our credit facilities. The decrease in finance expense, net, compared to the same period of the prior year was attributable to the amendment of our credit facilities in the third quarter of 2012.

Financial Results Discussion and Analysis
Three months ended June 30, 2013

Income Taxes

Income tax benefit of $2.6 million for the three months ended June 30, 2013 represents an increase of $1.1 million, or 67.2%, compared to the same period in the prior year. This is attributable to our increased net loss during the quarter ended June 30, 2013 compared to the equivalent period in the prior year. Income tax expense for WBHI includes income taxes on our 75% share of the Partnerships' net earnings and income taxes on the 100% owned non-material subsidiaries of WBHI. Our effective tax rate for the three months ended June 30, 2013 was 19% and is consistent with the effective tax rate for the same period in the prior year. The effective tax rate differs from the statutory tax rate of 26% primarily because of the non-controlling interest held by Nippon. Nippon's income tax expenses are not included in WBHI's consolidated financial statements.

Adjusted EBITDA

Adjusted EBITDA of $1.9 million for the three months ended June 30, 2013 represents a decrease of 60.9% compared to $4.9 million for the comparable period in 2012. Lower revenue was offset in part by reductions in operating costs.

Cash Flows - Sources and Uses of Cash

(In thousands)

Three months ended June 30,	**2013**	**2012**	**change**	**% change**
Net cash provided by operations	$ (2,022)	$ (2,158)	$ 136	6.3%
Net cash used in financing activities	(12,569)	(12,822)	253	2.0%
Net cash used in investing activities	(3,676)	(1,828)	(1,848)	(101.1)%
Increase (decrease) in cash and cash equivalents	**$ (18,267)**	**$ (16,808)**	**$ (1,459)**	**8.7%**
Cash and cash equivalents, beginning of period	77,112	70,446	6,666	9.5%
Cash and cash equivalents, end of period	**$ 58,845**	**$ 53,638**	**$ 5,207**	**9.7%**

Cash used in financing activities

For the three months ended June 30, 2013 cash flows used in financing activities comprised distributions of $3.3 million made by the Partnerships to Nippon, and dividends of $9.3 million paid to our common shareholders, both of which are consistent with the equivalent period in the prior year.

Cash used in investing activities

Cash used in investing activities of $3.7 million for the three months ended June 30, 2013 increased $1.8 million compared to the equivalent period in the prior year. This increase was attributable to costs associated with our installation of two new ski lifts on Whistler and Blackcomb mountains.

Financial Results Discussion and Analysis
Three and nine months ended June 30, 2013

Non-GAAP Measures

Adjusted EBITDA and Cash Available for Payment of Dividends and Distributions are non-GAAP measures and are presented to complement our GAAP measures by providing further insight, from management's perspective, into the financial performance of our business as a whole. We believe Adjusted EBITDA is an important measure of operating performance because it allows management, investors and others to evaluate and compare our core operating results, including our return on capital and operating efficiencies, from period to period by removing the impact of our capital structure, tax consequences, and non-cash movements in our asset base, as well as items that we do not believe to be part of our normal operations, such as disposal gains and losses.

Adjusted EBITDA and Cash Available for Payment of Dividends and Distributions do not have standardized meanings prescribed by GAAP and are, therefore, unlikely to be comparable to similar measures presented by other companies. Adjusted EBITDA and Cash Available for Payment of Dividends and Distributions should not be considered in isolation or as a substitute for analysis of financial information reported under GAAP.

Adjusted EBITDA

Adjusted EBITDA is defined for purposes of this MD&A as consolidated net earnings (including net earnings attributable to the non-controlling interest) before finance expense, net, income tax expense, depreciation and amortization, and non-cash losses or gains on disposal of fixed assets.

