

VIAD CORP

FORM 8-K (Unscheduled Material Events)

Filed 2/3/2006 For Period Ending 2/3/2006

Address	1850 NORTH CENTRAL AVE SUITE 800 PHOENIX, Arizona 85004-4545
Telephone	(602) 207-4000
CIK	0000884219
Industry	Business Services
Sector	Services
Fiscal Year	12/31

Powered By **EDGAR**
Online

<http://www.edgar-online.com/>

© Copyright 2005. All Rights Reserved.

Distribution and use of this document restricted under EDGAR Online's Terms of Use.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

February 3, 2006
Date of Report (Date of earliest event reported)

VIAD CORP
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-11015
(Commission
File Number)

36-1169950
(IRS Employer
Identification No.)

1850 North Central Avenue, Suite 800, Phoenix, Arizona 85004-4545
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (602) 207-4000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On February 3, 2006, Viad Corp (the "Company") issued a press release announcing its unaudited financial results for the fourth quarter and full year 2005. A copy of the Company's press release is furnished herewith as Exhibit 99 and is incorporated by reference herein.

The information in Item 2.02 of this current report on Form 8-K is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in Item 2.02 of this current report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Item 8.01 OTHER EVENTS

On February 3, 2006, Viad also announced its intent to repurchase up to one million shares of its common stock from time to time at prevailing prices in the open market under a recent authorization by its Board of Directors.

Item 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99 - Press Release dated February 3, 2006.

SIGNATURES

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

VIAD CORP
(Registrant)

February 3, 2006

By /s/ G. Michael Latta

G. Michael Latta
Vice President - Controller
(Chief Accounting Officer and
Authorized Signer)

Viad Corp Announces Full Year and Fourth Quarter Results; Full Year Income from Continuing Operations of \$1.64 per Share

PHOENIX--(BUSINESS WIRE)--Feb. 3, 2006--Viad Corp (NYSE:VVI):

-- Fourth Quarter Income from Continuing Operations of \$0.16 per Share

-- Viad to Repurchase up to 1 Million Shares

Viad Corp (NYSE:VVI) today announced full year 2005 revenue of \$826.3 million, segment operating income of \$64.2 million, and income from continuing operations of \$36.5 million, or \$1.64 per diluted share. Income before impairment losses was \$37.0 million, or \$1.66 per diluted share, as compared to \$23.3 million, or \$1.07 per diluted share, in 2004 and the company's prior guidance of \$1.38 to \$1.42 per diluted share. Viad's 2005 full year results included favorable tax settlements of \$4.7 million, or \$0.21 per diluted share.

Fourth quarter 2005 revenue was \$158.6 million, segment operating income was \$2.8 million and income from continuing operations was \$3.6 million, or \$0.16 per diluted share. This compares favorably to Viad's 2004 loss before impairment losses of \$6.0 million, or a loss of \$0.27 per diluted share. Viad's 2005 fourth quarter results included favorable tax settlements of \$2.7 million, or \$0.12 per diluted share.

Viad Corp also announced its intent, under a recent authorization by its board of directors, to repurchase up to one million shares of common stock of the corporation from time to time at prevailing prices in the open market. This is in addition to an existing authorization to repurchase common stock for the purpose of replacing common stock issued upon exercise of stock options and in connection with other stock compensation plans.

Robert H. Bohannon, chairman, president and chief executive officer said, "For the full year, we realized 59 percent growth in income before impairment losses as compared to 2004. Excluding the favorable tax settlements of \$4.7 million in 2005 and \$2.4 million in 2004, this growth rate was 55 percent. Our 2005 fourth quarter results were also significantly better than the 2004 fourth quarter. The strong year-over-year operating growth was driven mainly by improved profitability at Exhibitgroup/Giltspur. All of our operating companies performed well during 2005."

Bohannon added, "During 2005, our cash balances grew by \$37.6 million to \$152.6 million. We continue to evaluate the best uses of our cash to maximize shareholder value and total shareholder return. Today's announcement concerning our plan to repurchase up to one million common shares increases our flexibility to accomplish this objective. As I've said before, our first priority for capital deployment is a strategic acquisition and this has not changed. With \$152.6 million in cash and only \$17.4 million in debt, we believe that today's announcement regarding share repurchases will not preclude us from making such an acquisition. Share repurchases continue to be our first priority after acquisitions. Given the strength of our balance sheet and the fact that our cash balances continue to grow, we believe it is prudent now to repurchase some shares."

