



Business Update

September 2021

welltower

Forward Looking Statements and Risk Factors

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, including statements related to Funds From Operations guidance, 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 successful completion of the transactions; 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; uncertainty regarding the implementation and impact of the CARES Act and future stimulus or other COVID-19 relief 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.

Welltower at a Glance

WELL

LISTED

NYSE

S&P
500

\$49B
Enterprise
Value⁽¹⁾

2.9%
Dividend Yield⁽¹⁾

Baa1
MOODY'S

BBB+
S&P Global
Ratings



100,000+
Seniors Housing &
Wellness Housing Units



~22M sq. ft.
Outpatient Facilities

Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

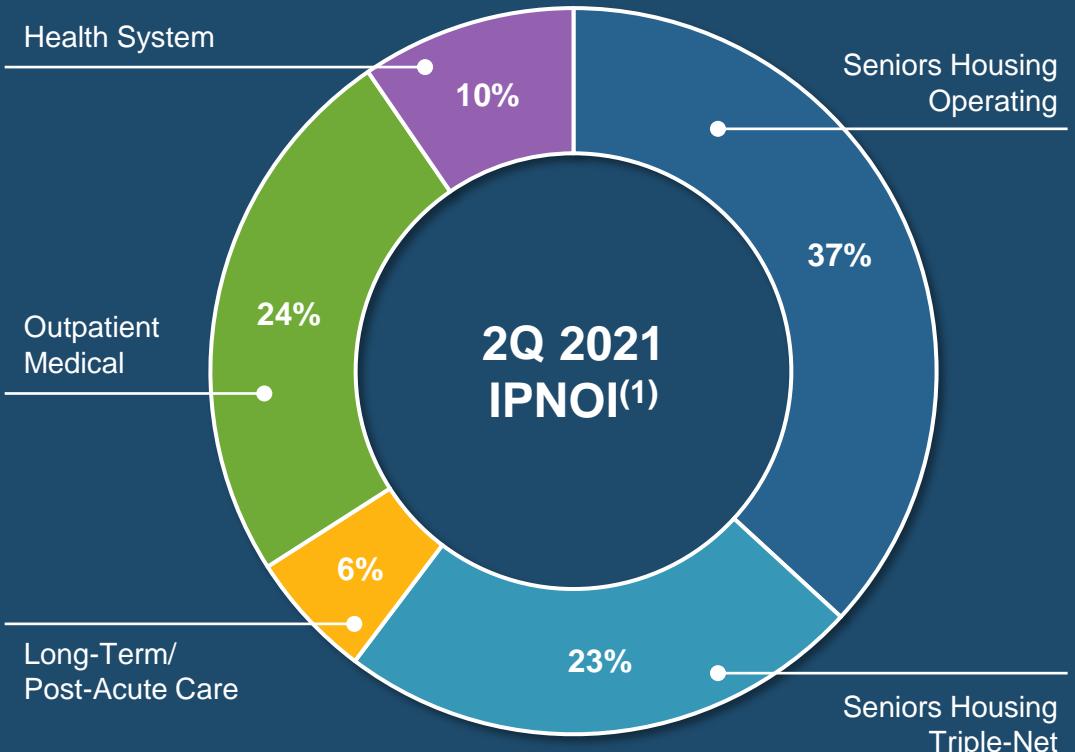


G R E S B[®]



World's largest health & wellness real estate platform

|| Portfolio Overview



1. Based on In-Place NOI. See Supplemental Financial Measures at the end of this presentation for reconciliations.



Developments Since Previous Update on July 29, 2021

Seniors Housing Operating (SHO) Portfolio Update⁽¹⁾

- **SHO portfolio spot occupancy increased approximately 150bps quarter-to-date to 76.1% as of September 3, 2021 despite a surge in national COVID-19 cases across our geographies**
 - An acceleration of occupancy gains from approximately 60bps in July to 80bps in August, coupled with a favorable start to September, reflect continued strength in demand for seniors housing
 - Quarter-to-date, US and UK portfolios reported spot occupancy gains of 180bps and 190bps, respectively. Canada reported a spot occupancy gain of 70bps quarter-to-date after posting flat occupancy growth in July and 50bps in August
 - As of September 3, 2021, SHO portfolio spot occupancy has increased approximately 380bps since the pandemic-low on March 12, 2021
 - The US and UK SHO portfolios reported occupancy gains of approximately 520bps and 440bps, respectively, since March 12, 2021
- Resident COVID cases within our communities remain approximately 94% below prior peak levels with most residents asymptomatic or experiencing mild symptoms; few COVID-related hospitalizations
 - Headline risk regarding Delta variant has been largely offset by significantly higher vaccination rates within seniors housing communities as compared to broader society
- While SHO portfolio expenses remain elevated due to higher seasonal utility costs and COVID-related labor expenses, we are increasingly encouraged by the outlook for rate growth
- **The outlook for the SHO portfolio remains favorable:**
 - Overall lead generation remains at pre-COVID levels while move-in activity continues to be robust
 - Desire for socialization following isolation experienced during COVID pandemic is a primary reason for move in

Investments Update

- **Over the past 12 months, WELL has executed approximately \$4.2 billion of pro rata gross investments at an initial yield of 6.6% and expected year 3 yield in excess of 8.5%⁽²⁾**
- **Completed \$1.8 billion of pro rata gross investments⁽²⁾ since previous business update on July 29, 2021** bringing year-to-date pro rata gross investments to \$3.7 billion⁽²⁾. Notable transactions include:
 - Completed the acquisition of 86 Atria properties for \$1.58 billion, or \$152,000 per unit. The acquisition is expected to be immediately accretive to normalized FFO at \$0.10 per diluted share⁽³⁾ on an annualized basis and generate a low-double digit unlevered IRR to WELL
 - Acquired eight independent living SH communities operated by Holiday, now Atria Senior Living, for \$115 million, or \$126,000 per unit, representing a significant discount to replacement cost
 - Completed the acquisition of four SH communities in Ohio with an average age of four years for \$113 million and the acquisition of two SH communities in Tennessee for \$28 million. Both portfolios will be transitioned to StoryPoint Senior Living
- **WELL's near-term capital deployment pipeline remains robust across a wide range of opportunities; recent uncertainty around COVID-19 variants has resulted in an expanded opportunity set**
- Quarter-to-date, received approximately \$488 million in pro rata disposition proceeds with an additional \$307 million of proceeds anticipated by year-end related to properties classified as held-for-sale as of June 30, 2021⁽⁴⁾
- **Significant capacity for future capital deployment has been created via unsettled ATM proceeds and expected disposition proceeds**

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

2. Excluding development funding

3. See Supplemental Financial Measures at the end of this presentation

4. Related to 2Q2021 assets held for sale of \$735 million as of June 30, 2021 less \$428 million related to dispositions closed subsequent to quarter end as of September 3, 2021

3Q2021 Guidance – As reported July 29, 2021

3Q2021 Guidance

- Third quarter 2021 net income attributable to common stockholders: \$0.44 - \$0.49 per diluted share⁽¹⁾
- **Third quarter 2021 normalized FFO : \$0.78 - \$0.83 per diluted share⁽¹⁾. Key assumptions include:**
 - SHO Portfolio Occupancy: Midpoint of normalized FFO guidance assumes a continuation of recent trends, resulting in an approximate increase of 190bps through 3Q2021
 - Expect 3Q2021 Same Store REVPOR⁽¹⁾ growth of 2.5% year-over-year
 - Provider Relief Funds: Our third quarter guidance does not include the recognition of any Provider Relief Funds which may be received during the quarter
 - Development: We expect funding approximately \$288 million of development in 2021 relating to projects underway on June 30, 2021
 - Investments: Guidance includes only acquisitions closed or announced as of July 29, 2021
 - Dispositions: We expect pro rata dispositions of \$1.5 billion at a blended yield of 8.1% in 2021 including \$758 million in dispositions and loan payoffs completed through June 30, 2021 and \$735 million related to assets held-for-sale as of June 30, 2021
- General and Administrative Expense: We expect G&A expense of approximately \$132 million to \$137 million for full year 2021



|| Leadership Team



SHANKH MITRA
Chief Executive Officer &
Chief Investment Officer



TIMOTHY G. MCHUGH
Chief Financial Officer



JOHN F. BURKART
Chief Operating Officer



MATTHEW G. MCQUEEN
General Counsel &
Corporate Secretary



AYESHA MENON
Senior Vice President
Wellness Housing and
Development



JOSHUA T. FIEWEGER
Chief Accounting Officer

New Paradigm for Growth with Lower Entity-Level Risk

PAST FIVE YEARS DO NOT REFLECT OUTLOOK FOR NEXT FIVE YEARS

Where we Were (2015- 2020)

Where we're Going (2021 and beyond)



SENIORS HOUSING DEMAND

- Relatively flat demographic growth of key seniors housing demographic resulting from “Baby Bust” of 1928 - 1940



- Sharply accelerating growth of 80+ age cohort



SENIORS HOUSING SUPPLY

- Significant multi-year increase in seniors housing supply



- Precipitous decline in starts resulting from accelerating construction costs and challenges in procuring construction financing



PORTFOLIO

- Outsized operator and post-acute concentration: Genesis Healthcare comprised nearly 20% of WELL NOI



- Substantially exited operating relationship with Genesis; immaterial post-acute care exposure following announced sales⁽¹⁾



OPERATOR PLATFORM

- Long-term revenue-based management contracts



- Aligned interests via RIDEA 3.0 construct with shorter term management contracts



INVESTMENT ENVIRONMENT

- Focused on improving portfolio quality through dispositions
- **Prohibitive seniors housing valuations resulted in few net investment value creation opportunities**



- Significant increase in net investment activity: abundant opportunities to create shareholder value through capital deployment



EARNINGS GROWTH

- Lackluster growth resulting from elevated disposition activity and impact of COVID-19 pandemic

