

# NON-GAAP FINANCIAL MEASURES

*Quarter Ended September 30, 2021*

**welltower**



# 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 Net Operating Income ("NOI"), In-Place NOI ("IPNOI"), Same Store NOI ("SSNOI"), Revenues per Occupied Room ("REVPOR"), Same Store REVPOR ("SS REVPOR"), Funds From Operations attributable to common stockholders ("FFO"), Normalized FFO, 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.

The information in this supplemental information package should be read in conjunction with our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, earnings press releases/supplements and other information filed with, or furnished to, the Securities and Exchange Commission ("SEC").



# 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.

# FFO QUARTERLY RECONCILIATIONS

(in thousands, except per share information)

	Three Months Ended				
	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021
Net income (loss) attributable to common stockholders	\$ 325,585	\$ 163,729	\$ 71,546	\$ 26,257	\$ 179,663
Depreciation and amortization	255,532	242,733	244,426	240,885	267,754
Impairments and losses (gains) on real estate dispositions, net	(460,991)	(176,147)	(35,512)	(20,976)	(118,464)
Noncontrolling interests <sup>(1)</sup>	48,559	(20,579)	(12,516)	(16,591)	(11,095)
Unconsolidated entities <sup>(2)</sup>	16,329	16,091	19,223	19,265	27,881
NAREIT FFO attributable to common stockholders	185,014	225,827	287,167	248,840	345,739
Normalizing items:					
Loss (gain) on derivatives and financial instruments, net	1,395	569	1,934	(359)	(8,078)
Loss (gain) on extinguishment of debt, net	33,004	13,796	(4,643)	55,612	(5)
Provision for loan losses, net	2,857	83,085	1,383	6,197	(271)
Nonrecurring income tax benefits	—	—	—	(6,298)	—
Other impairment	112,398	—	49,241	—	—
Other expenses	11,544	33,088	10,994	11,687	3,575
Leasehold interest adjustment	—	—	—	—	(640)
Casualty losses, net of recoveries	—	—	—	—	998
Normalizing items attributable to noncontrolling interests and unconsolidated entities, net	6,399	(5,070)	(12,164)	14,568	949
Normalized FFO attributable to common stockholders	\$ 352,611	\$ 351,295	\$ 333,912	\$ 330,247	\$ 342,267
Average common shares outstanding:					
Basic	417,027	417,123	417,241	417,452	428,031
Diluted	418,987	418,753	419,079	419,305	429,983
Net income (loss) attributable to common stockholders per share:					
Basic	\$ 0.78	\$ 0.39	\$ 0.17	\$ 0.06	\$ 0.42
Diluted <sup>(3)</sup>	\$ 0.77	\$ 0.39	\$ 0.17	\$ 0.06	\$ 0.42
NAREIT FFO attributable to common stockholders per share:					
Diluted	\$ 0.44	\$ 0.54	\$ 0.69	\$ 0.59	\$ 0.80
Normalized FFO attributable to common stockholders per share:					
Diluted	\$ 0.84	\$ 0.84	\$ 0.80	\$ 0.79	\$ 0.80
NAREIT FFO Payout Ratio:					
Dividends per common share	\$ 0.61	\$ 0.61	\$ 0.61	\$ 0.61	\$ 0.61
NAREIT FFO attributable to common stockholders per diluted share	\$ 0.44	\$ 0.54	\$ 0.69	\$ 0.59	\$ 0.80
NAREIT FFO Payout Ratio	139 %	113 %	88 %	103 %	76 %
Normalized FFO Payout Ratio:					
Dividends per common share	\$ 0.61	\$ 0.61	\$ 0.61	\$ 0.61	\$ 0.61
Normalized FFO attributable to common stockholders per diluted share	\$ 0.84	\$ 0.84	\$ 0.80	\$ 0.79	\$ 0.80
Normalized FFO Payout Ratio	73 %	73 %	76 %	77 %	76 %
Other items: <sup>(4)</sup>					
Net straight-line rent and above/below market rent amortization <sup>(5)</sup>	\$ (18,729)	\$ (21,640)	\$ (18,134)	\$ (20,729)	\$ (19,809)
Non-cash interest expenses <sup>(6)</sup>	4,339	2,108	3,635	4,714	6,223
Recurring cap-ex, tenant improvements, and lease commissions	(19,443)	(21,634)	(11,433)	(20,426)	(22,722)
Stock-based compensation <sup>(7)</sup>	6,565	1,875	5,381	4,129	4,479

(1) Represents noncontrolling interests' share of net FFO adjustments.

(2) Represents Welltower's share of net FFO adjustments from unconsolidated entities.

(3) Includes adjustment to the numerator for income (loss) attributable to OP unitholders.

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

(5) Excludes normalized other impairment.

(6) Excludes normalized incremental interest expense.

(7) Excludes certain severance related stock-based compensation recorded in other expense.