The following table reconciles Adjusted EBITDA to our most directly comparable GAAP measure, consolidated net earnings (loss):

(In thousands)

	Nine months ended June 30, 2013	Nine months ended June 30, 2012	Three months ended June 30, 2013	Three months ended June 30, 2012
Consolidated net earnings (loss)	**$ 33,881**	**$ 34,666**	**$ (10,374)**	**$ (7,376)**
Depreciation and amortization	30,805	28,865	10,016	9,598
Finance expense, net	12,494	13,276	4,164	4,285
Income tax expense (benefit)	7,973	8,208	(2,629)	(1,572)
Non-cash losses (gains) on disposal of fixed assets	749	22	749	(4)
Adjusted EBITDA	**$ 85,902**	**$ 85,037**	**$ 1,926**	**$ 4,931**

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Three and nine months ended June 30, 2013

Non-GAAP Measures (continued)

Cash Available For Payment of Dividends and Distributions by Partnerships

Cash Available for Payment of Dividends and Distributions is defined for purposes of this MD&A as the amount of cash provided from operations net of maintenance capital expenditures but before the impact of changes in non-cash working capital, all on a consolidated basis. This cash is then available to be paid by the Partnerships as distributions to Nippon and WBHI, which is then available to be paid by WBHI as dividends to shareholders.

The following table provides a reconciliation of Cash Available for Payment of Dividends and Distributions to the most directly comparable GAAP measure, cash provided by operations:

(In thousands)	Nine months ended June 30, 2013	Nine months ended June 30, 2012	12 months ended June 30, 2013	Year ended September 30, 2012
Cash Available for Payment of Dividends and Distributions				
Adjusted EBITDA	$ 85,902	$ 85,037	$ 86,074	$ 85,209
Finance expense, net before amortization of debt issuance costs	(11,565)	(12,327)	(15,439)	(16,201)
Current income tax expense	(3,015)	(1,708)	(1,603)	(296)
Maintenance capital expenditures, net	(6,911)	(6,403)	(10,738)	(10,230)
Add back non-cash items included in Adjusted EBITDA:				
Stock-based compensation	578	422	705	549
	$ 64,989	**$ 65,021**	**$ 58,999**	**$ 59,031**
Net cash provided by operations	$ 64,976	$ 67,799	$ 71,340	$ 74,163
Add back changes in non-cash working capital	6,924	3,625	(1,603)	(4,902)
Maintenance capital expenditures, net	(6,911)	(6,403)	(10,738)	(10,230)
	$ 64,989	**$ 65,021**	**$ 58,999**	**$ 59,031**
Dividends and Distributions				
Dividends	$ 27,744	$ 27,710	$ 36,984	$ 36,950
Distributions to non-controlling interest	9,948	9,936	13,262	13,250
	$ 37,692	**$ 37,646**	**$ 50,246**	**$ 50,200**
Ratio			**85.2%**	**85.1%**

There has been no material change to our Cash Available for Payment of Dividends and Distributions for the twelve months ended June 30, 2013 compared to the year ended September 30, 2012.

