

Business Update

February 2021

welltower

Forward Looking Statements

This document contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When Welltower uses words such as “may,” “will,” “intend,” “should,” “believe,” “expect,” “anticipate,” “project,” “pro forma,” “estimate” or similar expressions that do not relate solely to historical matters, Welltower is making forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that may cause Welltower’s actual results to differ materially from Welltower’s expectations discussed in the forward-looking statements. This may be a result of various factors, including, but not limited to: the duration and scope of the COVID-19 pandemic; the impact of the COVID-19 pandemic on occupancy rates and on the operations of Welltower and its operators/tenants; actions governments take in response to the COVID-19 pandemic, including the introduction of public health measures and other regulations affecting Welltower’s properties and the operations of Welltower and its operators/tenants; the receipt of relief funds under the CARES Act and other future stimulus legislation, the effects of health and safety measures adopted by Welltower and its operators/tenants related to the COVID-19 pandemic; increased operational costs as a result of health and safety measures related to COVID-19; the impact of the COVID-19 pandemic on the business and financial condition of operators/tenants and their ability to make payments to Welltower; disruptions to Welltower’s property acquisition and disposition activity due to economic uncertainty caused by COVID-19; general economic uncertainty in key markets as a result of the COVID-19 pandemic and a worsening of global economic conditions or low levels of economic growth; the status of capital markets, including availability and cost of capital; issues facing the health care industry, including compliance with, and changes to, regulations and payment policies, responding to government investigations and punitive settlements and operators’/tenants’ difficulty in cost effectively obtaining and maintaining adequate liability and other insurance; changes in financing terms; competition within the health care and seniors housing industries; negative developments in the operating results or financial condition of operators/tenants, including, but not limited to, their ability to pay rent and repay loans; Welltower’s ability to transition or sell properties with profitable results; the failure to make new investments or acquisitions as and when anticipated; natural disasters and other acts of God affecting Welltower’s properties; Welltower’s ability to re-lease space at similar rates as vacancies occur; Welltower’s ability to timely reinvest sale proceeds at similar rates to assets sold; operator/tenant or joint venture partner bankruptcies or insolvencies; the cooperation of joint venture partners; government regulations affecting Medicare and Medicaid reimbursement rates and operational requirements; liability or contract claims by or against operators/tenants; unanticipated difficulties and/or expenditures relating to future investments or acquisitions; environmental laws affecting Welltower’s properties; changes in rules or practices governing Welltower’s financial reporting; the movement of U.S. and foreign currency exchange rates; Welltower’s ability to maintain Welltower’s qualification as a REIT; key management personnel recruitment and retention; and other risks described in Welltower’s reports filed from time to time with the SEC. Finally, Welltower undertakes no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events or otherwise, or to update the reasons why actual results could differ from those projected in any forward-looking statements.

Recent Developments

Seniors Housing Operating (SHO) Portfolio Update

- Total SHO portfolio occupancy declined approximately 220 basis points⁽¹⁾ (“bps”) during 4Q2020 from 78.4% to 76.2%. Quarter-to-date, occupancy has declined an additional 180bps, with occupancy of 74.4% as of February 5, 2021
- The pace of occupancy losses accelerated through the fourth quarter and into January following a sharp rise in COVID-19 cases and implementation of shelter in place orders across many of our geographies
- Since mid-January, resident COVID-19 cases within our communities have declined by approximately 55%; currently 88% of communities are accepting new residents⁽²⁾

COVID-19 Vaccine Update

- The number of vaccines administered in WELL communities continues to increase as residents and staff are beginning to receive the second dose of the vaccine
- As of February 8, 2021, over 90% of Assisted Living and Memory Care facilities in our Seniors Housing Operating portfolio have completed their first vaccination clinic⁽³⁾

Acquisitions Update

- Completed \$657 million of pro rata acquisitions since the start of the fourth quarter 2020, comprised largely of seniors housing communities
 - During the fourth quarter, completed \$506 million of pro rata acquisitions with a blended, non-stabilized yield of 3.6%, and at a significant discount to replacement cost
 - Subsequent to quarter-end, completed \$151 million of pro rata acquisitions, including a \$132 million portfolio of seniors housing assets under a new triple-net lease comprised of 790 units operated by Harbor Retirement Associates

Funds From Operations (FFO) Guidance

- First quarter 2021 normalized FFO guidance: \$0.71 - \$0.76 per diluted share⁽⁴⁾. Key assumptions include:
 - Provider Relief Funds: Guidance includes \$31 million of pro rata net Provider Relief Funds received to date
 - SHO Portfolio Occupancy: We expect total SHO portfolio average occupancy to decline 275bps to 375bps relative to fourth quarter 2020 average occupancy
 - Development: We expect funding approximately \$395 million of development in 2021 relating to projects underway on December 31, 2020
 - Investments: Guidance includes only acquisitions, joint ventures, and dispositions which have been closed or announced year-to-date
- General and Administrative Expense: We expect G&A expense of approximately \$135 million to \$140 million for full year 2021

1. Due to rounding, some totals may not correspond with the sum of the separate figures as presented in other sections of the presentation

2. As of February 5, 2021 as reported by operators

3. Based upon reporting from Assisted Living and Memory Care operators, which has not been verified by Welltower







4. See Supplemental Financial Measures at the end of this presentation for reconciliations and earnings release dated February 9, 2021 for additional information



Seniors Housing Operating Portfolio Update

Spectrum of Seniors Housing

Seniors housing has many forms across acuity and cost spectrums from addressing the needs of the active senior who is looking for a home that is purpose-built and affordable to higher acuity in high barrier to entry markets

| | Relative Cost of Care | | | | | |
|--|---|---|---|---|---|---|
| |  |  |  |  |  |  |
| | Home | Senior Apartments | Independent Living | Assisted Living | Memory Care | Post-Acute Care |
| Activities / Programming | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Transport / Laundry | | On-demand services via strategic partnerships | ✓ | ✓ | ✓ | ✓ |
| Meals | | | ✓ | ✓ | ✓ | ✓ |
| Care Services (Activities of daily living) | | | | ✓ | ✓ | ✓ |
| Post-Acute and Chronic Care | | | | | | ✓ |