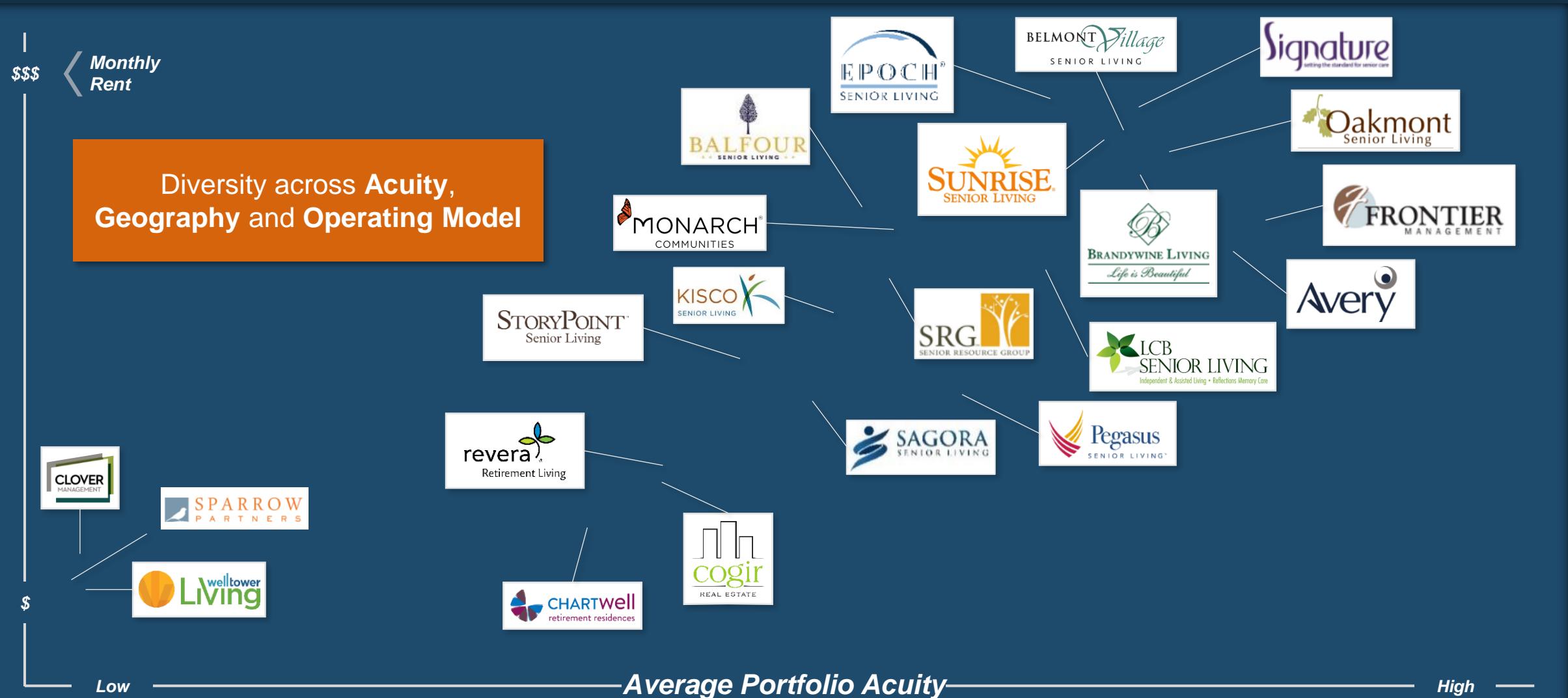


At the cusp of multi-year period of compelling per share growth



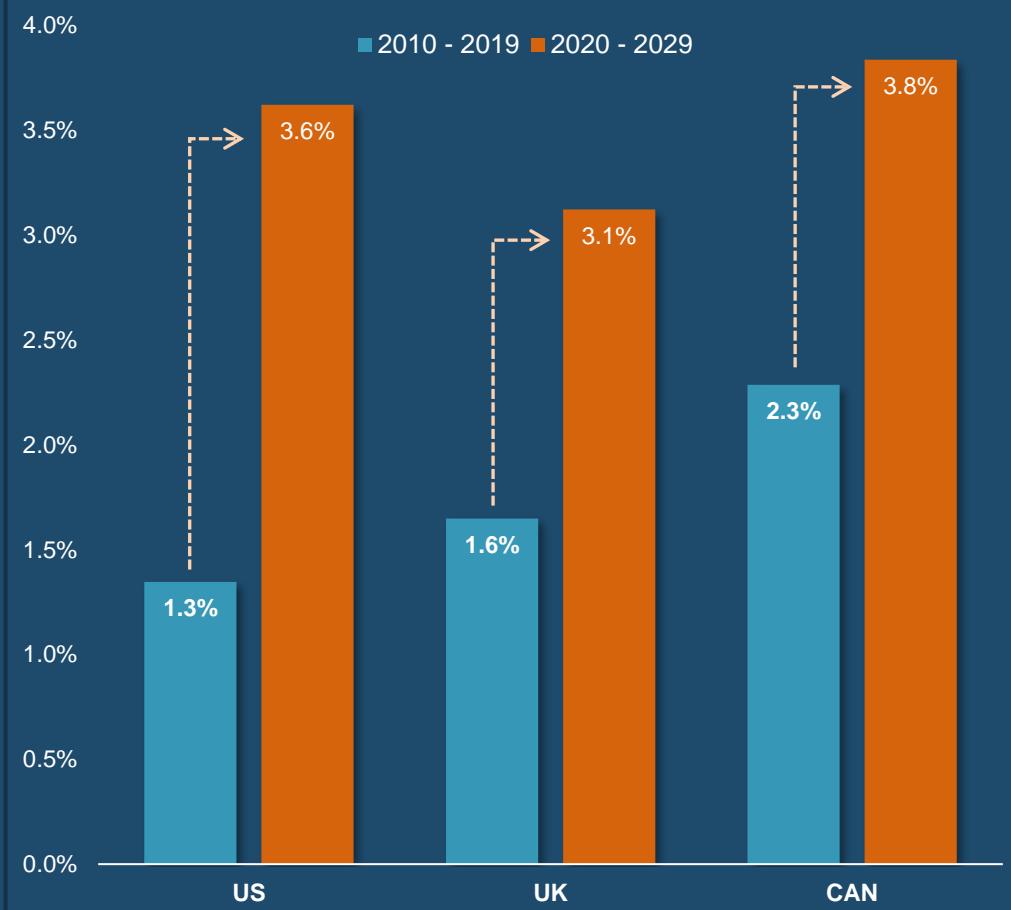
Seniors Housing

Seniors Housing Operator Platform | Power of Diversification

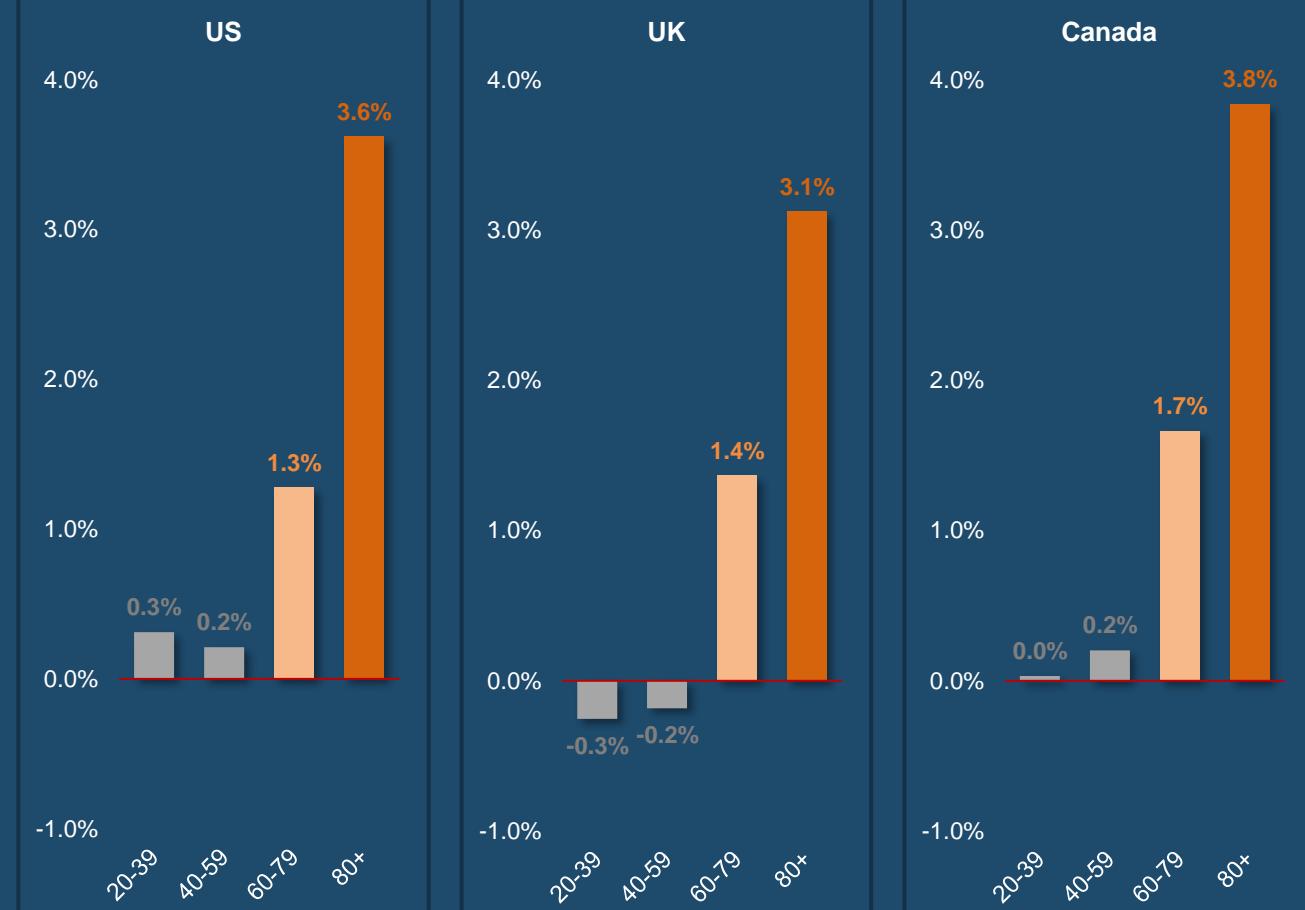


|| Demographic Backdrop | Rapidly Aging Population

80+ Population CAGR | Historical and Projected⁽¹⁾



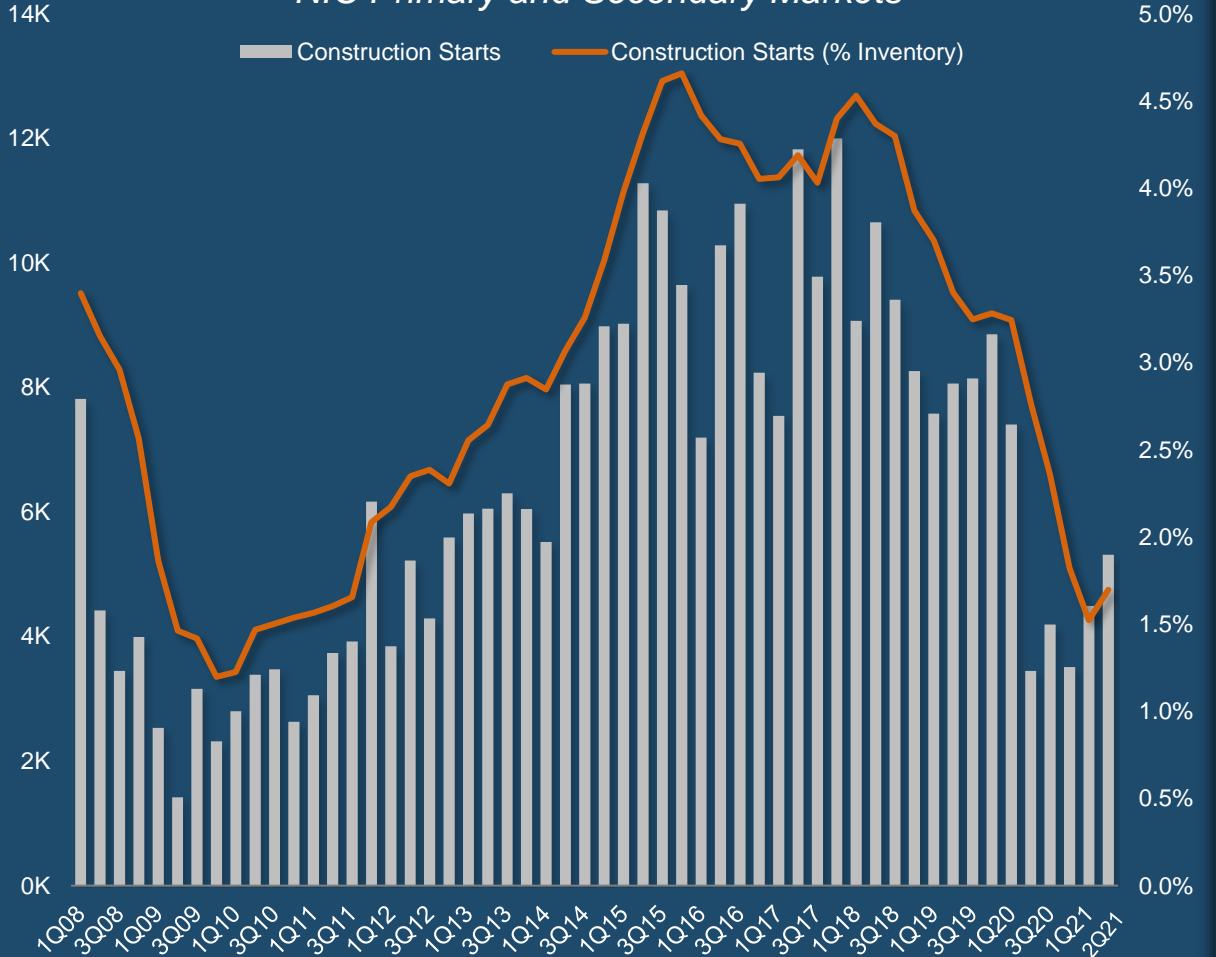
10 Year Population CAGR by Age Cohort | 2020 - 2029