# FFO YEAR-TO-DATE RECONCILIATIONS

(in thousands, except per share information)

	Nine Months Ended	
	September 30, 2020	September 30, 2021
Net income (loss) attributable to common stockholders	\$ 815,115	\$ 277,466
Depreciation and amortization	795,704	753,065
Impairments and losses (gains) on real estate dispositions, net	(776,700)	(174,952)
Noncontrolling interests <sup>(1)</sup>	(3,389)	(40,202)
Unconsolidated entities <sup>(2)</sup>	46,005	66,369
NAREIT FFO attributable to common stockholders	876,735	881,746
Normalizing items:		
Loss (gain) on derivatives and financial instruments, net	10,480	(6,503)
Loss (gain) on extinguishment of debt, net	33,253	50,964
Provision for loan losses, net	11,351	7,309
Preferred stock redemption charge	—	(6,298)
Incremental interest expense	5,871	—
Other impairment	146,508	49,241
Other expenses	37,247	26,256
Leasehold interest adjustment	—	(640)
Casualty losses, net of recoveries	—	998
Normalizing items attributable to noncontrolling interests and unconsolidated entities, net	11,440	3,353
Normalized FFO attributable to common stockholders	\$ 1,132,885	\$ 1,006,426
Average common shares outstanding:		
Basic	414,822	420,955
Diluted	416,860	422,835
Net income (loss) attributable to common stockholders per share:		
Basic	\$ 1.96	\$ 0.66
Diluted <sup>(3)</sup>	\$ 1.94	\$ 0.65
NAREIT FFO attributable to common stockholders per share:		
Diluted	\$ 2.10	\$ 2.09
Normalized FFO attributable to common stockholders per share:		
Diluted	\$ 2.72	\$ 2.38
NAREIT FFO Payout Ratio:		
Dividends per common share	\$ 2.09	\$ 1.83
NAREIT FFO attributable to common stockholders per diluted share	\$ 2.10	\$ 2.09
NAREIT FFO Payout Ratio	100 %	88 %
Normalized FFO Payout Ratio:		
Dividends per common share	\$ 2.09	\$ 1.83
Normalized FFO attributable to common stockholders per diluted share	\$ 2.72	\$ 2.38
Normalized FFO Payout Ratio	77 %	77 %
Other Items: <sup>(4)</sup>		
Net straight-line rent and above/below market rent amortization <sup>(5)</sup>	\$ (69,286)	\$ (58,672)
Non-cash interest expenses <sup>(6)</sup>	9,437	14,572
Recurring cap-ex, tenant improvements, and lease commissions	(59,638)	(54,581)
Stock-based compensation <sup>(7)</sup>	20,279	13,989

(1) Represents noncontrolling interests' share of net FFO adjustments.

(2) Represents Welltower's share of net FFO adjustments from unconsolidated entities.

(3) Includes adjustment to the numerator for income (loss) attributable to OP unitholders.

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

(5) Excludes normalized other impairment.

(6) Excludes normalized incremental interest expense.

(7) Excludes certain severance related stock-based compensation recorded in other expense.

# Earnings Outlook Reconciliation

## Outlook Reconciliation: Quarter Ending December 31, 2021

(in millions, except per share data)

	Current Outlook	
	Low	High
<u>FFO Reconciliation:</u>		
Net income attributable to common stockholders	\$ 87	\$ 109
Impairments and losses (gains) on real estate dispositions, net <sup>(1,2)</sup>	(36)	(36)
Depreciation and amortization <sup>(1)</sup>	291	291
NAREIT FFO and Normalized FFO attributable to common stockholders	\$ 342	\$ 364
Diluted per share data attributable to common stockholders:		
Net income	\$ 0.20	\$ 0.25
NAREIT FFO and Normalized FFO	\$ 0.78	\$ 0.83
Other items: <sup>(1)</sup>		
Net straight-line rent and above/below market rent amortization	\$ (19)	\$ (19)
Non-cash interest expenses	4	4
Recurring cap-ex, tenant improvements, and lease commissions	(43)	(43)
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, SSNOI, REVPOR AND 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. 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. It is calculated as the pro rata version of resident fees and services revenues per 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 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.

# NOI QUARTERLY RECONCILIATIONS

(dollars in thousands)

	Three Months Ended				
	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021
Net income (loss)	\$ 394,978	\$ 155,278	\$ 72,192	\$ 45,757	\$ 190,336
Loss (gain) on real estate dispositions, net	(484,304)	(185,464)	(59,080)	(44,668)	(119,954)
Loss (income) from unconsolidated entities	5,981	(258)	(13,049)	7,976	15,832
Income tax expense (benefit)	2,003	290	3,943	(2,221)	4,940
Other expenses	11,544	33,088	10,994	11,687	3,575
Impairment of assets	23,313	9,317	23,568	23,692	1,490
Provision for loan losses, net	2,857	83,085	1,383	6,197	(271)
Loss (gain) on extinguishment of debt, net	33,004	13,796	(4,643)	55,612	(5)
Loss (gain) on derivatives and financial instruments, net	1,395	569	1,934	(359)	(8,078)
General and administrative expenses	31,003	27,848	29,926	31,436	32,256
Depreciation and amortization	255,532	242,733	244,426	240,885	267,754
Interest expense	124,851	121,173	123,142	122,341	122,522
Consolidated net operating income	402,157	501,455	434,736	498,335	510,397
NOI attributable to unconsolidated investments <sup>(1)</sup>	13,659	21,481	21,516	21,180	20,042
NOI attributable to noncontrolling interests <sup>(2)</sup>	(28,024)	(25,950)	(20,827)	(43,786)	(31,061)
Pro rata net operating income (NOI) <sup>(3)</sup>	\$ 387,792	\$ 496,986	\$ 435,425	\$ 475,729	\$ 499,378
Pro rata NOI:					
Seniors Housing Operating	\$ 175,378	\$ 163,574	\$ 172,060	\$ 143,751	\$ 167,855
Seniors Housing Triple-net	92,701	114,760	57,143	130,983	139,166
Outpatient Medical	118,421	116,448	109,398	114,330	111,207
Health System	42,425	42,425	42,425	46,500	46,140
Long-Term/Post-Acute Care	(42,381)	58,347	52,924	39,667	34,702
Corporate	1,248	1,432	1,475	498	308
Pro rata NOI <sup>(3)</sup>	\$ 387,792	\$ 496,986	\$ 435,425	\$ 475,729	\$ 499,378

(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 Welltower's pro rata share of NOI. Includes amounts from investments sold or held for sale. NOI related to DownREITs included at 100%.