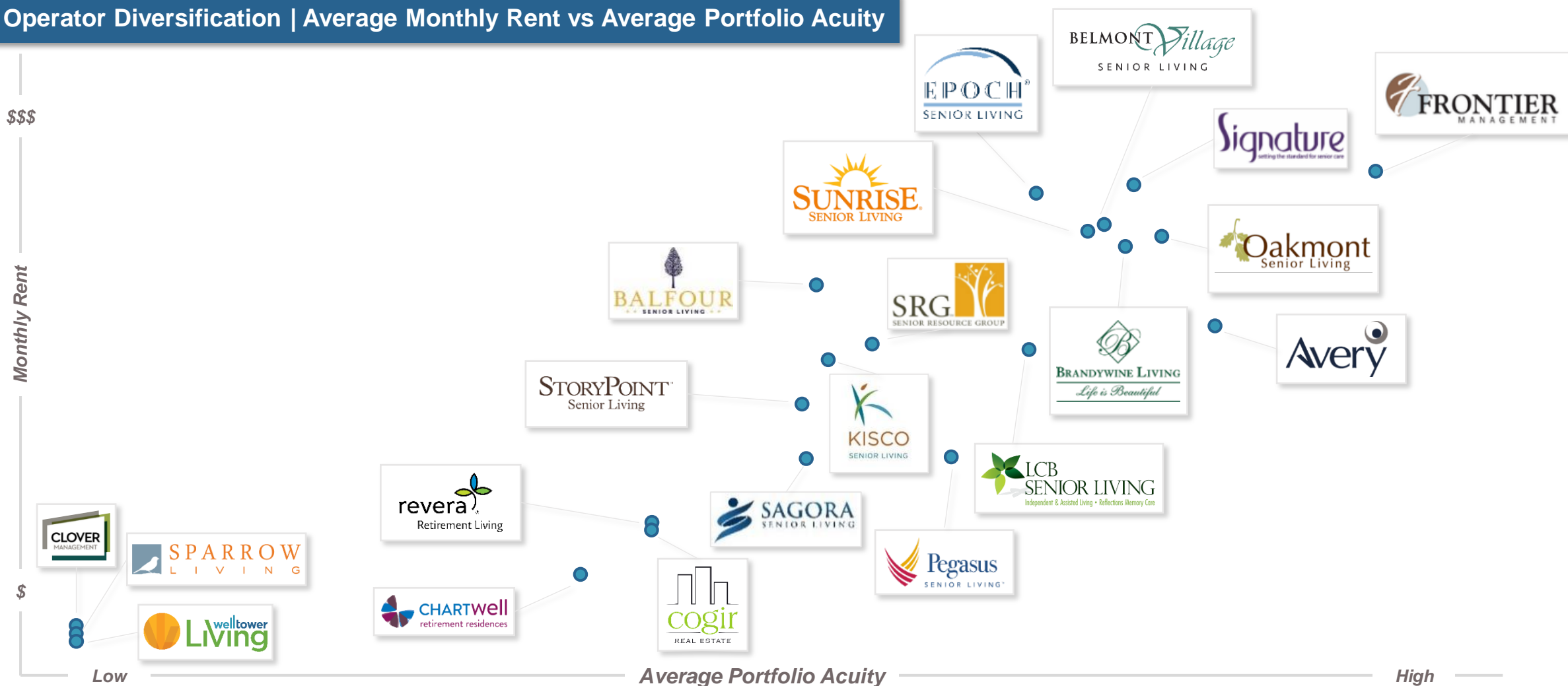
Select Welltower Operators



Seniors Housing Operator Platform | Power of Diversification

Diversity Across Acuity, Geography and Operating Model

Operator Diversification | Average Monthly Rent vs Average Portfolio Acuity



SHO Portfolio | 4Q2020 Observations

Revenues

- SHO portfolio spot occupancy⁽¹⁾ declined approximately 220bps from September 30, 2020 to 76.2% at quarter end
 - Over 80% of fourth quarter occupancy losses occurred in November and December
- SHO portfolio average occupancy declined approximately 260bps from 3Q2020 to 76.3%
- Same store REVPOR⁽²⁾ (4Q2020 vs. 4Q2019):
 - Assisted Living properties increased 1.1%
 - Independent Living properties increased 0.5%
 - Senior Apartment properties increased 3.7%
- Move in activity declined 7% sequentially in 4Q2020 as compared to 3Q2020 and declined by 40% on a year-over-year basis
- Move out activity increased 6% sequentially in 4Q2020 as compared to 3Q2020 and declined by 15% on a year-over-year basis

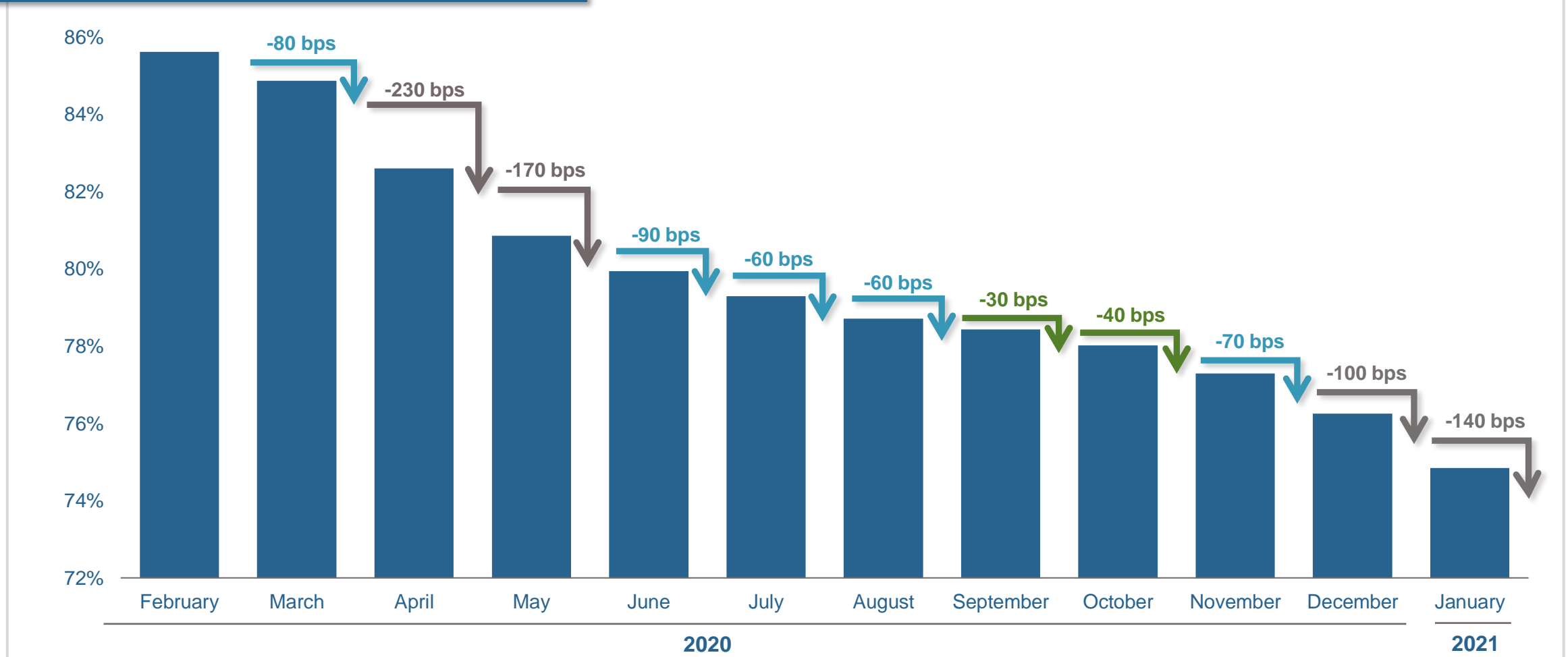
Expenses

- Same store pro rata total expenses increased slightly in 4Q2020 from 3Q2020 as higher COVID-related expenses were offset, in part, by a reduction in controllable expenses commensurate with lower levels of occupancy
- Same store SHO portfolio incurred approximately \$19 million in pro rata COVID-related property level expenses net of reimbursements in 4Q2020⁽³⁾
- COVID-related expenses increased meaningfully through the fourth quarter following a sharp rise in COVID cases across our geographies and likely to remain elevated through the first quarter 2021

