INTRAWEST CORP
Form 6-K/A
May 30, 2002

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 6-K/A

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16

UNDER

THE SECURITIES EXCHANGE ACT OF 1934

FOR THE MONTH OF MARCH 2002

INTRAWEST CORPORATION
(Registrant's name)

SUITE 800, 200 BURRARD STREET, VANCOUVER, BC V6C 3L6 CANADA
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ___ Form 40-F X

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ___ No X

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-________.

INTRAWEST 3

THIRD QUARTER
NINE MONTHS ENDED MARCH 31, 2002

TO OUR SHAREHOLDERS

An outstanding performance by ski and resort operations during a challenging season resulted in a 12.2% increase in income from continuing operations compared with the same quarter in 2001. Our strong competitive position, supported by the quality of our on-mountain operations and resort villages, enabled us to attract approximately one of every 10 skier visits in North America this year. This exceeds the level of 9.3% last year and continues the trend of steady year-to-year market share improvement from the level of 7.8% five years ago.

OPERATING RESULTS (ALL DOLLAR AMOUNTS ARE IN US CURRENCY)

Income from continuing operations for the third quarter ended March 31, 2002 increased to $56.2 million from $50.1 million for the same quarter of fiscal 2001. Basic earnings per share increased from $1.15 to $1.28 and fully diluted earnings per share increased from $1.12 to $1.25. Revenue for the quarter was $342.1 million compared with $339.0 million for the third quarter of 2001. Total Company EBITDA (earnings before interest, taxes, non-controlling interest, depreciation and amortization) for the period increased to $113.1 million from $107.0 million in the same period last year.

Income from continuing operations for the nine months ended March 31, 2002 was $52.5 million compared with $57.6 million in 2001. Revenue and Total Company EBITDA for the nine months were $667.2 million and $160.2 million, respectively, compared with $675.9 million and $157.3 million, respectively, in the same period last year.

Further information on the Company's operating results is contained in Management's Discussion and Analysis below.

LATEST COMPANY DEVELOPMENTS

During the quarter and in recent months, our business has experienced steady growth. This is reflected in several areas including our golf operations under the leadership of Intrawest Golf, which now has 26 courses under management including seven contracts gained since December 31, 2001. Intrawest is the majority owner of 17 of these courses.

Our resort reservations business, Resort Reservations Network or RezRez, recently expanded its central reservations presence in destinations including Miami, Toronto, San Francisco and Vancouver. Gross bookings through RezRez increased 245% on a fiscal year-to-date basis to $45.2 million.

In January we were selected by the City and County of Denver to negotiate an agreement to operate Winter Park Resort. Negotiations are underway.

Continued strong demand for resort real estate is reflected in project sell-outs during the third quarter, including the 242-suite Four Seasons Resort Whistler with $97 million in sales, and the 102-suite Hameau Du Glacier project in Les Arcs, our first European project, with $22 million in sales. We are encouraged by the success of our recent real estate launches and we now have a record backlog of real estate contracts with total pre-sales of over $700 million of which approximately $250 million is expected to close in the fourth quarter of fiscal 2002 and the balance is expected to close in fiscal 2003 and 2004.

DIVIDENDS

On May 13, 2002, the Board of Directors declared a dividend of Cdn.$0.08 per common share payable on July 24, 2002 to shareholders of record on July 10, 2002.

NRP SHARES

A normal course issuer bid for up to 465,000 non-resort preferred ("NRP") shares expired on January 9, 2002. Under such bid, we purchased 341,600 NRP shares at an average price of Cdn.$1.58 per share. A new normal course issuer bid for the purchase of up to 370,000 NRP shares commenced on February 22, 2002 and will terminate on February 21, 2003. Under such bid, we have purchased 3,000 NRP shares at an average price of Cdn.$1.65 per share to date.