# NOI YEAR-TO-DATE RECONCILIATIONS

(dollars in thousands)

	Nine Months Ended	
	September 30, 2020	September 30, 2021
Net income	\$ 883,574	\$ 308,285
Loss (gain) on real estate dispositions, net	(902,991)	(223,702)
Loss (income) from unconsolidated entities	8,341	10,759
Income tax expense (benefit)	9,678	6,662
Other expenses	37,247	26,256
Impairment of assets	126,291	48,750
Provision for loan losses, net	11,351	7,309
Loss (gain) on extinguishment of debt, net	33,253	50,964
Loss (gain) on derivatives and financial instruments, net	10,480	(6,503)
General and administrative expenses	100,546	93,618
Depreciation and amortization	795,704	753,065
Interest expense	393,215	368,005
Consolidated net operating income	1,506,689	1,443,468
NOI attributable to unconsolidated investments <sup>(1)</sup>	55,680	62,738
NOI attributable to noncontrolling interests <sup>(2)</sup>	(96,410)	(95,674)
Pro rata net operating income (NOI) <sup>(3)</sup>	\$ 1,465,959	\$ 1,410,532
Pro rata NOI:		
Seniors Housing Operating	\$ 594,379	\$ 483,666
Seniors Housing Triple-net	287,077	327,292
Outpatient Medical	381,687	334,935
Health System	127,649	135,065
Long-Term/Post-Acute Care	73,372	127,293
Corporate	1,795	2,281
Pro rata NOI <sup>(3)</sup>	\$ 1,465,959	\$ 1,410,532

(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 Welltower's pro rata share of NOI. Includes amounts from investments sold or held for sale. NOI related to DownREITs included at 100%

# CURRENT QUARTER SSNOI BY SEGMENT

(dollars in thousands at Welltower pro rata ownership)

	3Q20	4Q20	1Q21	2Q21	3Q21	Y/o/Y
<b>Seniors Housing Operating</b>						
NOI	\$ 175,378	\$ 163,574	\$ 172,060	\$ 143,751	\$ 167,855	
Non-cash NOI on same store properties	(1,064)	(399)	(870)	12,289	(85)	
NOI attributable to non-same store properties	(9,723)	(4,842)	(12,690)	(6,778)	(23,506)	
Currency and ownership adjustments <sup>(1)</sup>	1,554	1,561	(535)	(1,116)	(220)	
Normalizing adjustment for government grants <sup>(2)</sup>	—	(12,350)	(32,954)	(9,327)	(5,166)	
Normalizing adjustment for casualty related expenses, net <sup>(3)</sup>	—	—	—	1,192	1,387	
Other normalizing adjustments <sup>(4)</sup>	(1,227)	(377)	—	(886)	98	
SSNOI <sup>(5)</sup>	164,918	147,167	125,011	139,125	140,363	(14.9)%
<b>Seniors Housing Triple-net</b>						
NOI	92,701	114,760	57,143	130,983	139,166	
Non-cash NOI on same store properties	16,800	(3,314)	42,284	(1,524)	(1,289)	
NOI attributable to non-same store properties	(26,641)	(28,510)	(19,065)	(42,777)	(54,195)	
Currency and ownership adjustments <sup>(1)</sup>	1,597	1,224	288	325	15	
Other normalizing adjustments <sup>(4)</sup>	(54)	(858)	3,282	(3,282)	—	
SSNOI	84,403	83,302	83,932	83,725	83,697	(0.8)%
<b>Outpatient Medical</b>						
NOI	118,421	116,448	109,398	114,330	111,207	
Non-cash NOI on same store properties	(3,590)	(3,092)	(2,654)	(2,665)	(1,892)	
NOI attributable to non-same store properties	(8,521)	(7,476)	(5,673)	(11,961)	(8,623)	
Currency and ownership adjustments <sup>(1)</sup>	(10,052)	(5,695)	(1,140)	(55)	296	
Normalizing adjustment for lease restructure <sup>(6)</sup>	—	—	—	—	(705)	
Other normalizing adjustments <sup>(4)</sup>	469	(664)	(155)	(348)	(309)	
SSNOI	96,727	99,521	99,776	99,301	99,974	3.4%
<b>Health System</b>						
NOI	42,425	42,425	42,425	46,500	46,140	
Non-cash NOI on same store properties	(5,585)	(5,278)	(5,278)	(5,278)	(4,647)	
NOI attributable to non-same store properties	(1,111)	(1,096)	(1,096)	(5,171)	(4,781)	
SSNOI	35,729	36,051	36,051	36,051	36,712	2.8%
<b>Long-Term/Post-Acute Care</b>						
NOI	(42,381)	58,347	52,924	39,667	34,702	
Non-cash NOI on same store properties	4,945	(1,150)	(326)	(950)	(1,137)	
NOI attributable to non-same store properties	59,861	(34,685)	(30,436)	(16,445)	(11,274)	
Currency and ownership adjustments <sup>(1)</sup>	86	49	—	(55)	(10)	
Other normalizing adjustments <sup>(4)</sup>	—	—	169	—	—	
SSNOI	22,511	22,561	22,331	22,217	22,281	(1.0)%
<b>Corporate</b>						
NOI	1,248	1,432	1,475	498	308	
NOI attributable to non-same store properties	(1,248)	(1,432)	(1,475)	(498)	(308)	
SSNOI	—	—	—	—	—	
<b>Total</b>						
NOI	387,792	496,986	435,425	475,729	499,378	
Non-cash NOI on same store properties	11,506	(13,233)	33,156	1,872	(9,050)	
NOI attributable to non-same store properties	12,617	(78,041)	(70,435)	(83,630)	(102,687)	
Currency and ownership adjustments <sup>(1)</sup>	(6,815)	(2,861)	(1,387)	(901)	81	
Normalizing adjustments, net	(812)	(14,249)	(29,658)	(12,651)	(4,695)	
SSNOI	\$ 404,288	\$ 388,602	\$ 367,101	\$ 380,419	\$ 383,027	(5.3)%