1. Occupancy represents approximate month end occupancy for SHO properties in operation as of February 29, 2020, excluding acquisitions, dispositions and development conversions since the start of the COVID-19 pandemic
2. Represents SHO same store portfolio. See Supplemental Financial Measures at the end of this presentation for reconciliations
3. Reimbursements received during the fourth quarter of \$11.8 million related to the HHS Provider Relief Fund and similar programs in the UK and Canada have been excluded from same store NOI

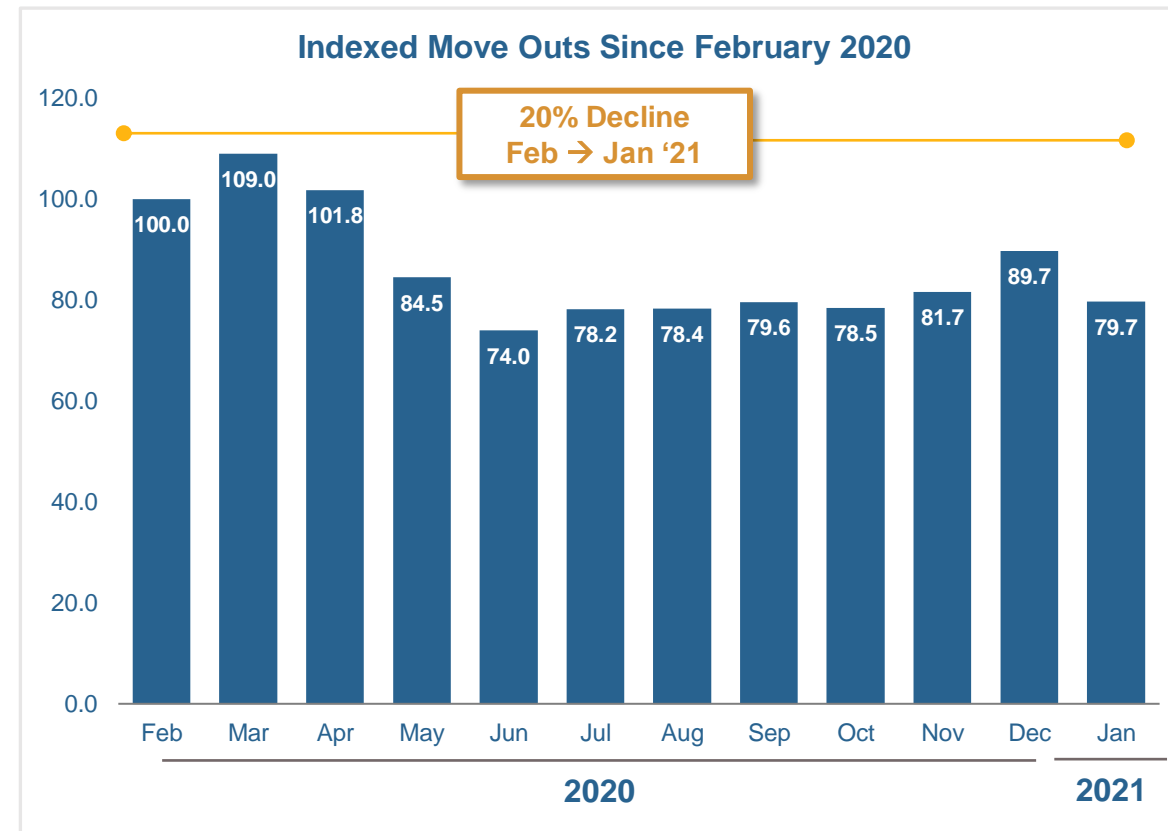
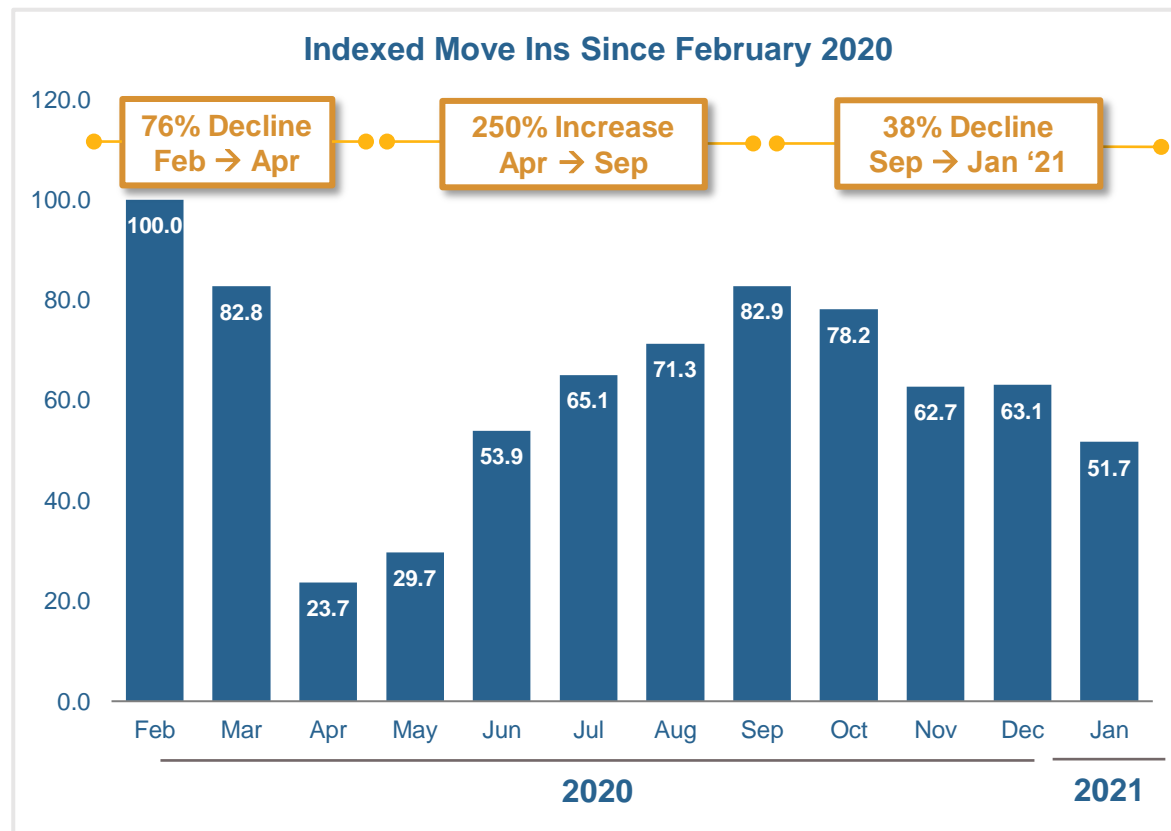
SHO Portfolio | Occupancy Trends

Total SHO Portfolio Month-End Occupancy⁽¹⁾



1. Occupancy represents approximate month end occupancy for all SHO properties in operation as of February 29, 2020, excluding only acquisitions, executed dispositions and development conversions since this date. Approximate month end spot occupancy is as follows: **2020:** February – 85.6%; March – 84.9%; April – 82.6%; May – 80.9%; June – 79.9%; July – 79.3%; August – 78.7%; September – 78.4%; October – 78.0%; November – 77.3%; December – 76.2%; **2021:** January – 74.8%

