Business Update

February 13, 2024

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 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 status of the economy; 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, health emergencies (such as the COVID-19 pandemic) 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 its 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. 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.

4Q2023 Key Highlights[1]

Powerful seniors housing tailwinds experienced through 2023 expected to continue in 2024

23.7%
Net Operating Income Growth

Seniors Housing Operating (SHO) Portfolio Same Store (SS) NOI growth of 23.7% represents fifth consecutive quarter of 20%+ growth

- Fundamentals across all regions remain robust, with continued strength in top-line trends and further diminution in expense pressures
  - Revenue growth of nearly 10% reflects above-average occupancy gains of 330bps and significant pricing power
  - Expense pressures continue to dissipate as inflationary pressures have receded
- Fundamental backdrop remains supportive of delivering exceptional levels of NOI growth going forward

330 bps
Occupancy Growth

Drivers of strong top-line growth remain firmly intact with occupancy growth expected to accelerate in 2024

- Occupancy gains continue to meaningfully outperform historical seasonality with 110 bps of sequential growth and 330 bps of year-over-year growth
  - Occupancy strength was broad-based with the US, UK, and Canada all posting 100 bps+ of sequential growth
  - **330bps of year-over-year growth is the highest level ever achieved in the fourth quarter of any year in our history**
- Pricing power remains solid, with 5.5% revenue per occupied room (RevPOR or unit revenue)
  - RevPOR growth for the quarter was 6.8% excluding Sunrise Senior Living. As previously disclosed, 4Q2023 reported RevPOR growth was impacted by a one-time pull forward of in-place rent increases to 4Q2022 by Sunrise

1.7%
Unit Expense Growth

Expense pressures continue to abate across key line items and geographies

- Expense per Occupied Room (ExpPOR or unit expense) growth of 1.7% marks another **new low in the Company's history**
  - Compensation per occupied room (CompPOR) growth of **1.9% also reached a new low** as occupancy growth continues to drive scaling benefits
- Further easing in labor market conditions experienced in the quarter while broader inflationary pressures continue to subside

290 bps
Margin Expansion

Margin recovery continues at a rapid clip with significant upside to reach and exceed pre-COVID levels

- Expect RevPOR growth to continue to outpace ExpPOR growth, resulting in a further expansion in operating margins driven by inherent operating leverage of the business model

1. All metrics reflect year-over-year same store results for the fourth quarter 2023 unless otherwise noted. See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures

Full-Year 2023 Key Highlights

Performance Highlights[1,2]

24.4%
SS SHO NOI Growth

+280 bps
SS SHO Operating Margin Expansion

9.8%
Increase in SS Revenue Growth

+240 bps
Increase in SS SHO Occupancy growth

5.0x
Net Debt to Adjusted EBITDA

$8.7B
Attractively priced capital raised through a plurality of public and private sources

Capital Deployment Highlights

$4.8B Pro Rata Gross Acquisitions[3]

- ✓ Initial Yield of 7.2%
- ✓ Stable Yield of 8.2%
- ✓ Blended Low-Double Digit Unlevered IRR

Granular & Off-Market Transactions

52 New Deals

60 Seniors Housing Properties Acquired
~14,000 Seniors Housing units added

Deep Discount to Replacement Cost

~30%

Estimated discount to replacement cost across Seniors Housing transactions

Jazz St Bruno | Montreal, Quebec

Ivy Park at Playa Vista | Los Angeles, California

1. See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures. Net Debt to Adjusted EBITDA as of December 31, 2023
2. Represents weighted average full-year metrics for 2023 for SS SHO NOI Growth, SS SHO Operating Margin Expansion, SS Revenue and SS SHO Occupancy
3. Includes property acquisitions and loan funding; excludes $1.1B of development funding completed in 2023

2024 Guidance Outlook

Expect SS SHO Portfolio NOI Growth of 18.0% at the Midpoint Driven By Accelerating Occupancy Growth & Decelerating ExpPOR Growth

2024 SS NOI Outlook		
Segment	**Low**	**High**
SHO	15.0%	21.0%
SH NNN	2.5%	4.0%
OM	2.0%	3.0%
LT/PAC	2.0%	3.0%
Total Portfolio	**8.25%**	**11.50%**

Coterie Cathedral Hill | San Francisco, California

Normalized Funds from Operations Per Diluted Share Outlook

Outlook: $3.94 to $4.10: midpoint = $4.02

Seniors Housing Operating Portfolio - Outlook Assumptions

- **Revenue:** SS revenue growth of 9.2% driven by further occupancy gains and rate growth
  - Anticipate year-over-year occupancy growth of ~290 bps
  - Expect full year RevPOR growth of 5.25%, reflecting healthy levels of pricing power across all regions
- **Expense**: SS ExpPOR growth expected to decelerate in 2024 following a further normalization of labor market conditions and continued abatement of broader inflationary pressures
- **NOI:** Positive revenue and expense trends are expected to drive SS SHO Portfolio NOI growth of 15.0% - 21.0%, or 18.0% at the midpoint of the range

Other Outlook Considerations

- General & Administrative expense expected to increase to $195 – $205 million with year-over-year increase resulting largely from growth in the Company's asset base and expanding asset management initiatives
- Earnings guidance includes only those acquisitions closed or announced to date; no transitions or restructures beyond those announced to date are included

Note: See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures.

Welltower's Unique Value Creation Flywheel

Established Competitive Advantages Driving Sustainable Shareholder Value Creation

Welltower Value-Add and Moat

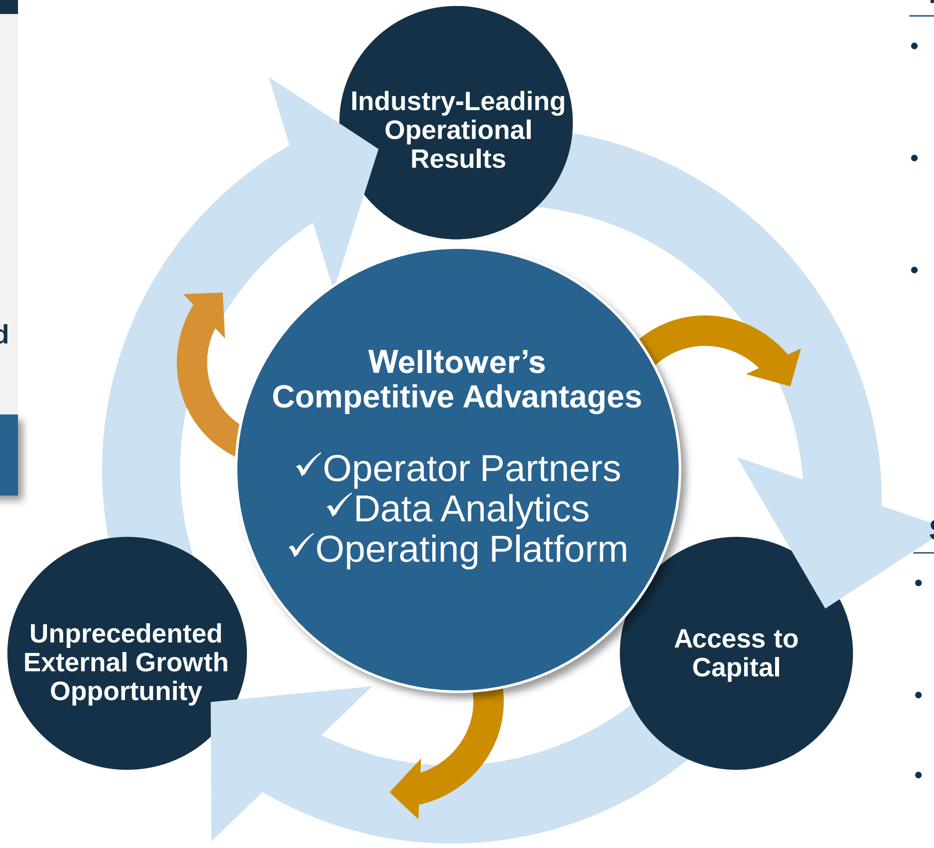
Best-in-class:

- Local & regional operators: Superior managers with significant regional density operating under highly aligned RIDEA 3.0/4.0 contracts
- Data analytics: Unparalleled data analytics platform developed over the past eight years informing both capital allocation and operating platform decisions
- Operating platform: Institutionalization of portfolio expected to drive further efficiencies while **improving both the resident and employee experience**

Properties are worth substantially more on Welltower's platform

Capital Allocation

- Macroeconomic uncertainty and capital markets dislocation creating opportunities to acquire assets at increasingly attractive basis, going-in yields, and unlevered IRRs
- Granular approach to capital allocation provides opportunity to acquire assets at deep discounts to replacement cost while complementing Welltower's regional density strategy
- Completed $3.0 billion of investments in 4Q2023 at attractive high-single-digit to low-double-digit unlevered IRRs with potential for further upside from WELL platform enhancements



Internal Growth

- Long-term demographic tailwinds and significant decline in new supply expected to drive continued outsized growth for extended period
- RevPOR growth (unit revenue) expected to continue to outpace ExpPOR growth (unit expense), resulting in further operating margin expansion
- Industry-leading results being driven by Welltower's superior micro-market locations, disciplined capital allocation strategy, and highly aligned partners with significant regional density

Superior Ability to Capitalize the Opportunity

- Access to a plurality of capital sources including common equity, private equity, unsecured and secured debt, and exchangeable notes
- Ability to opportunistically pivot between each capital source based upon cost and availability
- Robust near-term available liquidity (including cash on hand, line of credit capacity, expected loan payoffs and disposition proceeds) can fully fund announced acquisitions and 2024 debt maturities

Welltower competes on Data Science, Operating Platform and Capital Allocation Capabilities - NOT cost of capital

Capital Markets Backdrop | Unprecedented Capital Deployment Opportunity

Scarcity of Equity and Debt Capital

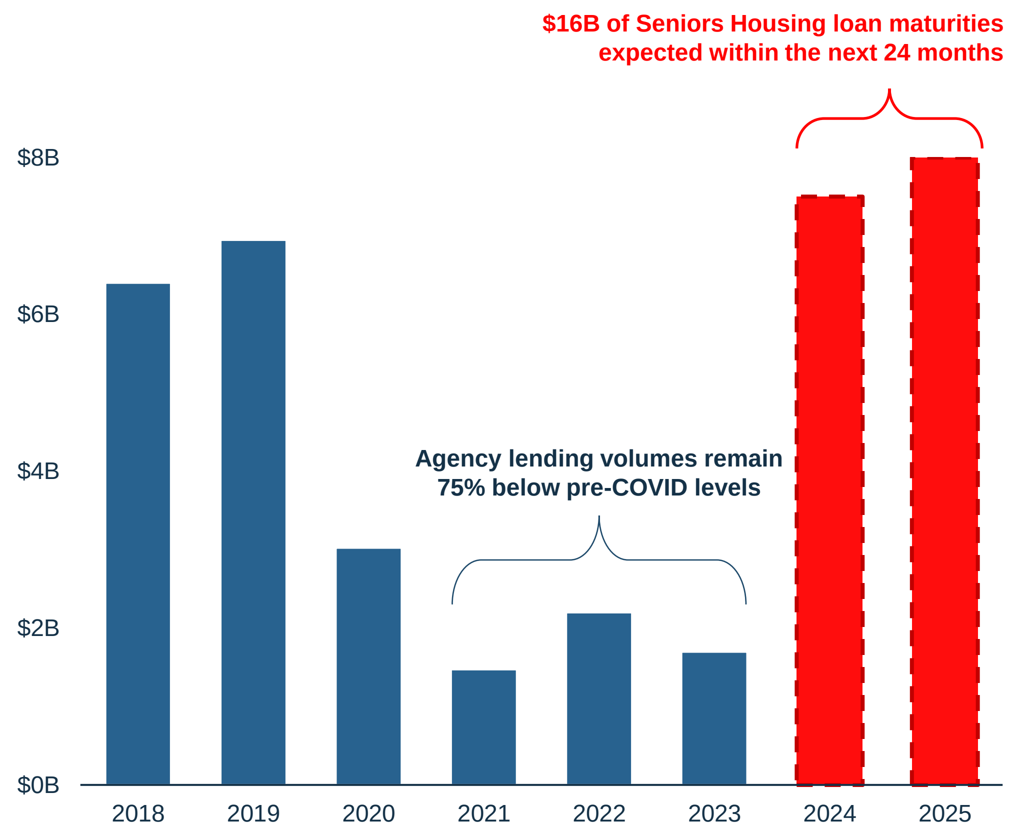
Equity

- Seniors housing closed-end funds remain out of the money on promotes, incentivizing asset sales and return of capital to LPs in order to begin capital raising for next vintage of funds
- Institutional investors overallocated to real estate due to "denominator effect" continues to rise
- Higher DSCR, shrinking pool of levered-equity buyers as stringent underwriting standards (lower loan-to-value, and greater recourse) drive need for larger equity checks