OUTLOOK

With yet another successful winter season behind us, we are looking forward to an active summer season at our resorts with operating conditions that should be more predictable than those we faced through the winter. We will continue to build on the success of cost-control measures implemented during the past two years while maintaining the customer experience. Our broader objective remains to generate significant free cash flow from operations and real estate to reduce debt, while continuing to leverage our expertise in resort development and operations to enter into business ventures that offer growth and require limited capital investment.

On behalf of the Board,

/s/ Joe S. Houssian	/s/ Daniel O. Jarvis
Joe S. Houssian	Daniel O. Jarvis
Chairman, President and Chief Executive Officer	Executive Vice President and Chief Financial Officer

May 13, 2002

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("MD&A") should be read in conjunction with the more detailed MD&A (which includes a discussion of business risks) contained in the Company's June 30, 2001 annual report.

THREE MONTHS ENDED MARCH 31, 2002 (THE "2002 QUARTER") COMPARED WITH THE THREE MONTHS ENDED MARCH 31, 2001 (THE "2001 QUARTER")

REVIEW OF SKI AND RESORT OPERATIONS

Ski and resort operation revenue was $273.1 million in the 2002 quarter, up from $267.9 million in the 2001 quarter. Revenue from the mountain resorts increased from $254.7 million to $260.3 million due mainly to a 4% increase in skier visits from 4,348,000 to 4,527,000. Given the slow economy and in the aftermath of September 11, the Company was very pleased with this performance. A number of factors contributed to the skier visit growth, including:

- The addition of approximately 1,000 new beds across the Company's resorts after the 2001 third quarter.
- The timing of Easter in the 2002 quarter versus the fourth quarter of fiscal 2001.
- A 9% increase in the number of season passes and frequency cards sold during the year from 249,000 to 271,000.
- The strong competitive position of each of the Company's resorts due to past investments in on-mountain facilities, village amenities and snowmaking.
- The Company's marketing capability, including its centralized call center at Resort Reservations, which enabled a quick response to the shortened booking trends experienced this year.

Revenue per skier visit across all the resorts decreased 2% from $53.34 to $52.17 due to the shift in visits from destination to local and regional. Local and regional guests typically generate lower revenue per visit since they spend less on non-ticket items. Revenue per visit actually increased at all of the Company's resorts except for Whistler Blackcomb which has a higher proportion of "fly-to" customers than the other resorts. Revenue from the Company's non-skier visit related businesses (Alpine, the Breeze/Max retail chain and Resort Reservations) increased a combined 6% to $24.1 million in the 2002 quarter compared with the 2001 quarter.

Revenue from the warm-weather resorts was $12.8 million in the 2002 quarter, down from $13.2 million in the 2001 quarter mainly due to reduced corporate and group business at the Raven golf courses in Arizona.

The composition of ski and resort operation revenue was as follows:

	2002 Quarter (millions)	2001 Quarter (millions) (unaudited)	Increase (decrease) (millions)	Per
Mountain operations	$ 128.9	$ 129.2	$ (0.3)	
Retail and rental	48.7	46.1	2.6	
Food and beverage	31.9	31.7	0.2	
Lodging and property management	28.6	27.5	1.1	
Ski school	21.0	19.5	1.5	
Golf	5.9	6.3	(0.4)	
Other	8.1	7.6	0.5	
	$ 273.1	$ 267.9	$ 5.2	

The flat performance of mountain operations reflects the impact of increased season pass and other regional visits. The 6% increase in retail and rental revenue was due mainly to additional outlets at Blue Mountain and Tremblant and to a maturing of the new village at Copper. The 4% increase in lodging and property management

revenue was due to 19,000 additional room nights booked during the 2002 quarter and a $10 increase in the average daily room rate. The 8% increase in ski school revenue was attributable mainly to the timing of Easter and spring break, which are traditionally high demand periods for ski school programs. The 6% decline in golf revenue was due mainly to lower yields at the Arizona courses in response to reduced hotel occupancies in Phoenix and Tucson.