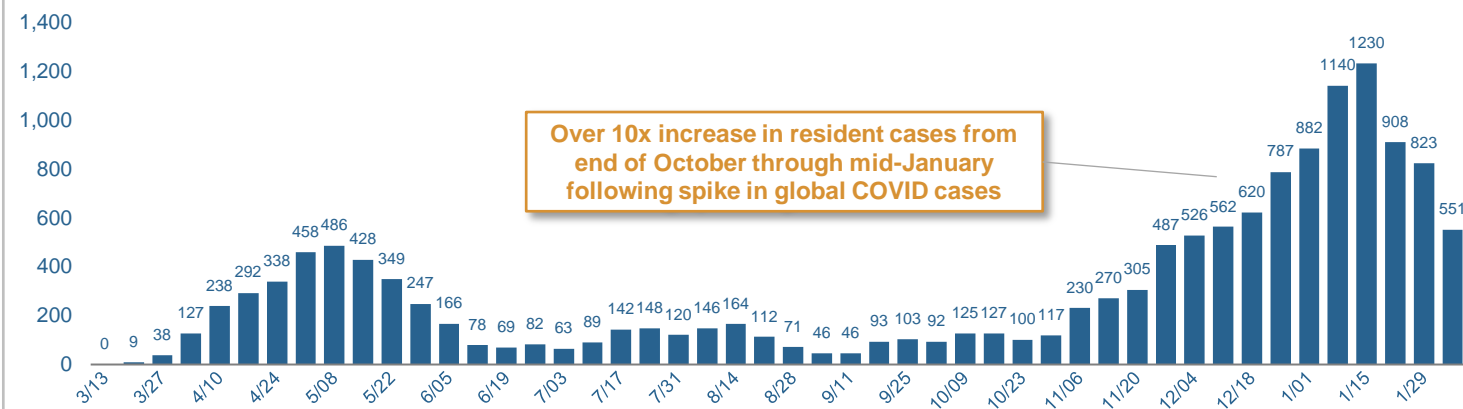
SHO Portfolio | Move Ins & Move Outs⁽¹⁾



1. December 2020 Move Ins & Move Outs have been updated since the January 19, 2021 update to reflect final data received from operators. January 2021 represents preliminary data as reported by operators

SHO Portfolio | COVID-19 Impact⁽¹⁾

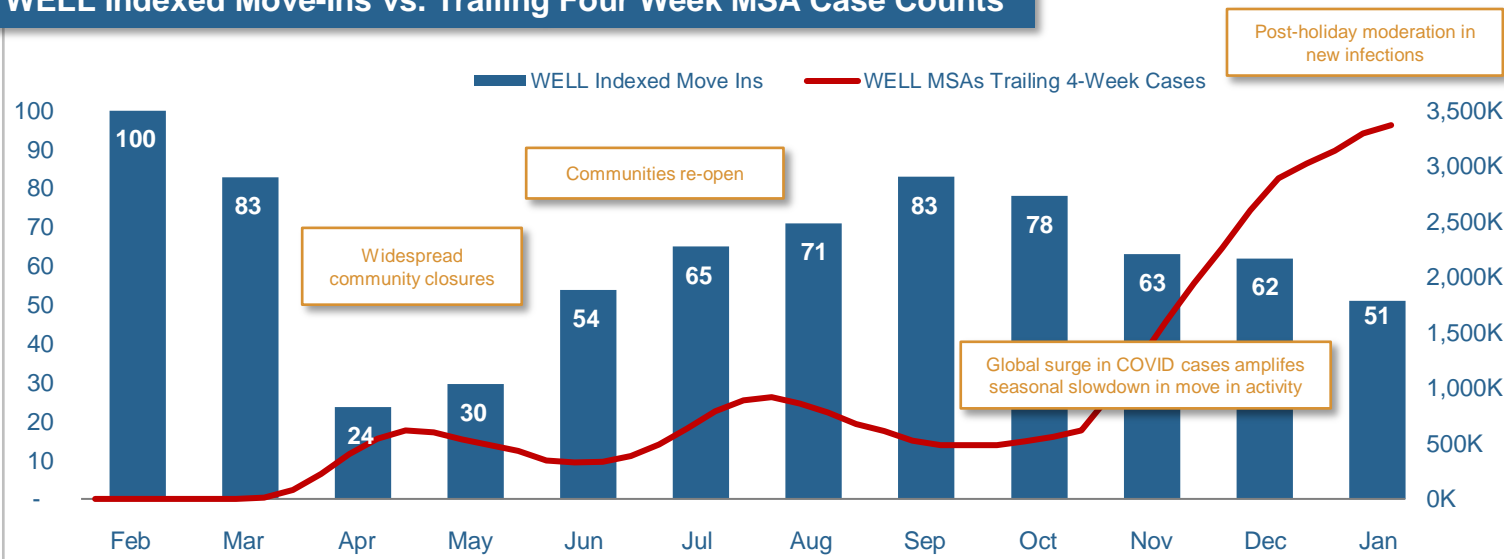
Resident COVID-19 Cases – Trailing Two Weeks



COVID-19 Impact

- 88% of communities are accepting new residents, up from 84% as of mid-January and down from 95% as of mid-December
- 55% decline in trailing two week (TTW) case count since peak in mid-January 2021
- 77% of communities have zero reported COVID-19 cases on a TTW basis versus 64% and 82% in mid-January and mid-December, respectively

WELL Indexed Move-Ins vs. Trailing Four Week MSA Case Counts



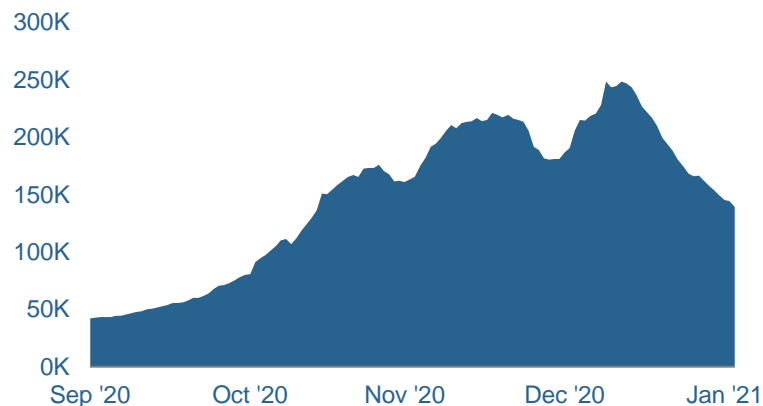
Operations Update

- Operators continue to test new residents for COVID-19 prior to and post move-in and generally require a period of self-quarantine post move-in
- Where in-person visitation is permitted, stringent protocols are enforced
- Virtual tours continue to be utilized while in-person tours are offered on a more limited basis
- Elevated cleaning and PPE protocols remain in place