Debt

- **Lenders are in Work-Out Mode**
  - Lenders taking additional provisions for credit losses and larger charge-offs of existing loans due to elevated rate environment, bank distress and increased regulatory scrutiny
  - Capital reserve requirements are expected to intensify across banking sector, driving higher capital costs and inhibiting liquidity
- **No Money In; No Money Out**
  - Lenders requiring existing loans be repaid before new capital is deployed, severely limiting availability of bank financing tied to commercial real estate projects
- **New Loan Origination Volumes Remain at Historically Low Levels**
  - Fannie Mae and Freddie Mac's origination volumes have diminished greatly; life insurance companies & debt funds have largely remained on the sidelines
  - Lenders are struggling to underwrite new loans resulting from limited takeout options upon stabilization of construction and bridge loans

Pace of Agency Lending Insufficient to Address '24 & '25 Maturities[1]



1. Cushman & Wakefield, Fannie Mae and Freddie Mac

Muted Seniors Housing Supply Expected Through the End of the Decade

Disruption in Construction Financing Market and Dismantling of Development Teams Expected to Result in Multi-Year Period of Diminished Supply

Surge in interest rates over the past 18 months has resulted in prohibitively expensive floating rate debt for developers

- Average spreads over SOFR range from 350 bps to >400 bps, implying a 9%-10%+ all-in cost for construction loans
- Stringent lending standards and greater capital reserve requirements are increasing capital charges and further raising the cost of construction financing
- Loan-to-cost ratios have declined to ~50%, requiring developers to provide greater upfront equity and pressuring levered IRRs
- Higher construction/financing costs and greater equity requirements causing many developers & construction lenders to meaningfully reduce activity
- Development platforms being dismantled given muted construction starts; need to rebuild human capital prior to development capital formation

Developers Face Extended Timeline to Project Stabilization FOLLOWING Rebuilding of Development Teams AND Return of Construction Financing

Human Capital Formation	Entitlements	Construction	Breakeven	Stabilization
~1 year	*1-5+ years*	2 years	2 years	1 year

Average time to stabilization totals approximately 7 years with many projects in high-barrier-to-entry markets taking significantly longer

Recent Balance Sheet & Liquidity Highlights

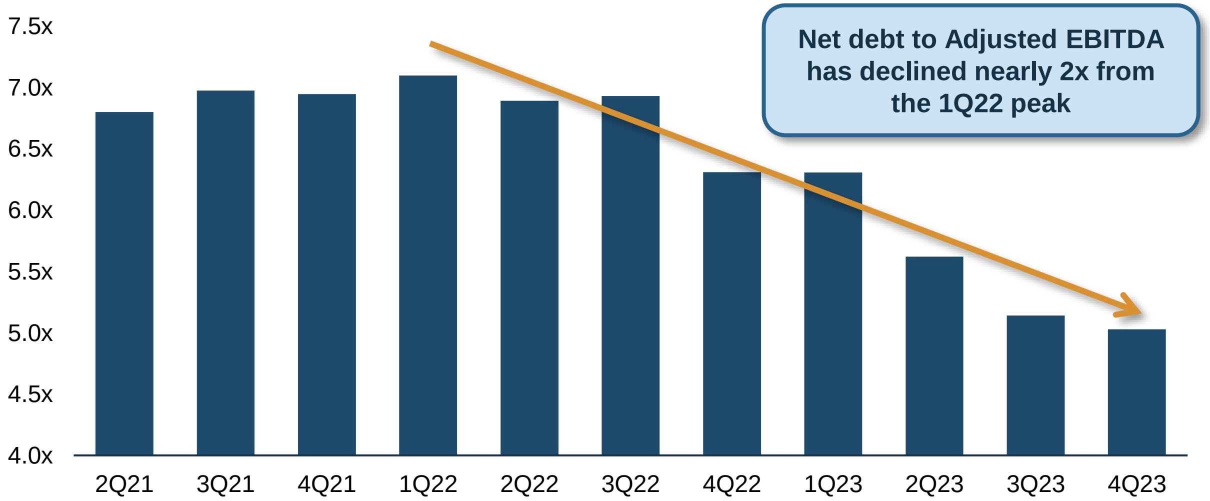
Balance Sheet Highlights[1]

- Strong operating performance is driving substantial organic EBITDA growth, which, along with prudent capitalization of transactions, is resulting in meaningful deleveraging of the balance sheet
  - Cash flow and credit metrics are expected to benefit from further outsized EBITDA growth
- **Over the past 12 months Net Debt to Adjusted EBITDA declined by approximately 1.3x to 5.03x as compared with December 31, 2022**
  - Net debt to consolidated enterprise value declined to 20.9% as of December 31, 2023
- Reduced variable rate debt to 8.7% of total debt as December 31, 2023, as compared to 16.0% as of December 31, 2022
- Fully redeemed with cash on hand $400 million of senior unsecured notes due January 2024
- Streamlined balance sheet and ownership structures through simplification of joint ventures

Liquidity Highlights

- **Liquidity profile remains exceptional with $6.6 billion in near-term available liquidity inclusive of $2.1 billion of available cash & restricted cash as of February 9, 2024**
- Unparalleled access to capital bolstered by large and diverse group of 31 financial institutions supporting the credit facility across multiple currencies
- **During the fourth quarter and subsequent to quarter end, sourced over $3.0 billion of attractively priced capital**
  - In the fourth quarter, completed $3.0 billion of pro rata gross investments including acquisitions and loan and development funding, capitalized almost entirely with equity funding and proceeds from property dispositions and loan payoffs
  - Incremental capital will be used to fund accretive capital deployment opportunities, further bolster the balance sheet and strengthen already robust liquidity

Net Debt to Adjusted EBITDA



Liquidity Profile as of February 9, 2024 *(in millions)*

Cash and Restricted Cash	$2,080
Line of Credit Capacity	$4,000
Expected Proceeds from Property Sales and Loan Payoffs[2]	$465
Near-Term Available Liquidity	**$6,545**
March 2024 Senior Unsecured Bond Redemption	($950)
Remaining Acquisition Pipeline (as Previously Announced on November 6, 2023)	($1,110)
Assumption of Below-Market Rate Secured Debt	$523
Available Liquidity Adjusted for Expected Near-Term Transactions	**$5,008**

1. See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures. See also the respective Supplemental Information Report for reconciliation of prior periods
2. Includes expected pro rata disposition proceeds as of December 31, 2023, adjusted for transactions that have closed subsequent to quarter-end and the impact of the previously announced Revera transaction which is expected to be largely cash neutral

Affinity Portfolio Acquisition

Affinity Portfolio Acquisition

$1.0 Billion Acquisition of High Quality, Newer Vintage Portfolio of 25 Active Adult Communities

Affinity Portfolio Overview

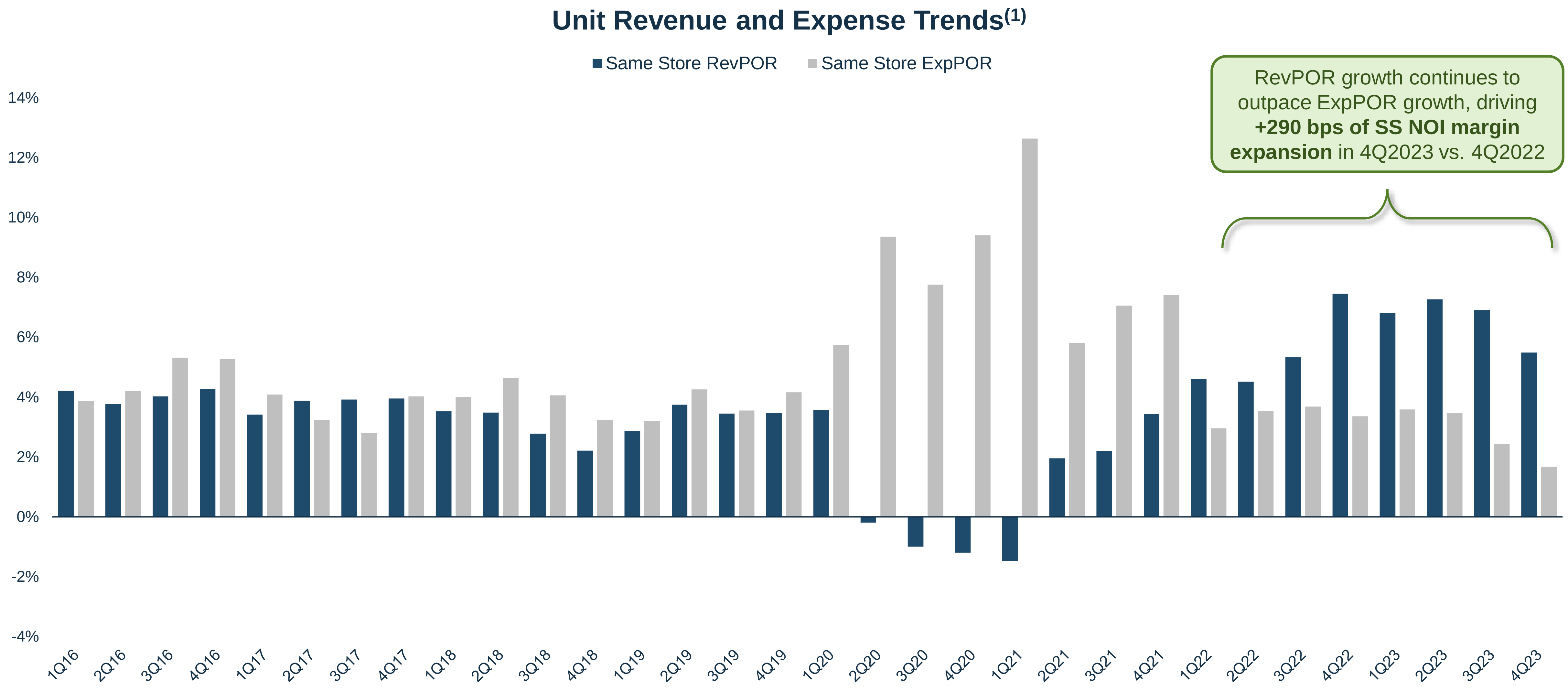
- **Welltower has agreed to acquire a portfolio of 25 highly amenitized active adult communities for $969 million**
  - The purchase price equates to ~$249,000/unit (or ~$233,000/unit after adjusting for the NPV of interest cost savings from the $523 million of 3.8% debt assumed through the transaction), representing a significant discount to estimated replacement cost
- The portfolio encompasses ~3,900 units largely concentrated in the Pacific Northwest and markets with a projected 5-year 55+ population growth more than 2.5x the U.S. average
- With a community age of less than **8 years**, the portfolio operates with near-60% operating margins and low capex burden
- The purpose-built communities feature over 30,000 square feet of amenity space, significantly more than the industry average, and an average monthly rent of $2,100
- Stable portfolio occupancy exceeded 90% throughout the COVID pandemic
- Formation of long-term programmatic development agreement underway