Ski and resort operations EBITDA increased to $99.6 million in the 2002 quarter from $93.2 million in the 2001 quarter. The cost control measures that had a positive impact on ski and resort operations EBITDA in the first two quarters of fiscal 2002 continued to benefit the Company in the third quarter and, while revenue grew by 1.9%, costs declined by 0.7%. The EBITDA margin improved from 34.8% to 36.5%.

REVIEW OF REAL ESTATE OPERATIONS

Revenue from the sale of real estate was $64.2 million in the 2002 quarter compared with $65.5 million in the 2001 quarter. A total of 126 units were closed in the 2002 quarter compared with 171 units in the 2001 quarter. The closings in the 2002 quarter were below expectations as construction delays at the First Ascent project in Squaw Valley moved some closings of pre-sold units into the fourth quarter of fiscal 2002. The average sales price per unit increased 24%, reflecting unit type and resort mix as well as price escalation. Approximately one-third of the units closed in the 2002 quarter were at Squaw Valley which has high average prices in excess of $600 per square foot. The Company's vacation ownership business, Club Intrawest, experienced a strong third quarter, with revenue of $16.5 million compared with $13.2 million in the 2001 quarter.

Operating profit from real estate sales was $11.9 million in the 2002 quarter, down slightly from $12.0 million in the 2001 quarter. The margin on sales improved to 18.6% from 18.3%, reflecting the change in resort and unit type mix referred to above.

REVIEW OF CORPORATE OPERATIONS

Interest and other income for the 2002 quarter was $1.7 million compared with $3.1 million in the 2001 quarter due mainly to lower interest rates. Interest expense was $10.2 million in the 2002 quarter, up slightly from $10.0 million in the 2001 quarter as the impact of higher debt balances was offset by reduced interest rates. Depreciation and amortization expense increased to $30.1 million in the 2002 quarter from $26.7 million in the 2001 quarter due to new capital expenditures at the resorts over the past year. The tax rate decreased to 12% in the 2002 quarter from 18% in the 2001 quarter due mainly to utilization of available tax shelter and to reductions in Canadian federal and provincial corporate tax rates. Non-controlling interest decreased to $6.4 million in the 2002 quarter from $7.5 million in the 2001 quarter due to reduced real estate closings at Whistler Blackcomb.

NINE MONTHS ENDED MARCH 31, 2002 (THE "2002 PERIOD") COMPARED WITH THE NINE MONTHS ENDED MARCH 31, 2001 (THE "2001 PERIOD")

REVIEW OF SKI AND RESORT OPERATIONS

Ski and resort operation revenue was $419.3 million in the 2002 period compared with $425.4 million in the 2001 period. Revenue from the mountain resorts decreased from $385.7 million to $379.2 million as the increase in revenue in the third quarter described above was offset by revenue reductions in the first and second quarters. Late season openings at the eastern resorts, caused by unusually warm weather in November and December, and the aftermath of the events of September 11, reduced mountain resort revenue in the second quarter by $7.7 million. In addition, the Company's decision to turn over management of the waterpark at Mountain Creek to a third-party operator reduced revenue by $4.1 million in the first quarter.

Revenue from the warm-weather resorts increased to $40.0 million in the 2002 period from $39.7 million in the 2001 period. An increase in revenue due to the opening of the new Raven golf course at Three Peaks was offset by a reduction in revenue at the Arizona courses due mainly to slower group and corporate business.

Ski and resort operations EBITDA increased to $115.8 million in the 2002 period from $110.5 million in the 2001 period as effective control over costs more than offset the decline in revenue. The margin on sales was 27.6% in the 2002 period compared with 26.0% in the 2001 period.

REVIEW OF REAL ESTATE OPERATIONS

Revenue from the sale of real estate was $238.2 million in the 2002 period, down from $240.0 million in the 2001 period. A total of 654 units were closed in the 2002 period compared with 783 units in the 2001 period. The average sales price per unit increased 17%, reflecting unit type and resort mix as well as price escalation. The Resort Club generated $32.7 million of the real estate revenue for the 2002 period, 12% more than the 2001 period.

