NON-GAAP FINANCIAL MEASURES

Quarter Ended December 31, 2022

welltower

FORWARD LOOKING STATEMENTS

This document contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When Welltower uses words such as "may," "will," "intend," "should," "believe," "expect," "anticipate," "project," "pro forma," "estimate" or similar expressions that do not relate solely to historical matters, Welltower is making forward-looking statements. Forward-looking statements, including statements related to Funds From Operations guidance, are not guarantees of future performance and involve risks and uncertainties that may cause Welltower's actual results to differ materially from Welltower's expectations discussed in the forward-looking statements. This may be a result of various factors, including, but not limited to: the impact of the COVID-19 pandemic; uncertainty regarding the implementation and impact of the CARES Act and future stimulus or other COVID-19 relief legislation; 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 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.

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				
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022
Net income (loss) attributable to common stockholders	$ 58,672	$ 61,925	$ 89,784	$ (6,767)	$ (3,728)
Depreciation and amortization	284,501	304,088	310,295	353,699	342,286
Impairments and losses (gains) on real estate dispositions, net	(9,316)	(22,934)	3,532	3,292	17,569
Noncontrolling interests(1)	(13,988)	(14,753)	(13,173)	(14,614)	(13,989)
Unconsolidated entities(2)	19,107	19,309	19,150	27,253	15,847
NAREIT FFO attributable to common stockholders	338,976	347,635	409,588	362,863	357,985
Normalizing items:					
Loss (gain) on derivatives and financial instruments, net	(830)	2,578	(1,407)	6,905	258
Loss (gain) on extinguishment of debt, net	(1,090)	(12)	603	2	87
Provision for loan losses, net	(39)	(804)	165	490	10,469
Income tax benefits	—	—	—	—	(6,784)
Other impairment	—	—	(620)	—	—
Other expenses	15,483	26,069	35,166	15,481	24,954
Lease termination and leasehold interest adjustment	1,400	(8,457)	(56,397)	—	—
Casualty losses, net of recoveries	4,788	13	2,673	328	7,377
Foreign currency loss (gain)	—	—	1,840	2,037	(1,090)
Normalizing items attributable to noncontrolling interests and unconsolidated entities, net	3,424	1,260	3,002	3,036	10,976
Normalized FFO attributable to common stockholders	$ 362,112	$ 368,282	$ 394,613	$ 391,142	$ 404,232
Average diluted common shares outstanding:					
For net income (loss) purposes	438,719	449,802	457,082	463,366	483,305
For FFO purposes	438,719	449,802	457,082	466,950	486,419
Net income (loss) attributable to common stockholders per share:					
Diluted(3)	$ 0.13	$ 0.14	$ 0.20	$ (0.01)	$ (0.01)
NAREIT FFO attributable to common stockholders per share:					
Diluted	$ 0.77	$ 0.77	$ 0.90	$ 0.78	$ 0.74
Normalized FFO attributable to common stockholders per share:					
Diluted	$ 0.83	$ 0.82	$ 0.86	$ 0.84	$ 0.83
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	$ 0.77	$ 0.77	$ 0.90	$ 0.78	$ 0.74
NAREIT FFO Payout Ratio	79 %	79 %	68 %	78 %	82 %
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	$ 0.83	$ 0.82	$ 0.86	$ 0.84	$ 0.83
Normalized FFO Payout Ratio	73 %	74 %	71 %	73 %	73 %
Other items:(4)					
Net straight-line rent and above/below market rent amortization(5)	$ (18,792)	$ (20,014)	$ (25,507)	$ (33,816)	$ (26,539)
Non-cash interest expenses(6)	7,027	4,721	7,422	5,365	6,167
Recurring cap-ex, tenant improvements, and lease commissions	(46,344)	(32,466)	(39,558)	(44,987)	(62,122)
Stock-based compensation	2,945	7,441	5,900	6,115	6,569

(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.