Wellness Housing Portfolio

- Upon closing, Welltower's in-place & under development Wellness Housing portfolio will expand to **nearly 25,000 units**
- Addresses significant and growing unmet demand for **wellness & social-focused rental housing primarily in non-coastal US markets**
- **Moderate price point** for age-targeted residents, including empty nesters & active adults
- Properties operate with an average length of stay of approximately 5 years
- Maintained high levels of occupancy throughout COVID with favorable annual renewal rate increases demonstrating unmet demand for moderately priced senior apartments

Seniors Housing Trends

Favorable Unit Economics Driving Substantial Margin Expansion



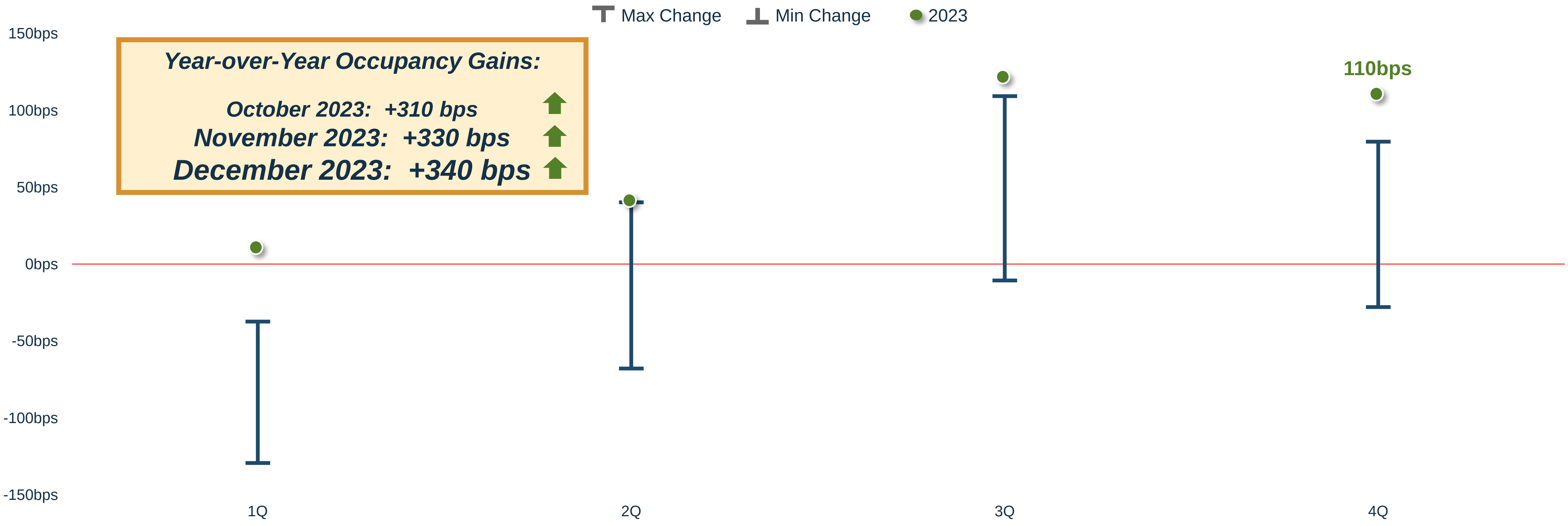
1. Represents year-over year SS RevPOR and SS ExpPOR growth percentages. See 4Q23 Non-GAAP Financial Measures on Welltower's investor relations section on its website for more information

Pre-COVID Occupancy Seasonality

Occupancy Gains Accelerating through 4Q2023 and Outpacing Historical Trends

SHO Portfolio Same Store Sequential Occupancy Change(1)

2014 - 2019



Year-over-Year Occupancy Gains:

October 2023: +310 bps

November 2023: +330 bps

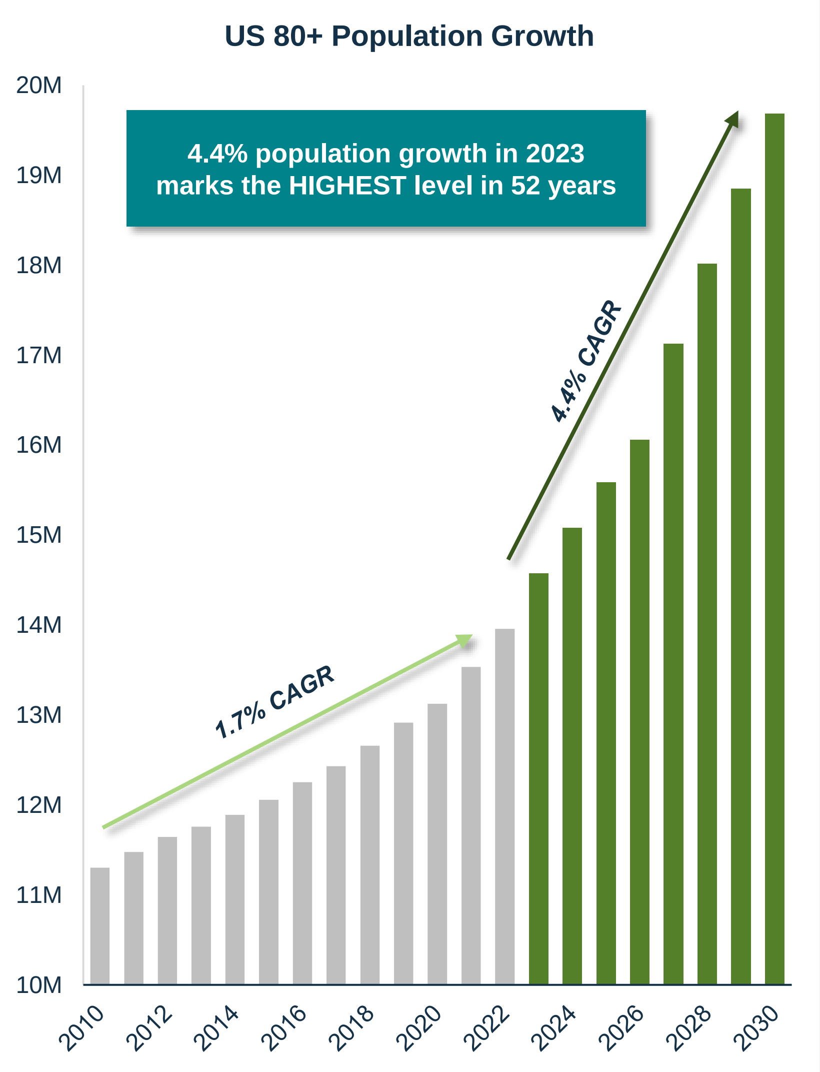
December 2023: +340 bps

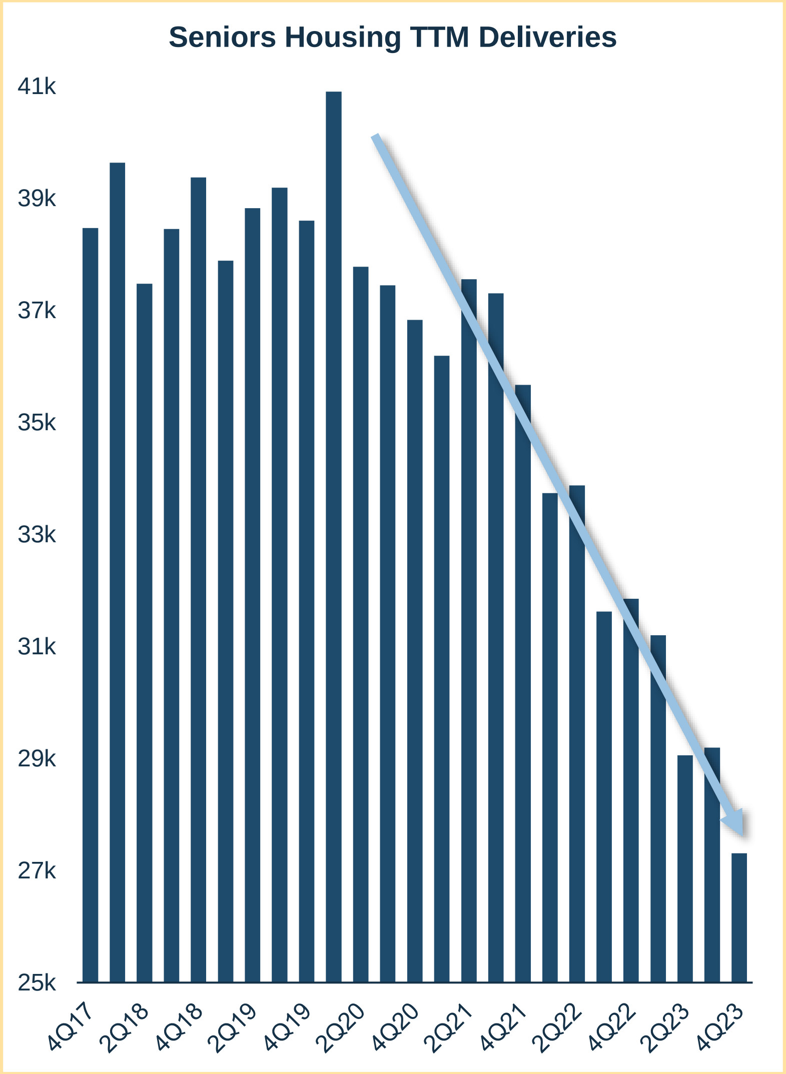
330 Bps of Year-Over-Year Growth Is the Highest Level Ever Achieved in the Fourth Quarter Of Any Year in Welltower's History