Fourth Quarter and Full Year 2005 Financial Highlights

Highlights of the 2005 full year and fourth quarter, compared to full year and fourth quarter 2004 results, are presented below. -0-

*T

	2005	2004	Change
	-----	-----	-----
	(\$ in millions)		
Revenue	\$ 826.3	\$ 785.7	5.2%
Segment operating income	\$ 64.2	\$ 53.4	20.3%
Operating margins (Note A)	7.8%	6.8%	100 bps
Income before impairment losses (Note B)	\$ 37.0	\$ 23.3	59.0%
Net income (loss) (Note C)	\$ 37.8	\$ (56.0)	(a)
Adjusted EBITDA (Note B)	\$ 77.4	\$ 61.4	26.1%
Cash from operations	\$ 49.9	\$ 35.6	39.9%
Free cash flow (Note B)	\$ 26.3	\$ 19.4	35.5%
	Q4 2005	Q4 2004	Change
	-----	-----	-----
	(\$ in millions)		
Revenue	\$ 158.6	\$ 152.1	4.2%
Segment operating income (loss)	\$ 2.8	\$ (5.2)	(a)
Operating margins (Note A)	1.8%	-3.4%	520 bps
Income (loss) before impairment losses (Note B)	\$ 3.6	\$ (6.0)	(a)
Net income (loss) (Note C)	\$ 3.7	\$ (4.5)	(a)
Adjusted EBITDA (Note B)	\$ 5.6	\$ (2.0)	(a)
Cash from operations	\$ 15.5	\$ 2.8	(a)
Free cash flow (outflow) (Note B)	\$ 8.5	\$ (4.1)	(a)

(a) Change is greater than +/- 100 percent.

(A) For operating margins, the change from the prior year period is presented in basis points.

(B) Income before impairment losses is defined by Viad as income from continuing operations before the after-tax effects of impairment losses.

Adjusted EBITDA is defined by Viad as net income before interest expense, income taxes, depreciation and amortization, impairment losses, changes in accounting principles and the effects of discontinued operations. Free cash flow is defined by Viad as net cash provided by operating activities minus capital expenditures and dividends. Income before impairment losses, Adjusted EBITDA and free cash flow are supplemental to results presented under accounting principles generally accepted in the United States of America (GAAP) and may not be comparable to similarly titled measures presented by other companies.

These non-GAAP measures are used by management to facilitate period-to-period comparisons and analysis of Viad's operating performance and liquidity. Free cash flow is also used by management to assess the company's ability to service debt, fund capital expenditures and finance growth. Management believes these non-GAAP measures are useful to investors in trending, analyzing and benchmarking the performance and value of Viad's business. These non-GAAP measures should be considered in addition to, but not as a substitute for, other similar measures reported in accordance with GAAP. See Table Two for reconciliations of income from continuing operations to income before impairment losses, of net income to Adjusted EBITDA, and of net cash provided by operating activities to free cash flow.

(C) Net income includes after tax impairment losses of \$508,000 in the 2005 third quarter relating to assets damaged as a result of Hurricane Katrina, and \$776,000 and \$81.6 million in the 2004 fourth quarter and full year, respectively, relating to goodwill and intangible assets at Exhibitgroup/Giltspur. Net income also includes income from discontinued operations of \$80,000 and \$1.2 million in the 2005 fourth quarter and full year, respectively, relating primarily to favorable tax settlements, and \$2.3 million in the 2004 fourth quarter and full year relating to tax matters associated with sold operations.

*T

At the end of the fourth quarter 2005:

-- Cash and cash equivalents were \$152.6 million.

-- Debt totaled \$17.4 million, with a debt-to-capital ratio of 4.1 percent.

GES Exposition Services (GES)

For the fourth quarter of 2005, GES' revenue was \$99.6 million, up \$1.3 million or 1.3 percent from \$98.4 million in the fourth quarter of 2004. Fourth quarter segment operating loss was \$869,000, improved from a loss of \$3.0 million in 2004. Full year revenue was \$568.0 million, up \$27.9 million or 5.2 percent from \$540.1 million in 2004. Full year segment operating income was \$43.6 million, as compared to \$43.3 million in 2004.