Seniors Housing Supply | Construction remains well below peak levels

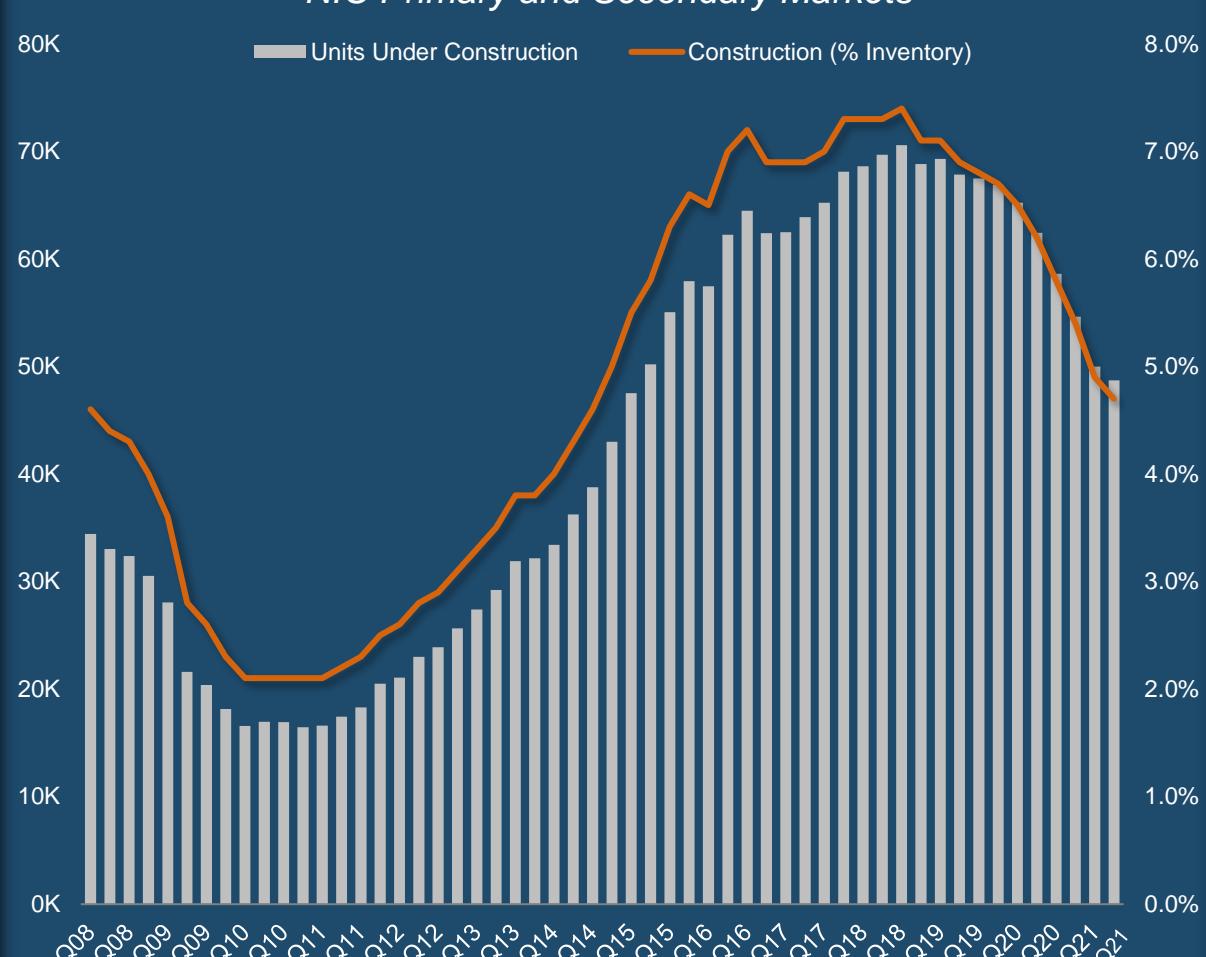
Seniors Housing Historical Supply⁽¹⁾

NIC Primary and Secondary Markets



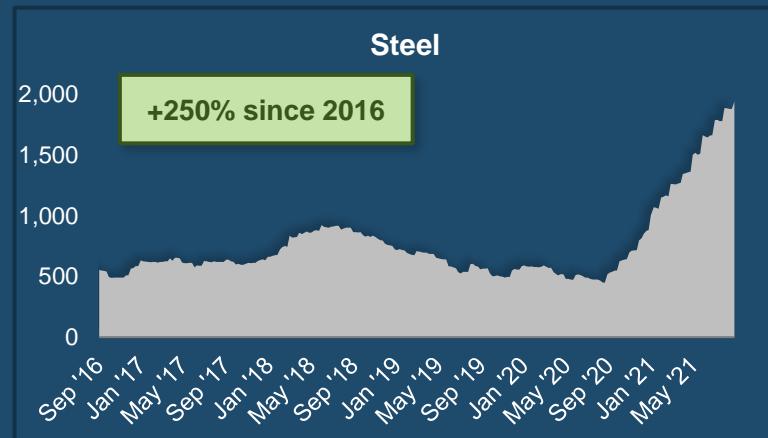
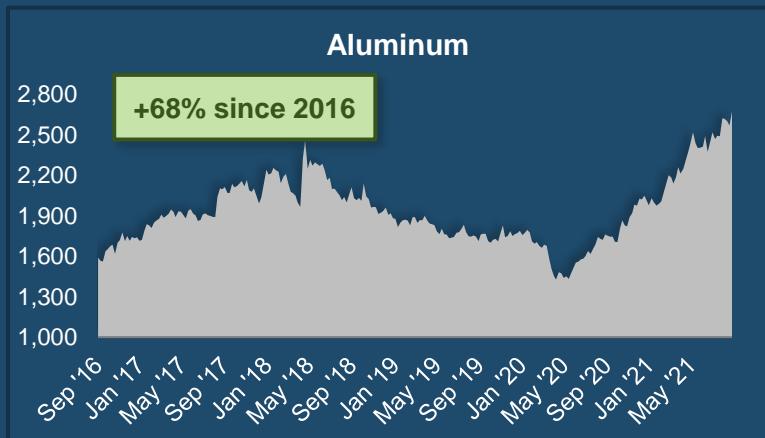
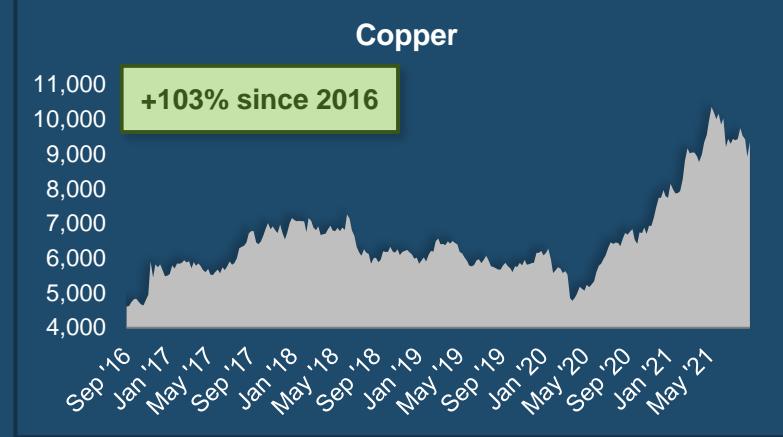
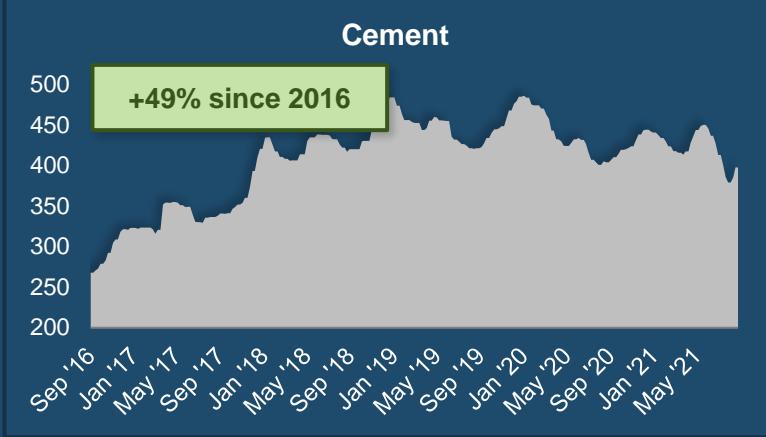
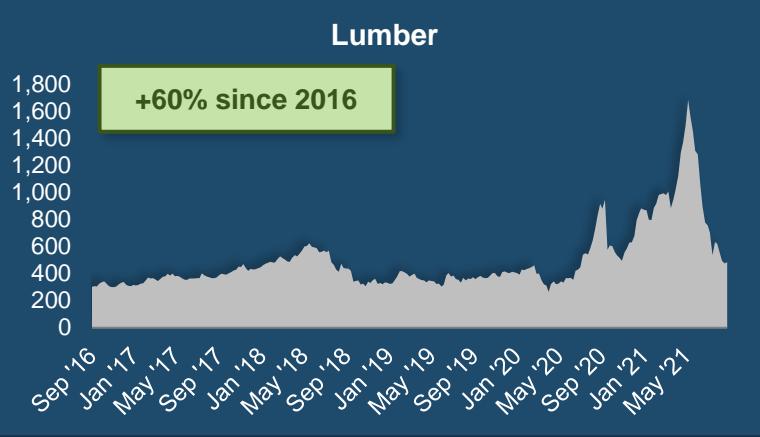
Seniors Housing Historical Supply⁽¹⁾

NIC Primary and Secondary Markets



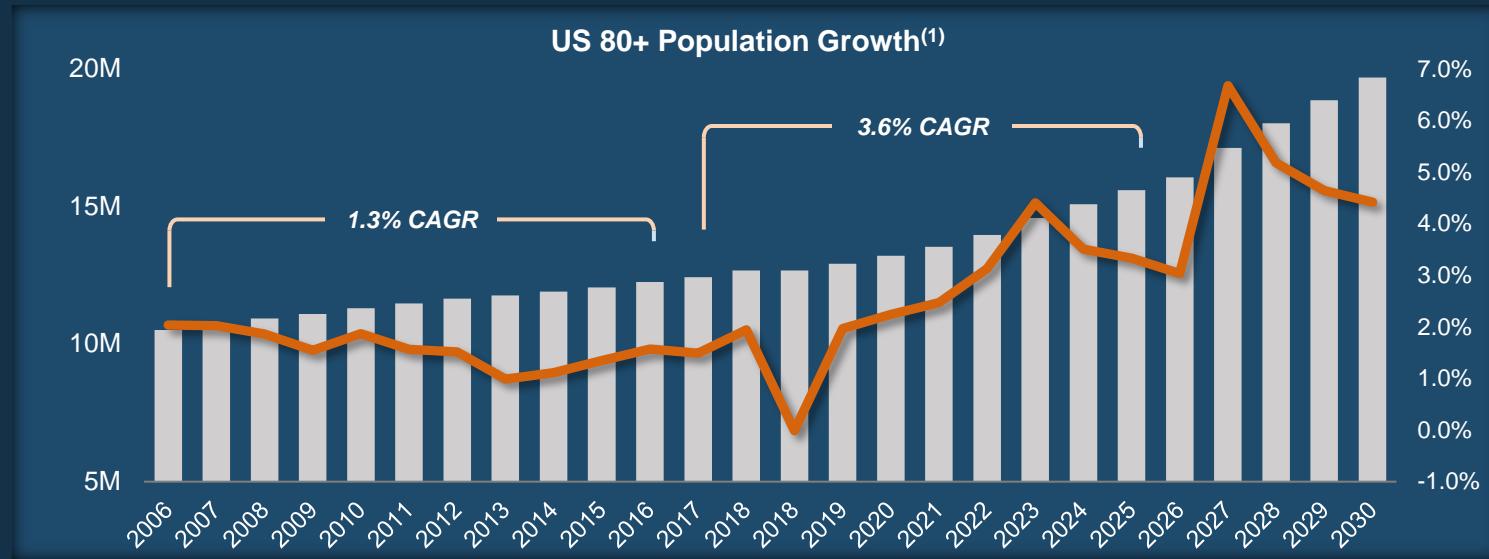
Seniors Housing Supply | Surging Construction Costs

Material increase in cost of development for ALL RESIDENTIAL property types including SENIORS HOUSING



WEAKER DEVELOPMENT ECONOMICS LEADING TO SHARP DECLINE IN SENIORS HOUSING SUPPLY

Post-COVID Recovery | Growth Opportunity



Demographic-driven
Occupancy Recovery



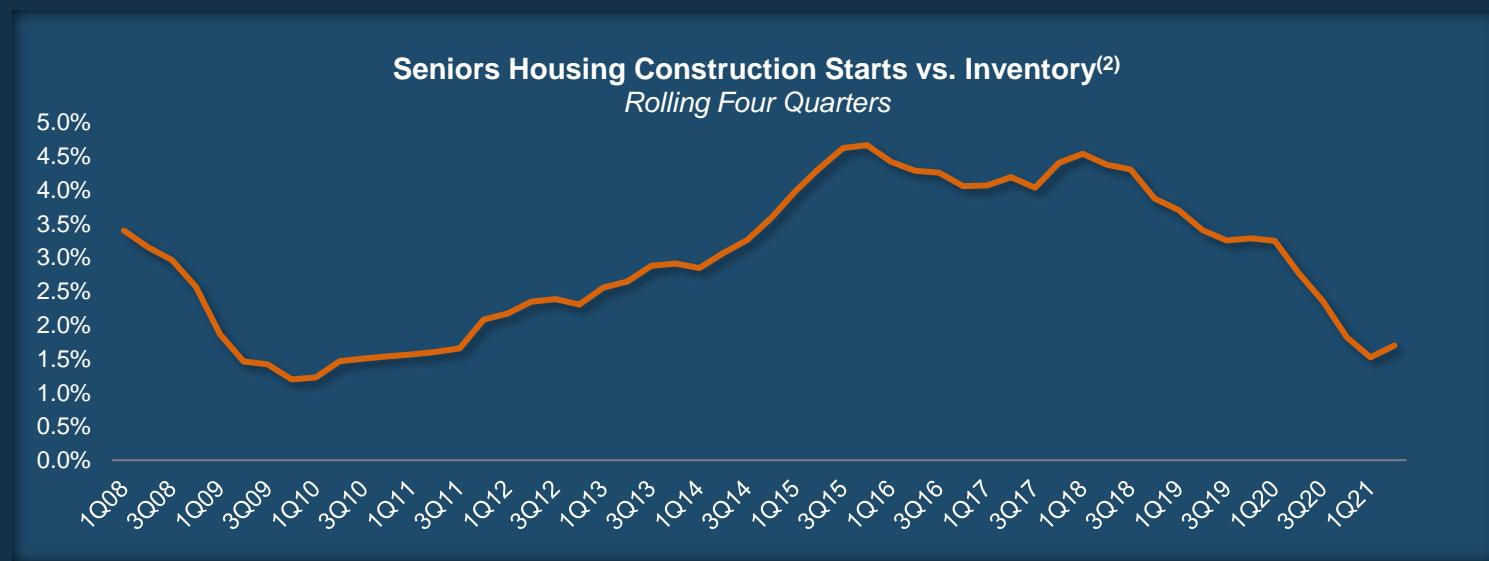
Resilient Pricing Power



Supply Deceleration



Unique Opportunity for
Significant NOI Growth

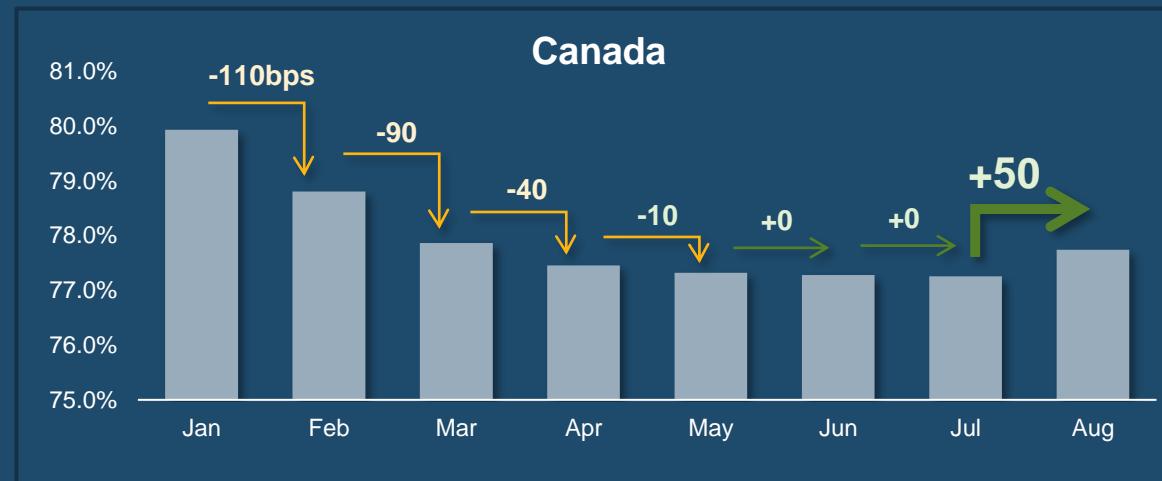
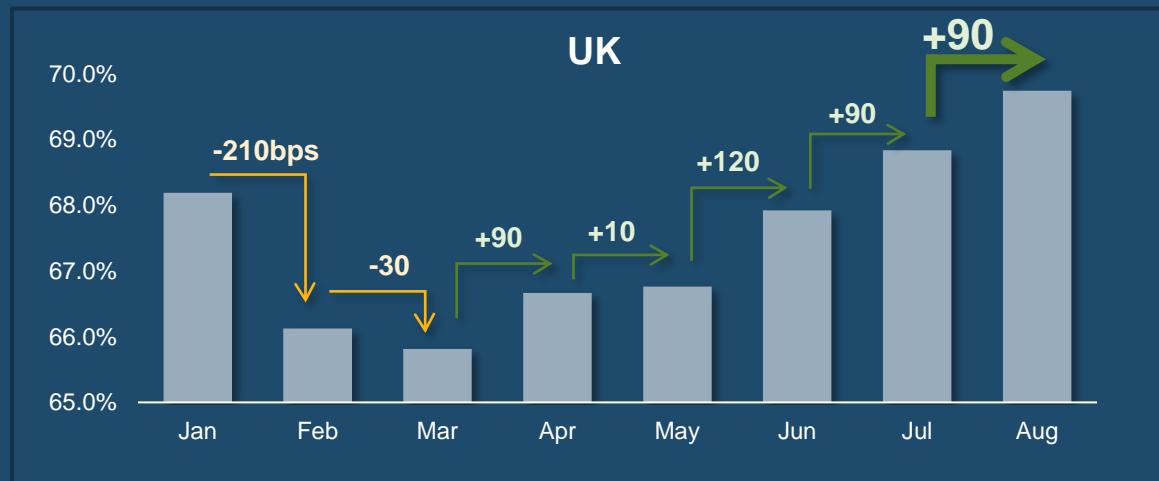