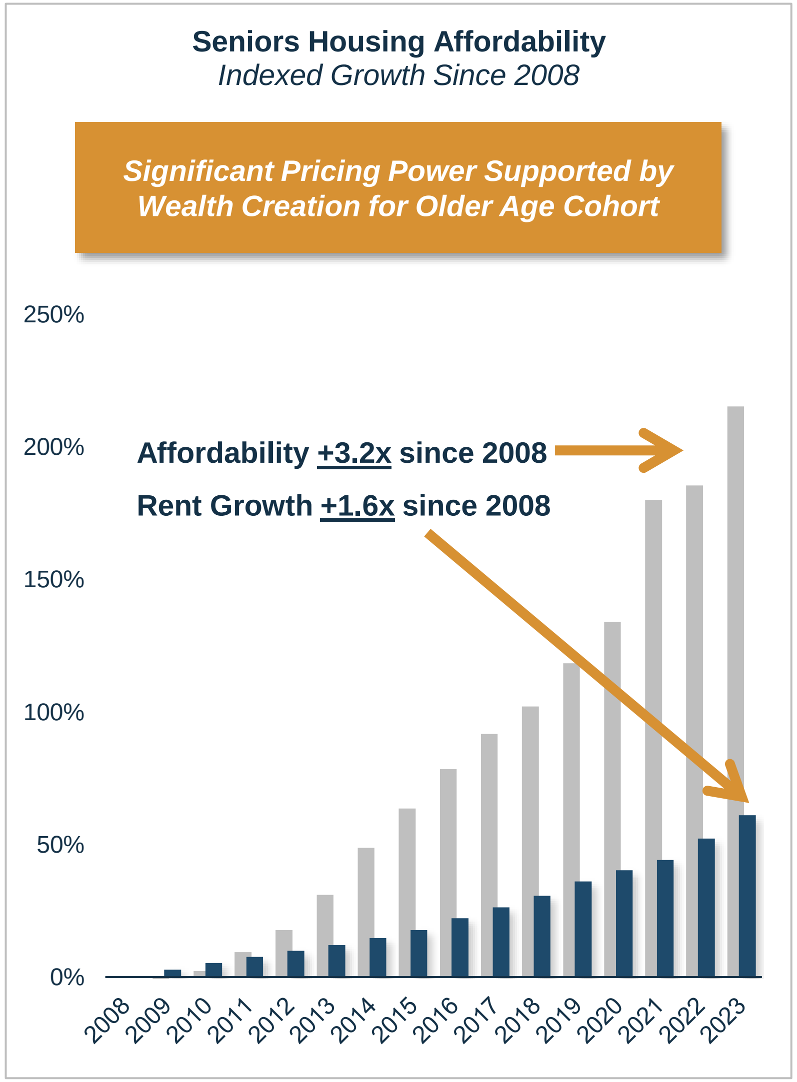
1. Represents SHO same store portfolio each quarter at pro rata ownership; see each quarters respective Supplemental Information Report

Seniors Housing | Compelling Backdrop for Multi-Year Revenue Growth

Accelerating 80+ Population Growth Coinciding with Diminishing New Supply & Improved Affordability



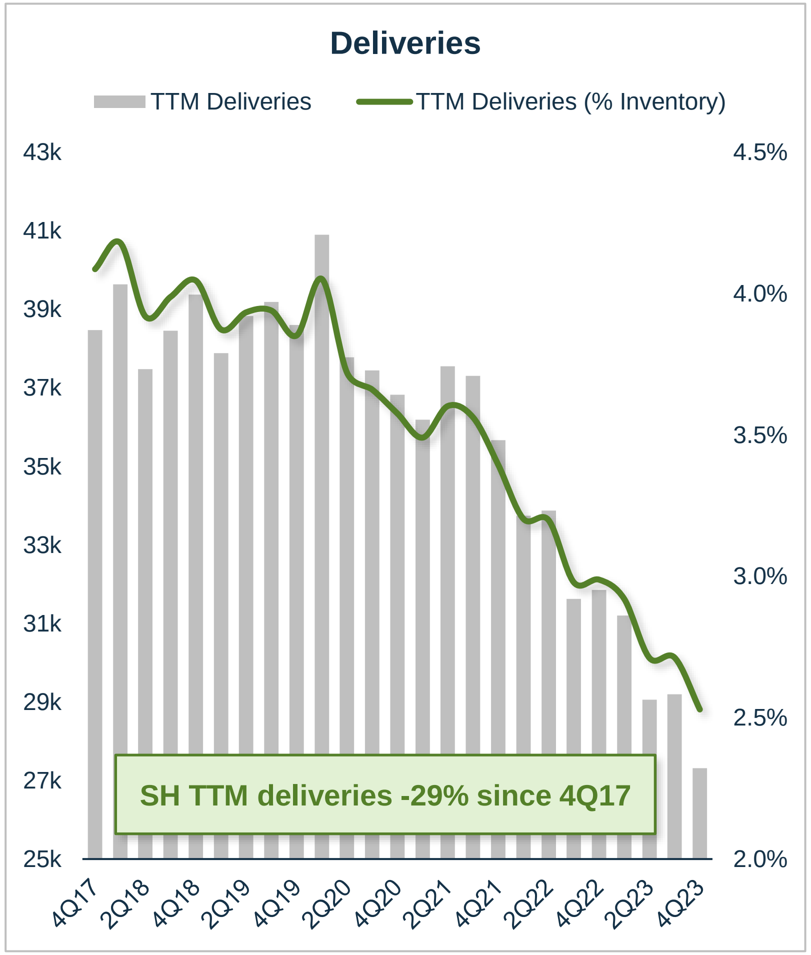


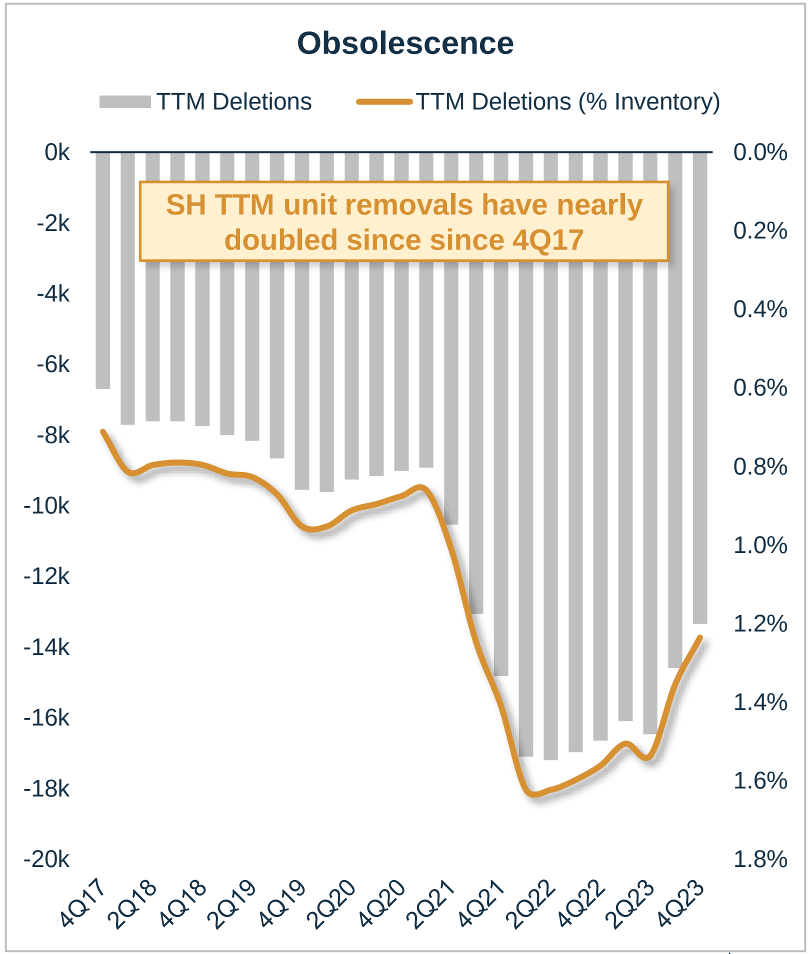


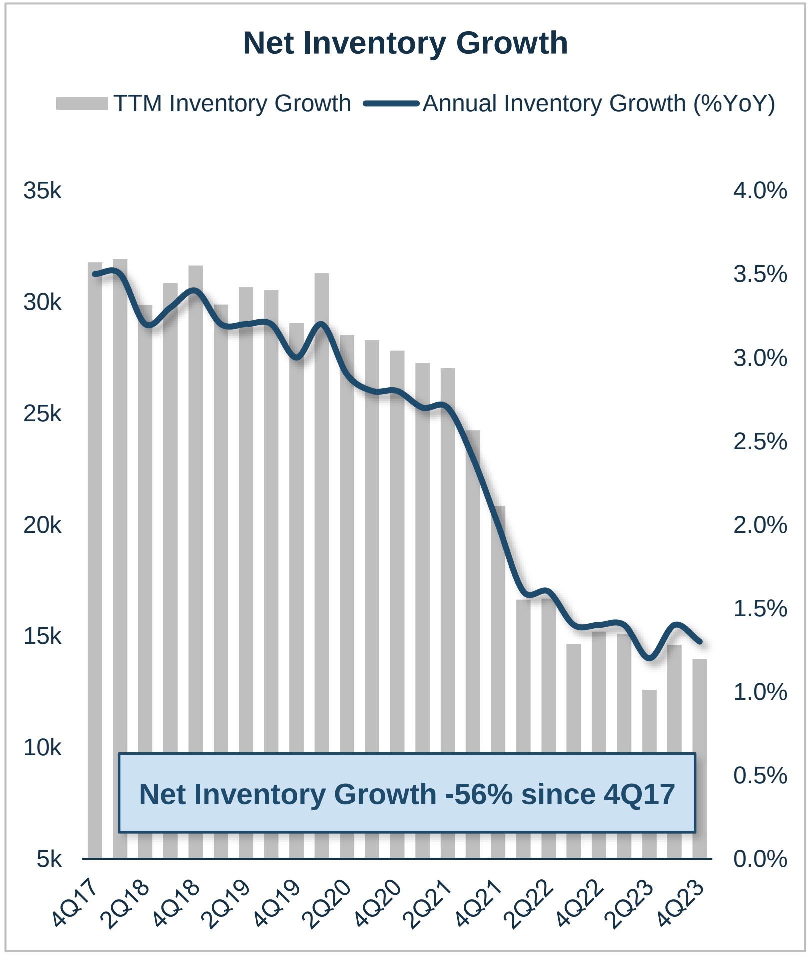
Sources: Organization for Economic Co-operation and Development, NIC maps, Federal Reserve, Survey of Consumer Finances and Financial Accounts of the United States