Bohannon said, "GES had a good year despite facing several challenges, including lower freight density, high fuel costs, and the disruption of exhibition and event activity caused by Hurricane Katrina. Strong revenue growth, driven by the Products and Services group, continued improvement in the exhibition and event industry and productivity improvements helped to offset the impact of these challenges. Overall, 2005 was another solid year for GES."

Exhibitgroup/Giltspur (Exhibitgroup)

Exhibitgroup's fourth quarter revenue was \$52.1 million, up \$4.8 million or 10.2 percent from \$47.3 million in the fourth quarter of 2004. Segment operating income was \$4.6 million, as compared to a loss of \$1.8 million in the 2004 fourth quarter. Full year revenue was \$184.3 million, up \$6.2 million or 3.5 percent from \$178.1 million in 2004. Full year segment operating income was \$511,000, an improvement of \$10.2 million as compared to a loss of \$9.6 million in 2004.

Bohannon said, "We are very pleased with Exhibitgroup's profitable results in 2005 and the substantial improvement over 2004. As a result of Exhibitgroup's efforts to increase the profitability of its show service offerings and to drive continued productivity improvements, operating results improved by \$10.2 million on a revenue increase of \$6.2 million. The revenue growth over 2004 is also significant in that it represents the first year of growth since 2000. This is very encouraging."

Travel and Recreation Services

Travel and Recreation Services segment revenue for the 2005 fourth quarter was \$6.8 million, as compared to \$6.5 million in the fourth quarter of 2004. Fourth quarter segment operating loss was \$930,000, as compared to a loss of \$501,000 in the 2004 fourth quarter. Full year revenue was \$73.9 million, up \$6.5 million or 9.6 percent from \$67.5 million in 2004. Segment operating income was \$20.1 million with operating margins of 27.2 percent, as compared to 2004 operating income of \$19.8 million and operating margins of 29.3 percent.

Bohannon said, "Brewster and Glacier Park, Inc. both realized strong revenue growth in 2005. This was driven mainly by increased occupancy at Brewster's Mount Royal Hotel and at Glacier Park's lodges and inns, as well as an increase in passenger volume at Brewster's Banff Gondola. While operating income growth was modest as the result of higher fuel costs and certain maintenance expenses, operating margins of 27.2 percent were still very strong."

2006 Outlook

Guidance provided by Viad is subject to change as a variety of factors can affect actual operating results. Those factors are identified in the safe harbor language at the end of this press release. The following guidance does not reflect any share repurchases but does reflect the adoption of

Statement of Financial Accounting Standards No. 123R (SFAS 123R). SFAS 123R is effective for Viad beginning January 1, 2006 and requires that all share-based compensation awards be measured at fair value at the date of grant and expensed over their vesting or service periods.

Full Year 2006

Viad has increased its full year guidance based upon a more favorable outlook for Exhibitgroup. Full year income per diluted share, including expected stock option expense of \$0.06 per share, is now expected to be in the range of \$1.49 to \$1.60, an increase from the company's prior guidance of \$1.45 to \$1.56 per share. This compares to 2005 income before impairment losses of \$1.66 per share (which included \$0.21 per share of favorable tax settlements and did not reflect the adoption of SFAS 123R). The guidance range for 2006 assumes an effective tax rate of 39 percent, as compared to the 2005 effective tax rate on income before impairment losses of 29.7 percent.

Revenue is expected to increase by a mid-single digit rate from the 2005 amount of \$826.3 million. Segment operating income is expected to increase by a mid to high-single digit rate from \$64.2 million in 2005. This growth is expected to be driven by improved results at all of Viad's operating companies.

Show rotation is not expected to have a meaningful impact on full year 2006 revenues, but is expected to impact Viad's quarterly revenues. For the first quarter, show rotation at GES is expected to negatively impact revenues by about \$22 million. In the second quarter, positive show rotation revenue at GES is expected to essentially offset negative show rotation revenue at Exhibitgroup. For the third quarter, Viad expects positive show rotation at both GES and Exhibitgroup totaling about \$34 million in revenue. Fourth quarter show rotation at GES is expected to negatively impact revenues by about \$7 million.

First Quarter 2006

For the first quarter, Viad's income per diluted share, including expected stock option expense of \$0.02 per share, is expected to be in the range of \$0.35 to \$0.43. This compares to income from continuing operations of \$0.56 per share in the 2005 first quarter (which did not reflect the adoption of SFAS 123R). Revenue is expected to decrease by a high-single digit to low-teens rate from the 2005 amount of \$249.5 million. Segment operating income is expected to decrease by \$5 million to \$8 million from \$22.8 million in 2005, primarily due to negative show rotation at GES.