FFO ANNUAL RECONCILIATIONS

(in thousands, except per share information)	Year Ended				
	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Net income (loss) attributable to common stockholders	$ 758,250	$ 1,232,432	$ 978,844	$ 336,138	$ 141,214
Depreciation and amortization	950,459	1,027,073	1,038,437	1,037,566	1,310,368
Impairments and losses (gains) on real estate dispositions, net	(299,996)	(719,908)	(952,847)	(184,268)	1,459
Noncontrolling interests[1]	(69,193)	(20,197)	(23,968)	(54,190)	(56,529)
Unconsolidated entities[2]	52,663	57,680	62,096	85,476	81,560
NAREIT FFO attributable to common stockholders	1,392,183	1,577,080	1,102,562	1,220,722	1,478,072
Normalizing items:					
Loss (gain) on derivatives and financial instruments, net	(4,016)	(4,399)	11,049	(7,333)	8,334
Loss (gain) on extinguishment of debt, net	16,097	84,155	47,049	49,874	680
Provision for loan losses, net	—	18,690	94,436	7,270	10,320
Incremental interest expense	—	—	5,871	—	—
Incremental stock-based compensation expense	3,552	—	—	—	—
Income tax benefits	—	(8,681)	—	(6,298)	(6,784)
Other impairment	—	—	146,508	49,241	(620)
Other expenses	112,898	52,612	70,335	41,739	101,670
Lease termination and leasehold interest adjustment	—	—	—	760	(64,854)
Casualty losses, net of recoveries	—	—	—	5,786	10,391
Foreign currency loss (gain)	—	—	—	—	2,787
Additional other income	(14,832)	—	—	—	—
Normalizing items attributable to noncontrolling interests and unconsolidated entities, net	4,595	(40,741)	6,370	6,777	18,274
Normalized FFO attributable to common stockholders	$ 1,510,477	$ 1,678,716	$ 1,484,180	$ 1,368,538	$ 1,558,270
Average common shares outstanding:					
Diluted	375,250	403,808	417,387	426,841	465,158
Net income (loss) attributable to common stockholders per share:					
Diluted[3]	$ 2.02	$ 3.05	$ 2.33	$ 0.78	$ 0.3
NAREIT FFO attributable to common stockholders per share:					
Diluted	$ 3.71	$ 3.91	$ 2.64	$ 2.86	$ 3.18
Normalized FFO attributable to common stockholders per share:					
Diluted	$ 4.03	$ 4.16	$ 3.56	$ 3.21	$ 3.35
NAREIT FFO Payout Ratio:					
Dividends per common share	$ 3.48	$ 3.48	$ 2.70	$ 2.44	$ 2.44
NAREIT FFO attributable to common stockholders per diluted share	$ 3.71	$ 3.91	$ 2.64	$ 2.86	$ 3.18
NAREIT FFO payout ratio	94 %	89 %	102 %	85 %	77 %
Normalized FFO Payout Ratio:					
Dividends per common share	$ 3.48	$ 3.48	$ 2.70	$ 2.44	$ 2.44
Normalized FFO attributable to common stockholders per diluted share	$ 4.03	$ 4.16	$ 3.56	$ 3.21	$ 3.35
Normalized FFO payout ratio	86 %	84 %	76 %	76 %	73 %
Other items:[4]					
Net straight-line rent and above/below market rent amortization[5]	$ (72,854)	$ (97,183)	$ (90,926)	$ (77,464)	$ (106,496)
Non-cash interest expenses[6]	13,423	11,026	11,545	21,599	21,805
Recurring cap-ex, tenant improvements, and lease commissions	(88,408)	(131,295)	(81,271)	(100,925)	(179,133)
Stock-based compensation	26,738	23,487	22,154	16,934	26,027

(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.

Earnings Outlook Reconciliation

Outlook Reconciliation: Year Ending December 31, 2023

(in millions, except per share data)	Current Outlook			
	Low		High	
FFO Reconciliation:				
Net income attributable to common stockholders	$	280	$	369
Impairments and losses (gains) on real estate dispositions, net[1]		(30)		(30)
Depreciation and amortization[1]		1,402		1,402
NAREIT FFO and Normalized FFO attributable to common stockholders	$	1,652	$	1,741
Diluted per share data attributable to common stockholders:				
Net income	$	0.57	$	0.75
NAREIT FFO and Normalized FFO	$	3.35	$	3.53
Other items:[1]				
Net straight-line rent and above/below market rent amortization	$	(126)	$	(126)
Non-cash interest expenses		23		23
Recurring cap-ex, tenant improvements, and lease commissions		(172)		(172)
Stock-based compensation		30		30