Operating profit from real estate sales was $38.0 million in the 2002 period, down from $38.8 million in the 2001 period. The margin on sales was 15.9% in the 2002 period compared with 16.2% in the 2001 period. The lower margin reflects the lower weighting of lot sales in the 2002 period (9% of closings versus 16% in the 2001 period). Lots typically have a higher margin than condo-hotel units or townhomes.

REVIEW OF CORPORATE OPERATIONS

Interest and other income was $3.1 million in the 2002 period compared with $4.6 million in the 2001 period due to lower interest rates. Interest expense was $31.8 million in the 2002 period, up slightly from $31.7 million in the 2001 period as the impact of higher debt in the 2002 period was offset by lower interest rates. Depreciation and amortization expense was $49.9 million in the 2002 period, up from $43.7 million in the 2001 period mainly because of the capital expenditures at the resorts during the past two fiscal years. Corporate general and administrative expense was $8.8 million for the 2002 period compared with $7.0 million for the 2001 period due primarily to increased information technology costs.

LIQUIDITY AND CAPITAL RESOURCES

The major sources and uses of cash in the three and nine months ended March 31, 2002 and March 31, 2001 were as follows:

	Three months ended March 31 2002 (millions)	2001 (millions)	Nine months e 2002 (millions) (unaudited)
Funds from continuing operations	$ 90.9	$ 82.4	$ 109.2
Working capital for real estate developed for sale	(79.7)	(15.5)	(145.9)
Acquisitions and resort capital expenditures	(13.1)	(20.1)	(69.6)
	(1.9)	46.8	(106.3)
(Increase) decrease in other net assets	52.5	8.8	40.3
Net cash flows before non-construction financing	50.6	55.6	(66.0)
Net financing inflows (repayments) excluding construction financing	(30.4)	(30.2)	94.1
Increase in cash	$ 20.2	$ 25.4	$ 28.1
Net new investment in real estate developed for sale	$ (82.3)	$ (53.9)	$ (187.3)
Less: net proceeds from construction financing	2.6	38.4	41.4
Working capital for real estate developed for sale	$ (79.7)	$ (15.5)	$ (145.9)

Working capital for real estate used $79.7 million of cash in the 2002 quarter compared with $15.5 million in the third quarter last year. The increase in use of cash reflects the increased number of units under development. Quarterly changes in working capital for real estate are not necessarily indicative of annual changes since the timing of project completions, and therefore unit closings, heavily impacts them. During the nine-month period real estate development used $145.9 million cash, up from $47.4 million in the nine months last year. The Company expects to close significantly more units in the fourth quarter of fiscal 2002 than the fourth quarter of fiscal 2001 which will result in working capital for real estate for fiscal 2002 being similar to fiscal 2001. The net investment in real estate developed for sale is expected to decline significantly in fiscal 2003 as the production of units levels off and spending on up-front infrastructure costs begins to decline.

Acquisitions and resort capital expenditures used $13.1 million of cash in the 2002 quarter compared with $20.1 million in the 2001 quarter. For the nine months, acquisitions and resort capital expenditures used $69.6 million cash, down from $80.4 million in the same period last year. These reductions are in keeping with the Company's strategy of leveraging its expertise rather than its capital to grow its business. The Company expects to spend significantly less in fiscal 2002 and future years on these items than it spent in past years as it assembled and upgraded its network of resorts.

Other net assets decreased by $52.5 million in the 2002 quarter mainly due to collection of receivables in connection with certain real estate closings in the second quarter. For the nine-month period other net assets provided $40.3 million cash compared with a use of cash of $28.7 million in the same period last year due mainly to an increase in payables and deferred revenue, resulting from increased real estate pre-sales.

At March 31, 2002, the Company had net debt (i.e., bank and other indebtedness net of cash and cash equivalents) of $1,019.6 million. The ratio of net debt to net tangible assets stood at approximately 50%. The Company's goal is to move this ratio down to approximately 35% within the next three years and it expects to achieve this objective primarily by increasing funds from continuing operations, reducing its net investment in real estate developed for sale, selling selected non-core assets and continuing to reduce resort capital expenditures.