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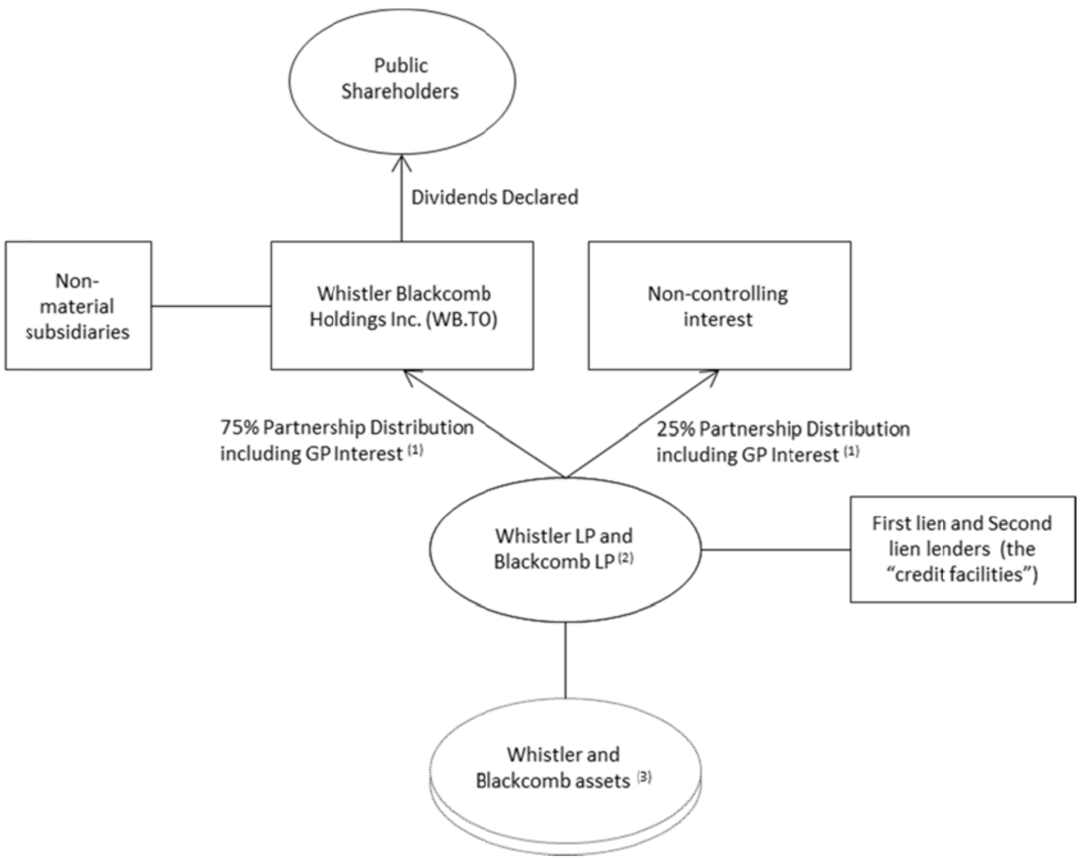
Three and nine months ended June 30, 2013

Partnership Distributions and Non-controlling Interest

The Partnership Agreements provide that distributions be made on the basis of 75% to WBHI and 25% to Nippon, the holder of the non-controlling interest. Distributions received by WBHI from the Partnerships are used primarily to fund public company expenses, income taxes on its share of the Partnerships' taxable income, and dividends paid on common shares. WBHI also receives the net earnings or loss from its non-material subsidiaries. Accordingly, the net earnings attributable to the non-controlling interest reported on the condensed interim consolidated statement of comprehensive income will not be exactly proportionate to the 25% distribution provided by the partnership agreements.

The following chart sets out the ownership structure for WBHI and the Partnerships.



(1) "GP" refers to the General Partner
(2) "Whistler LP" refers to the Whistler Mountain Resort Limited Partnership and "Blackcomb LP" refers to the Blackcomb Skiing Enterprises Limited Partnership. Together they are referred to as the "Partnerships"
(3) The assets owned, directly or indirectly, by Whistler LP and Blackcomb LP in connection with Whistler Blackcomb

Under the terms of our credit facilities, the Partnerships are permitted to distribute 100% of their distributable cash (as defined within the first lien and second lien credit agreements) subject to compliance with specified covenants (as defined within the first lien and second lien credit agreements). For additional information on the Partnership distributions and the credit facilities refer to the sections "Partnership – Distribution Policy" and "Credit Facilities of the Partnerships" in our most recent AIF, which is available on our website at www.whistlerblackcombholdings.com and on SEDAR at www.sedar.com.

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Dividends

Dividends paid to the holders of WBHI common shares are funded principally by the Partnerships' operating cash flow and our existing cash and cash equivalents balance. Cash and cash equivalents generated from our operations that we retain after capital expenditures, distributions and dividend payments are available for additional capital expenditures or investments, distributions and payments of dividends in future years, or a combination of both.