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

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 general overhead costs that are unrelated to property operations and unallocable to the properties, or transaction costs. 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. 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				
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022
Net income (loss)	$ 66,194	$ 65,751	$ 95,672	$ (2,653)	$ 1,798
Loss (gain) on real estate dispositions, net	(11,673)	(22,934)	3,532	(1,064)	4,423
Loss (income) from unconsolidated entities	12,174	2,884	7,058	6,698	4,650
Income tax expense (benefit)	2,051	5,013	3,065	3,257	(4,088)
Other expenses	15,483	26,069	35,166	15,481	24,954
Impairment of assets	2,357	—	—	4,356	13,146
Provision for loan losses, net	(39)	(804)	165	490	10,469
Loss (gain) on extinguishment of debt, net	(1,090)	(12)	603	2	87
Loss (gain) on derivatives and financial instruments, net	(830)	2,578	(1,407)	6,905	258
General and administrative expenses	33,109	37,706	36,554	34,811	41,319
Depreciation and amortization	284,501	304,088	310,295	353,699	342,286
Interest expense	121,848	121,696	127,750	139,682	140,391
Consolidated net operating income	524,085	542,035	618,453	561,664	579,693
NOI attributable to unconsolidated investments(1)	20,287	20,142	23,648	27,374	24,950
NOI attributable to noncontrolling interests(2)	(27,889)	(34,999)	(82,804)	(27,236)	(27,523)
Pro rata net operating income (NOI)(3)	$ 516,483	$ 527,178	$ 559,297	$ 561,802	$ 577,120
Pro rata NOI:					
Seniors Housing Operating	$ 178,963	$ 195,043	$ 223,784	$ 230,197	$ 228,664
Seniors Housing Triple-net	153,983	148,360	149,269	142,556	148,541
Outpatient Medical	113,768	112,998	115,043	118,306	123,557
Long-Term/Post-Acute Care	68,156	70,209	70,181	72,595	73,730
Corporate	1,613	568	1,020	(1,852)	2,628
Pro rata NOI(3)	$ 516,483	$ 527,178	$ 559,297	$ 561,802	$ 577,120

(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.
(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 ANNUAL RECONCILIATIONS

(dollars in thousands)	Year Ended				
	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Net income	$ 829,750	$ 1,330,410	$ 1,038,852	$ 374,479	$ 160,568
Loss (gain) on real estate dispositions, net	(415,575)	(748,041)	(1,088,455)	(235,375)	(16,043)
Loss (income) from unconsolidated entities	641	(42,434)	8,083	22,933	21,290
Income tax expense (benefit)	8,674	2,957	9,968	8,713	7,247
Other expenses and transaction costs	112,898	52,612	70,335	41,739	101,670
Impairment of assets	115,579	28,133	135,608	51,107	17,502
Provision for loan losses, net	—	18,690	94,436	7,270	10,320
Loss (gain) on extinguishment of debt, net	16,097	84,155	47,049	49,874	680
Loss (gain) on derivatives and financial instruments, net	(4,016)	(4,399)	11,049	(7,333)	8,334
General and administrative expenses	126,383	126,549	128,394	126,727	150,390
Depreciation and amortization	950,459	1,027,073	1,038,437	1,037,566	1,310,368
Interest expense	526,592	555,559	514,388	489,853	529,519
Consolidated NOI	2,267,482	2,431,264	2,008,144	1,967,553	2,301,845
NOI attributable to unconsolidated investments(1)	87,525	87,333	77,161	83,025	96,114
NOI attributable to noncontrolling interests(2)	(139,798)	(167,524)	(122,360)	(123,563)	(172,562)
Pro rata net operating income (NOI)(3)	$ 2,215,209	$ 2,351,073	$ 1,962,945	$ 1,927,015	$ 2,225,397
Pro rata NOI:					
Seniors Housing Operating	$ 972,022	$ 1,023,482	$ 757,953	$ 662,629	$ 877,688
Seniors Housing Triple-net	548,414	490,909	443,812	513,583	588,726
Outpatient Medical	355,227	443,330	498,135	448,703	469,904
Long-Term/Post-Acute Care	337,759	389,897	259,818	298,206	286,715
Corporate	1,787	3,455	3,227	3,894	2,364
Pro rata NOI(3)	$ 2,215,209	$ 2,351,073	$ 1,962,945	$ 1,927,015	$ 2,225,397

