

A Message from the President -- December 2009

Staying The Course

During these times of global challenges, especially for some sectors of the resort and hotel industry, I am pleased to report that our company has reason for optimism. The benefits of diversity in coast to coast locations and the resilience of snowsports lovers who visited last winter in near-record numbers, we believe, are promise of a brighter future. Our relatively small drop in sales (of approximately 7%) has been absorbed in the past 12 months and we are *operationally* tracking toward becoming sustainable operationally. This requires us to improve operating results by at least \$16m over the period from April 2008 to March 2009 moving forward and is necessary to make the company viable for the long term. Meeting this goal will also allow us to restructure our balance sheet and funding sources in a way that will further allow for more reinvestment flexibility and support growth in the future.

As the longest running ski resort company in the world, now with more than 60 years under the belt, we remain committed to leadership within the communities we serve and to fostering sustainable economic growth. As stewards of these recreational meccas, we will continue to promote authentic experiences that we can deliver upon for decades to come - if we efficiently execute our plan. This will allow our commitment to guest service, staff investment and product improvement to continue with vigor. Throughout the past year, our dedicated teams have made the appropriate adjustments to keep Boyne Resorts a viable business in these challenging times, all while retaining a high level of quality throughout the operation. For that, I thank each and every one of you, and for the sacrifices you have personally made and the level of professional team spirit you have displayed to this end.

Please be aware, with so much of our business reliant on the six months of the winter season, much can change for the better --- and for the worse. We must stay focused and vigilant. Your continued willingness and valuable experience in responding to the cards we are dealt are among this company's greatest assets. We expect our geographical diversity to again play an important role in balancing the highs and lows within each region, therefore it is up to each of us and each resort's team to make the best of what we face from weather and economic impacts. If achieved at the level of the past nine months, we should all begin to reap the reward of those efforts in 2010.

All the best this holiday season and beyond,



Stephen Kircher
President, Eastern Operations
Boyne Resorts