Minimal New Supply in Coming Years Sets Stage For Multi-Year Occupancy Gains

Declining Deliveries Amplified by Elevated Level of Units Coming out of Service







Declining Deliveries + High Inventory Obsolescence

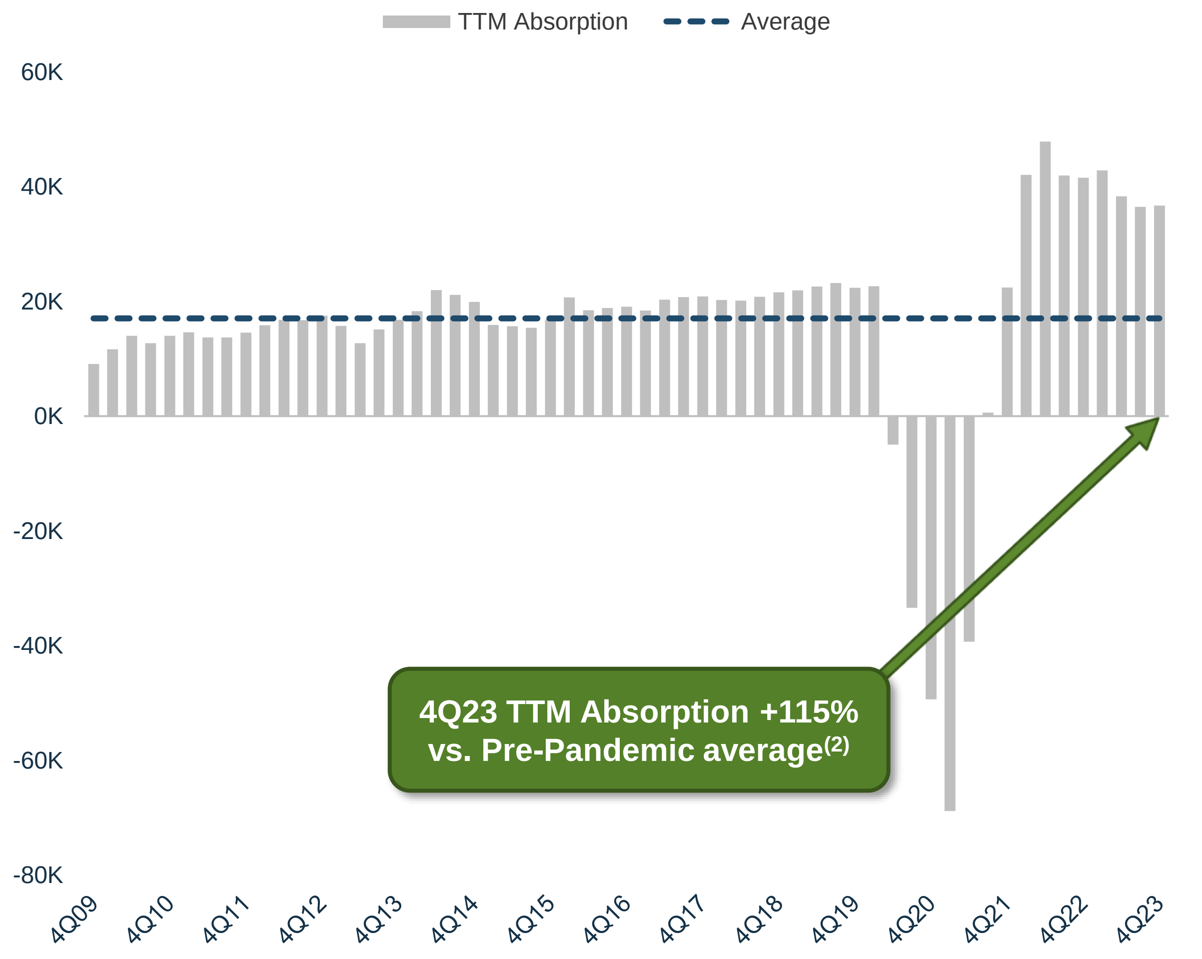
Plummeting Inventory Growth

Source: National Investment Center for Seniors Housing & Care

Supply-Demand Imbalance Expected to Support Sustained Occupancy Growth in 2024+

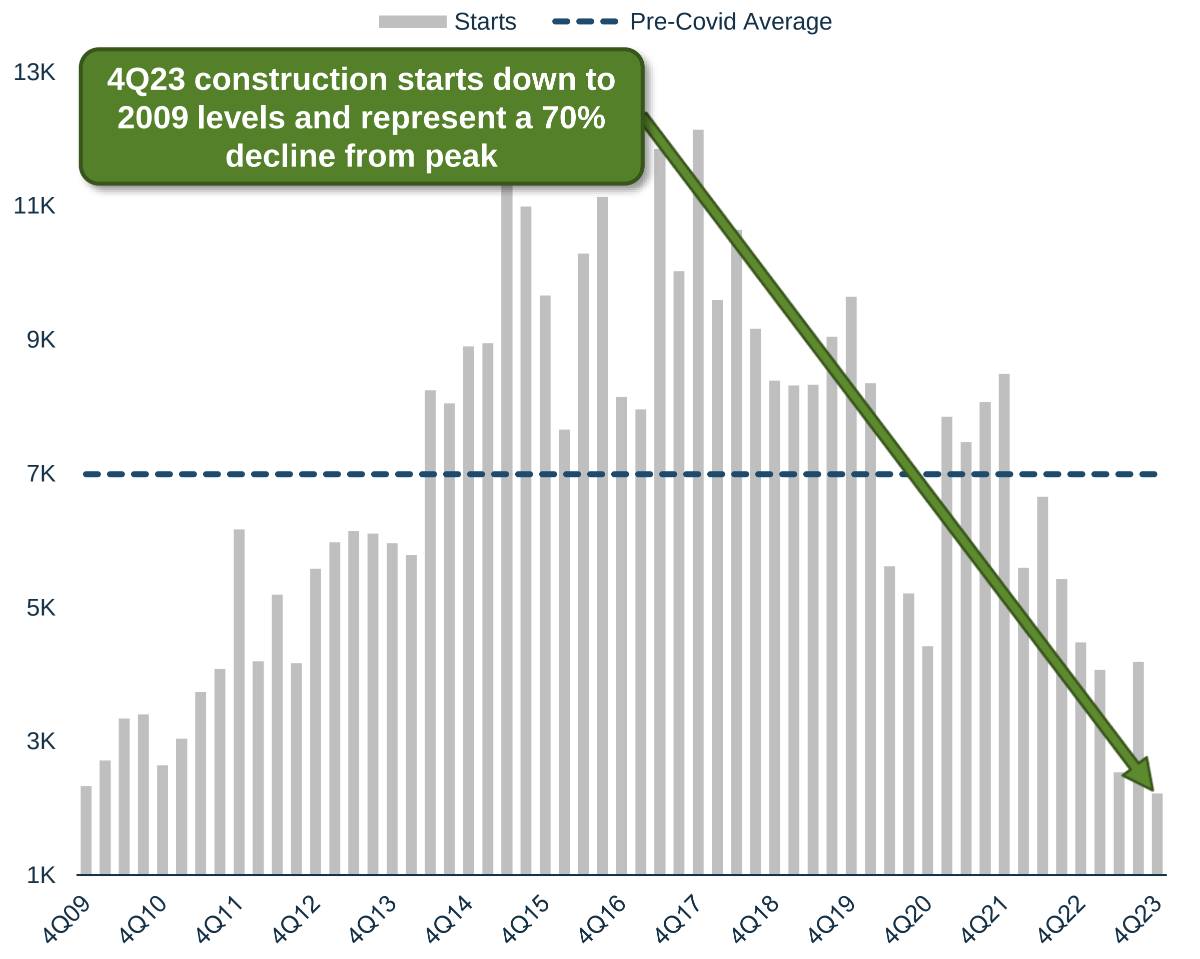
Seniors Housing Demand Remains Robust….

TTM Absorption[(1)]
NIC MAP Primary and Secondary Markets



….While Supply Continues to Decline Rapidly

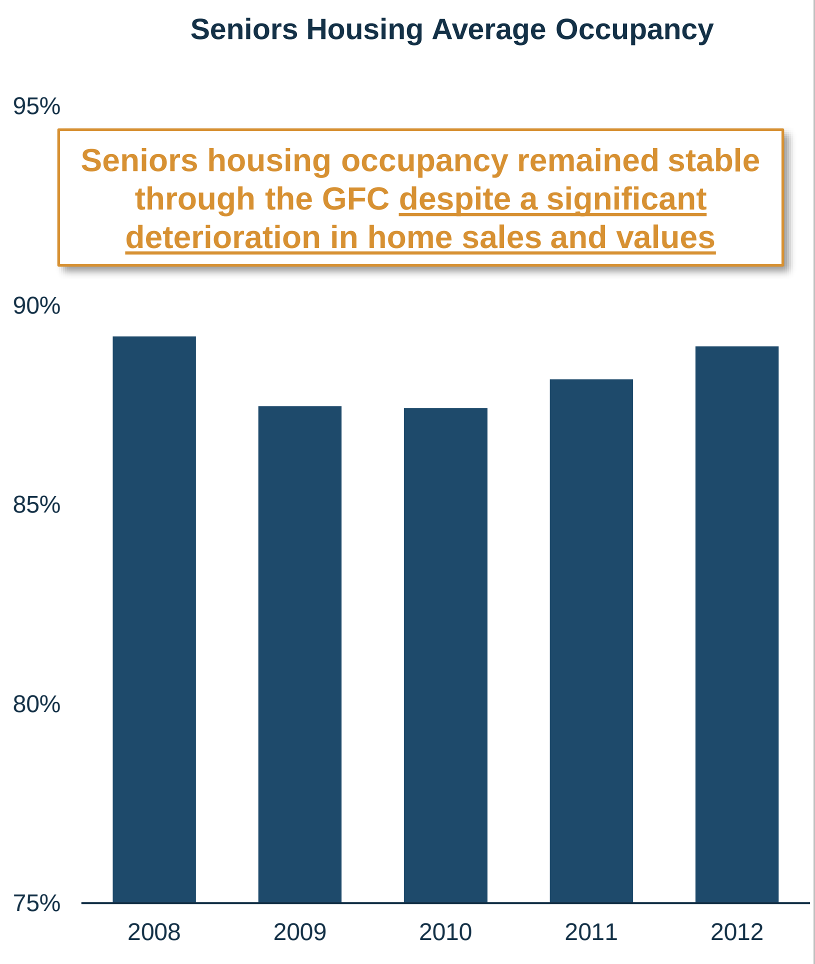
Construction Pipeline
NIC Primary and Secondary Markets