(1) Includes adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2684 and to translate UK properties at a GBP/USD rate of 1.38.

(2) Represents normalizing adjustment related to amounts recognized related to the Health and Human Services Provider Relief Fund in the United States and similar programs in the United Kingdom and Canada.

(3) Represents normalizing adjustment related to casualty related expenses net of any insurance reimbursements.

(4) Represents aggregate normalizing adjustments which are individually less than 0.50% of SSNOI growth per property type.

(5) SHO SSNOI includes expenses that are directly attributable to the COVID-19 pandemic net of any reimbursements exclusive of those included in (2) above.

(6) Represents normalizing adjustment related to a lease restructure associated with one Outpatient Medical tenant.

# IPNOI RECONCILIATION

(in thousands at Welltower pro rata ownership)

	<u>Seniors Housing Operating</u>	<u>Seniors Housing Triple-net</u>	<u>Outpatient Medical</u>	<u>Health System</u>	<u>Long-Term /Post-Acute Care</u>	<u>Corporate</u>	<u>Total</u>
<b>Three months ended September 30, 2021</b>							
Revenues	\$ 812,096	\$ 147,093	\$ 160,003	\$ 46,204	\$ 38,561	\$ 3,362	\$ 1,207,319
Property operating expenses	(644,241)	(7,927)	(48,796)	(64)	(3,859)	(3,054)	(707,941)
<b>NOI<sup>(1)</sup></b>	<b>167,855</b>	<b>139,166</b>	<b>111,207</b>	<b>46,140</b>	<b>34,702</b>	<b>308</b>	<b>499,378</b>
Adjust:							
Interest income	(1,117)	(32,153)	(472)	—	(6,122)	—	(39,864)
Other income	(1,049)	(901)	(2,057)	—	(184)	(3,362)	(7,553)
Sold / held for sale	34	(99)	(1,851)	(415)	(3,673)	—	(6,004)
Developments / land	1,963	—	119	—	—	—	2,082
Non In-Place NOI <sup>(2)</sup>	(3,673)	(4,946)	(2,711)	(5,292)	(954)	3,054	(14,522)
Timing adjustments <sup>(3)</sup>	7,416	1,564	212	—	—	—	9,192
Total adjustments	3,574	(36,535)	(6,760)	(5,707)	(10,933)	(308)	(56,669)
<b>In-Place NOI</b>	<b>171,429</b>	<b>102,631</b>	<b>104,447</b>	<b>40,433</b>	<b>23,769</b>	<b>—</b>	<b>442,709</b>
<b>Annualized In-Place NOI</b>	<b>\$ 685,716</b>	<b>\$ 410,524</b>	<b>\$ 417,788</b>	<b>\$ 161,732</b>	<b>\$ 95,076</b>	<b>\$ —</b>	<b>\$ 1,770,836</b>

(1) Represents Welltower's pro rata share of NOI. See page 7 for more information.

(2) Primarily represents non-cash NOI.

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

# RECONCILIATIONS OF SHO SS REVPOR GROWTH, SSNOI GROWTH AND SSNOI/UNIT

(dollars in thousands, except SS REVPOR and SSNOI/unit)