Implicit within this guidance, are the following segment revenue and operating income expectations.

-0-

*T

	Segment Revenue		Segment Operating Income (Loss)	
	low-end	high-end	low-end	high-end
	(\$ in millions)			
GES	\$180.0	to \$ 190.0	\$ 18.5	to \$ 20.5
Exhibitgroup	\$ 33.0	to \$ 38.0	\$ (2.5)	to \$ (1.0)
Travel & Recreation	\$ 4.5	to \$ 5.0	\$ (2.0)	to \$ (1.5)

*T

Bohannon said, "Overall, 2005 was a great year for Viad. We realized very strong growth in segment operating income as the result of successful revenue initiatives that led to both incremental revenue and increased profitability as well as continued improvement in the industries we serve. Our 2005 earnings also benefited from favorable tax settlements. We look forward to continued strong results in 2006 under Paul Dykstra's leadership."

Dykstra added, "2005 was indeed a great year. We continue to see improvement in the exhibition and event industry and we are executing very well internally to drive revenue growth and increased profitability. Our goal is to carry this momentum into 2006. Our guidance for 2006 anticipates continued growth across all of our operating companies. We have now seen two consecutive quarters of growth in exhibit construction revenue mix, and we are cautiously optimistic that we will continue to see growth going forward. However, because we don't have good visibility over exhibit construction revenue, our guidance for Exhibitgroup assumes only a modest increase in revenue. Given the productivity improvements that Exhibitgroup has realized, we should have great upside if we can drive more revenue through that business."

Conference Call and Webcast

Viad Corp will hold a conference call with investors and analysts for a review of fourth quarter and full year 2005 results on Friday, February 3, 2006 at 9 a.m. (EST). To join the live conference call, dial 800-500-0177, passcode 4607853, or access the webcast through Viad's Web site at www.viad.com. A replay will be available for a limited time at 888-203-1112, passcode 4607853, or visit the Viad Web site and link to a replay of the webcast.

Viad is an S&P SmallCap 600 company. Major subsidiaries include GES Exposition Services of Las Vegas, Exhibitgroup/Giltspur of Chicago, Brewster Transport Company Limited of Banff, Alberta, Canada, and Glacier Park, Inc. of Phoenix. For more information, visit the company's Web site at www.viad.com.

Forward-Looking Statements

As provided by the safe harbor provision under the "Private Securities Litigation Reform Act of 1995," Viad cautions readers that, in addition to historical information contained herein, this press release includes certain information, assumptions and discussions that may constitute forward-looking statements. These forward-looking statements are not historical facts, but reflect current estimates, projections, expectations, or trends concerning future growth, operating cash flows, availability of short-term borrowings, consumer demand, new business, investment policies, productivity improvements, ongoing cost reduction efforts, efficiency, competitiveness, legal expenses, tax rates and other tax matters, and the realization of restructuring cost savings. Actual results could differ materially from those projected in the forward-looking statements. Viad's businesses can be affected by a host of risks and uncertainties. Among other things natural disasters, gains and losses of customers, consumer demand patterns, labor relations, purchasing decisions related to customer demand for convention and event services, existing and new competition, industry alliances, consolidation, and growth patterns within the industries in which Viad competes and any deterioration in the economy may individually or in combination impact future results. In addition to factors mentioned elsewhere, economic, competitive, governmental, technological, capital marketplace and other factors, including further terrorist activities or war, could affect the forward-looking statements in this press release. Additional information concerning business and other risk factors that could cause actual results to materially differ from those in the forward-looking statements can be found in Viad's annual and quarterly reports filed with the Securities and Exchange Commission.

Information about Viad Corp obtained from sources other than the company may be out-of-date or incorrect. Please rely only on company press releases, SEC filings and other information provided by the company, keeping in mind that forward-looking statements speak only as of the date made. Viad undertakes no obligation to update any forward-looking statements, including prior forward-looking statements, to reflect events or circumstances arising after the date as of which the forward-looking statements were made.