ADDITIONAL INFORMATION

TOTAL COMPANY EBITDA

	Three months ended March 31		Nine mont
	2002	2001	2002
		(in thousands of US dollars)	(u
Income before tax	$ 71,305	$ 70,191	$ 69,507 $
Depreciation and amortization	30,141	26,725	49,853
Interest expense	10,201	10,028	31,783
Interest in real estate costs	3,097	3,174	12,147
Less interest and other income	(1,678)	(3,083)	(3,063)
Total Company EBITDA	$ 113,066	$ 107,035	$ 160,227 $

EBITDA FROM SKI AND RESORT OPERATIONS

	Three months ended March 31		Nine mont
	2002	2001	2002
		(in thousands of US dollars)	(u
Ski and resort operation revenue	$ 273,105	$ 267,932	$ 419,286 $
Ski and resort operation expenses	173,458	174,688	303,458

EBITDA from ski and resort operations	$ 99,647	$ 93,244	$ 115,828	$

EBITDA does not have a standardized meaning prescribed by generally accepted accounting principles (GAAP) and may not be comparable to similar measures presented by other publicly traded companies. A reconciliation between net earnings as determined in accordance with Canadian GAAP and EBITDA is presented above.

Statements in this report that are not historical facts are forward-looking statements that involve risks and uncertainties. Intrawest's actual results could differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, seasonality, weather conditions, competition, general economic conditions, currency fluctuations and other risks detailed in the Company's filings with the Canadian securities regulatory authorities and the U.S. Securities and Exchange Commission.

CONSOLIDATED STATEMENTS OF OPERATIONS AND RETAINED EARNINGS

	Three months ended March 31		Nine months en March	
	2002	2001	2002	2
	(in thousands of US dollars, except per share amounts) (unaudit			
REVENUE:				
Ski and resort operations	$ 273,105	$ 267,932	$ 419,286	$ 425,
Real estate sales	64,213	65,508	238,233	239,
Rental properties	3,146	2,490	6,645	5,
Interest and other income	(199)	1,269	1,186	2,
Income from equity accounted investment	1,877	1,814	1,877	1,
	342,142	339,013	667,227	675,
EXPENSES:				
Ski and resort operations	173,458	174,688	303,458	314,
Real estate costs	52,285	53,550	200,269	201,
Rental properties	1,507	1,106	3,536	2,
Interest	10,201	10,028	31,783	31,
Depreciation and amortization	30,141	26,725	49,853	43,

Corporate general and administrative	3,245	2,725	8,821	6,
	270,837	268,822	597,720	601,
Income before undernoted	71,305	70,191	69,507	74,
Provision for income taxes	8,660	12,670	8,316	8,
Income before non-controlling interest and discontinued operations	62,645	57,521	61,191	66,
Non-controlling interest	6,441	7,456	8,727	8,
Income from continuing operations	56,204	50,065	52,464	57,
Results of discontinued operations (note 4)	(45)	(130)	(17)	
Income for the period	56,159	49,935	52,447	57,
Retained earnings, beginning of period	181,956	137,203	187,922	131,
Dividends	--	--	(2,254)	(2,
Retained earnings, end of period	$ 238,115	$ 187,138	$ 238,115	$ 187,
Income from continuing operations per common share:				
Basic	$ 1.28	$ 1.15	$ 1.19	$ 1
Fully diluted	$ 1.25	$ 1.12	$ 1.18	$ 1
Net income per common share:				
Basic	$ 1.28	$ 1.15	$ 1.19	$ 1
Fully diluted	$ 1.25	$ 1.12	$ 1.18	$ 1
Weighted average number of common shares outstanding (in thousands)				
Basic	44,031	43,721	44,031	43,
Fully diluted	45,024	44,587	44,417	44,

See accompanying notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
(in thousands of US dollars)