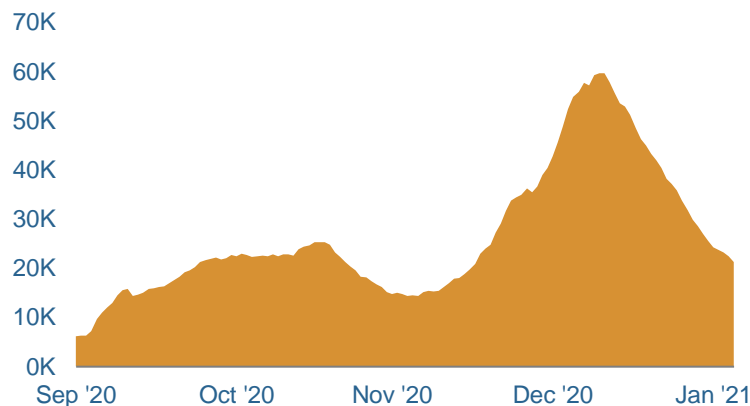
1. All data presented as of February 5, 2021 as reported by operators

COVID-19 | Case Count & Vaccination Update

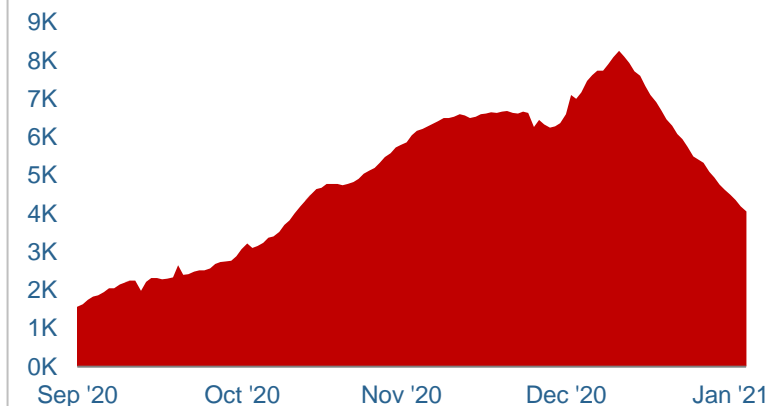
US COVID New Daily Cases⁽¹⁾
7-Day Moving Avg



UK COVID New Daily Cases⁽²⁾
7-Day Moving Avg

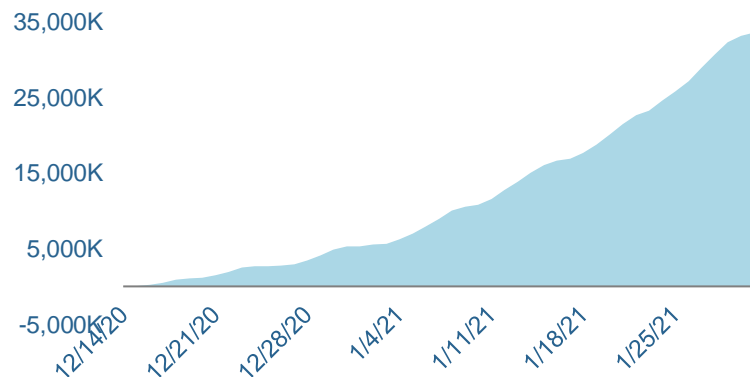


Canada COVID New Daily Cases⁽³⁾
7-Day Moving Avg



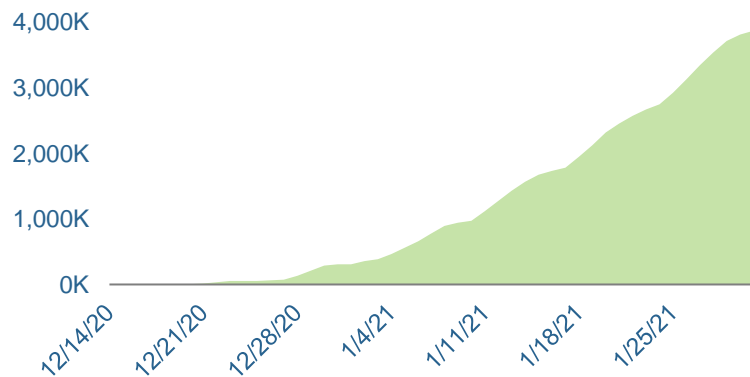
Total US Total COVID Vaccinations⁽¹⁾

■ Total US COVID Vaccinations

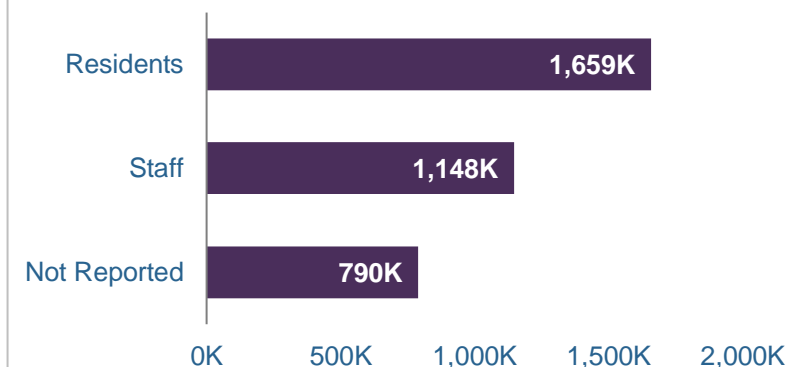


US Total COVID Vaccinations⁽¹⁾

■ US COVID Vaccinations in Assisted Living and Skilled Nursing Facilities



Individuals with 1 or More Doses in US Assisted Living and Skilled Nursing Facilities⁽¹⁾



1. Centers for Disease Control and Prevention as of January 31, 2021
2. <https://coronavirus.data.gov.uk/>
3. <https://health-infobase.canada.ca/covid-19/covidtrends/>

COVID-19 Path to Recovery

Vaccine Update (since prior Business Update)

- On January 28, 2021, Novavax announced that its COVID-19 vaccine demonstrated 89% efficacy in a Phase 3 UK Trial⁽¹⁾
- On January 29, 2021, Johnson & Johnson released interim results of its Phase 3 single shot vaccine, which showed an 85% efficacy rate in preventing severe disease⁽²⁾
- On February 4, 2021, Johnson & Johnson applied for Emergency Use Authorization (EUA) from the FDA⁽³⁾

Vaccine Distribution

- UK seniors housing staff began receiving initial doses of the Pfizer vaccine during the week of December 7, 2020; many have received a second dose
- Initial administering of the vaccine in US seniors housing communities began in late December with residents beginning to receive second doses in mid-January
- As of February 8, 2021, over 4.9 million doses have been administered in long-term care facilities in the US through the Federal Pharmacy Partnership for Long-Term Care Program⁽⁴⁾
- Starting February 11, 2021, the Federal Retail Pharmacy Program for COVID-19 Vaccination will offer vaccines to eligible populations through 21 retail pharmacy partners and at Long-Term Care Pharmacies across the US⁽⁵⁾

Welltower Response

- Coordinating connections for SH operators with CVS/Omnicare and Walgreens on distribution of COVID-19 vaccine to Welltower communities with a current focus on staff and resident education around vaccine efficacy and safety
 - CVS and Walgreens have previously established protocols for the distribution of seasonal flu vaccine within our communities which will provide platform for rollout of potential COVID-19 vaccines
- Ongoing dialogue with the NIH Warp Speed team and pharmaceutical companies to monitor upcoming therapeutics
- Continued collaboration with UCSF and Johns Hopkins faculty to support operator planning and logistical preparation for upcoming vaccine distributions

1. <https://ir.novavax.com/news-releases/news-release-details/novavax-covid-19-vaccine-demonstrates-893-efficacy-uk-phase-3>

2. <https://www.jnj.com/johnson-johnson-announces-single-shot-janssen-covid-19-vaccine-candidate-met-primary-endpoints-in-interim-analysis-of-its-phase-3-ensemble-trial>

3. <https://www.jnj.com/johnson-johnson-announces-submission-of-application-to-the-u-s-fda-for-emergency-use-authorization-of-its-investigational-single-shot-janssen-covid-19-vaccine-candidate>

4. <https://covid.cdc.gov/covid-data-tracker/#vaccinations-ltc>. Data are specific to the Federal Pharmacy Partnership for Long-Term Care (LTC) Program and primarily include skilled nursing and assisted living facilities. Doses administered refers to vaccine administered to LTCF residents and staff, as reported to CDC by the pharmacy partners participating in the program. Includes both first and second doses. These data do not include doses administered to LTCF residents and staff outside the Federal Pharmacy Partnership for Long-Term Care Program. Vaccine administration through the federal program launched nationally on December 21 for Pfizer-BioNTech vaccine and on December 28 for Moderna vaccine.