1. The Organisation for Economic Cooperation and Development (OECD)

2. NIC MAP, Primary and Secondary Markets

SHO Portfolio | Occupancy Trends⁽¹⁾

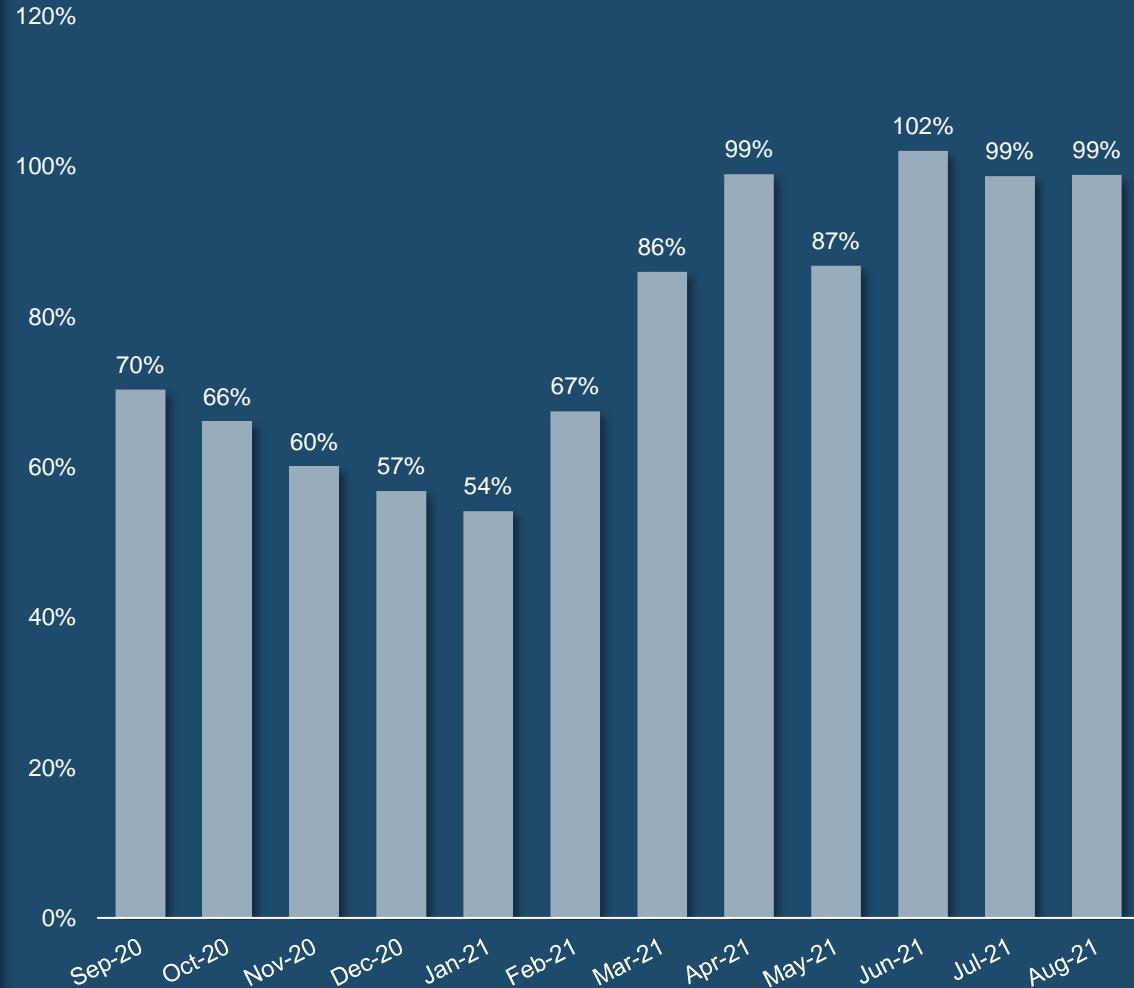
Occupancy gains have accelerated through 3Q despite surge of COVID-19 cases across US, UK, and Canada



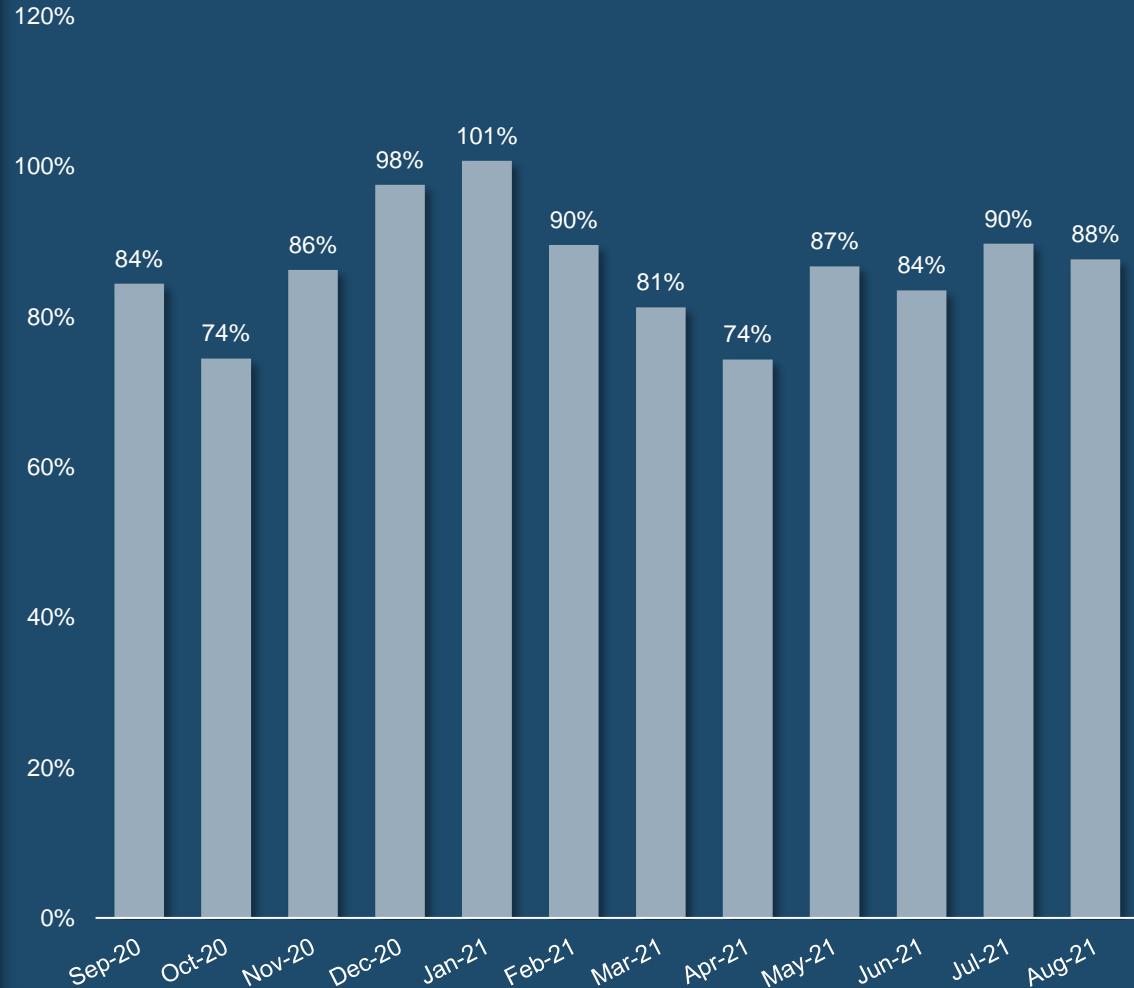
1. Represents approximate month end pro rata occupancy for total SHO portfolio as of December 31, 2020, excluding executed dispositions. Approximate month end spot occupancy is as follows: **Total**: January – 73.3%; February – 72.5%; March – 72.6%; April – 73.2%; May – 73.6%; June – 74.6%; July – 75.1%; August – 75.9% **US**: January – 71.5%; February – 70.9%; March – 71.5%; April – 72.3%; May – 73.1%; June – 74.3%; July – 75.1%; August – 75.9% **UK**: January – 68.2%; February – 66.1%; March – 65.8%; April – 66.7%; May – 66.8%; June – 67.9%; July – 68.8%; August – 69.7% **CA**: January – 79.9%; February – 78.8%; March – 77.9%; April – 77.5%; May – 77.3%; June – 77.3%; July – 77.3%; August – 77.7%