(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.
(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)	4Q21	1Q22	2Q22	3Q22	4Q22	Y/o/Y
Seniors Housing Operating						
NOI	$ 178,963	$ 195,043	$ 223,784	$ 230,197	$ 228,664	
Non-cash NOI on same store properties	(662)	(138)	(242)	(171)	(196)	
NOI attributable to non-same store properties	(22,024)	(36,277)	(38,642)	(56,438)	(46,511)	
Currency and ownership adjustments[1]	(669)	(318)	340	1,461	2,759	
Normalizing adjustment for government grants[2]	(15,610)	(1,568)	(15,793)	(2,435)	(2,330)	
Normalizing adjustment for casualty related expenses, net[3]	4,442	(115)	1,905	1,602	2,735	
Other normalizing adjustments[4]	70	393	140	—	—	
SSNOI[5]	144,510	157,020	171,492	174,216	185,121	28.1%
Seniors Housing Triple-net						
NOI	153,983	148,360	149,269	142,556	148,541	
Non-cash NOI on same store properties	(7,371)	(7,404)	(13,001)	(10,563)	(10,066)	
NOI attributable to non-same store properties	(47,462)	(39,731)	(38,062)	(38,546)	(36,598)	
Currency and ownership adjustments[1]	957	723	1,531	2,501	2,582	
Other normalizing adjustments[4]	59	(213)	—	—	—	
SSNOI	100,166	101,735	99,737	95,948	104,459	4.3%
Outpatient Medical						
NOI	113,768	112,998	115,043	118,306	123,557	
Non-cash NOI on same store properties	(3,523)	(3,138)	(3,321)	(3,776)	(4,287)	
NOI attributable to non-same store properties	(5,298)	(3,781)	(6,234)	(7,518)	(11,250)	
Currency and ownership adjustments[1]	313	575	437	192	(153)	
Normalizing adjustment for lease restructure[6]	579	—	—	(1,056)	—	
Normalizing adjustment for casualty related expenses, net[3]	—	—	—	—	515	
Other normalizing adjustments[4]	306	(537)	(262)	(88)	(20)	
SSNOI	106,145	106,117	105,663	106,060	108,362	2.1%
Long-Term/Post-Acute Care						
NOI	68,156	70,209	70,181	72,595	73,730	
Non-cash NOI on same store properties	(939)	(840)	(725)	(1,654)	(1,526)	
NOI attributable to non-same store properties	(45,246)	(46,868)	(47,051)	(47,915)	(49,478)	
Currency and ownership adjustments[1]	(19)	(10)	4	43	111	
Other normalizing adjustments[4]	—	—	—	(327)	—	
SSNOI	21,952	22,491	22,409	22,742	22,837	4.0%
Corporate						
NOI	1,613	568	1,020	(1,852)	2,628	
NOI attributable to non-same store properties	(1,613)	(568)	(1,020)	1,852	(2,628)	
SSNOI	—	—	—	—	—	
Total						
NOI	516,483	527,178	559,297	561,802	577,120	
Non-cash NOI on same store properties	(12,495)	(11,520)	(17,289)	(16,164)	(16,075)	
NOI attributable to non-same store properties	(121,643)	(127,225)	(131,009)	(148,565)	(146,465)	
Currency and ownership adjustments[1]	582	970	2,312	4,197	5,299	
Normalizing adjustments, net	(10,154)	(2,040)	(14,010)	(2,304)	900	
SSNOI	$ 372,773	$ 387,363	$ 399,301	$ 398,966	$ 420,779	12.9%

(1) Includes adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2738 and to translate UK properties at a GBP/USD rate of 1.3501

(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)

	Seniors Housing Operating	Seniors Housing Triple-net	Outpatient Medical	Long-Term /Post-Acute Care	Corporate	Total
Three months ended December 31, 2022						
Revenues	$ 1,095,146	$ 155,465	$ 176,816	$ 77,156	$ 7,714	$ 1,512,297
Property operating expenses	(866,482)	(6,924)	(53,259)	(3,426)	(5,086)	(935,177)
NOI[1]	**228,664**	**148,541**	**123,557**	**73,730**	**2,628**	**577,120**
Adjust:						
Interest income	(2,388)	(31,837)	(86)	(5,982)	—	(40,293)
Other income	(1,543)	(535)	(188)	(153)	(3,412)	(5,831)
Sold / held for sale	519	—	12	(1,857)	—	(1,326)
Non operational[2]	2,984	—	(162)	(91)	—	2,731
Non In-Place NOI[3]	(5,201)	(10,542)	(5,533)	(8,378)	784	(28,870)
Timing adjustments[4]	1,119	(630)	93	4,993	—	5,575
Total adjustments	(4,510)	(43,544)	(5,864)	(11,468)	(2,628)	(68,014)
In-Place NOI	**224,154**	**104,997**	**117,693**	**62,262**	**—**	**509,106**
Annualized In-Place NOI	**$ 896,616**	**$ 419,988**	**$ 470,772**	**$ 249,048**	**$ —**	**$ 2,036,424**

(1) Represents Welltower's pro rata share of NOI. See page 9 for more information.