5. <https://www.cdc.gov/vaccines/covid-19/retail-pharmacy-program/index.html>

Vaccine and Therapeutics Timeline

WELL actively engaged with key national and local stakeholders on testing, therapeutics and vaccine distribution strategy

3Q20

4Q20

1Q21

2Q21 – 4Q21

3Q20

Gilead granted Emergency Use Authorization for Remdesivir⁽¹⁾

4Q20

Pfizer announces 90% efficacy rate for its COVID-19 vaccine⁽²⁾; **plans to deliver 200 million doses of its coronavirus vaccine to the U.S. by May 2021**

4Q20

Eli Lilly granted EUA for monoclonal antibody therapy, bamlanivimab⁽³⁾

4Q20

Moderna and AstraZeneca announce 94.5% and 90% efficacy rate, respectively, for COVID-19 vaccines^(4,5)

4Q20

EUA granted for Pfizer and Moderna vaccine and distribution begins in the UK, US, and Canada⁽⁶⁾ ; AstraZeneca granted EUA in the UK on December 30, 2020⁽⁷⁾

4Q20

UK SH staff begin to receive initial doses of the Pfizer vaccine during week of December 7, 2020

4Q20

Vaccine distribution from Pfizer and Moderna began on December 21, 2020 and 28, 2020, respectively, in US seniors housing communities

1Q21

Expansion of Phase 1 & initial Phase 2-4 vaccine distribution⁽⁸⁾

1Q21

Johnson & Johnson releases Phase 3 clinical trial results and applies for EUA for its single-shot vaccine (85% effective in preventing severe disease)^(9,10)

1Q21

The Federal Retail Pharmacy Program for COVID-19 Vaccination will begin on February 11, 2021 through 21 retail pharmacy partners across the US⁽¹¹⁾



Ongoing



Anticipated Future Event

1. <https://www.fda.gov/news-events/press-announcements/covid-19-update-fda-broadens-emergency-use-authorization-veklury-remdesivir-include-all-hospitalized>
2. <https://investors.pfizer.com/investor-news/press-release-details/2020/Pfizer-and-BioNTech-Announce-Vaccine-Candidate-Against-COVID-19-Achieved-Success-in-First-Interim-Analysis-from-Phase-3-Study/default.aspx>
3. <https://www.fda.gov/news-events/press-announcements/coronavirus-covid-19-update-fda-authorizes-monoclonal-antibody-treatment-covid-19>
4. <https://investors.modernatx.com/news-releases/news-release-details/modernas-covid-19-vaccine-candidate-meets-its-primary-efficacy>
5. <https://www.cidrap.umn.edu/news-perspective/2020/12/phase-3-trials-show-astrazeneca-covid-vaccine-has-90-efficacy>
6. <https://www.fda.gov/news-events/press-announcements/fda-takes-key-action-fight-against-covid-19-issuing-emergency-use-authorization-first-covid-19>
7. <https://www.astrazeneca.com/media-centre/press-releases/2020/astrazenecas-covid-19-vaccine-authorised-in-uk.html>
8. <https://www.nationalacademies.org/our-work/a-framework-for-equitable-allocation-of-vaccine-for-the-novel-coronavirus>
9. <https://www.jnj.com/johnson-johnson-announces-single-shot-janssen-covid-19-vaccine-candidate-met-primary-endpoints-in-interim-analysis-of-its-phase-3-ensemble-trial>
10. <https://www.jnj.com/johnson-johnson-announces-submission-of-application-to-the-u-s-fda-for-emergency-use-authorization-of-its-investigational-single-shot-janssen-covid-19-vaccine-candidate>
11. <https://www.cdc.gov/vaccines/covid-19/retail-pharmacy-program/index.html>



Balance Sheet & Investments Update

Balance Sheet & Investment Highlights

Notable 2020 & 2021 Year To Date Highlights

- Reported Net Debt/Adjusted EBITDA⁽¹⁾ of 6.28x as of December 31, 2020
- **Enhanced near-term liquidity to \$5.1 billion as of February 8, 2021**
 - Current cash balances total approximately \$2.1 billion⁽²⁾; revolving credit facility is undrawn with capacity of \$3.0 billion
- **Completed \$657 million of pro rata acquisitions since the start of the fourth quarter 2020**, comprised largely of seniors housing communities
 - **Since quarter-end, completed \$151 million of pro rata acquisitions**
 - Completed the acquisition of a \$132 million portfolio of seniors housing assets under a new triple-net lease comprised of 790 units operated by Harbor Retirement Associates
- As of February 8, 2021, completed \$106 million in pro rata dispositions year-to-date at a yield of 5.7%, including:
 - Third tranche of the Invesco joint venture consisting of two OM buildings with \$37 million in pro rata proceeds to WELL

Liquidity (\$M)

February 8, 2021

| | |
|--|----------------|
| Cash and Cash Equivalents ⁽²⁾ | \$2,100 |
| Undrawn Line of Credit Capacity | \$3,000 |
| Near-Term Liquidity | \$5,100 |
| Expected Proceeds from Assets Held For Sale ⁽³⁾ | \$147 |
| Expected Proceeds from 2021 Loan Payoffs | \$265 |
| Near-Term Liquidity + Expected Future Proceeds | \$5,512 |