Our ability to continue to pay dividends on our common shares depends on our, and principally the Partnerships', ability to generate operating cash flow and the amounts incurred for capital expenditures. Various factors could impact WBHI or the Partnerships' ability to generate cash flow. Consequently, there is no guarantee that dividends paid on our common shares will continue at historical levels. The amount and timing of any dividends paid on our common shares is at the discretion of our Board of Directors and is evaluated each fiscal quarter.

Dividend Subsequent to June 30, 2013

Effective August 7, 2013, our Board of Directors declared a quarterly cash dividend of $0.24375 per common share, representing a total distribution of approximately $9.3 million, to be paid on August 22, 2013 to all shareholders of record on August 19, 2013.

Debt

Our credit facilities are held by the Partnerships. As at June 30, 2013 we had $261.0 million of debt outstanding under the credit facilities, which consisted of $135.0 million under the first lien facility with a syndicate of financial institutions, and $126.0 million under the second lien facility with a Canadian institutional investor.

Interest on the credit facilities is incurred at the following rates:

- First lien facility — at floating rates (bankers' acceptance or prime rates, depending on our election), plus an applicable margin ranging from 2.00% to 3.00% per annum for bankers' acceptances, depending on the Partnerships' leverage ratios; and
- Second lien facility — at a fixed rate of 8.75% per annum.

Off-Balance Sheet Arrangements

Except for operating leases and land leases, we did not have any off-balance sheet arrangements as at June 30, 2013. See note 16 "Commitments and Contingencies" to our consolidated financial statements for the year ended September 30, 2012 for a description of our commitments and contingencies relating to our operating leases and land leases.

Transactions Between Related Parties

During the nine months ended June 30, 2013 transactions between related parties totalled $0.1 million and related to services provided by Intrawest ULC who owned approximately 24% of the outstanding common shares of WBHI until December 4, 2012. On December 4, 2012, Intrawest ULC sold its common shares to an unrelated entity.

During the three months ended June 30, 2013 there have been no transactions between related parties.

Financial Results Discussion and Analysis
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Financial Instruments and Other Instruments

Our financial instruments consist of cash and cash equivalents, accounts receivable, notes receivable, accounts payable and long-term debt.

Our financial assets create exposure to credit risk. Credit risk associated with cash and cash equivalents is minimized by placing such amounts on deposit with major financial institutions with investment grade credit ratings. Credit risk associated with customer accounts receivable is minimized by our diverse customer base. Secured notes receivable are secured by real estate.

To manage liquidity risk on our accounts payable and long-term debt, we maintain leverage ratios that are defined in the credit facilities and the Partnerships have amounts available to them under a revolving credit facility. Additionally, the credit facilities contain certain restrictions on new borrowings.

Amounts outstanding under the first lien facility bear interest at floating rates; changes in these rates will cause future borrowing costs of amounts outstanding under those facilities to fluctuate. Amounts outstanding on the second lien facility bear interest at fixed rates. We do not use derivative or non-derivative financial instruments to hedge the fluctuations in our borrowing costs or fair value.

Critical Accounting Policies

There have been no changes during the nine months ended June 30, 2013 to the accounting policies that we believe to be most critical to and have the most significant effect on the presentation of our financial statements, which are described in our MD&A for the year ended September 30, 2012.

Critical Accounting Estimates

The preparation of our financial statements requires us to make estimates and judgments that affect the amounts reported in our financial statements. We base our estimates on historical experiences and assumptions believed to be reasonable under the circumstances and re-evaluate them on an ongoing basis. Those estimates form the basis for our judgments that affect the amounts reported in our financial statements. Actual results could differ from estimates under different assumptions or conditions.