(2) Primarily includes development properties and land parcels.

(3) Primarily represents non-cash NOI.

(4) 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	
	4Q21	4Q22	4Q21	4Q22	4Q21	4Q22	4Q21	4Q22
SHO SS REVPOR Growth								
Consolidated SHO revenues	$ 700,436	$ 890,291	$ 101,888	$ 101,387	$ 102,456	$ 113,317	$ 904,780	$ 1,104,995
Unconsolidated SHO revenues attributable to WELL[1]	25,303	33,477	84	715	22,291	22,616	47,678	56,808
SHO revenues attributable to noncontrolling interests[2]	(40,844)	(33,788)	(11,709)	(10,149)	(22,341)	(22,720)	(74,894)	(66,657)
SHO pro rata revenues[3]	684,895	889,980	90,263	91,953	102,406	113,213	877,564	1,095,146
Non-cash revenues on same store properties	(556)	(556)	—	—	—	—	(556)	(556)
Revenues attributable to non-same store properties	(69,738)	(212,093)	(68,507)	(68,949)	(14)	(11,860)	(138,259)	(292,902)
Currency and ownership adjustments[4]	1,499	139	661	3,393	(1,092)	6,365	1,068	9,897
Normalizing adjustment for government grants[5]	(3,011)	—	—	—	—	—	(3,011)	—
Other normalizing adjustments[6]	—	—	(242)	—	—	—	(242)	—
SHO SS revenues[7]	613,089	677,470	22,175	26,397	101,300	107,718	736,564	811,585
Avg. occupied units/month[8]	37,924	38,791	792	891	11,271	11,569	49,987	51,251
SHO SS REVPOR[9]	$ 5,345	$ 5,774	$ 9,257	$ 9,795	$ 2,971	$ 3,078	$ 4,872	$ 5,235
SS REVPOR YOY growth		8.0 %		5.8 %		3.6 %		7.5 %
SHO SSNOI Growth								
Consolidated SHO NOI	$ 133,499	$ 184,671	$ 22,595	$ 15,747	$ 24,281	$ 33,673	$ 180,375	$ 234,091
Unconsolidated SHO NOI attributable to WELL[1]	4,175	4,862	6,692	4,765	6,265	7,021	17,132	16,648
SHO NOI attributable to noncontrolling interests[2]	(5,078)	(9,119)	(8,599)	(6,820)	(4,867)	(6,136)	(18,544)	(22,075)
SHO pro rata NOI[3]	132,596	180,414	20,688	13,692	25,679	34,558	178,963	228,664
Non-cash NOI on same store properties	(128)	(196)	(534)	—	—	—	(662)	(196)
NOI attributable to non-same store properties	(7,894)	(32,045)	(14,148)	(8,729)	18	(5,737)	(22,024)	(46,511)
Currency and ownership adjustments[4]	(562)	149	192	733	(299)	1,877	(669)	2,759
Normalizing adjustment for government grants[10]	(12,973)	—	(1,024)	—	(1,613)	(2,330)	(15,610)	(2,330)
Normalizing adjustment for casualty related expenses[11]	4,442	2,715	—	—	—	20	4,442	2,735
Other normalizing adjustments[6]	432	—	(362)	—	—	—	70	—
SHO pro rata SSNOI[7]	$ 115,913	$ 151,037	$ 4,812	$ 5,696	$ 23,785	$ 28,388	$ 144,510	$ 185,121
SHO SSNOI growth		30.3 %		18.4 %		19.4 %		28.1 %
SHO SSNOI/Unit								
Trailing four quarters' SSNOI[7]		$ 564,663		$ 20,065		$ 103,121		$ 687,849
Average units in service[12]		49,116		1,203		14,462		64,781
SSNOI/unit in USD		$ 11,497		$ 16,679		$ 7,130		$ 10,618
SSNOI/unit in local currency[4]				£ 12,354		$ 9,083		