SHO Portfolio | Move Ins & Move Outs⁽¹⁾

Move Ins as % 2019 Move Ins



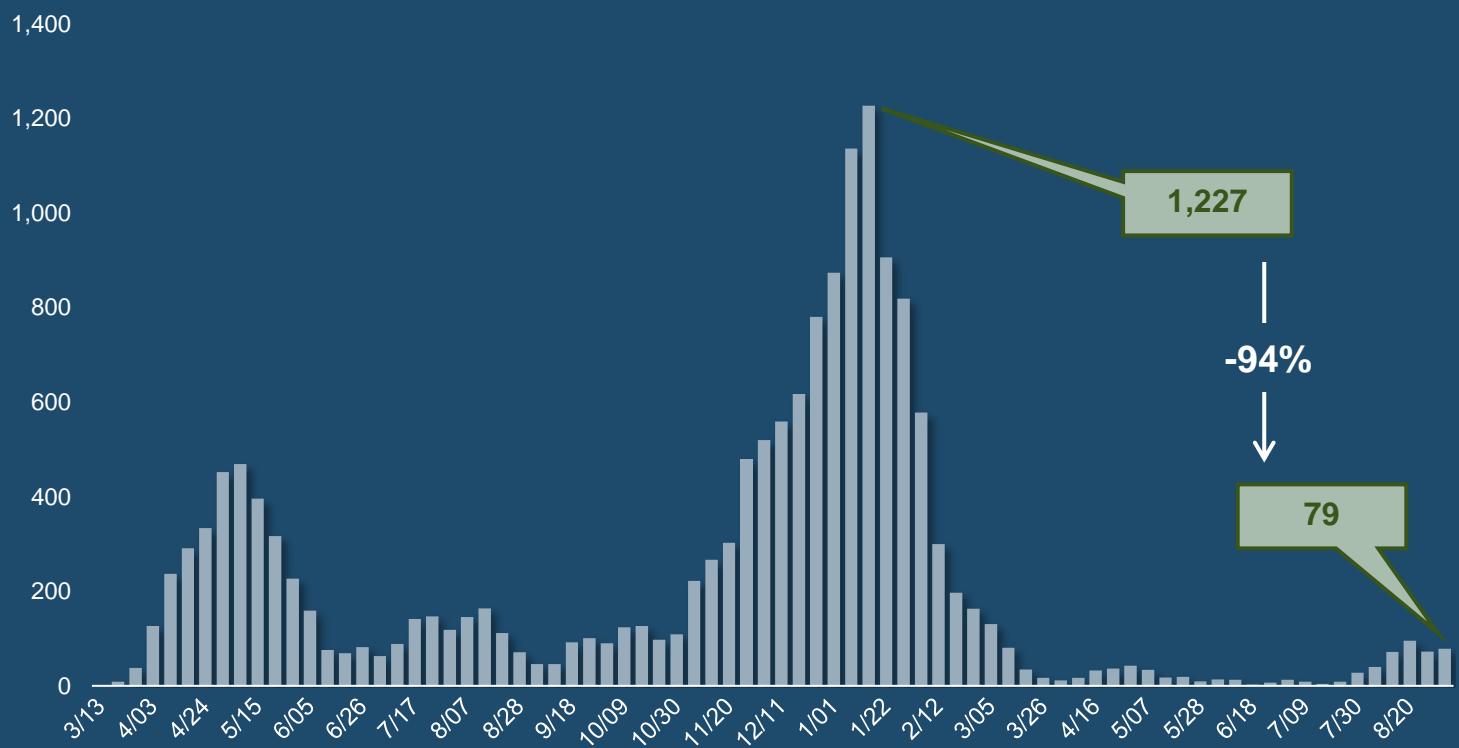
Move Outs as % 2019 Move Outs



SHO Portfolio | COVID-19 Impact⁽¹⁾

Resident Case Counts Remain 94% below Prior Peak Levels

- ✓ Lead generation for many communities has exceeded pre-COVID levels



COVID-19 Impact

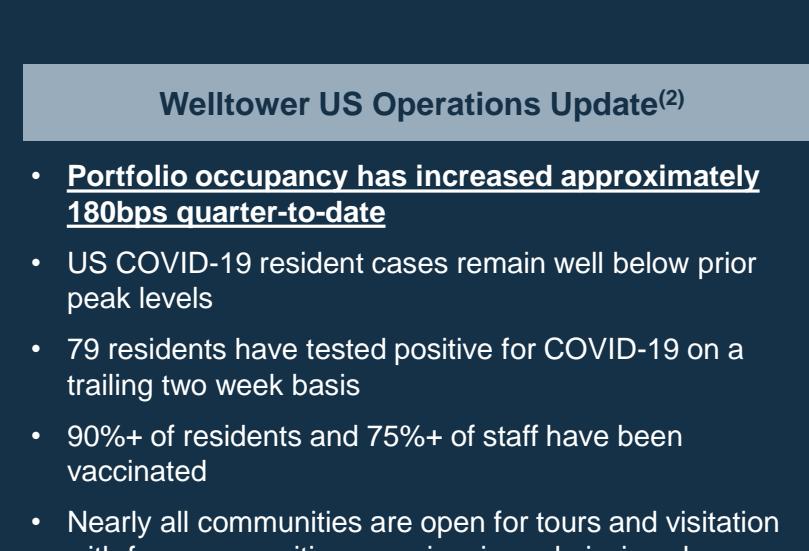
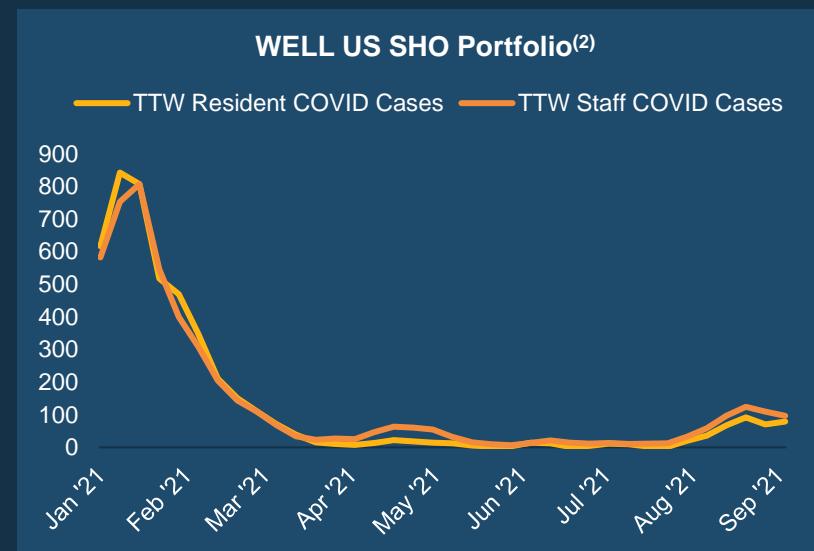
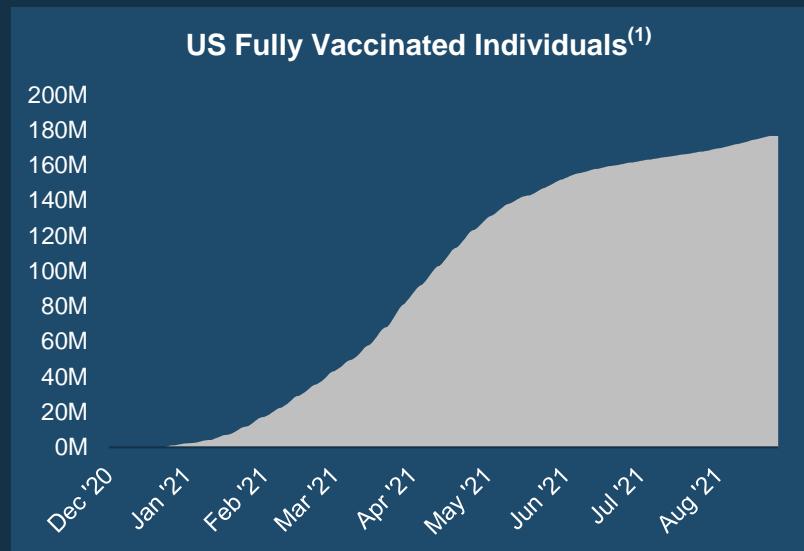
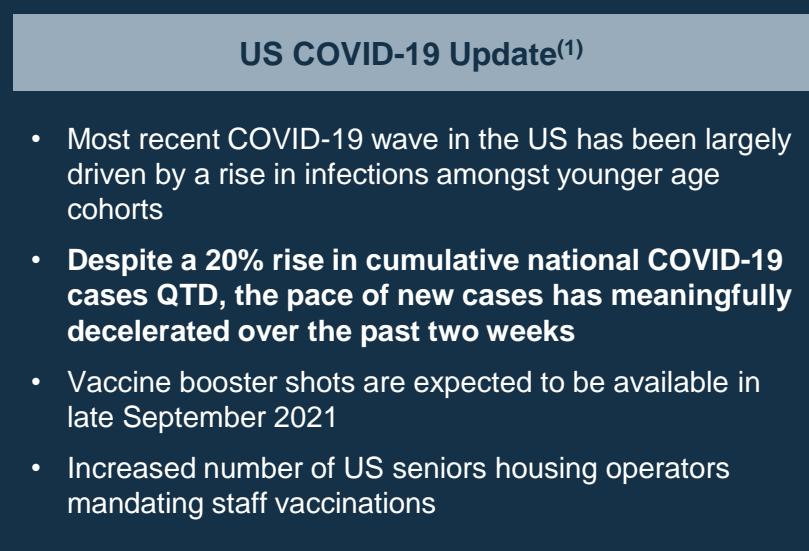
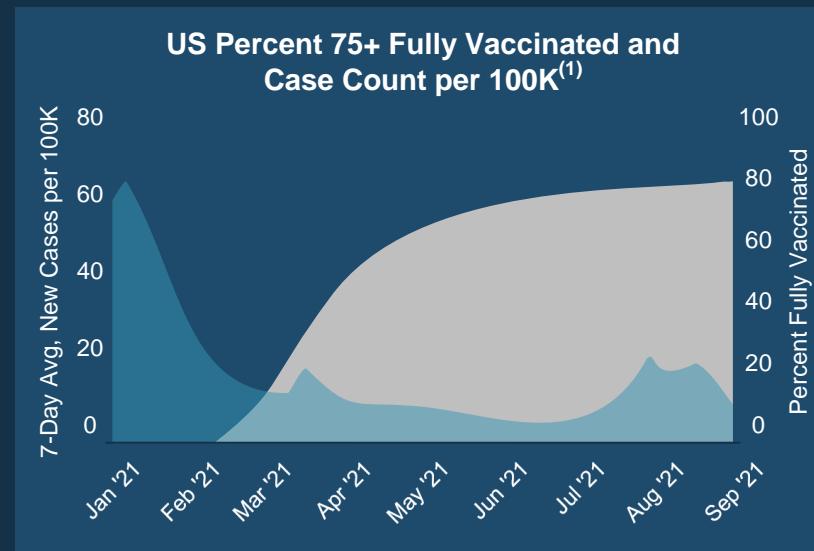
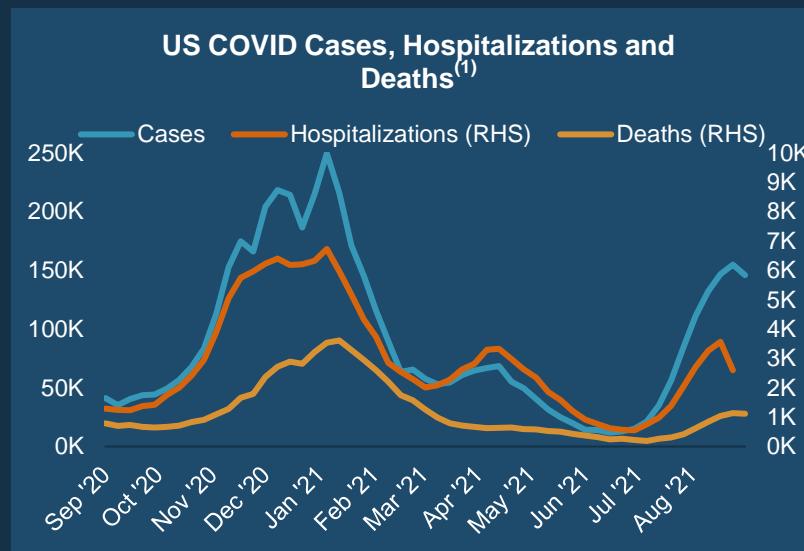
- Trailing Two Week resident COVID-19 cases remain meaningfully below those of prior peaks despite recent surge in national cases across the US and UK
- 94% of communities have zero reported resident COVID-19 cases on a trailing two week basis
- 99% of communities are accepting new residents

Operations Update

- Approximately 80% of communities are requiring staff vaccinations
- Nearly all communities allowing visitors while maintaining strict adherence to state, local, and/or operator-imposed guidelines
- Nearly all communities allowing in-person tours, communal dining and social activities
- Previous requirement to self-quarantine post move in has been removed at most properties if new resident is fully vaccinated and tested negative for COVID-19



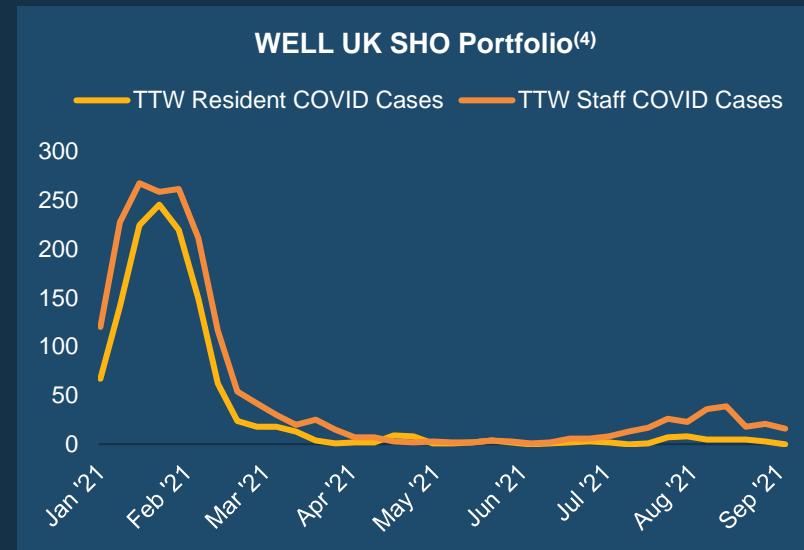
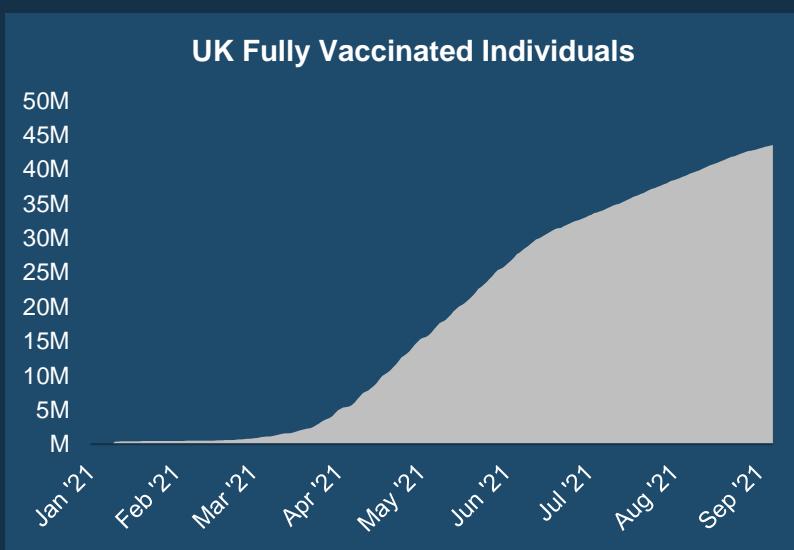
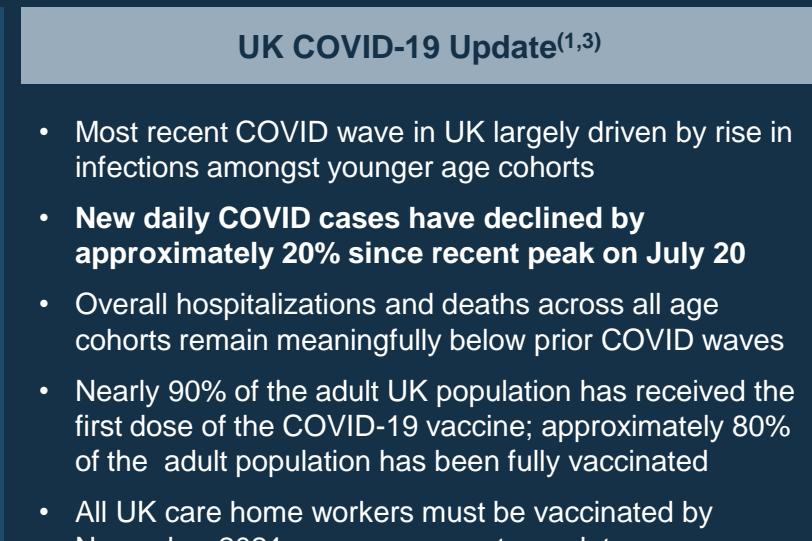
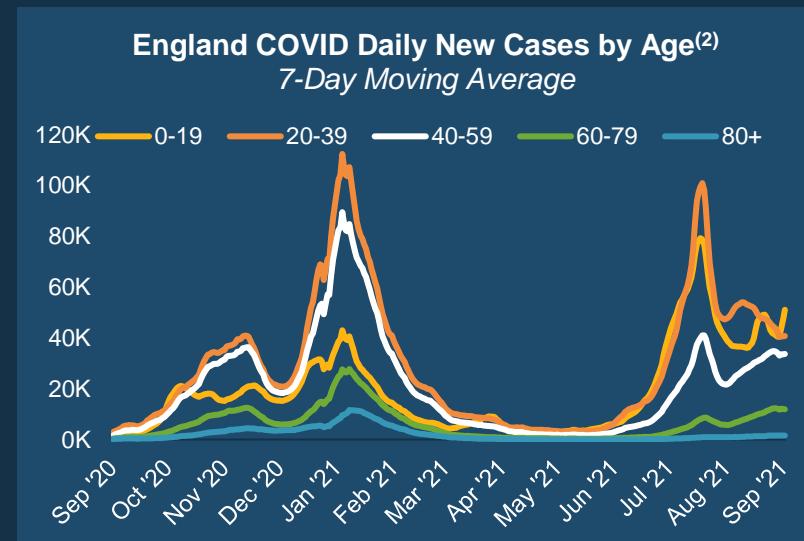
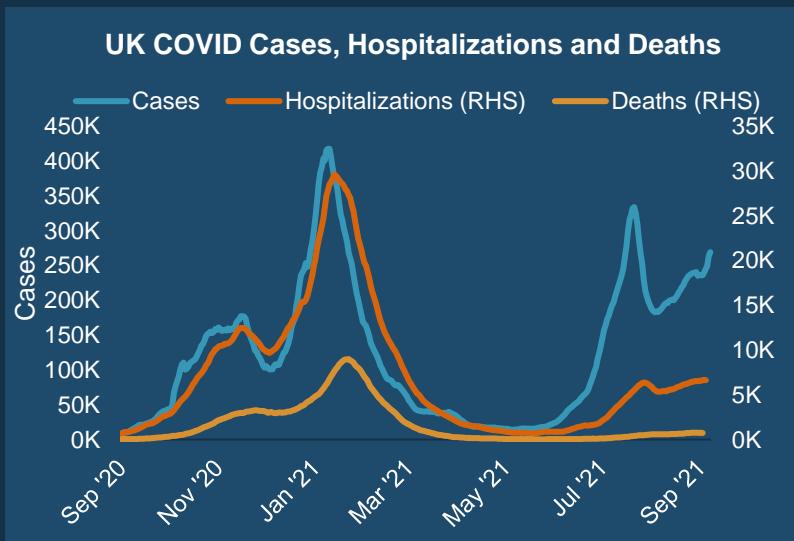
US SHO Portfolio | Occupancy gains accelerated in 3Q despite 10x increase in national daily COVID-19 cases⁽¹⁾