Deferred Revenue

Deferred revenue includes the sale of season passes and frequency cards prior to their usage, generally at or prior to the commencement of the ski season. During the ski season, revenue is recognized from the sale of season passes and frequency cards based on actual usage of products in proportion to our estimates of the number of expected skier visits associated with the products over the entire season, which is based on historical experience. All deferred revenue from the sale of ski season passes and frequency cards will be recognized as revenue by the end of the ski season. Therefore, while judgment and estimates are required in determining the amount of revenue to recognize on season passes and frequency cards between periods within the ski season, all such revenue is recognized by the end of the ski season. There have been no changes to our critical estimates in relation to deferred revenue for the nine months ended June 30, 2013.

Financial Results Discussion and Analysis
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Critical Accounting Estimates (continued)

Estimated Useful Lives of Non-Financial Assets

We depreciate and amortize our finite-lived tangible and intangible assets over their estimated useful lives. When the useful life of an asset is not limited by contractual terms, estimated useful lives are determined based on various factors including historical data and our expected use of the asset. Significant judgment is required in determining the useful lives of the assets. During the nine months ended June 30, 2013 we made a change to the estimated useful lives of certain assets recorded within the automotive, furniture and equipment category of property, buildings and equipment on our balance sheet, which was disclosed in our MD&A for the three months ended December 31, 2012. There have been no subsequent changes to our critical estimates in relation to the estimated useful lives of non-financial assets.

Disclosure Controls and Procedures

Management, under the supervision of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures. On the basis of this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2013, the disclosure controls and procedures were effective to ensure that information, required to be submitted under applicable securities legislation, is recorded, processed, summarized and reported within specified time periods and is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Control over Financial Reporting

Management, under the supervision of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our internal control over financial reporting based on the criteria established in "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 1992. On the basis of this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2013, our internal control over financial reporting was effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with our accounting policies under IFRS.

There have been no changes in the internal controls over financial reporting during the three and nine months ended June 30, 2013 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Outstanding Securities

As of August 6, 2013, we had 37,957,998 common shares issued and outstanding.

Summary of Quarterly Results

(In thousands, except EPS and ETP)

	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011	Sep 30, 2011
Financial Data								
Total revenue	$ 29,740	$ 132,198	$ 50,281	$ 27,355	$ 34,422	$ 125,462	$ 49,133	$ 25,580
Adjusted EBITDA [5]	1,926	73,723	10,253	172	4,931	69,375	10,731	(119)
Consolidated net earnings (loss)	(10,374)	47,968	(3,713)	(11,304)	(7,376)	44,837	(2,795)	(25,969)
Net earnings (loss) attributable to the Corporation	(7,272)	33,091	(2,585)	(7,963)	(5,202)	30,876	(2,035)	(22,471)
EPS, basic	(0.19)	0.87	(0.07)	(0.21)	(0.14)	0.81	(0.05)	(0.59)
Other Measures								
Skier visits	249	1,330	461	-	332	1,338	461	-
Other visits	100	31	28	375	89	23	29	347
Total visits	349	1,361	489	375	421	1,361	490	347
ETP [6] – quarter	$ 46.81	$ 53.44	$ 49.22	$ -	$ 42.58	$ 51.31	$ 48.02	$ -
ETP – year-to-date	$ 51.68	$ 52.36	$ 49.22	$ 49.28	$ 49.23	$ 50.46	$ 48.02	$ 47.06

Whistler Blackcomb's business experiences significant seasonality. Lift and other revenues are driven primarily by skier visitation, and the majority of skier visits occur from late December to the end of March each season. The quarters ended March 31 have historically generated the highest revenue, net earnings and Adjusted EBITDA. The quarters ended December 31 and June 30 include the ramp-up and wind-down of each ski season in November and May, respectively. As a result, net losses are typically incurred in the quarters ending December 31, June 30, and September 30 primarily due to interest expense, income tax expense and depreciation and amortization expense exceeding Adjusted EBITDA in those quarters. Summer activities begin in the quarter ended June 30 and run from the end of May to the beginning of October. Most capital expenditures are generally incurred from May to November each year.