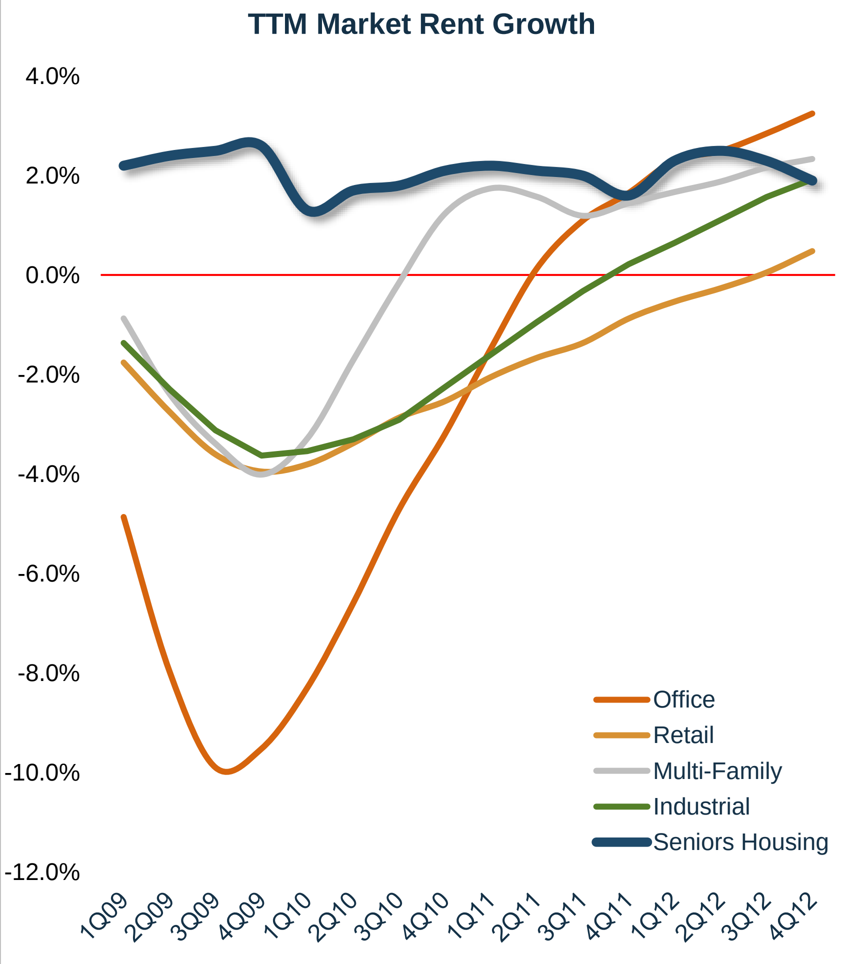


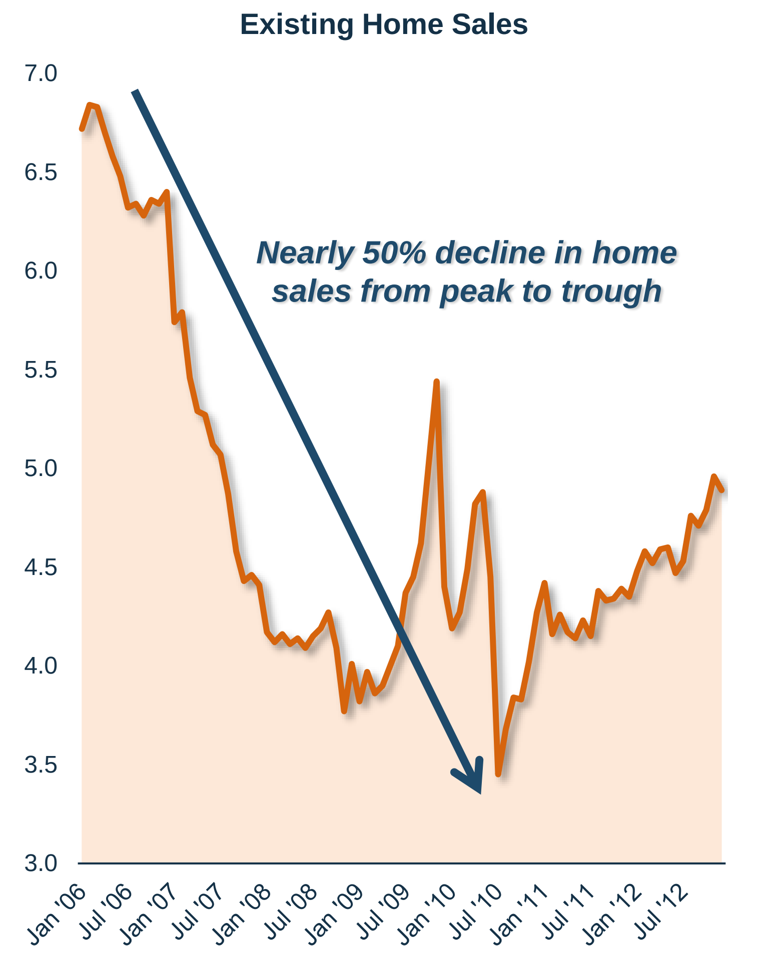
1. Source: National Investment Center for Seniors Housing & Care
2. Pre-pandemic average from1Q09-1Q20

Global Financial Crisis Case Study

Resilient Demand During GFC Driven By Needs-Based Nature of Seniors Housing





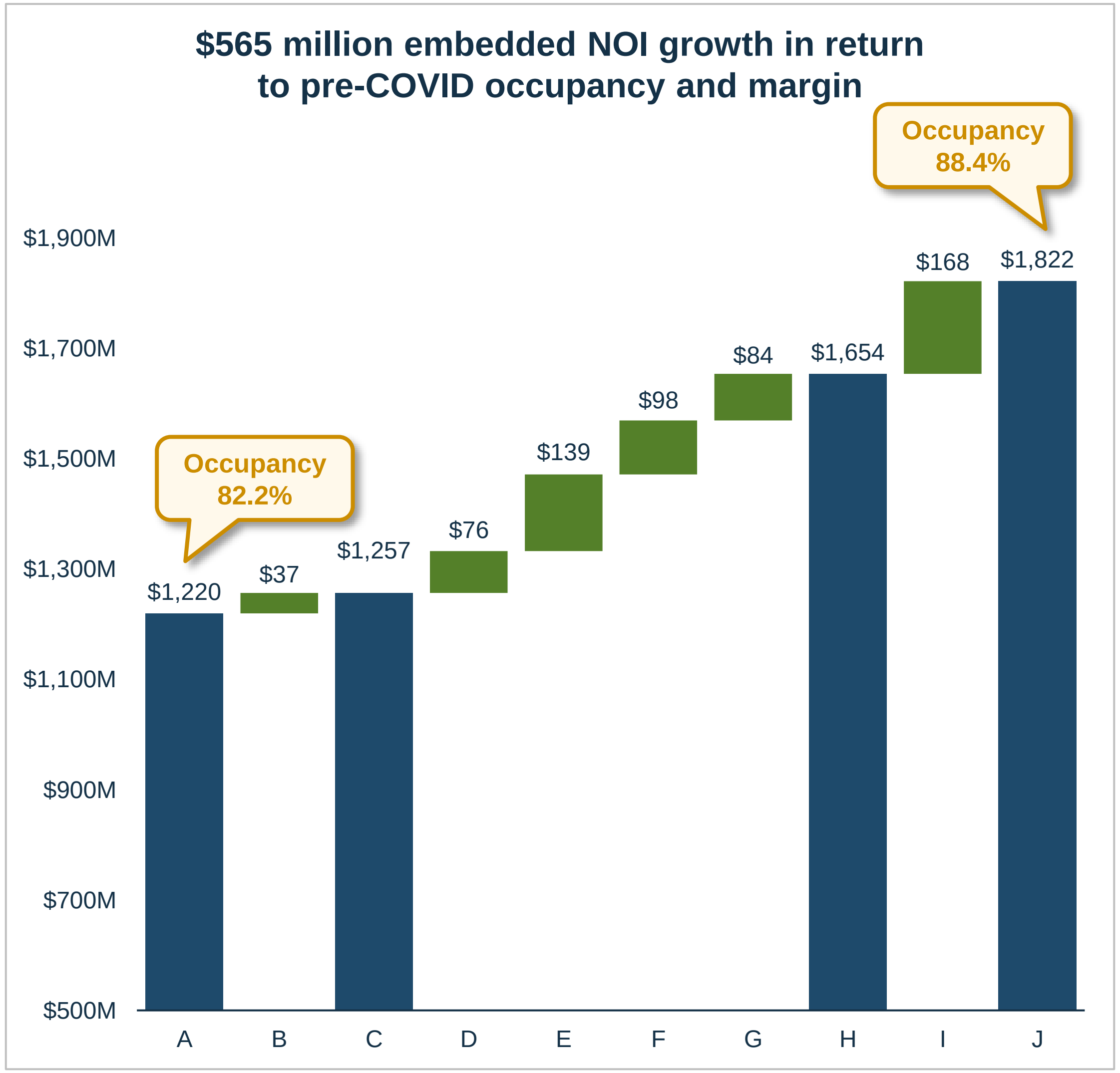


Sources: NIC MAP Vision, CoStar and Bloomberg

SHO Portfolio | Path to Recovery

	Category	NOI ($M)
A)	**4Q23 Total Portfolio - IPNOI Portfolio[1]**	**1,220**
B)	Revera and Chartwell JV Ownership Increase	37
C)	**4Q23 Total Portfolio – Adjusted IPNOI Portfolio**	**1,257**
D)	4Q19 Open Property Occupancy Recovery (ex. Transitions)	76
E)	Transition Properties	139
F)	Fill-Up Properties	98
G)	Lease-Up of Acquisitions (4Q20-4Q23)	84
H)	**4Q23 Total Portfolio - Post COVID Recovery NOI**	**1,654**
I)	Upside Assuming 4Q23 Realized RevPOR	168
J)	**4Q23 Total Portfolio - Post COVID Recovery NOI Assuming 4Q23 RevPOR**	**1,822**

A)	4Q23 Portfolio In-Place NOI
B)	Adjustment to 4Q23 IPNOI to reflect increased ownership stake in properties owned in prior JVs with Revera and Chartwell[2]
C)	Adjusted 4Q23 Portfolio In-Place NOI
D)	Incremental NOI from return to 4Q19 NOI levels for properties open in 4Q19, excluding segment or operator transitions
E)	Incremental NOI from properties open in 4Q19 that subsequently underwent operator or segment transitions
F)	Incremental NOI from development properties delivered subsequent to 4Q19 and properties acquired subsequent to 4Q19 and prior to 4Q20. NOI stabilization assumes return to pre-COVID NOI for acquisition properties and underwritten stabilized NOI for development properties
G)	Incremental NOI from stabilization of properties acquired between 4Q20 and 4Q23
H)	4Q23 portfolio post-COVID recovery NOI. Represents portfolio occupancy of 88.4% and operating margin of 31.2%
I)	Incremental NOI assuming realized 4Q23 RevPOR for properties open in 4Q19[3]
J)	4Q23 portfolio post-COVID recovery NOI based on 4Q23 realized RevPOR



Potential for ADDITIONAL UPSIDE assuming return to PEAK OCCUPANCY of 91.2% in 4Q15

1. See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures
2. Categories D through G assume increased ownership stake in properties owned in prior joint ventures with Revera and Chartwell
3. Incremental NOI assumes realized 4Q23 RevPOR for properties open in 4Q19, including those within buckets D, E, and G

Capital Allocation

Acquisitions Since 4Q2020

Capital Deployment Volume[1]

$13.4B GROSS INVESTMENTS

- ✓ Initial yield of 6.3%; Stable yield of approximately 8.0%
- ✓ Low last-dollar exposure and innovative structure offer downside protection
- ✓ Expected to generate high-single-digit to mid-teens unlevered IRRs to WELL

Granular & Off-Market Transactions

154 Total Transactions

489 Properties Acquired

48K 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
- ✓ Acquisitions executed at an average investment of $25 million per property

Significant Discount to Replacement Cost

$210K / unit Avg. Last Dollar Basis US & CA transactions

£45K / unit Avg. 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

Leaning Into Cash Flow Distress (early) and Balance Sheet Distress (now) through Disciplined Approach to Capital Allocation and Unparalleled Access to Capital

1. Includes pro rata gross investments across acquisitions and loans since October 1, 2020 through December 31, 2023 and excludes development funding

Foundation for Long-Term Growth Established

Opportunity to deploy in excess of $3.0 billion annually | Economics Defined During Pandemic

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

5	+	25	=	30	$30B+
Relationships Formed Pre-COVID		Newly Formed Post-COVID Relationships		Total Newly Established Growth Relationships	Potential Capital Deployment Opportunity Over Next Decade

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

Centralized Capital Allocation; Decentralized Execution

Note: Statistics as of December 31, 2023

Balance Sheet

Plurality of Capital Sources

Leveraging Efficient & Low-Cost Capital to Execute Investment Strategy

✓ Access to **secured and unsecured** debt financing

✓ Pivot between **multiple sources of capital** based upon cost and availability

✓ **Recycle capital** to improve portfolio quality and capitalize on market inefficiencies