	United States		United Kingdom		Canada		Total	
	3Q20	3Q21	3Q20	3Q21	3Q20	3Q21	3Q20	3Q21
<b>SHO SS REVPOR Growth</b>								
Consolidated SHO revenues	\$ 556,042	\$ 637,395	\$ 80,935	\$ 101,430	\$ 105,088	\$ 100,694	\$ 742,065	\$ 839,519
Unconsolidated SHO revenues attributable to WELL <sup>(1)</sup>	21,823	24,204	—	—	20,751	21,787	42,574	45,991
SHO revenues attributable to noncontrolling interests <sup>(2)</sup>	(27,743)	(38,669)	(7,498)	(12,725)	(23,264)	(22,020)	(58,505)	(73,414)
SHO pro rata revenues <sup>(3)</sup>	550,122	622,930	73,437	88,705	102,575	100,461	726,134	812,096
Non-cash revenues on same store properties	(848)	(562)	—	—	—	—	(848)	(562)
Revenues attributable to non-same store properties	(37,344)	(115,170)	(12,184)	(23,542)	(5,285)	(3,505)	(54,813)	(142,217)
Currency and ownership adjustments <sup>(4)</sup>	(6,611)	—	3,768	69	5,109	(517)	2,266	(448)
Other normalizing adjustments <sup>(5)</sup>	(1,481)	—	—	—	—	—	(1,481)	—
SHO SS revenues <sup>(6)</sup>	503,838	507,198	65,021	65,232	102,399	96,439	671,258	668,869
Avg. occupied units/month <sup>(7)</sup>	26,690	26,605	2,316	2,261	11,730	10,850	40,736	39,716
SHO SS REVPOR <sup>(8)</sup>	\$ 6,241	\$ 6,303	\$ 9,282	\$ 9,539	\$ 2,886	\$ 2,939	\$ 5,448	\$ 5,568
SS REVPOR YOY growth		1.0 %		2.8 %		1.8 %		2.2 %
<b>SHO SSNOI Growth</b>								
Consolidated SHO NOI	\$ 125,856	\$ 118,378	\$ 19,802	\$ 24,603	\$ 28,703	\$ 29,928	\$ 174,361	\$ 172,909
Unconsolidated SHO NOI attributable to WELL <sup>(1)</sup>	4,836	3,599	—	—	7,487	6,949	12,323	10,548
SHO NOI attributable to noncontrolling interests <sup>(2)</sup>	(3,753)	(6,469)	(1,361)	(2,654)	(6,192)	(6,479)	(11,306)	(15,602)
SHO pro rata NOI <sup>(3)</sup>	126,939	115,508	18,441	21,949	29,998	30,398	175,378	167,855
Non-cash NOI on same store properties	(1,075)	(112)	11	9	—	18	(1,064)	(85)
NOI attributable to non-same store properties	(6,035)	(16,835)	(3,631)	(6,107)	(57)	(564)	(9,723)	(23,506)
Currency and ownership adjustments <sup>(4)</sup>	(914)	(80)	907	20	1,561	(160)	1,554	(220)
Normalizing adjustment for government grants <sup>(9)</sup>	—	—	—	(280)	—	(4,886)	—	(5,166)
Normalizing adjustment for casualty related expenses <sup>(10)</sup>	—	1,387	—	—	—	—	—	1,387
Other normalizing adjustments <sup>(5)</sup>	(1,227)	98	—	—	—	—	(1,227)	98
SHO pro rata SSNOI <sup>(6)</sup>	\$ 117,688	\$ 99,966	\$ 15,728	\$ 15,591	\$ 31,502	\$ 24,806	\$ 164,918	\$ 140,363
SHO SSNOI growth		(15.1)%		(0.9)%		(21.3)%		(14.9)%
<b>SHO SSNOI/Unit</b>								
Trailing four quarters' SSNOI <sup>(6)</sup>		\$ 393,010		\$ 57,157		\$ 101,499		\$ 551,666
Average units in service <sup>(11)</sup>		34,867		3,183		13,996		52,046
SSNOI/unit in USD		\$ 11,272		\$ 17,957		\$ 7,252		\$ 10,600
SSNOI/unit in local currency <sup>(4)</sup>				£ 13,012		\$ 9,180		

(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 and includes an adjustment to remove NOI related to certain leasehold properties. See page 16 for more information.

(3) Represents SHO revenues/NOI at Welltower pro rata ownership. See page 8 for more information.

(4) Includes where appropriate adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2684 and to translate UK properties at a GBP/USD rate of 1.38.

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

(6) Represents SS SHO revenues/SSNOI at Welltower pro rata ownership. See page 10 for more information.

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

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

(9) Represents normalizing adjustment related to amounts recognized related to the Health and Human Services Provider Relief Fund in the United States and similar programs in the United Kingdom and Canada.

(10) Represents normalizing adjustment related to casualty related expenses net of any insurance reimbursements.

(11) Represents average units in service for SS properties related solely to referenced country on a pro rata basis.

# SENIORS HOUSING OPERATING REVPOR

(dollars in thousands, except REVPOR)

	Three months ended September 30, 2021			
	United States	United Kingdom	Canada	Total
Consolidated SHO revenues	\$ 637,395	\$ 101,430	\$ 100,694	\$ 839,519
Unconsolidated SHO revenues attributable to Welltower <sup>(1)</sup>	24,204	—	21,787	45,991
SHO revenues attributable to noncontrolling interests <sup>(2)</sup>	(38,669)	(12,725)	(22,020)	(73,414)
Pro rata SHO revenues <sup>(3)</sup>	622,930	88,705	100,461	812,096
SHO interest and other income	(2,156)	(1)	(41)	(2,198)
SHO revenues attributable to sold and held for sale properties	(144)	—	(179)	(323)
Currency and ownership adjustments <sup>(4)</sup>	—	94	(534)	(440)
SHO local revenues	620,630	88,798	99,707	809,135
Average occupied units/month	36,638	2,981	11,154	50,773
REVPOR/month in USD	<u>\$ 5,601</u>	<u>\$ 9,848</u>	<u>\$ 2,955</u>	<u>\$ 5,269</u>
REVPOR/month in local currency <sup>(4)</sup>		<u>£ 7,136</u>	<u>\$ 3,748</u>	

(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 and includes an adjustment to remove NOI related to certain leasehold properties. See page 16 for more information.

(3) Represents SHO revenues at Welltower pro rata ownership. See page 8 for more information.

(4) Includes where appropriate adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2684 and to translate UK properties at a GBP/USD rate of 1.38.