Business Description

Whistler Blackcomb is North America's largest and most visited mountain ski resort destination and one of the world's premier mountain resort destinations. Whistler Blackcomb features two adjacent and integrated mountains, Whistler Mountain and Blackcomb Mountain, with over 200 marked runs, 8,171 acres of skiable terrain, 14 alpine bowls and three glaciers and is located adjacent to pedestrian villages located at the base of Whistler Mountain and Blackcomb Mountain. Whistler Blackcomb has a mile-high vertical drop, the largest area of skiable terrain, the most marked trails and highest lift capacity of any large ski resort in North America. Whistler Blackcomb has received average annual snowfall of more than 1,174 centimetres (462 inches) over the last 10 seasons and has one of the longest ski seasons in North America. Whistler Blackcomb has attracted an average of approximately 2 million skier visits annually since the operations of Whistler Mountain and Blackcomb Mountain were integrated in the 1997/1998 ski season and over the last 10 years has averaged approximately 11% market share of skier visits in the Canadian market and approximately 2.7% market share of skier visits in the North American market. Whistler Blackcomb has received a number of accolades from leading travel and leisure publications including being named the number 1 overall mountain resort by in SKI Magazine, Freeskier Magazine, SBC Resort Guide, Powderhounds.com, Findthebest.com and onthesnow.com in 2012.

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[5] "Adjusted EBITDA" is a non-GAAP measure. See pages 11-12 in this MD&A for a discussion of non-GAAP measures, a definition of "EBITDA" and a reconciliation to its most directly comparable GAAP measure.

[6] "ETP" is the Effective Ticket Price representing the yield-per-skier visit calculated as total ski-related lift revenue divided by total skier visits. Ski-related lift revenue and skier visits excludes revenue and visits from summer glacier skiing.

Risk Factors

A detailed discussion of the risk factors impacting our business and financial results is included in our most recent AIF dated December 12, 2012, under the heading "Risk Factors", which is available on our website at www.whistlerblackcombholdings.com and on SEDAR at www.sedar.com. All such risk factors are specifically incorporated by reference into this MD&A.

Cautionary note regarding Forward-Looking Statements

This MD&A may contain forward-looking statements or information, within the meaning of applicable Canadian securities laws, including, but not limited to, statements with respect to the sufficiency of liquidity and capital resources to maintain our operations, the timing of the completion of our new ski lifts, expected growth of our business, and other information or statements about future events or conditions which may prove to be incorrect. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "can", "could", "would", "might" or "will be taken", "occur" or "be achieved".

The forward-looking statements and information contained in this MD&A are subject to a number of significant risks and uncertainties that could cause actual results to differ materially from those anticipated including, but not limited to, risks relating to unfavourable weather conditions, economic downturns, the seasonality of Whistler Blackcomb's operations, the extent of required capital expenditures, currency fluctuations, the competitive nature of Whistler Blackcomb's industry, the unanticipated departure of named executed officers, a general dependence on a seasonal workforce, reliance on existing material agreements, risks relating to Whistler Blackcomb's access and use of debt financing, adequacy of insurance coverage, litigation, safety and accidents, environmental laws and regulations, leisure and business travel, the impact of any occurring natural disasters and economic, business and market conditions. A more detailed description of these risks is available in our most recent AIF dated December 12, 2012, which is available on our website at www.whistlerblackcombholdings.com and on SEDAR at www.sedar.com.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements or information prove incorrect, actual results may vary materially from those described herein. Although we believe that the expectations reflected in such forward-looking statements and information are reasonable, undue reliance should not be placed on forward-looking statements or information because we give no assurance that such expectations will prove to be correct.

These forward-looking statements and information are made as of the date of this MD&A, and we have no intention and assume no obligation to update or revise any forward-looking statements or information to reflect new events or circumstances, except as required by applicable Canadian securities laws.