$18B | PUBLIC EQUITY

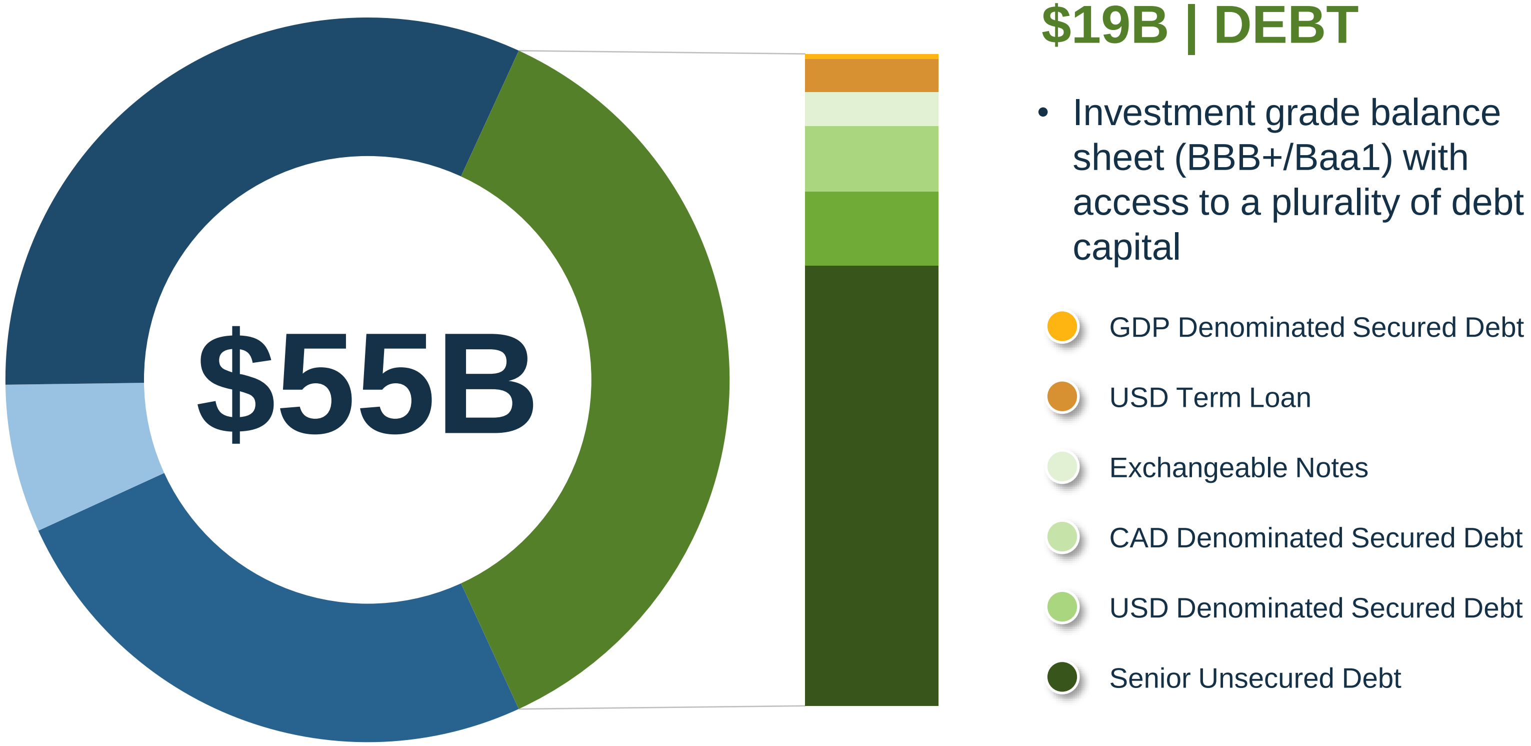
- Efficiently raised primarily via ATM & DRIP programs since 2015

$4B | PRIVATE CAPITAL

- Capital raised via joint venture partnerships with institutional capital partners

$14B | DISPOSITIONS

- Asset sales completed since 2015
- Investments across multiple property types allow for opportunistic harvesting of assets, taking advantage of relative value



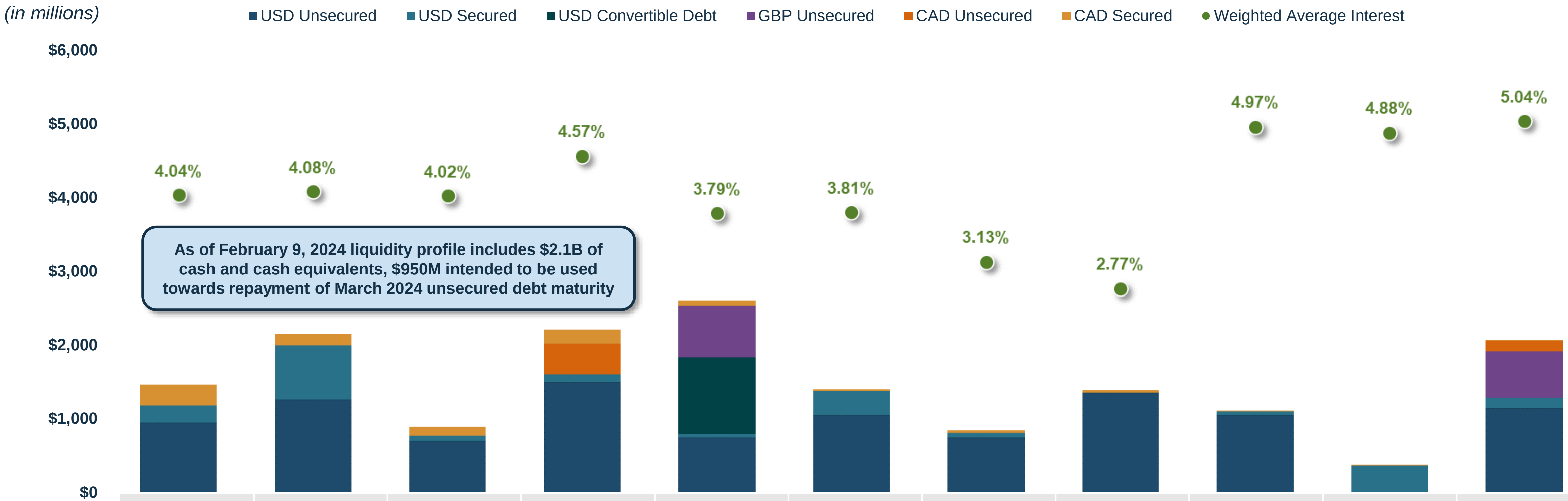
$19B | DEBT

- Investment grade balance sheet (BBB+/Baa1) with access to a plurality of debt capital

Note: Data as of January 1, 2015 through December 31, 2023

Well-Laddered Debt Maturity Schedule[1,2,3]

Weighted Average Maturity of 5.7 Years



($mm)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	After
Unsecured Debt	950	1,260	700	1,917	2,486	1,050	750	1,350	1,050	-	1,791
Secured Debt	505	888	184	289	119	354	92	41	52	368	152
Total	**1,455**	**2,148**	**884**	**2,206**	**2,605**	**1,404**	**842**	**1,391**	**1,102**	**368**	**1,943**

1. As of December 31, 2023 as adjusted for repayment of senior unsecured and secured debt in January 2024
2. Represents principal amounts due excluding unamortized premiums/discounts or other fair value adjustments as reflected on the balance sheet
3. 2027 includes a $1,000,000,000 unsecured term loan and a CAD $250,000,000 unsecured term loan (approximately $189,635,000 USD at December 31, 2023). The loans mature on July 19, 2026. The interest rates on the loans are adjusted SOFR + 0.85% for USD and CDOR + 0.85% for CAD. Both term loans may be extended for two successive terms of six months at our option

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, ExpPOR, Same Store RevPOR ("SS RevPOR"), Same Store ExpPOR ("SS ExpPOR), 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 and 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

(in millions, except per share data)	Year Ended December 31, 2024	
	Current Outlook	
	Low	High
FFO Reconciliation:		
Net income attributable to common stockholders	$ 694	$ 785
Impairments and losses (gains) on real estate dispositions, net[1,2]	(78)	(78)
Depreciation and amortization[1]	1,636	1,636
NAREIT FFO and Normalized FFO attributable to common stockholders	$ 2,252	$ 2,343
Diluted per share data attributable to common stockholders:		
Net income	$ 1.21	$ 1.37
NAREIT FFO and Normalized FFO	$ 3.94	$ 4.10
Other items:[1]		
Net straight-line rent and above/below market rent amortization	$ (138)	$ (138)
Non-cash interest expenses	36	36
Recurring cap-ex, tenant improvements, and lease commissions	(226)	(226)
Stock-based compensation	39	39

(1) Amounts presented net of noncontrolling interests' share and Welltower's share of unconsolidated entities.
(2) Includes estimated gains on projected dispositions.

1. Amounts presented net of noncontrolling interests' share and Welltower's share of unconsolidated entities.
2. Includes estimated gains on projected dispositions.

NOI, IPNOI, SSNOI, RevPOR, ExpPOR, SS RevPOR & SS ExpPOR

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 general overhead costs that are unrelated to property operations and unallocable to the properties. These expenses include, but are not limited to, payroll and benefits related to corporate employees, 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. Acquisitions and development conversions are included in the same store amounts five full quarters after acquisition or being placed into service. Land parcels, loans and sub-leases, as well as any properties sold or classified as held for sale during the period, are excluded from the same store amounts. Redeveloped properties (including major refurbishments of a Seniors Housing Operating property where 20% or more of units are simultaneously taken out of commission for 30 days or more or Outpatient Medical properties undergoing a change in intended use) are excluded from the same store amounts until five full quarters post completion of the redevelopment. Properties undergoing operator transitions and/or segment transitions are also excluded from the same store amounts until five full quarters post completion of the operator transition or segment transition. In addition, properties significantly impacted by force majeure, acts of God or other extraordinary adverse events are excluded from same store amounts until five full quarters after the properties are placed back into service. SSNOI excludes non-cash NOI and includes adjustments to present consistent property ownership percentages and to translate Canadian properties and UK properties using a consistent exchange rate. 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. We believe NOI, IPNOI and SSNOI 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 NOI, IPNOI and SSNOI to make decisions about resource allocations and to assess the property level performance of our properties.

RevPOR represents the average revenues generated per occupied room per month at our Seniors Housing Operating properties and ExpPOR represents the average expenses per occupied room per month at our Seniors Housing Operating properties. These metrics are calculated as the pro rata version of resident fees and services revenues or property operating expenses per the income statement divided by average monthly occupied room days. SS RevPOR and SS ExpPOR are used to evaluate the RevPOR and ExpPOR performance of our properties under a consistent population, which eliminates changes in the composition of our portfolio. They are based on the same pool of properties used for SSNOI and includes any revenue or expense normalizations used for SSNOI. We use RevPOR, ExpPOR, SS RevPOR and SS ExpPOR to evaluate the revenue-generating capacity and profit potential of our 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.