# 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. We primarily use these measures to determine our interest coverage ratio, which represents EBITDA and Adjusted EBITDA divided by total interest, and our fixed charge coverage ratio, which represents EBITDA and Adjusted EBITDA divided by fixed charges. Fixed charges include total interest, secured debt principal amortization and preferred dividends. Our leverage ratios include net debt to Adjusted EBITDA, book capitalization, undepreciated book capitalization and market capitalization. Book capitalization represents the sum of net debt (defined as total long-term debt, excluding operating lease liabilities, less cash and cash equivalents and any IRC Section 1031 deposits), total equity and redeemable noncontrolling interests. Undepreciated book capitalization represents book capitalization adjusted for accumulated depreciation and amortization. Market capitalization represents book capitalization adjusted for the fair market value of our common stock. Our leverage ratios are defined as the proportion of net debt to total capitalization.

# EBITDA AND ADJUSTED EBITDA QUARTERLY RECONCILIATIONS

(dollars in thousands)

	Three Months Ended				
	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021
Net income (loss)	\$ 394,978	\$ 155,278	\$ 72,192	\$ 45,757	\$ 190,336
Interest expense	124,851	121,173	123,142	122,341	122,522
Income tax expense (benefit)	2,003	290	3,943	(2,221)	4,940
Depreciation and amortization	255,532	242,733	244,426	240,885	267,754
<b>EBITDA</b>	<b>777,364</b>	<b>519,474</b>	<b>443,703</b>	<b>406,762</b>	<b>585,552</b>
Loss (income) from unconsolidated entities	5,981	(258)	(13,049)	7,976	15,832
Stock-based compensation <sup>(1)</sup>	6,565	7,380	5,576	4,757	4,535
Loss (gain) on extinguishment of debt, net	33,004	13,796	(4,643)	55,612	(5)
Loss (gain) on real estate dispositions, net	(484,304)	(185,464)	(59,080)	(44,668)	(119,954)
Impairment of assets	23,313	9,317	23,568	23,692	1,490
Provision for loan losses, net	2,857	83,085	1,383	6,197	(271)
Loss (gain) on derivatives and financial instruments, net	1,395	569	1,934	(359)	(8,078)
Other expenses <sup>(1)</sup>	11,544	27,583	10,799	11,059	3,519
Leasehold interest adjustment <sup>(2)</sup>	—	—	—	—	(640)
Casualty losses, net of recoveries <sup>(3)</sup>	—	—	—	—	998
Other impairment <sup>(4)</sup>	112,398	—	49,241	—	—
Total adjustments	(287,247)	(43,992)	15,729	64,266	(102,574)
<b>Adjusted EBITDA</b>	<b>\$ 490,117</b>	<b>\$ 475,482</b>	<b>\$ 459,432</b>	<b>\$ 471,028</b>	<b>\$ 482,978</b>
<b>Interest Coverage Ratios:</b>					
Interest expense	\$ 124,851	\$ 121,173	\$ 123,142	\$ 122,341	\$ 122,522
Capitalized interest	3,947	4,238	4,496	4,862	4,669
Non-cash interest expense	(3,973)	(1,739)	(2,991)	(3,972)	(5,461)
Total interest	\$ 124,825	\$ 123,672	\$ 124,647	\$ 123,231	\$ 121,730
EBITDA	\$ 777,364	\$ 519,474	\$ 443,703	\$ 406,762	\$ 585,552
Interest coverage ratio	6.23 x	4.20 x	3.56 x	3.30 x	4.81 x
Adjusted EBITDA	\$ 490,117	\$ 475,482	\$ 459,432	\$ 471,028	\$ 482,978
Adjusted interest coverage ratio	3.93 x	3.84 x	3.69 x	3.82 x	3.97 x
<b>Fixed Charge Coverage Ratios:</b>					
Total interest	\$ 124,825	\$ 123,672	\$ 124,647	\$ 123,231	\$ 121,730
Secured debt principal amortization	15,876	16,122	15,955	15,715	17,040
Total fixed charges	\$ 140,701	\$ 139,794	\$ 140,602	\$ 138,946	\$ 138,770
EBITDA	\$ 777,364	\$ 519,474	\$ 443,703	\$ 406,762	\$ 585,552
Fixed charge coverage ratio	5.52 x	3.72 x	3.16 x	2.93 x	4.22 x
Adjusted EBITDA	\$ 490,117	\$ 475,482	\$ 459,432	\$ 471,028	\$ 482,978
Adjusted fixed charge coverage ratio	3.48 x	3.40 x	3.27 x	3.39 x	3.48 x
<b>Net Debt Ratios:</b>					
Total debt <sup>(5)</sup>	\$ 13,889,030	\$ 13,905,822	\$ 14,618,713	\$ 13,572,816	\$ 13,779,652
Less: cash and cash equivalents <sup>(6)</sup>	(2,096,571)	(1,968,765)	(2,513,156)	(763,921)	(307,385)
Net debt	\$ 11,792,459	\$ 11,937,057	\$ 12,105,557	\$ 12,808,895	\$ 13,472,267
EBITDA Annualized	\$ 3,109,456	\$ 2,077,896	\$ 1,774,812	\$ 1,627,048	\$ 2,342,208
Net debt to EBITDA ratio	3.79 x	5.74 x	6.82 x	7.87 x	5.75 x
Adjusted EBITDA Annualized	\$ 1,960,468	\$ 1,901,928	\$ 1,837,728	\$ 1,884,112	\$ 1,931,912
Net debt to Adjusted EBITDA ratio	6.02 x	6.28 x	6.59 x	6.80 x	6.97 x

(1) Certain severance-related costs are included in stock-based compensation and excluded from other expenses.