	March 31	June 30
	2002 (unaudited)	2001 (audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 114,546	$ 86,430
Amounts receivable	68,580	82,536
Other assets	96,580	105,545
Resort properties	437,743	329,177
Future income taxes	3,619	4,168

	721,068	607,856
Ski and resort operations	832,746	813,741
Properties:		
Resort	439,472	371,451
Discontinued operations	6,334	7,080
	445,806	378,531
Amounts receivable	58,437	50,416
Other assets	96,341	86,640
Goodwill	16,545	19,128
	$ 2,170,943	$ 1,956,312
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Amounts payable	$ 159,221	$ 146,464
Deferred revenue	124,303	81,537
Bank and other indebtedness, current portion:		
Resort	330,869	201,558
Discontinued operations	--	82
	614,393	429,641
Bank and other indebtedness:		
Resort	800,430	804,991
Discontinued operations	2,846	3,363
	803,276	808,354
Due to joint venture partners	5,816	8,818
Deferred revenue	7,818	26,750
Future income taxes	83,676	83,771
Non-controlling interest in subsidiaries	32,890	30,616
	1,547,869	1,387,950
Shareholders' equity:		
Capital stock (note 5)	414,030	414,220
Retained earnings	238,115	187,922
Foreign currency translation adjustment	(29,071)	(33,780)
	623,074	568,362
	$ 2,170,943	$ 1,956,312

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Three months ended
March 31

	2002	2001	
		(in thousands o	
CASH PROVIDED BY (USED IN) OPERATIONS:			
Income from continuing operations	$ 56,204	$ 50,065	$
Items not affecting cash:			
Depreciation and amortization	30,141	26,725	
Future income taxes	--	--	
Income from equity accounted investment	(1,877)	(1,814)	
Non-controlling interest	6,441	7,456	
Funds from continuing operations	90,909	82,432	
Recovery of costs through real estate sales	52,285	53,550	
Acquisition and development of properties held for sale	(134,556)	(107,403)	
Increase in amounts receivable, net	(1,086)	(4,336)	
Changes in non-cash operating working capital (note 8)	58,560	20,060	
Cash provided by (used in) continuing operating activities	66,112	44,303	
Cash provided by (used in) discontinued operations (note 4)	299	(395)	
	66,411	43,908	
FINANCING:			
Bank and other borrowings, net	(25,319)	7,099	
Issue of common shares for cash	74	1,106	
Redemption and repurchase of non-resort preferred shares	(13)	(1,673)	
Dividends paid	--	--	
Distributions to non-controlling interests	(2,532)	--	
	(27,790)	6,532	
INVESTMENTS:			
Proceeds from (expenditures on):			
Revenue-producing properties	(226)	87	
Ski and resort operation assets	(13,075)	(20,092)	
Other assets	(5,167)	(5,006)	
Business acquisitions, net of cash acquired	--	--	
	(18,468)	(25,011)	
Increase in cash and cash equivalents	20,153	25,429	
Cash and cash equivalents, beginning of period	94,393	67,289	
Cash and cash equivalents, end of period	$ 114,546	$ 92,718	$

(Supplemental information (note 8))
See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands of US dollars, unless otherwise indicated)

1. BASIS OF PRESENTATION:

These interim consolidated financial statements do not include all disclosures required by Canadian generally accepted accounting principles for annual financial statements and should be read in conjunction with the Company's consolidated financial statements for the year ended June 30, 2001. In the opinion of Management, all adjustments necessary for a fair presentation are reflected in the interim financial statements. Such adjustments are of a normal and recurring nature. The results of operations for the interim periods reported are not necessarily indicative of the operating results expected for the year.

The significant accounting policies used in preparing these consolidated financial statements are consistent with those used in preparing the Company's consolidated financial statements for the year ended June 30, 2001, except as described in note 3 below.

2. SEASONALITY OF OPERATIONS:

Ski and resort operations are highly seasonal which impacts reported quarterly earnings. The majority of the Company's ski and resort operation revenue is generated during the period from November to April. Furthermore, during this period a significant portion of ski and resort operation revenue is generated on certain holidays (particularly Christmas, Presidents' Day and school spring breaks) and on weekends.