1. Centers for Disease Control and Prevention; Cases and Deaths as of September 7, 2021; hospitalizations as of August 28, 2021

2. As of September 3, 2021 as reported by operators

UK SHO Portfolio | Resident cases remain at pandemic lows despite surge in national COVID-19 cases



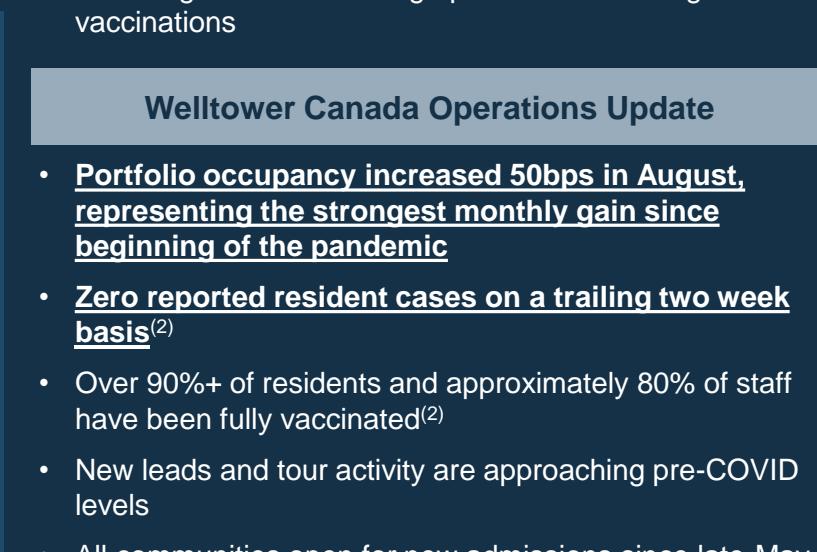
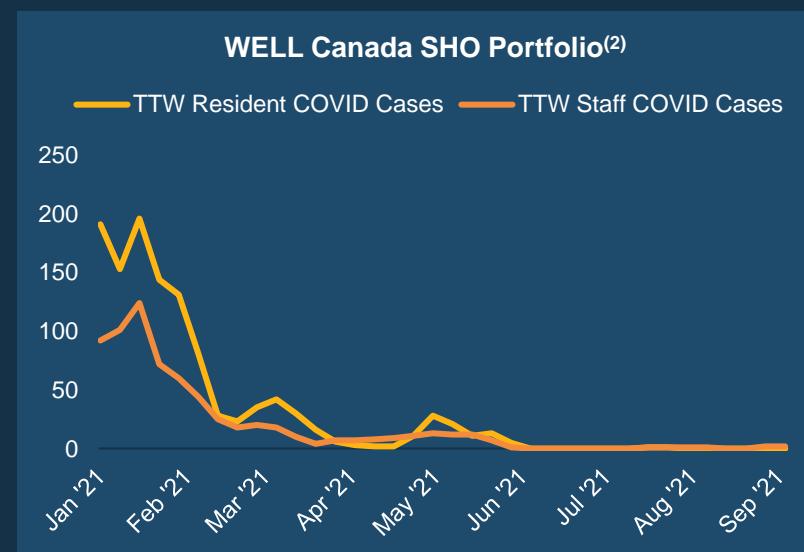
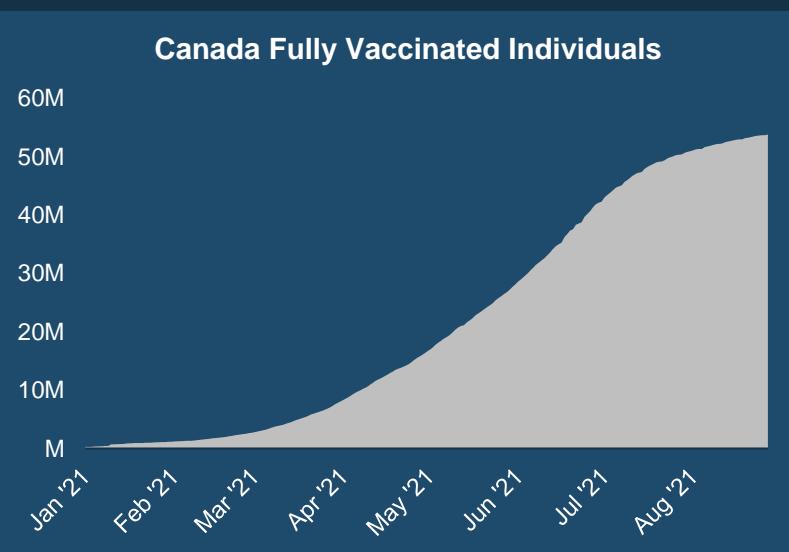
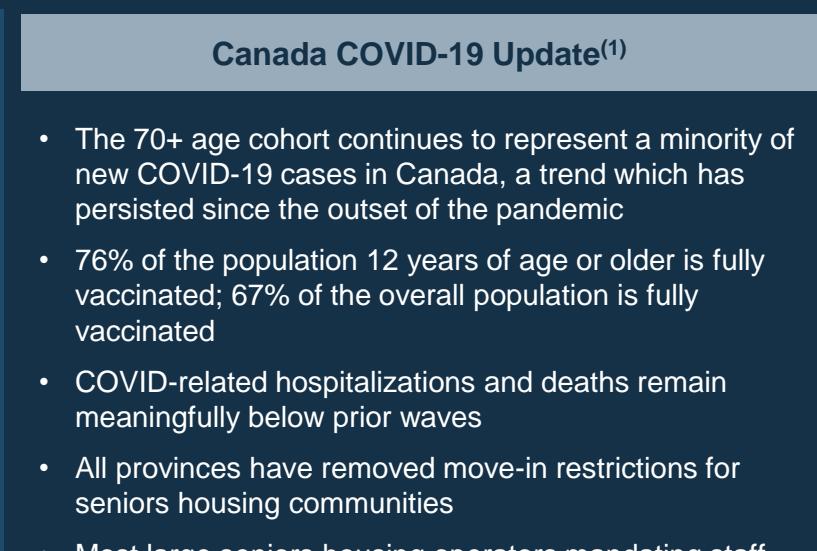
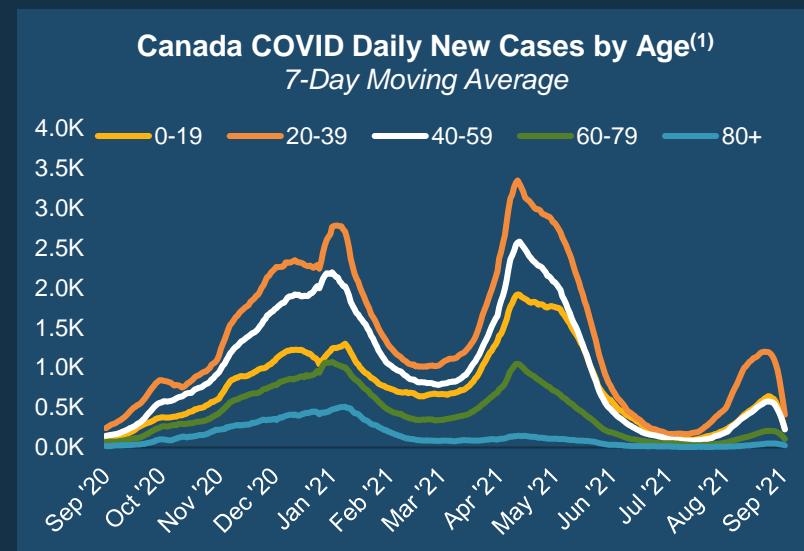
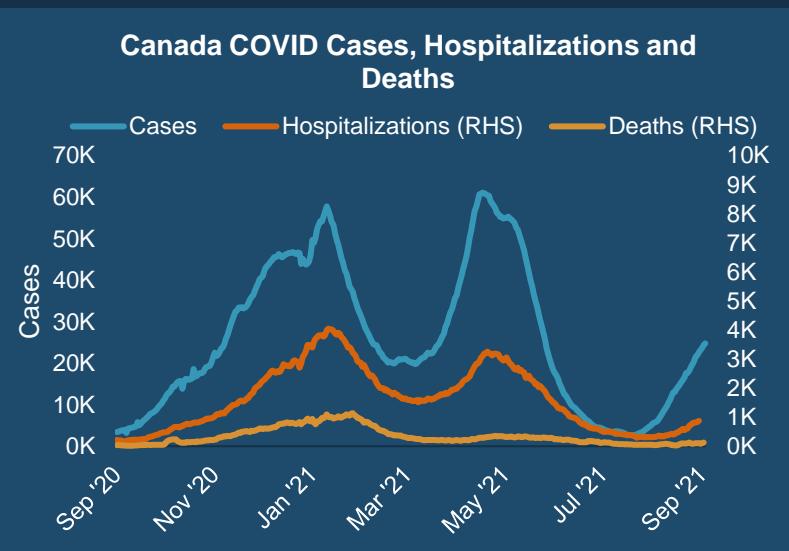
1. Public Health England. Accessed 9/7/2021. Deaths data and hospitalizations data as of 9/3/2021

2. COVID Daily New Cases by Age only available for England, as of 9/3/2021

3. <https://www.gov.uk/government/news/everyone-working-in-care-homes-to-be-fully-vaccinated-under-new-law-to-protect-residents>

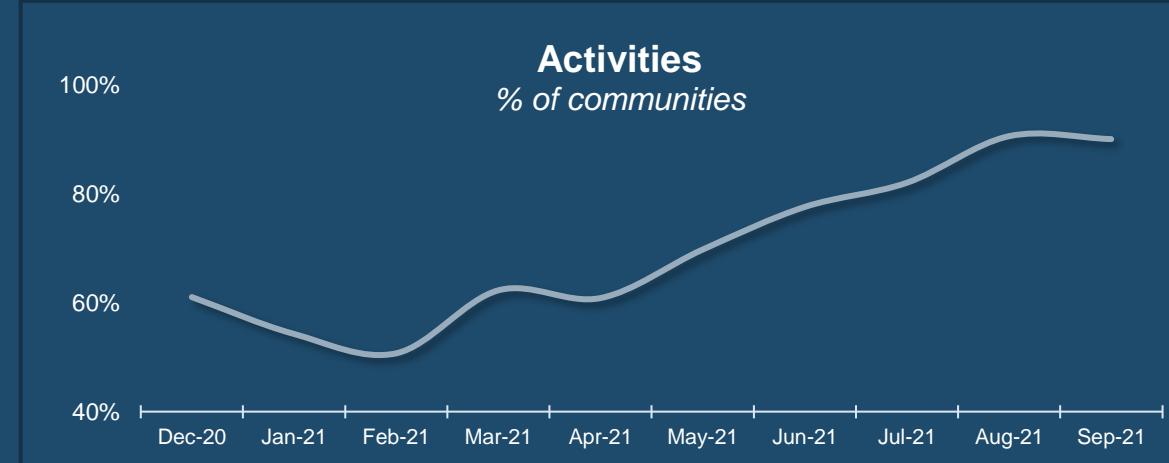
4. Data presented as of 9/3/2021 as reported by operators

Canada SHO Portfolio | Occupancy gain in August strongest since start of COVID-19 pandemic



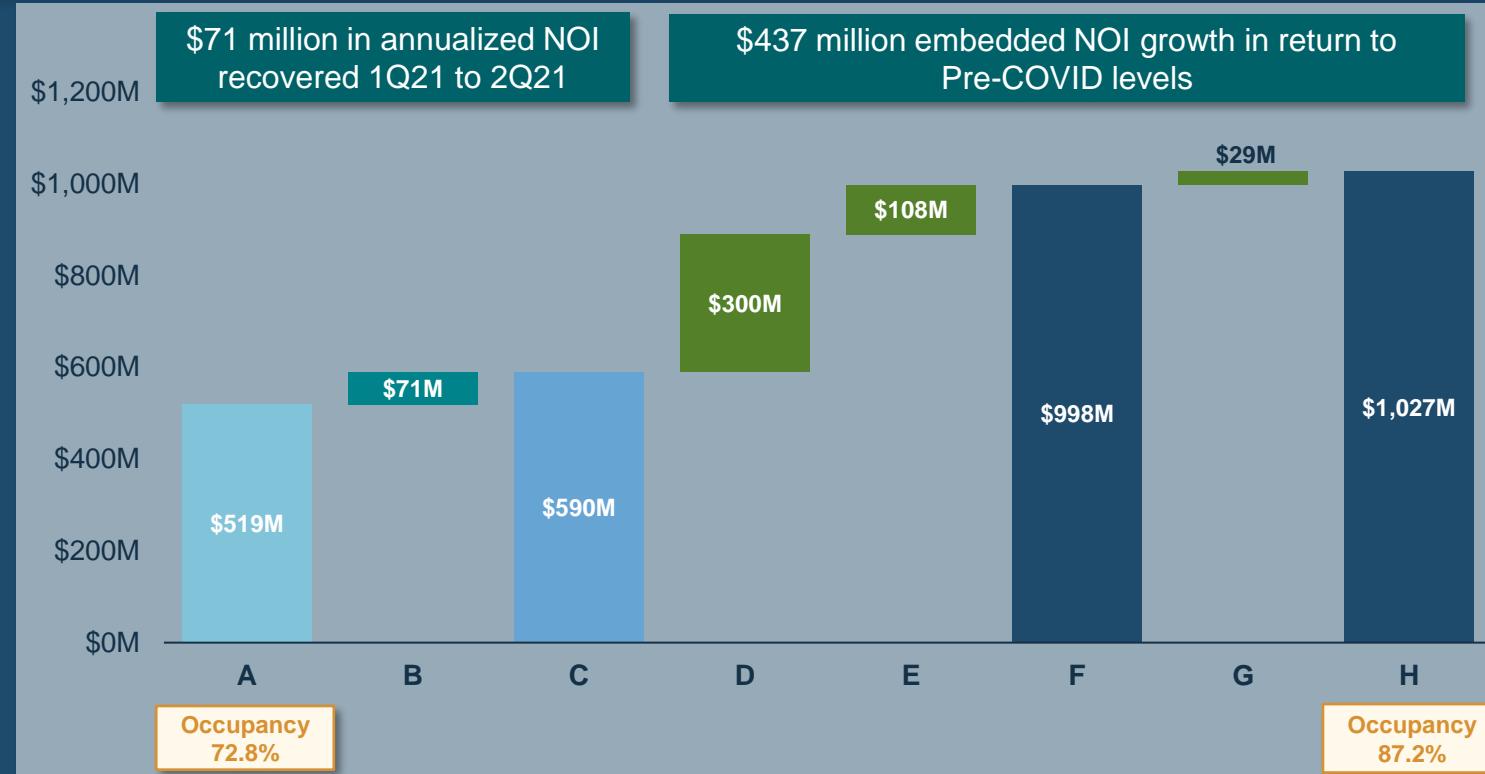
SHO Portfolio | Additional Community Details⁽¹⁾