VIAD CORP AND SUBSIDIARIES
TABLE ONE - QUARTERLY AND FULL YEAR RESULTS
(UNAUDITED)

(000 omitted, except per share data)	Three months ended December 31,			Year ended December 31,		
	2005	2004	%	2005	2004	%
Revenues (Note A)	\$158,574	\$152,143	4.2%	\$826,254	\$785,657	5.2%
Segment operating income (loss) (Note A)	\$ 2,791	\$ (5,232)	(a)	\$ 64,213	\$ 53,381	20.3%
Corporate activities and minority interests	(3,785)	(4,941)	23.4%	(13,654)	(15,383)	11.2%
Restructuring recoveries (charges), net (Note B)	150	463	-67.6%	743	(1,240)	(a)
Impairment losses (Note C)	-	(1,291)	(a)	(843)	(88,699)	99.0%
Net interest income (expense)	621	(42)	(a)	1,381	(1,042)	(a)
Income (loss) before income taxes	(223)	(11,043)	98.0%	51,840	(52,983)	(a)
Income tax (expense) benefit	3,855	4,248	-9.3%	(15,326)	(5,346)	(a)
Income (loss) from continuing operations	3,632	(6,795)	(a)	36,514	(58,329)	(a)
Income from discontinued operations (Note D)	80	2,327	-96.6%	1,240	2,327	-46.7%
Net income (loss)	\$ 3,712	\$ (4,468)	(a)	\$ 37,754	\$ (56,002)	(a)
Diluted income (loss) per common share: Income (loss)						

from continuing operations	\$ 0.16	\$ (0.31)	(a)	\$ 1.64	\$ (2.68)	(a)
Income from discontinued operations	0.01	0.10	-90.0%	0.06	0.10	-40.0%
Net income (loss) per share	\$ 0.17	\$ (0.21)	(a)	\$ 1.70	\$ (2.58)	(a)
Basic income (loss) per common share:						
Income (loss) from continuing operations	\$ 0.16	\$ (0.31)	(a)	\$ 1.65	\$ (2.68)	(a)
Income from discontinued operations	0.01	0.10	-90.0%	0.06	0.10	-40.0%
Net income (loss) per share	\$ 0.17	\$ (0.21)	(a)	\$ 1.71	\$ (2.58)	(a)

Common shares treated as outstanding for net

income per share calculations:

Weighted-average outstanding shares	22,195	21,786	1.9%	22,070	21,741	1.5%
Weighted-average outstanding and potentially dilutive shares	22,374	21,786	2.7%	22,253	21,741	2.4%

(a) Change is greater than +/- 100 percent.

VIAD CORP AND SUBSIDIARIES
TABLE ONE - NOTES TO QUARTERLY AND FULL YEAR RESULTS
(UNAUDITED)

(A) Reportable Segments

(000 omitted)	Three months ended December 31,			Year ended December 31,		
	2005	2004	%	2005	2004	%
Revenues:						
GES Exposition Services	\$ 99,645	\$ 98,385	1.3%	\$568,006	\$540,085	5.2%
Exhibitgroup/Giltspur Travel and Recreation Services	52,087	47,278	10.2%	184,315	178,112	3.5%
	6,842	6,480	5.6%	73,933	67,460	9.6%
	\$158,574	\$152,143	4.2%	\$826,254	\$785,657	5.2%
Segment operating income (loss):						
GES Exposition Services	\$ (869)	\$ (2,963)	70.7%	\$ 43,572	\$ 43,262	0.7%
Exhibitgroup/Giltspur	4,590	(1,768)	(a)	511	(9,648)	(a)

Travel and Recreation Services	(930)	(501)	-85.6%	20,130	19,767	1.8%
	-----	-----	-----	-----	-----	-----
	\$ 2,791	\$ (5,232)	(a)	\$ 64,213	\$ 53,381	20.3%
	=====	=====	=====	=====	=====	=====

(a) Change is greater than +/- 100 percent.

(B) Restructuring Charges and Recoveries -- In the fourth quarter of 2005, Viad reversed \$150,000 (\$87,000 after-tax) of restructuring reserves related to certain lease costs that were less than previous estimates. Additionally, in the first, second and third quarters of 2005, an aggregate \$593,000 (\$351,000 after-tax) of restructuring reserves was also reversed. In 2004, Viad recorded restructuring charges of \$853,000 (\$530,000 after-tax) primarily related to planned employee reductions and \$850,000 (\$530,000 after-tax) related to the consolidation of leased office space. Reversals of restructuring reserves of \$463,000 (\$297,000 after-tax) were recorded in the fourth quarter of 2004.