The Company's real estate operations tend to be somewhat seasonal as well, with construction primarily taking place during the summer and the majority of sales closing in the December to June period.

3. CHANGE IN ACCOUNTING POLICY:

The Company has adopted, effective July 1, 2001, the new recommendations of The Canadian Institute of Chartered Accountants relating to the method of calculation, presentation and disclosure of earnings per share. These new recommendations were applied retroactively and have resulted in the restatement of fully diluted earnings per share for the three months and nine months ended March 31, 2001. The fully diluted earnings per share for the three months ended March 31, 2002 and March 31, 2001 are more dilutive by $0.03 than it would have been under the previous standard. The fully diluted earnings per share for the nine months ended March 31, 2002 and March 31, 2001 are more dilutive by $0.01 and $0.03, respectively, than it would have been under the previous standard.

4. DISCONTINUED OPERATIONS:

For reporting purposes, the results of operations and cash flow from operating activities of the non-resort real estate business have been disclosed separately from those of continuing operations for the periods presented.

The results of discontinued operations are as follows:

	Three months ended March 31 2002 (unaudited)	Three months ended March 31 2001 (unaudited)	Nine months ende 2002 (unaudited)
Revenue	$ 362	$ 309	$ 803
Loss before current income taxes	$ (46)	$ (130)	$ --
Provision for current income taxes	(1)	--	17

Loss from discontinued operations	$ (45)	$ (130)	$ (17)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands of US dollars, unless otherwise indicated)

Assets and liabilities presented in the consolidated balance sheets include the following assets and liabilities of discontinued operations:

	MARCH 31 2002 (unaudited)	June 30 2001 (audited)
Current assets:		
Amounts receivable	$ 2,767	$ 4,126
Other non-cash current assets	(22)	--
Properties	6,634	7,080
Other non-current assets	26	166
Current liabilities	(465)	(900)
Non-current liabilities	(2,683)	(3,258)

The cash flows from discontinued operations are as follows:

	Three months ended March 31 2002 (unaudited)	2001 (unaudited)	Nine months end 2002 (unaudited)
Cash provided by (used in):			
Operations	$ 299	$ (395)	$ 1,503
Financing	(134)	(2,044)	(902)
Investing	--	366	--
Increase (decrease) in cash and cash equivalents	$ 165	$ (2,073)	$ 601

The Company has the right to apply the net cash flow from the discontinued operations from January 1, 1997 to the redemption of non-resort preferred ("NRP") shares.

5. CAPITAL STOCK:

	MARCH 31 2002 (unaudited)	June 30 2001 (audited)
Common shares	$ 400,375	$ 400,262
NRP shares	13,655	13,958
	$ 414,030	$ 414,220

(i) Common shares:

	Number of common shares (unaudited)	AMOUNT (unaudited)
Balance, June 30, 2001	44,026,394	$ 400,262
Issued for cash under stock option plan	14,150	113
Balance, March 31, 2002	44,040,544	$ 400,375

In addition to the stock options exercised during the quarter, 2,000 stock options were forfeited and 3,736,800 common stock options remain outstanding as at March 31, 2002.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands of US dollars, unless otherwise indicated)

(ii) NRP shares:

	Number of NRP shares (unaudited)	AMOUNT (unaudited)
Balance, June 30, 2001	5,513,936	$ 13,958
Purchased for cancellation	(344,600)	(303)
Balance, March 31, 2002	5,169,336	$ 13,655

(iii) Stock compensation:

The Company has early-adopted effective July 1, 2001, section 3870 of The Canadian Institute of Chartered Accountants ("CICA 3870") relating to the method of accounting for stock-based compensation. The recommendations require that stock-based compensation be accounted for based on a fair value methodology, although it allows an entity to continue to measure stock-based compensation costs using the intrinsic value based method of accounting. Accordingly, no compensation expense has been recognized for the periods presented. Had compensation expense been determined in accordance with the provisions of CICA 3870 using the Black-Scholes option pricing model at the date of the grant, the following weighted average assumptions would be used for options granted in the current period:

Dividend yield	0.6%
Risk-free interest rate	4.88%
Expected option life	7 years
Expected volatility	84%

Using the above assumptions, the Company's net income for the nine months ended March 31, 2002 would have been reduced to the pro forma amount indicated below:

Net income as reported	52,447
Estimated fair value of option grants	(569)
Pro forma	51,878

The estimated fair value of option grants is based on those options granted since the date of adoption and excludes the effect of those granted before July 1, 2001.

6. EARNINGS PER SHARE:

Basic earnings per common share ("EPS") is calculated by dividing net income attributable to common shareholders ("numerator") by the weighted average number of common shares outstanding ("denominator"). Fully diluted EPS reflects the potential dilution that could occur if outstanding dilutive options were exercised and the cash received was used to repurchase common shares at the average market price for the period.

The numerator for basic and fully diluted EPS was the same for all periods presented. The reconciliation of the denominators used is as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands of US dollars, unless otherwise indicated)

	Three months ended March 31 2002 (unaudited)	2001 (unaudited)	Nine months ended Mar 2002 (unaudited)	(unaud
Denominator (in thousands of shares):				
Weighted average number of common shares outstanding - basic	44,031	43,721	44,031	4
Effect of dilutive stock options	993	866	386	
Weighted average number of common shares outstanding - fully diluted	45,024	44,587	44,417	

The computation of fully diluted EPS for the nine months ended March 31, 2002 and 2001 excludes the effect of the assumed exercise of options to purchase 2,275,000 and 13,000 common shares, respectively, because the effect would be anti-dilutive.

7. SEGMENTED INFORMATION:

The following table presents the Company's results from continuing operations by reportable segment:

	Three months ended March 31 2002 (unaudited)	2001 (unaudited)	Nine months ended Ma 2002 (unaudited)	(unau
Segment revenue:				
Ski and resort	$ 260,315	$ 254,708	$ 379,248	$ 3
Real estate	67,359	67,998	244,878	2
Warm-weather	12,790	13,224	40,038	
Corporate and all other	1,678	3,083	3,063	
	$ 342,142	$ 339,013	$ 667,227	$ 6
Segment operating profit :				
Ski and resort	$ 99,611	$ 91,868	$ 113,638	$ 1
Real estate	13,567	13,342	41,073	
Warm-weather	36	1,376	2,190	
Corporate and all other	1,678	3,083	3,063	
	114,892	109,669	159,964	1
Less:				
Interest	10,201	10,028	31,783	
Depreciation and amortization	30,141	26,725	49,853	
Corporate general and administrative	3,245	2,725	8,821	

	43,587	39,478	90,457	
Income before income taxes, non-controlling interest and discontinued operations	$ 71,305	$ 70,191	$ 69,507	$

8. CASH FLOW INFORMATION:

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

	Three months ended March 31 2002 (unaudited)	Three months ended March 31 2001 (unaudited)	Nine months ended Ma 2002 (unaudited)	(unau
Cash provided by (used in):				
Amounts receivable	$ 34,206	$ 6,059	$ 12,636	$
Other assets	29,811	57,655	(4,779)	
Amounts payable	(6,256)	(12,860)	12,996	(
Due to joint venture partners	993	(1,269)	(2,943)	
Deferred revenue	(194)	(29,525)	41,021	
	$ 58,560	$ 20,060	$ 58,931	$
Supplemental information:				
Interest paid included in the determination of net income	$ 4,909	$ 7,108	$ 24,808	$
Income taxes paid	2,210	1,461	7,465	

[INTRAWEST LOGO]

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on behalf by the undersigned, thereunto duly authorized.

INTRAWEST CORPORATION

Date: May 28, 2002

By /s/ ROSS MEACHER

Name: Ross Meacher
Title: Corporate Secretary