Nearly **ALL COMMUNITIES** across US, UK and Canada allowing **VISITATION, IN-PERSON TOURS** and **COMMUNAL DINING**



SHO Portfolio | Path to Recovery – As Reported July 29, 2021

Category	NOI (\$M)
A) 1Q21 Portfolio – Core 1Q21 IPNOI (ex. HHS)	519
B) 1Q21 to 2Q21 Core IPNOI Growth	71
C) Core 1Q21 Portfolio to 2Q21 Stabilization Progress	\$590
D) Stable Portfolio Remaining Occupancy Recovery	300
E) Development, Lease-Up, Transitions and Acquisitions	108
F) 1Q21 Portfolio – Post COVID Recovery NOI	\$998
G) 2Q21 Acquisitions and Development Deliveries	29
H) 2Q21 Portfolio - Post COVID Recovery NOI	\$1,027



A) 1Q21 IPNOI excluding 2Q21 dispositions and Provider Relief Funds recognized in 1Q21

B) Core 1Q21 Portfolio – 1Q21 to 2Q21 IPNOI growth

C) 2Q21 IPNOI net of HHS (\$20M annualized) and in-quarter contribution from 2Q21 development and acquisitions (-\$4M annualized)

D) 4Q19 Stable Portfolio – Remaining incremental NOI from return to 4Q19 NOI levels

E) Remaining incremental NOI from the following: Lease-up portfolio as of 4Q19, development properties delivered subsequent to 4Q19 and SHO properties acquired subsequent to 4Q19 and prior to 2Q21. Incremental NOI driven by lease-up to underwritten stabilization. SHNNN to SHO Transitions - Properties transitioned to SHO from SHNNN subsequent to 4Q19. NOI stabilization assumes return to 4Q19 NOI

F) Core 1Q21 Portfolio Post-COVID Recovery NOI

G) Stabilized NOI of SHO properties acquired and development properties delivered in 2Q21

H) 2Q21 Portfolio Post-COVID Recovery NOI - Represents portfolio occupancy of 87.2% and operating margin of 30.1%

Potential for ADDITIONAL UPSIDE assuming return to PEAK OCCUPANCY of 91.2% in 4Q2015

Balance Sheet & Investments Update

Balance Sheet & Investment Highlights

Recent Highlights

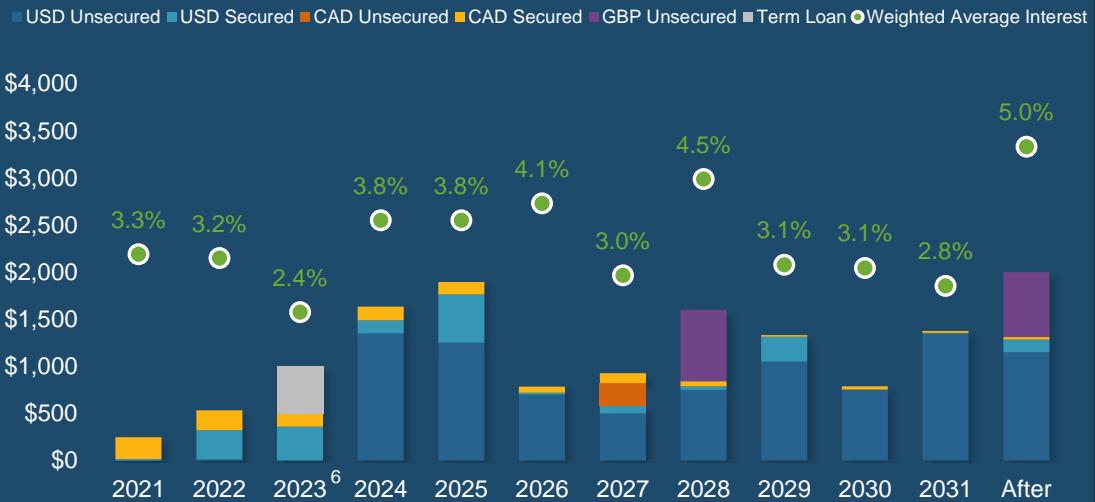
Balance Sheet:

- On June 4, 2021, closed on an expanded \$4.0 billion unsecured revolving line of credit bearing interest of LIBOR plus 77.5 bps, representing a 5bps improvement from pricing under the previous unsecured revolving line of credit
- Net debt/Adjusted EBITDA of 6.8x as of June 30, 2021⁽¹⁾; SHO portfolio occupancy and margin recovery will likely drive further improvement to leverage metrics in future quarters
- Quarter-to-date, received approximately \$488 million in pro rata disposition proceeds
- As of September 3, 2021, received approximately \$1.3 billion in pro rata disposition proceeds and loan payoffs year-to-date; anticipate generating approximately \$307 million of additional proceeds related to properties classified as held-for-sale as of June 30, 2021⁽²⁾
- No material unsecured debt maturities until 2024 following recent debt repayments

Notable Transactions:

- Quarter-to-date, closed on \$2.1 billion of gross pro rata acquisitions and loans⁽³⁾, including the previously announced acquisition of 86 Atria properties for \$1.58 billion
- Genesis: Announced substantial exit of Genesis Healthcare operating relationship. To-date WELL contributed 9 PowerBack facilities operated by Genesis into existing JV with ProMedica for total value of \$292 million and has contributed 21 facilities to the Aurora JV for \$331 million
- ProMedica: Welltower and ProMedica joint venture announced the divestment of a 25 property portfolio of non-strategic skilled nursing facilities. Year-to-date, we completed the disposition of 21 properties for pro rata proceeds to WELL of \$121 million. The sale of the remaining properties are expected to close during the second half of 2021

Well-Laddered Debt Maturity Schedule^(4,5)



Weighted Average Maturity of 7.4 Years

Baa1
Moody's

BBB+
S&P Global

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

2. Related to 2Q2021 assets held for sale of \$735 million as of June 30, 2021 less \$428 million related to dispositions closed subsequent to quarter end as of September 3, 2021

3. Excluding development funding

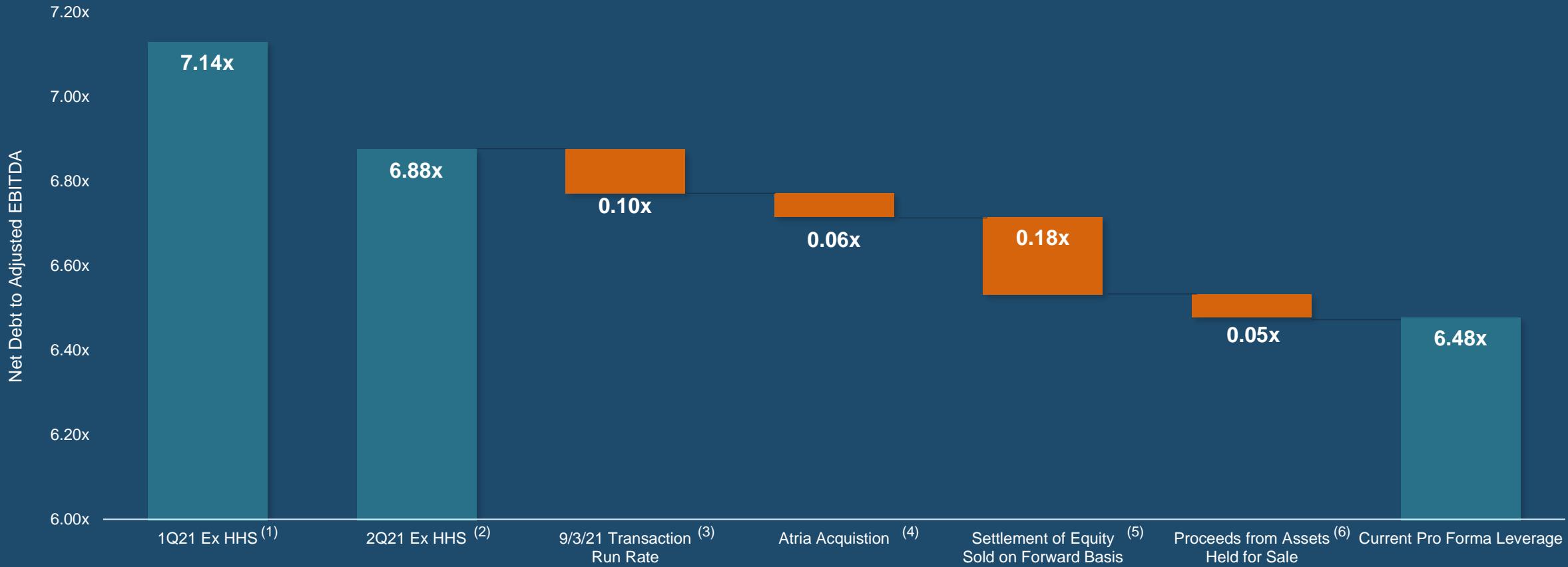
4. Represents pro rata principal amounts due and excluding unamortized premiums/discounts or other fair value adjustments as reflected on the balance sheet. Excludes lease liabilities relating to both finance and operating leases

5. Our unsecured commercial paper program and our unsecured revolving credit facility had a zero balance as of June 30, 2021. The unsecured revolving credit facility is comprised of a \$1,000,000,000 tranche that matures on June 4, 2023 and a \$3,000,000,000 tranche that matures on June 4, 2025. Both tranches may be extended for two successive terms of six months at our option. Available borrowing capacity of our unsecured revolving credit facility was \$4,000,000,000 as of June 30, 2021

6. 2023 includes a \$500,000,000 unsecured term loan and a CAD \$250,000,000 unsecured term loan (approximately \$201,525,000 USD at June 30, 2021). 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.

Pro Forma Leverage

Nearly 0.7x reduction in pro forma Net Debt/Adjusted EBITDA since 1Q2021



1. Represents 1Q2021 Net Debt to Adjusted EBITDA as reported of 6.59x, pro forma adjusted to remove \$35 million of HHS Provider Relief Funds received in 1Q2021 that are not matched to expenses incurred during the same period

2. Represents 2Q2021 Net Debt to Adjusted EBITDA as reported of 6.80x, pro forma adjusted to remove \$5 million of HHS Provider Relief Funds received in 2Q2021 that are not matched to expenses incurred during the same period

3. Includes pro forma adjustments to reflect acquisition and disposition activity in 2Q2021 and closed acquisition and disposition activity in 3Q2021 through September 3, 2021 as if all transactions occurred on April 1, 2021

4. Includes pro forma adjustment for the acquisition of 86 Atria properties for \$1.58 billion at 6.2% yield assuming capitalization of 65% equity and 35% debt as if the transaction occurred on April 1, 2021

5. Includes pro forma adjustment to reflect proceeds of \$358 million from the settlement of shares issued through WELL's at-the-market program on a forward basis not yet settled through July 28, 2021 (\$1.4 billion less \$1.0 billion in proceeds related to shares assumed settled for the Atria acquisition)

6. Includes pro forma adjustment to reflect proceeds of \$307 million related to 2Q2021 assets held for sale of \$735 million as of June 30, 2021 less \$428 million related to dispositions closed subsequent to quarter end as of September 3, 2021

Capital Deployment | Value-Driven Investment Thesis

Capital Deployment Volume⁽¹⁾

\$4.2B GROSS INVESTMENTS⁽¹⁾

- ✓ Initial yield in excess of 6.5%; Year 3 yield expected to exceed 8.5%
- ✓ Low last dollar exposure and innovative structure offer downside protection
- ✓ Expected to generate high single digit to mid-teens unlevered IRRs to WELL



StoryPoint Fort Wayne | Fort Wayne, IN

Granular & Off-Market Transactions

40 TOTAL TRANSACTIONS⁽¹⁾
195 OM and SH PROPERTIES ACQUIRED
18,761 SENIORS HOUSING UNITS ACQUIRED

- ✓ Predictive analytics and exclusive operator relationships used to execute off-market investments
- ✓ Maximizing risk-adjusted return to WELL through creative investments across the capital stack
 - Debt investments offer equity upside in form of warrants and/or bargain purchase options
- ✓ Seniors housing acquisitions executed at a median investment of \$16.7 million per property



Oakmont Ivy Park at Otay Ranch | Chula Vista, CA

Significant Discount to Replacement Cost

\$162k per unit Average Last dollar basis US transactions

£40k per unit Average Last dollar basis UK transactions

- ✓ Investments made at significant discount to replacement cost offer enhanced downside protection
- ✓ Limited recent market transactions priced above replacement cost serves to further curtail new supply



HarborChase of Vero Beach | Vero Beach, FL

Foundation for Long-Term Growth Established

Opportunity to deploy in excess of \$10 billion across ALL asset classes over next decade

NEW and PROPRIETARY long-term relationships with best-in-class developers and operators with either exclusive rights or right of first offer

\$1B

Expected average annual capital deployment from newly formed **exclusive ventures**

13 + 2

Newly Formed Relationships

Recently Agreed to/
In-Process Relationships



New relationships formed during depths of COVID-19 pandemic to create visible and significant long-term capital deployment opportunities

Centralized Capital Allocation; Decentralized Execution

Sunrise UK Portfolio Optimization

Opportunity Overview

- Sunrise to exit the United Kingdom to refocus on North America growth initiatives including: ground-up development, redevelopment, lease-up of recently opened communities, and strategic acquisition of new management contracts
- Management of Sunrise properties in UK to be assumed by leading seniors housing operators, Signature Senior Lifestyle and Care UK. All parties are working collaboratively to help ensure a smooth management transition by year-end 2021
- **Existing Sunrise community staff to remain in place to provide continuity in services and a seamless transition**
- **Strong alignment between Welltower and Care UK and Signature through new RIDEA 3.0 management contracts with a focus on both top and bottom-line financial metrics and other long-term incentives**