(C) Impairment Losses -- In the third quarter of 2005, GES' operations in New Orleans were severely impacted by Hurricane Katrina and the related events that occurred. Management has made an estimate of the damage to GES' New Orleans property and has recorded an asset impairment loss related to the net book value of fixed assets and inventory of \$843,000 (\$508,000 after-tax). In the third quarter of 2004, Viad recorded impairment charges at Exhibitgroup of \$80.4 million (\$76.6 million after-tax) and \$7.0 million (\$4.2 million after-tax) related to goodwill and the intangible trademark asset, respectively. Management finalized the valuation of the trademark during the fourth quarter of 2004 and recorded an additional impairment charge of \$1.3 million (\$776,000 after-tax).

(D) Income from Discontinued Operations -- In the fourth quarter of 2005, Viad recorded income from discontinued operations of \$80,000 due to favorable tax settlements. In the first, second and third quarters of 2005, Viad recorded aggregate income from discontinued operations of \$1.2 million relating to tax matters associated with previously sold operations. In the fourth quarter of 2004, Viad recorded income from discontinued operations of \$2.3 million related to tax matters associated with previously sold operations.

VIAD CORP AND SUBSIDIARIES
TABLE TWO - INCOME BEFORE IMPAIRMENT LOSSES, ADJUSTED EBITDA
AND FREE CASH FLOW
(UNAUDITED)

	Three months ended December 31,			Year ended December 31,		
	2005	2004	%	2005	2004	%
(000 omitted)	-----	-----	-----	-----	-----	-----
Income (loss) before impairment losses:						
Income (loss) from continuing operations	\$ 3,632	\$ (6,795)	(a)	\$ 36,514	\$ (58,329)	(a)
Impairment losses, net of tax	-	776	(a)	508	81,607	-99.4%
	-----	-----	-----	-----	-----	-----
Income (loss) before impairment losses	\$ 3,632	\$ (6,019)	(a)	\$ 37,022	\$ 23,278	59.0%
	=====	=====	=====	=====	=====	=====
	Three months ended December 31,			Year ended December 31,		
(per diluted share)	2005	2004	%	2005	2004	%
	-----	-----	-----	-----	-----	-----
Income (loss) before impairment losses:						
Income (loss) from continuing operations	\$ 0.16	\$ (0.31)	(a)	\$ 1.64	\$ (2.68)	(a)
Impairment losses, net of tax	-	0.04	(a)	0.02	3.75	-99.5%
	-----	-----	-----	-----	-----	-----
Income (loss) before						

	Three months ended December 31,			Year ended December 31,		
(000 omitted)	2005	2004	%	2005	2004	%
impairment losses	\$ 0.16	\$ (0.27)	(a)	\$ 1.66	\$ 1.07	55.1%
=====						
Adjusted EBITDA:						
Net income (loss)	\$ 3,712	\$ (4,468)	(a)	\$ 37,754	\$ (56,002)	(a)
Income from discontinued operations	(80)	(2,327)	-96.6%	(1,240)	(2,327)	-46.7%

Income (loss) from continuing operations	3,632	(6,795)	(a)	36,514	(58,329)	(a)
Impairment losses	-	1,291	(a)	843	88,699	99.0%
Interest expense	682	533	-28.0%	2,554	2,267	-12.7%
Income tax expense (benefit)	(3,855)	(4,248)	-9.3%	15,326	5,346	(a)
Depreciation and amortization	5,125	7,175	28.6%	22,113	23,370	5.4%

Adjusted EBITDA	\$ 5,584	\$ (2,044)	(a)	\$ 77,350	\$ 61,353	26.1%
=====						
(000 omitted)						
Free Cash Flow:						
Net cash provided by operating activities	\$15,505	\$ 2,836	(a)	\$ 49,864	\$ 35,646	39.9%
Less:						
Capital expenditures	(6,117)	(6,108)	-0.1%	(20,038)	(15,374)	-30.3%
Dividends paid	(888)	(871)	-2.0%	(3,537)	(871)	(a)

Free cash flow	\$ 8,500	\$ (4,143)	(a)	\$ 26,289	\$ 19,401	35.5%
=====						

(a) Change is greater than +/- 100 percent.

CONTACT: Viad Corp
Carrie Long, 602-207-2681 (Investor Relations) clong@viad.com