(2) Represents \$13,214,000 of revenues and \$12,574,000 of property operating expenses associated with a leasehold portfolio interest relating to 26 properties assumed by a wholly-owned affiliate in conjunction with the Holiday Retirement transaction. Subsequent to the initial transaction, we purchased eight of the leased properties and one of the properties was sold by the landlord and removed from the lease. No rent will be paid in excess of net cash flow relating to the leasehold properties and therefore, the net impact has been excluded from Adjusted EBITDA.

(3) Represents casualty losses net of any insurance recoveries.

(4) Amounts relate to reserve for straight-line rent receivable balances for leases placed on cash recognition.

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

(6) Includes IRC section 1031 deposits, if any.

# EBITDA AND ADJUSTED EBITDA YEAR-TO-DATE RECONCILIATIONS

(dollars in thousands)

	Nine Months Ended	
	September 30, 2020	September 30, 2021
Net income	\$ 883,574	\$ 308,285
Interest expense	393,215	368,005
Income tax expense (benefit)	9,678	6,662
Depreciation and amortization	795,704	753,065
EBITDA	2,082,171	1,436,017
Loss (income) from unconsolidated entities	8,341	10,759
Stock-based compensation <sup>(1)</sup>	20,938	14,868
Loss (gain) on extinguishment of debt, net	33,253	50,964
Loss (gain) on real estate dispositions, net	(902,991)	(223,702)
Impairment of assets	126,291	48,750
Provision of loan losses, net	11,351	7,309
Loss (gain) on derivatives and financial instruments, net	10,480	(6,503)
Other expenses <sup>(1)</sup>	36,588	25,377
Leasehold interest adjustment <sup>(2)</sup>	—	(640)
Casualty losses, net of recoveries <sup>(3)</sup>	—	998
Other impairment <sup>(4)</sup>	146,508	49,241
Total adjustments	(509,241)	(22,579)
Adjusted EBITDA	\$ 1,572,930	\$ 1,413,438
Interest Coverage Ratios:		
Interest expense	\$ 393,215	\$ 368,005
Capitalized interest	13,234	14,027
Non-cash interest expense	(14,012)	(12,424)
Total interest	392,437	369,608
EBITDA	\$ 2,082,171	\$ 1,436,017
Interest coverage ratio	5.31 x	3.89 x
Adjusted EBITDA	\$ 1,572,930	\$ 1,413,438
Adjusted interest coverage ratio	4.01 x	3.82 x
Fixed Charge Coverage Ratios:		
Total interest	\$ 392,437	\$ 369,608
Secured debt principal amortization	46,585	48,710
Total fixed charges	439,022	418,318
EBITDA	\$ 2,082,171	\$ 1,436,017
Fixed charge coverage ratio	4.74 x	3.43 x
Adjusted EBITDA	\$ 1,572,930	\$ 1,413,438
Adjusted fixed charge coverage ratio	3.58 x	3.38 x

(1) Certain severance-related costs are included in stock-based compensation and excluded from other expenses.

(2) Represents \$13,214,000 of revenues and \$12,574,000 of property operating expenses associated with a leasehold portfolio interest relating to 26 properties assumed by a wholly-owned affiliate in conjunction with the Holiday Retirement transaction. Subsequent to the initial transaction, we purchased eight of the leased properties and one of the properties was sold by the landlord and removed from the lease. No rent will be paid in excess of net cash flow relating to the leasehold properties and therefore, the net impact has been excluded from Adjusted EBITDA.

(3) Represents casualty losses net of any insurance recoveries.

(4) Amounts relate to reserve for straight-line rent receivable balances for leases placed on cash recognition.



# EBITDA AND ADJUSTED EBITDA TRAILING TWELVE MONTHS RECONCILIATIONS

(dollars in thousands)