Care UK

- Welltower to form new relationship with Care UK, a best-in-class care home provider in the UK operating 123 communities across England and Scotland with a focus on higher acuity residents
- Care UK is a leader in quality with a 40-year track record, seasoned management team, and advanced management systems
- Prolific seniors housing developer and operator with 56 new communities successfully opened over the past decade
- Strong position in private pay market with regional strength in relevant geographies
- Provides Welltower with a combination of external growth and portfolio optimization opportunities

Signature Senior Lifestyle

- Signature Senior Lifestyle was established in 2006 and has developed into a market leader in the premium private pay segment offering residential, nursing and dementia care in affluent locations in the London metropolitan area
- Both Signature and Sunrise share similar operating characteristics in terms of resident profile, acuity mix and geography
- Signature has historically generated operating margins at or near the high-end of the UK senior housing sector⁽¹⁾
- Management company owned by Revera, a Canada-based owner, operator, and investor in the senior living sector and long-time partner of Welltower
- Several members of Signature's leadership team formerly held senior management roles at Sunrise, or were deeply involved in developing Sunrise properties



Sunrise of Guildford | Guildford, UK



Sunrise of Elstree | Borehamwood, UK

Atria Senior Living | Welltower Acquisition Summary

Significant Upside Potential Through Occupancy Growth & Operating Margin Expansion Opportunity

Meaningful Alignment of Interest Between Atria & Welltower

WELL acquired 86 communities formerly operated by Holiday for approximately \$152,000 per unit, representing a discount to estimated replacement cost in excess of 30%

- Atria Senior Living acquired Holiday Retirement. Combined Atria and Holiday entity to operate WELL portfolio communities
- **The transaction is expected to be immediately accretive to WELL's next twelve months normalized funds from operations at approximately \$0.10 per diluted share; anticipated unlevered IRR in low double-digit range⁽¹⁾**
- Initial cash cap rate of 6.2% on occupancy of 76.3% as of June 20, 2021
- Welltower and Atria have agreed to a strongly-aligned enhanced RIDEA 3.0 management contract based on both top and bottom-line financial metrics
 - The contract includes significant promote opportunities to Atria upon achievement of certain long-term financial thresholds

Atria to assume operations of the portfolio following its acquisition of the Holiday management company which was announced on June 21, 2021

- Atria is intimately familiar with Holiday-managed assets, having assumed operations of 50 Holiday properties in the US and Canada in recent years
- Atria expects to integrate Holiday's corporate staff and retain its experienced and highly-reputed management team, thereby de-risking the transaction

SIGNIFICANT MULTI-YEAR CASH FLOW GROWTH AND VALUE CREATION POTENTIAL THROUGH POST-COVID FUNDAMENTAL RECOVERY

✓ Portfolio is expected to deliver **substantial cash flow growth** in future quarters and in coming years as occupancy growth accelerates from near-trough levels of 76.3%

✓ **Favorable seniors housing demand/supply backdrop** suggests that occupancy may exceed prior peak levels in the low 90%-range

✓ **Meaningful value creation potential** through reinvestment in assets and properties with higher and better use and integration of Atria's operating platform

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, Net Operating Income ("NOI"), In-Place NOI ("IPNOI"), Same Store NOI ("SSNOI"), REVPOR and Same Store REVPOR ("SS REVPOR"), EBITDA and Adjusted EBITDA to be useful supplemental measures of our operating performance. Excluding EBITDA and Adjusted EBITDA these 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.

No reconciliation of forecasted normalized FFO attributable to common stockholders per diluted share accretion or estimate of forecasted impact on net income attributable to common stockholders per diluted share for the announced Holiday Retirement acquisition is provided herein because we are unable to quantify certain amounts that would be required to be included in the comparable GAAP financial measures without unreasonable efforts primarily due to the anticipated timing of receipt of draft third-party real estate appraisals and valuations. We believe such reconciliation would imply a degree of precision that could be confusing or misleading to investors.

Earnings Outlook Reconciliation

Outlook Reconciliations: Quarter Ending September 30, 2021

(in millions, except per share data)

	Current Outlook	
	Low	High
FFO Reconciliation:		
Net income attributable to common stockholders	\$ 191	\$ 212
Impairments and losses (gains) on real estate dispositions, net ^(1,2)	(120)	(120)
Depreciation and amortization ⁽¹⁾	267	267
NAREIT FFO and Normalized FFO attributable to common stockholders	\$ 338	\$ 359
Diluted per share data attributable to common stockholders:		
Net income	\$ 0.44	\$ 0.49
NAREIT FFO and Normalized FFO	\$ 0.78	\$ 0.83
Other items: ⁽¹⁾		
Net straight-line rent and above/below market rent amortization	\$ (20)	\$ (20)
Non-cash interest expenses	5	5
Recurring cap-ex, tenant improvements, and lease commissions	(30)	(30)
Stock-based compensation	5	5

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

(2) Includes estimated gains on expected dispositions.

|| NOI, IPNOI, REVPOR & SS REVPOR

We define NOI as total revenues, including tenant reimbursements, less property operating expenses. Property operating expenses represent costs associated with managing, maintaining and servicing tenants for our properties. These expenses include, but are not limited to, property-related payroll and benefits, property management fees paid to operators, marketing, housekeeping, food service, maintenance, utilities, property taxes and insurance. General and administrative expenses represent costs unrelated to property operations and transaction costs. These expenses include, but are not limited to, payroll and benefits, professional services, office expenses and depreciation of corporate fixed assets.

IPNOI represents NOI excluding interest income, other income and non-IPNOI and adjusted for timing of current quarter portfolio changes such as acquisitions, development conversions, segment transitions, dispositions and investments held for sale.

SSNOI is used to evaluate the operating performance of our properties using a consistent population which controls for changes in the composition of our portfolio. As used herein, same store is generally defined as those revenue-generating properties in the portfolio for the relevant year-over-year reporting periods. Land parcels, loans and sub-leases as well as any properties acquired, developed/redeveloped (including major refurbishments where 20% or more of units are simultaneously taken out of commission for 30 days or more), sold or classified as held for sale during that period are excluded from the same store amounts. Properties undergoing operator and/or segment transitions (except Seniors Housing Triple-net to Seniors Housing Operating with the same operator) are also excluded from same store amounts. Normalizers include adjustments that in management's opinion are appropriate in considering SSNOI, a supplemental, non-GAAP performance measure. None of these adjustments, which may increase or decrease SSNOI, are reflected in our financial statements prepared in accordance with U.S. GAAP. Significant normalizers (defined as any that individually exceed 0.50% of SSNOI growth per property type) are separately disclosed and explained in the relevant supplemental reporting package.

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 NOI, IPNOI, SSNOI, 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.

In-Place NOI Reconciliations

(dollars in thousands)

	2Q21	In-Place NOI by property type	2Q21	% of Total
Net income (loss)	\$ 45,757	Seniors Housing Operating	\$ 605,268	37 %
Loss (gain) on real estate dispositions, net	(44,668)	Seniors Housing Triple-Net	386,148	23 %
Loss (income) from unconsolidated entities	7,976	Outpatient Medical	403,080	24 %
Income tax expense (benefit)	(2,221)	Health System	157,612	10 %
Other expenses	11,687	Long-Term/Post-Acute Care	93,260	6 %
Impairment of assets	23,692	Total In-Place NOI	\$ 1,645,368	100 %
Provision for loan losses	6,197			
Loss (gain) on extinguishment of debt, net	55,612			
Loss (gain) on derivatives and financial instruments, net	(359)			
General and administrative expenses	31,436			
Depreciation and amortization	240,885			
Interest expense	122,341			
Consolidated net operating income	498,335			
NOI attributable to unconsolidated investments ⁽¹⁾	21,180			
NOI attributable to noncontrolling interests ⁽²⁾	(43,786)			
Pro rata net operating income (NOI)	475,729			
Adjust:				
Interest income	(38,448)			
Other income	(9,891)			
Sold / held for sale	(14,305)			
Developments / land	1,794			
Non In-Place NOI ⁽³⁾	(5,112)			
Timing adjustments ⁽⁴⁾	1,575			
In-Place NOI	411,342			
Annualized In-Place NOI	<u>\$ 1,645,368</u>			

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

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

(3) Primarily represents non-cash NOI.

(4) Represents timing adjustments for current quarter acquisitions, construction conversions and segment or operator transitions.

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		Three Months Ended	
	June 30, 2021		March 31, 2021	
Net income	\$ 45,757	\$ 72,192	Lines of credit and commercial paper ⁽¹⁾	\$ —
Interest expense	122,341	123,142	Long-term debt obligations ^(1,2)	13,572,816
Income tax expense (benefit)	(2,221)	3,943	Cash and cash equivalents ⁽³⁾	(763,921)
Depreciation and amortization	240,885	244,426	Net debt	12,808,895
EBITDA	406,762	443,703	Adjusted EBITDA	471,028
Loss (income) from unconsolidated entities	7,976	(13,049)	Adjusted EBITDA annualized	\$ 1,884,112
Stock-based compensation expense	4,757	5,576	Net debt to Adjusted EBITDA ratio	\$ 1,837,728
Loss (gain) on extinguishment of debt, net	55,612	(4,643)		6.80 x
Loss (gain) on real estate dispositions, net	(44,668)	(59,080)		6.59 x
Impairment of assets	23,692	23,568		
Provision for loan losses	6,197	1,383		
Loss (gain) on derivatives and financial instruments, net	(359)	1,934		
Other expenses	11,059	10,799		
Other Impairments	—	49,241		
Adjusted EBITDA	\$ 471,028	\$ 459,432		

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

(2) Includes unamortized premiums/discounts, other fair value adjustments and financing lease liabilities. Excludes operating lease liabilities related to ASC 842 adoption.

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

|| Proforma Net Debt to Adjusted EBITDA

(dollars in thousands)

	Three Months Ended March 31, 2021 (Actual) ⁽¹⁾	Q1 Government Grants Received ⁽²⁾	Three Months Ended March 31, 2021 (Pro Forma)
Adjusted EBITDA	\$ 459,432	\$ (35,682)	\$ 423,750
Annualized Adjusted EBITDA	\$ 1,837,728	\$ (142,728)	\$ 1,695,000
Net Debt ⁽³⁾	\$ 12,105,557	\$ —	\$ 12,105,557
Net Debt to Adjusted EBITDA	6.59 x		7.14 x

1. Please refer to calculation of Adjusted EBITDA for the three months ended June 30, 2021 on page the previous slide.
2. Pro forma adjustment to remove Health and Human Services grants and similar grants in the UK and Canada received and recognized during the three months ended March 31, 2021 that are not matched to expenses incurred during the same period.
3. Net debt includes unamortized premiums/discounts, other fair value adjustments and financing lease liabilities of \$105,529,000 but excludes operating lease liabilities of \$303,387,000, respectively. Furthermore, net debt includes IRC Section 1031 deposits, if any

Proforma Net Debt to Adjusted EBITDA

(dollars in thousands)

	Three Months Ended June 30, 2021 (Actual) ⁽¹⁾	Q2 Government Grants Received ⁽²⁾	Q2 Acquisitions and Dispositions ⁽³⁾	Q3 Announced Acquisitions and Dispositions ⁽⁴⁾	Announced Atria Investment ⁽⁵⁾	ATM Forward Sale Settlement ⁽⁶⁾	June 30, 2021 Held- for-Sale Dispositions ⁽⁷⁾	Three Months Ended June 30, 2021 (Pro Forma)
Adjusted EBITDA	\$ 471,028	\$ (5,294)	\$ 6,571	\$ 497	\$ 24,438	\$ —	\$ (7,684)	\$ 489,555
Annualized Adjusted EBITDA	\$ 1,884,112	\$ (21,176)	\$ 26,284	\$ 1,987	\$ 97,752	\$ —	\$ (30,737)	\$ 1,958,221
Net Debt ⁽⁸⁾	\$ 12,808,895	\$ —	\$ —	\$ (2,816)	\$ 1,576,642	\$ (1,389,830)	\$ (307,371)	\$ 12,685,520
Net Debt to Adjusted EBITDA	6.80 x							6.48 x

1. Please refer to calculation of Adjusted EBITDA for the three months ended June 30, 2021 on the previous slide.
2. Pro forma adjustment to remove Health and Human Services grants and similar grants in the UK and Canada received and recognized during the three months ended June 30, 2021 that are not matched to expenses incurred during the same period.
3. Pro forma adjustment to reflect acquisition and loan funding activity for the three months ended June 30, 2021 as well as disposition and loan payoff activity for same period as detailed on the Gross Investment Activity page of our Supplement Information report for 2Q21, as if the transactions occurred on April 1, 2021. Pro forma adjustments are based on estimates and assumptions and are preliminary in nature, and should not be assumed to be in indication of the results that would have been achieved had the transactions been completed as of the date indicated.
4. Pro forma adjustment to reflect acquisition and loan funding activity as well as disposition and loan payoff activity occurring since June 30, 2021 as detailed on slide 5, as if the transactions occurred on April 1, 2021. Pro forma adjustments are based on estimates and assumptions and are preliminary in nature, and should not be assumed to be in indication of the results that would have been achieved had the transactions been completed as of the date indicated.
5. Pro forma adjustment to reflect the previously disclosed Atria acquisition as detailed in our June 21, 2021 press release, as if the transaction occurred on April 1, 2021. Pro forma adjustments are based on estimates and assumptions and are preliminary in nature, and should not be assumed to be in indication of the results that would have been achieved had the transaction been completed as of the date indicated.
6. Pro forma adjustment to reflect the expected net cash proceeds associated with the settlement of forward sales as of July 29, 2021 under our ATM program as if such forward sales were settled on April 1, 2021.
7. Pro forma adjustment to reflect the impact of the expected sale of properties classified as held-for-sale as of June 30, 2021, as if the transactions occurred on April 1, 2021. Pro forma adjustments are based on estimates and assumptions and are preliminary in nature, and should not be assumed to be in indication of the results that would have been achieved had the transactions been completed as of the date indicated. Furthermore, transactions not yet closed are subject to customary closing conditions and there can be no assurances as to the timing of closing.
8. Net debt includes unamortized premiums/discounts, other fair value adjustments and financing lease liabilities of \$110,906,000 but excludes operating lease liabilities of \$298,722,000, respectively. Furthermore, net debt includes IRC Section 1031 deposits, if any.