Weighted Average Debt Maturity of 7.2 Years

No material unsecured bond maturities before March 2023

Baa1
MOODY'S

BBB+
S&P Global

BBB+
FitchRatings

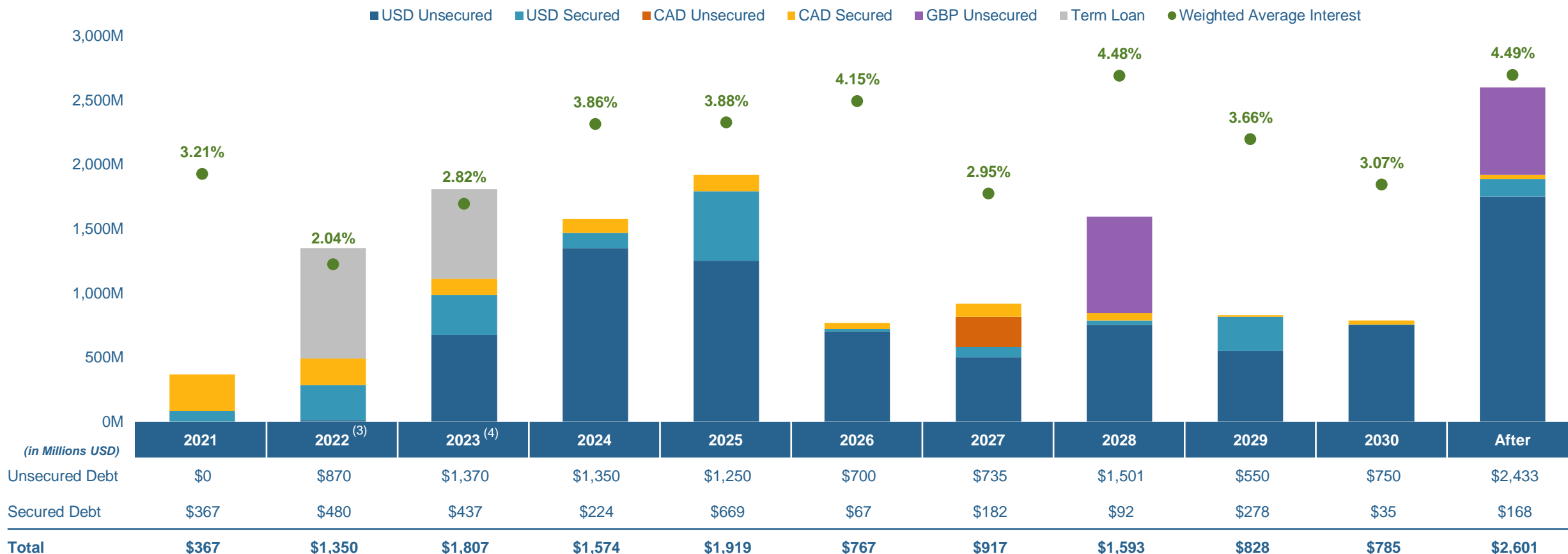
1. See Supplemental Financial Measures at the end of this presentation for reconciliation

2. Estimated cash balance of \$2.1 billion as of February 8, 2021, including cash and cash equivalents and IRC Section 1031 deposits

3. Includes 4Q2020 assets held for sale of \$255 million as of December 31, 2020 less \$108 million related to \$90 million in property and \$18 million in land dispositions closed subsequent to quarter end as of February 8, 2021

Balanced and Manageable Debt Maturity Profile^(1,2)

Weighted Average Maturity of 7.2 Years



1. Represents pro rata principal amounts due and excluding unamortized premiums/discounts or other fair value adjustments as reflected on the balance sheet. Excludes lease liabilities relating to both finance and operating leases
2. Our unsecured commercial paper program and our unsecured revolving credit facility had a zero balance as of December 31, 2020. The unsecured revolving credit facility matures on July 19, 2022 (with an option to extend for two successive terms of six months each at our discretion). Available borrowing capacity of our unsecured revolving credit facility was \$3,000,000,000 as of December 31, 2020
3. 2022 includes a \$860,000,000 unsecured term loan. The loan matures on April 1, 2022 and bears interest at LIBOR plus 1.20%
4. 2023 includes a \$500,000,000 unsecured term loan and a CAD \$250,000,000 unsecured term loan (approximately \$196,032,000 USD at December 31, 2020). The loans mature on July 19, 2023. The interest rates on the loans are LIBOR + 0.9% for USD and CDOR + 0.9% for CAD

Supplemental Financial Measures



Non-GAAP Financial Measures

We believe that revenues, net income and net income attributable to common stockholders ("NICS"), as defined by U.S. generally accepted accounting principles ("U.S. GAAP"), are the most appropriate earnings measurements. However, we consider Funds From Operations (FFO), Normalized FFO, EBITDA, Adjusted EBITDA, REVPOR and Same Store REVPOR ("SS REVPOR") to be useful supplemental measures of our operating performance. Excluding EBITDA and Adjusted EBITDA, the supplemental measures are disclosed on our pro rata ownership basis.

Pro rata amounts are derived by reducing consolidated amounts for minority partners' noncontrolling ownership interests and adding our minority ownership share of unconsolidated amounts. We do not control unconsolidated investments. While we consider pro rata disclosures useful, they may not accurately depict the legal and economic implications of our joint venture arrangements and should be used with caution.

Our supplemental reporting measures and similarly entitled financial measures are widely used by investors, equity and debt analysts and rating agencies in the valuation, comparison, rating and investment recommendations of companies. Our management uses these financial measures to facilitate internal and external comparisons to historical operating results and in making operating decisions. Additionally, these measures are utilized by the Board of Directors to evaluate management.

None of the supplemental reporting measures represent net income or cash flow provided from operating activities as determined in accordance with U.S. GAAP and should not be considered as alternative measures of profitability or liquidity. Finally, the supplemental reporting measures, as defined by us, may not be comparable to similarly entitled items reported by other real estate investment trusts or other companies. Multi-period amounts may not equal the sum of the individual quarterly amounts due to rounding.



FFO and Normalized FFO

Historical cost accounting for real estate assets in accordance with U.S. GAAP implicitly assumes that the value of real estate assets diminishes predictably over time as evidenced by the provision for depreciation. However, since real estate values have historically risen or fallen with market conditions, many industry investors and analysts have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient. In response, the National Association of Real Estate Investment Trusts (NAREIT) created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation from net income. FFO attributable to common stockholders, as defined by NAREIT, means net income attributable to common stockholders, computed in accordance with U.S. GAAP, excluding gains (or losses) from sales of real estate and impairments of depreciable assets, plus real estate depreciation and amortization, and after adjustments for unconsolidated entities and noncontrolling interests. Normalized FFO attributable to common stockholders represents FFO adjusted for certain items detailed in the reconciliations.

Normalizing items include adjustments for certain non-recurring or infrequent revenues/expenses that are described in our earnings press releases for the relevant periods.

We believe that Normalized FFO attributable to common stockholders is a useful supplemental measure of operating performance because investors and equity analysts may use this measure to compare our operating performance between periods or to other REITs or other companies on a consistent basis without having to account for differences caused by unanticipated and/or incalculable items.

Earnings Outlook Reconciliation

Quarter Ending March 31, 2021

(in millions, except per share data)

FFO Reconciliation:

| | Current Outlook | |
|--|-----------------|--------|
| | Low | High |
| Net income attributable to common stockholders | \$ 102 | \$ 123 |
| Impairments and losses (gains) on real estate dispositions, net ^(1,2) | (53) | (53) |
| Depreciation and amortization ⁽¹⁾ | 248 | 248 |
| NAREIT FFO and Normalized FFO attributable to common stockholders | \$ 297 | \$ 318 |

Per share data attributable to common stockholders:

| | | |
|-------------------------------|---------|---------|
| Net income | \$ 0.24 | \$ 0.29 |
| NAREIT FFO and Normalized FFO | \$ 0.71 | \$ 0.76 |

Other items:⁽¹⁾

| | | |
|---|---------|---------|
| Net straight-line rent and above/below market rent amortization | \$ (18) | \$ (18) |
| Non-cash interest expenses | 3 | 3 |
| Recurring cap-ex, tenant improvements, and lease commissions | (21) | (21) |
| Stock-based compensation | 6 | 6 |

(1) Amounts presented net of noncontrolling interests' share and Welltower's share of unconsolidated entities.