	Twelve Months Ended				
	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021
Net income	\$ 1,123,710	\$ 1,038,852	\$ 781,664	\$ 668,205	\$ 463,563
Interest expense	524,863	514,388	495,523	491,507	489,178
Income tax expense (benefit)	4,846	9,968	8,469	4,015	6,952
Depreciation and amortization	1,058,348	1,038,437	1,008,062	983,576	995,798
EBITDA	2,711,767	2,601,645	2,293,718	2,147,303	1,955,491
Loss (income) from unconsolidated entities	(49,079)	8,083	(8,658)	650	10,501
Stock-based compensation <sup>(1)</sup>	25,485	28,318	26,811	24,278	22,248
Loss (gain) on extinguishment of debt, net	35,865	47,049	42,406	97,769	64,760
Loss (gain) on real estate dispositions, net	(915,055)	(1,088,455)	(884,711)	(773,516)	(409,166)
Impairment of assets	126,389	135,608	131,349	79,890	58,067
Provision of loan losses, net	11,351	94,436	88,747	93,522	90,394
Loss (gain) on derivatives and financial instruments, net	5,411	11,049	5,332	3,539	(5,934)
Other expenses <sup>(1)</sup>	52,630	64,171	68,939	60,985	52,960
Leasehold interest adjustment	—	—	—	—	(640)
Casualty losses, net of recoveries	—	—	—	—	998
Other impairment <sup>(2)</sup>	146,508	146,508	163,481	161,639	49,241
Total adjustments	(560,495)	(553,233)	(366,304)	(251,244)	(66,571)
Adjusted EBITDA	\$ 2,151,272	\$ 2,048,412	\$ 1,927,414	\$ 1,896,059	\$ 1,888,920
Interest Coverage Ratios:					
Interest expense	\$ 524,863	\$ 514,388	\$ 495,523	\$ 491,507	\$ 489,178
Capitalized interest	18,102	17,472	17,222	17,543	18,265
Non-cash interest expense	(14,746)	(15,751)	(10,617)	(12,675)	(14,163)
Total interest	528,219	516,109	502,128	496,375	493,280
EBITDA	\$ 2,711,767	\$ 2,601,645	\$ 2,293,718	\$ 2,147,303	\$ 1,955,491
Interest coverage ratio	5.13 x	5.04 x	4.57 x	4.33 x	3.96 x
Adjusted EBITDA	\$ 2,151,272	\$ 2,048,412	\$ 1,927,414	\$ 1,896,059	\$ 1,888,920
Adjusted interest coverage ratio	4.07 x	3.97 x	3.84 x	3.82 x	3.83 x
Fixed Charge Coverage Ratios:					
Total interest	\$ 528,219	\$ 516,109	\$ 502,128	\$ 496,375	\$ 493,280
Secured debt principal amortization	60,562	62,707	63,136	63,668	64,832
Total fixed charges	588,781	578,816	565,264	560,043	558,112
EBITDA	\$ 2,711,767	\$ 2,601,645	\$ 2,293,718	\$ 2,147,303	\$ 1,955,491
Fixed charge coverage ratio	4.61 x	4.49 x	4.06 x	3.83 x	3.50 x
Adjusted EBITDA	\$ 2,151,272	\$ 2,048,412	\$ 1,927,414	\$ 1,896,059	\$ 1,888,920
Adjusted fixed charge coverage ratio	3.65 x	3.54 x	3.41 x	3.39 x	3.38 x

(1) Certain severance-related costs are included in stock-based compensation and excluded from other expenses.

(2) Represents \$13,214,000 of revenues and \$12,574,000 of property operating expenses associated with a leasehold portfolio interest relating to 26 properties assumed by a wholly-owned affiliate in conjunction with the Holiday Retirement transaction. Subsequent to the initial transaction, we purchased eight of the leased properties and one of the properties was sold by the landlord and removed from the lease. No rent will be paid in excess of net cash flow relating to the leasehold properties and therefore, the net impact has been excluded from Adjusted EBITDA.

(3) Represents casualty losses net of any insurance recoveries.

(4) Amounts relate to reserve for straight-line rent receivable balances for leases placed on cash recognition.

# CAPITALIZATION RATIOS QUARTERLY

(Amounts in thousands, except share price)

	As of				
	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021
<b>Book capitalization:</b>					
Unsecured credit facility and commercial paper	\$ —	\$ —	\$ —	\$ —	\$ 290,996
Long-term debt obligations <sup>(1)</sup>	13,889,030	13,905,822	14,618,713	13,572,816	13,488,656
Cash & cash equivalents <sup>(2)</sup>	(2,096,571)	(1,968,765)	(2,513,156)	(763,921)	(307,385)
Total net debt	11,792,459	11,937,057	12,105,557	12,808,895	13,472,267
Total equity and noncontrolling interest <sup>(3)</sup>	17,291,155	17,225,062	17,046,932	17,243,208	18,172,111
Book capitalization	\$ 29,083,614	\$ 29,162,119	\$ 29,152,489	\$ 30,052,103	\$ 31,644,378
Net debt to book capitalization ratio	40.5 %	40.9 %	41.5 %	42.6 %	42.6 %
<b>Undepreciated book capitalization:</b>					
Total net debt	\$ 11,792,459	\$ 11,937,057	\$ 12,105,557	\$ 12,808,895	\$ 13,472,267
Accumulated depreciation and amortization	6,002,775	6,104,297	6,212,432	6,415,676	6,634,061
Total equity and noncontrolling interest <sup>(3)</sup>	17,291,155	17,225,062	17,046,932	17,243,208	18,172,111
Undepreciated book capitalization	\$ 35,086,389	\$ 35,266,416	\$ 35,364,921	\$ 36,467,779	\$ 38,278,439
Net debt to undepreciated book capitalization ratio	33.6 %	33.8 %	34.2 %	35.1 %	35.2 %
<b>Market capitalization:</b>					
Common shares outstanding	417,305	417,401	417,520	422,562	435,274
Period end share price	\$ 55.09	\$ 64.62	\$ 71.63	\$ 83.10	\$ 82.40
Common equity market capitalization	\$ 22,989,332	\$ 26,972,453	\$ 29,906,958	\$ 35,114,902	\$ 35,866,578
Total net debt	11,792,459	11,937,057	12,105,557	12,808,895	13,472,267
Noncontrolling interests <sup>(3)</sup>	1,183,281	1,252,343	1,248,054	1,322,762	1,308,908
Enterprise value	\$ 35,965,072	\$ 40,161,853	\$ 43,260,569	\$ 49,246,559	\$ 50,647,753
Net debt to market capitalization ratio	32.8 %	29.7 %	28.0 %	26.0 %	26.6 %

(1) Amounts include senior unsecured notes, secured debt and lease liabilities related to financing leases, as reflected on our balance sheets. Operating lease liabilities related to the ASC 842 adoption are excluded.

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

(3) Includes all noncontrolling interests (redeemable and permanent) as reflected on our balance sheets.