In-Place NOI Reconciliations

(dollars in thousands)	4Q23
Net income (loss)	$ 88,440
Loss (gain) on real estate dispositions, net	1,783
Loss (income) from unconsolidated entities	2,008
Income tax expense (benefit)	(4,768)
Other expenses	36,307
Impairment of assets	14,994
Provision for loan losses, net	2,517
Loss (gain) on extinguishment of debt, net	—
Loss (gain) on derivatives and financial instruments, net	(7,215)
General and administrative expenses	44,327
Depreciation and amortization	380,730
Interest expense	154,574
Consolidated net operating income	713,697
NOI attributable to unconsolidated investments[1]	30,785
NOI attributable to noncontrolling interests[2]	(22,402)
Pro rata net operating income (NOI)	722,080
Adjust:	
Interest income	(55,284)
Other income	(30,678)
Sold / held for sale	(9,722)
Non-operational[3]	2,532
Non In-Place NOI[4]	(35,748)
Timing adjustments[5]	21,020
In-Place NOI	614,200
Annualized In-Place NOI	$ 2,456,800

In-Place NOI by property type	4Q23	% of Total
Seniors Housing Operating	$ 1,219,612	50 %
Seniors Housing Triple-net	385,424	16 %
Outpatient Medical	523,108	21 %
Long-Term/Post-Acute Care	328,656	13 %
Total In-Place NOI	$ 2,456,800	100 %

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 includes development properties and land parcels.
4. Primarily represents non-cash NOI.
5. Represents timing adjustments for current quarter acquisitions, construction conversions and segment or operator transitions.

SSNOI Reconciliation

(in thousands)

	Three Months Ended							
	March 31,		June 30,		September 30,		December 31,	
	2023	2022	2023	2022	2023	2022	2023	2022
Net income (loss)	$ 28,635	$ 65,751	$ 106,342	$ 95,672	$ 134,722	$ (2,653)	$ 88,440	$ 1,798
Loss (gain) on real estate dispositions, net	(747)	(22,934)	2,168	3,532	(71,102)	(1,064)	1,783	4,423
Loss (income) from unconsolidated entities	7,071	2,884	40,332	7,058	4,031	6,698	2,008	4,650
Income tax expense (benefit)	3,045	5,013	3,503	3,065	4,584	3,257	(4,768)	(4,088)
Other expenses	22,745	26,069	11,069	35,166	38,220	15,481	36,307	24,954
Impairment of assets	12,629	—	1,086	—	7,388	4,356	14,994	13,146
Provision for loan losses, net	777	(804)	2,456	165	4,059	490	2,517	10,469
Loss (gain) on extinguishment of debt, net	5	(12)	1	603	1	2	—	87
Loss (gain) on derivatives and financial instruments, net	930	2,578	1,280	(1,407)	2,885	6,905	(7,215)	258
General and administrative expenses	44,371	37,706	44,287	36,554	46,106	34,811	44,327	41,319
Depreciation and amortization	339,112	304,088	341,945	310,295	339,314	353,699	380,730	342,286
Interest expense	144,403	121,696	152,337	127,750	156,532	139,682	154,574	140,391
Consolidated NOI	602,976	542,035	706,806	618,453	666,740	561,664	713,697	579,693
NOI attributable to unconsolidated investments[1]	26,354	20,142	25,150	23,648	29,488	27,374	30,785	24,950
NOI attributable to noncontrolling interests[2]	(25,057)	(34,999)	(24,262)	(82,804)	(22,838)	(27,236)	(22,402)	(27,523)
Pro rata NOI	604,273	527,178	707,694	559,297	673,390	561,802	722,080	577,120
Non-cash NOI attributable to same store properties	(19,694)	(13,669)	(15,671)	(18,162)	(14,036)	(16,045)	(10,999)	(17,233)
NOI attributable to non-same store properties	(144,558)	(106,506)	(242,710)	(133,593)	(190,461)	(134,532)	(243,171)	(148,387)
Currency and ownership adjustments[1]	(576)	(4,787)	(1,738)	(1,713)	(1,513)	2,746	(992)	4,456
Normalizing adjustments, net[2]	4,558	(2,123)	(3,378)	(11,603)	(1,489)	(5,758)	458	(362)
Same store NOI (SSNOI)	$ 444,003	$ 400,093	$ 444,197	$ 394,226	$ 465,891	$ 408,213	$ 467,376	$ 415,594

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. Includes adjustments to reflect consistent property ownership percentages and foreign currency exchange rates for properties in the U.K. and Canada.
4. Includes other adjustments described in the respective Supplemental Information package.

SSNOI Reconciliation

(in thousands)

	Three Months Ended							
	March 31,		June 30,		September 30,		December 31,	
	2022	2021	2022	2021	2022	2021	2022	2021
Seniors Housing Operating	$ 216,304	$ 175,325	$ 217,863	$ 175,416	$ 238,882	$ 189,440	$ 237,948	$ 192,324
Seniors Housing Triple-net	94,408	94,203	93,575	90,740	89,929	86,573	90,599	88,689
Outpatient Medical	109,983	108,201	113,097	109,547	117,217	113,344	118,912	115,643
Long-Term/Post-Acute Care	23,308	22,364	19,662	18,523	19,863	18,856	19,917	18,938
Total SSNOI	$ 444,003	$ 400,093	$ 444,197	$ 394,226	$ 465,891	$ 408,213	$ 467,376	$ 415,594

								Average
Seniors Housing Operating	23.4 %		24.2 %		26.1		23.7 %	24.4 %
Seniors Housing Triple-net	0.2 %		3.1 %		3.9		2.2 %	2.4 %
Outpatient Medical	1.6 %		3.2 %		3.4		2.8 %	2.8 %
Long-Term/Post-Acute Care	4.2 %		6.1 %		5.3		5.2 %	5.2 %
Total SSNOI	11.0 %		12.7 %		14.1		12.5 %	12.6 %

SHO RevPOR Growth Reconciliation

(dollars in thousands, except SS RevPOR and units)

	December 31, 2022	December 31, 2023
SHO SS RevPOR Growth		
Consolidated SHO revenues	$ 1,104,995	$ 1,268,624
Unconsolidated SHO revenues attributable to WELL[1]	56,806	62,256
SHO revenues attributable to noncontrolling interests[2]	(66,655)	(43,214)
SHO pro rata revenues[3]	1,095,146	1,287,666
Non-cash and non-RevPOR revenues on same store properties	(2,022)	(1,382)
Revenues attributable to non-same store properties	(245,363)	(334,146)
Currency and ownership adjustments[4]	19,989	(1,521)
Other normalizing adjustments[5]	—	858
SHO SS RevPOR revenues[6]	$ 867,750	$ 951,475
SHO SS revenue YOY growth		9.6 %
Average occupied units/month[7]	55,773	57,976
SHO SS RevPOR[8]	$ 5,144	$ 5,426
SS RevPOR YOY growth	—	5.5 %

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 1.37 and to translate UK properties at a GBP/USD rate of 1.20.
5. Represents aggregate normalizing adjustments which are individually less than .50% of SSNOI growth.
6. Represents SS SHO RevPOR revenues at Welltower pro rata ownership
7. Represents average occupied units for SS properties on a pro rata basis
8. Represents pro rata SS average revenues generated per occupied room per month.

SHO SS ExpPOR Growth Reconciliation

(dollars in thousands, except SS ExpPOR and units)

	December 31, 2022	December 31, 2023
SHO SS ExpPOR Growth		
Consolidated SHO property operating expenses	$ 870,904	$ 967,547
Unconsolidated SHO expenses attributable to WELL[1]	45,228	41,767
SHO expenses attributable to noncontrolling interests[2]	(49,650)	(27,237)
SHO pro rata expenses[3]	866,482	982,077
Non-cash expenses on same store properties	(219)	(160)
Expenses attributable to non-same store properties	(209,503)	(266,152)
Currency and ownership adjustments[4]	18,580	(1,105)
Normalizing adjustment for government grants	1,178	26
Normalizing adjustment for management fee[5]	4,317	702
Normalizing adjustment for casualty related expenses[6]	(4,626)	(825)
Other normalizing adjustments[7]	(44)	—
SHO SS expenses[8]	$ 676,165	$ 714,563
Average occupied units/month [9]	55,773	57,976
SHO SS ExpPOR[10]	$ 4,008	$ 4,075
SS ExpPOR YOY growth		1.7 %

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 property operating expenses 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 1.37 and to translate UK properties at a GBP/USD rate of 1.20.
5. Represents normalizing adjustment related to the disposition of our ownership interest in two Seniors Housing Operating management company investments.
6. Represents normalizing adjustment related to casualty related expenses net of any insurance reimbursements.
7. Represents aggregate normalizing adjustments which are individually less than .50% of SSNOI growth.
8. Represents SHO same store property operating expenses at Welltower pro rata ownership.
9. Represents average occupied units for SS properties.
10. Represents pro rata SS average expenses 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 cash equivalents and restricted cash. 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 restricted cash.

We measure our credit strength both in terms of leverage ratios and coverage ratios. The leverage ratios which include net debt to consolidated enterprise value, indicate how much of our balance sheet capitalization is related to long-term debt, net of cash and restricted cash. We expect to maintain capitalization ratios and coverage ratios sufficient to maintain a capital structure consistent with our current profile. Net debt is defined as total long-term debt, excluding operating lease liabilities, less cash and cash equivalents and restricted cash. Consolidated enterprise value represents the sum of net debt, the fair market value of our common stock and noncontrolling interests.

Net Debt to Adjusted EBITDA

(dollars in thousands)	Three Months Ended	
	December 31, 2023	December 31, 2022
Net income	$ 88,440	$ 1,798
Interest expense	154,574	140,391
Income tax expense (benefit)	(4,768)	-4,088
Depreciation and amortization	380,730	342,286
EBITDA	618,976	480,387
Loss (income) from unconsolidated entities	2,008	4,650
Stock-based compensation expense	8,418	6,569
Loss (gain) on extinguishment of debt, net	—	87
Loss (gain) on real estate dispositions, net	1,783	4,423
Impairment of assets	14,994	13,146
Provision for loan losses, net	2,517	10,469
Loss (gain) on derivatives and financial instruments, net	(7,215)	258
Other expenses	36,307	24,954
Casualty losses, net of recoveries	1,038	7,377
Other impairments[1]	4,333	—
Adjusted EBITDA	$ 683,159	$ 552,320

	Three Months Ended	
	December 31, 2023	December 31, 2022
Total debt[2]	$ 15,815,226	$ 14,661,552
Cash and cash equivalents and restricted cash	(2,076,083)	(722,292)
Net debt	13,739,143	13,939,260
Adjusted EBITDA	683,159	552,320
Adjusted EBITDA annualized	$ 2,732,636	$ 2,209,280
Net debt to Adjusted EBITDA ratio	5.03 x	6.31 x

1. Represents the write off of straight-line rent receivable balances for leases placed on cash recognition.
2. Amounts include unamortized premiums/discounts, other fair value adjustments and financing lease liabilities. Excludes operating lease liabilities related to ASC 842 of $303,553,000 and $302,360,000 for the three months ended December 31, 2023 and 2022, respectively..

Net Debt to Consolidated Enterprise Value

(in thousands, except share price)	Three Months Ended December 31, 2023
Common shares outstanding	564,241
Period end share price	$ 90.17
Common equity market capitalization	$ 50,877,611
Total debt[1]	$ 15,815,226
Cash and cash equivalents and restricted cash	(2,076,083)
Net debt	$ 13,739,143
Noncontrolling interests[2]	967,351
Consolidated enterprise value	$ 65,584,105
Net debt to consolidated enterprise value	20.9 %

1. Amounts include senior unsecured notes, secured debt and lease liabilities related to finance leases, as reflected on our consolidated balance sheets. Operating lease liabilities related to the ASC 842 adoption are excluded.
2. Includes amounts attributable to both redeemable noncontrolling interests and noncontrolling interests as reflected on our consolidated balance sheets.