(2) Includes estimated gains on projected dispositions.



REVPOR & SS REVPOR

REVPOR represents the average revenues generated per occupied room per month at our seniors housing operating properties. It is calculated as our pro rata version of total resident fees and services revenues from the income statement divided by average monthly occupied room days. SS REVPOR is used to evaluate the REVPOR performance of our properties under a consistent population which eliminates changes in the composition of our portfolio. It is based on the same pool of properties used for SSNOI and includes any revenue normalizations used for SSNOI. We use REVPOR and SS REVPOR to evaluate the revenue-generating capacity and profit potential of its seniors housing operating portfolio independent of fluctuating occupancy rates. They are also used in comparison against industry and competitor statistics, if known, to evaluate the quality of our seniors housing operating portfolio.

We believe REVPOR and SS REVPOR provide investors relevant and useful information because they measure the operating performance of our properties at the property level on an unleveraged basis. We use these metrics to make decisions about resource allocations and to assess the property level performance of our properties.

SHO REVPOR Growth Reconciliation

(dollars in thousands, except SS REVPOR)

SHO SS REVPOR Growth

Consolidated SHO revenues

Unconsolidated SHO revenues attributable to WELL⁽¹⁾

SHO revenues attributable to noncontrolling interests⁽²⁾

SHO pro rata revenues⁽³⁾

Non-cash revenues on same store properties

Revenues attributable to non-same store properties

Currency and ownership adjustments⁽⁴⁾

Other normalizing adjustments⁽⁵⁾

SHO SS revenues⁽⁶⁾

Avg. occupied units/month⁽⁷⁾

SHO SS REVPOR⁽⁸⁾

SS REVPOR YOY growth

| | 4Q20 | 4Q19 |
|----|----------|------------|
| \$ | 715,020 | \$ 833,458 |
| | 43,175 | 44,118 |
| | (55,156) | (73,173) |
| | 703,039 | 804,403 |
| | (852) | (990) |
| | (62,531) | (82,449) |
| | (2,203) | 794 |
| | (531) | (1,833) |
| | 636,922 | 719,925 |
| | 38,968 | 43,541 |
| \$ | 5,404 | \$ 5,467 |
| | (1.2)% | |

(1) Represents Welltower's interests in joint ventures where Welltower is the minority partner.

(2) Represents minority partners' interests in joint ventures where Welltower is the majority partner.

(3) Represents SHO revenues at Welltower pro rata ownership.

(4) Includes where appropriate adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.3160 and to translate UK properties at a GBP/USD rate of 1.30.

(5) Represents aggregate normalizing adjustments which are individually less than .50% of SSNOI growth.

(6) Represents SS SHO revenues at Welltower pro rata ownership.

(7) Represents average occupied units for SS properties related solely to referenced country on a pro rata basis.

(8) Represents pro rata SS average revenues generated per occupied room per month.

SHO REVPOR Growth Reconciliation (cont.)

(dollars in thousands, except SS REVPOR)

| | Assisted Living/Memory Care ⁽¹⁾ | | Independent Living ⁽¹⁾ | | Senior Apartment | | Total | |
|--|--|------------|-----------------------------------|------------|------------------|-----------|----------|------------|
| | 4Q20 | 4Q19 | 4Q20 | 4Q19 | 4Q20 | 4Q19 | 4Q20 | 4Q19 |
| SHO SS revenues ⁽²⁾ | \$ 432,986 | \$ 500,634 | \$ 192,214 | \$ 208,129 | \$ 11,722 | \$ 11,162 | 636,922 | \$ 719,925 |
| Avg. occupied units/month ⁽³⁾ | \$ 17,813 | \$ 20,826 | \$ 18,054 | \$ 19,654 | \$ 3,101 | \$ 3,061 | 38,968 | 43,541 |
| SHO SS REVPOR ⁽⁴⁾ | \$ 8,036 | \$ 7,948 | \$ 3,520 | \$ 3,501 | \$ 1,250 | \$ 1,205 | \$ 5,404 | \$ 5,467 |
| SS REVPOR YOY growth | 1.1 % | | 0.5% | | 3.7% | | (1.2)% | |

(1) Properties are classified between Assisted Living/Memory Care and Independent Living by predominant unit type.

(2) Represents SS SHO revenues at Welltower pro rata ownership. See previous page for reconciliation.

(3) Represents average occupied units for SS properties related solely to referenced country on a pro rata basis.

(4) Represents pro rata SS average revenues generated per occupied room per month.



EBITDA and Adjusted EBITDA

We measure our credit strength both in terms of leverage ratios and coverage ratios. The leverage ratios indicate how much of our balance sheet capitalization is related to long-term debt, net of cash and Internal Revenue Code (“IRC”) Section 1031 deposits. We expect to maintain capitalization ratios and coverage ratios sufficient to maintain a capital structure consistent with our current profile. The ratios are based on EBITDA and Adjusted EBITDA. EBITDA is defined as earnings (net income per income statement) before interest expense, income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding unconsolidated entities and including adjustments for stock-based compensation expense, provision for loan losses, gains/losses on extinguishment of debt, gains/losses/impairments on properties, gains/losses on derivatives and financial instruments, other expenses, additional other income and other impairment charges. We believe that EBITDA and Adjusted EBITDA, along with net income, are important supplemental measures because they provide additional information to assess and evaluate the performance of our operations. Our leverage ratios include net debt to Adjusted EBITDA. Net debt is defined as total long-term debt, excluding operating lease liabilities, less cash and cash equivalents and any IRC Section 1031 deposits.

Net Debt to Adjusted EBITDA

(dollars in thousands)

| | Three Months Ended December 31, 2020 |
|---|--|
| Net income | \$ 155,278 |
| Interest expense | 121,173 |
| Income tax expense (benefit) | 290 |
| Depreciation and amortization | 242,733 |
| EBITDA | 519,474 |
| Loss (income) from unconsolidated entities | (258) |
| Stock-based compensation expense | 7,380 |
| Loss (gain) on extinguishment of debt, net | 13,796 |
| Loss (gain) on real estate dispositions, net | (185,464) |
| Impairment of assets | 9,317 |
| Provision for loan losses | 83,085 |
| Loss (gain) on derivatives and financial instruments, net | 569 |
| Other expenses | 27,583 |
| Adjusted EBITDA | \$ 475,482 |

| |
|---|
| Lines of credit and commercial paper ⁽¹⁾ |
| Long-term debt obligations ^(1,2) |
| Cash and cash equivalents ⁽³⁾ |
| Net debt |
| Adjusted EBITDA |
| Adjusted EBITDA annualized |
| Net debt to Adjusted EBITDA ratio |

| | Three Months Ended December 31, 2020 |
|----|--|
| \$ | — |
| | 13,905,822 |
| | (1,968,765) |
| | 11,937,057 |
| | 475,482 |
| \$ | 1,901,928 |
| | 6.28 x |

(1) Amounts include unamortized premiums/discounts and other fair value adjustments as reflected on the balance sheet

(2) Includes financing lease liabilities of \$107,102,000 and excludes operating lease liabilities of \$311,164,000 related to ASC 842 adoption.

(3) Inclusive of IRC Section 1031 deposits, if any.

welltower