(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 revenues and NOI related to certain leasehold properties.
(3) Represents SHO revenues/NOI at Welltower pro rata ownership. See page 9 for more information.
(4) Includes where appropriate adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2738 and to translate UK properties at a GBP/USD rate of 1.3501.
(5) Represents normalizing adjustment for amounts recognized in revenues related to the Health and Human Services Provider Relief Fund in the United States and similar programs in the United Kingdom and Canada.
(6) Represents aggregate normalizing adjustments which are individually less than .50% of SSNOI growth.
(7) Represents SS SHO REVPOR revenues/SSNOI at Welltower pro rata ownership. See page 11 for more information.
(8) Represents average occupied units for SS properties related solely to referenced country on a pro rata basis.
(9) Represents pro rata SS average revenues generated per occupied room per month.
(10) Represents normalizing adjustment for 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.
(11) Represents normalizing adjustment related to casualty related expenses net of any insurance reimbursements.
(12) 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 December 31, 2022			
	United States	United Kingdom	Canada	Total
Consolidated SHO revenues	$ 890,291	$ 101,387	$ 113,317	$ 1,104,995
Unconsolidated SHO revenues attributable to Welltower[1]	33,477	715	22,616	56,808
SHO revenues attributable to noncontrolling interests[2]	(33,788)	(10,149)	(22,720)	(66,657)
Pro rata SHO revenues[3]	889,980	91,953	113,213	1,095,146
SHO interest and other income	(7,654)	(68)	(356)	(8,078)
SHO revenues attributable to sold and held for sale properties	(1,245)	—	—	(1,245)
Currency and ownership adjustments[4]	(2,243)	13,741	7,231	18,729
SHO local revenues	878,838	105,626	120,088	1,104,552
Average occupied units/month	52,257	3,574	13,145	68,976
REVPOR/month in USD	$ 5,560	$ 9,771	$ 3,020	$ 5,294
REVPOR/month in local currency[4]		£ 7,237	$ 3,847	

(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 revenues and NOI related to certain leasehold properties.

(3) Represents SHO revenues at Welltower pro rata ownership. See page 9 for more information.

(4) Includes where appropriate adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2738 and to translate UK properties at a GBP/USD rate of 1.3501.

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. 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 restricted cash), 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				
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022
Net income (loss)	$ 66,194	$ 65,751	$ 95,672	$ (2,653)	$ 1,798
Interest expense	121,848	121,696	127,750	139,682	140,391
Income tax expense (benefit)	2,051	5,013	3,065	3,257	(4,088)
Depreciation and amortization	284,501	304,088	310,295	353,699	342,286
EBITDA	474,594	496,548	536,782	493,985	480,387
Loss (income) from unconsolidated entities	12,174	2,884	7,058	6,698	4,650
Stock-based compensation	2,945	7,442	5,901	6,115	6,569
Loss (gain) on extinguishment of debt, net	(1,090)	(12)	603	2	87
Loss (gain) on real estate dispositions, net	(11,673)	(22,934)	3,532	(1,064)	4,423
Impairment of assets	2,357	—	—	4,356	13,146
Provision for loan losses, net	(39)	(804)	165	490	10,469
Loss (gain) on derivatives and financial instruments, net	(830)	2,578	(1,407)	6,905	258
Other expenses	15,483	26,069	35,166	15,481	24,954
Lease termination and leasehold interest adjustment[1]	1,400	(8,457)	(56,397)	—	—
Casualty losses, net of recoveries	4,788	13	2,673	328	7,377
Other impairment[2]	—	—	(620)	—	—
Total adjustments	25,515	6,779	(3,326)	39,311	71,933
Adjusted EBITDA	$ 500,109	$ 503,327	$ 533,456	$ 533,296	$ 552,320
Interest Coverage Ratios:					
Interest expense	$ 121,848	$ 121,696	$ 127,750	$ 139,682	$ 140,391
Capitalized interest	5,325	5,479	6,387	8,863	9,762
Non-cash interest expense	(5,082)	(4,109)	(6,606)	(6,759)	(4,280)
Total interest	$ 122,091	$ 123,066	$ 127,531	$ 141,786	$ 145,873
EBITDA	$ 474,594	$ 496,548	$ 536,782	$ 493,985	$ 480,387
Interest coverage ratio	3.89 x	4.03 x	4.21 x	3.48 x	3.29 x
Adjusted EBITDA	$ 500,109	$ 503,327	$ 533,456	$ 533,296	$ 552,320
Adjusted interest coverage ratio	4.10 x	4.09 x	4.18 x	3.76 x	3.79 x
Fixed Charge Coverage Ratios:					
Total interest	$ 122,091	$ 123,066	$ 127,531	$ 141,786	$ 145,873
Secured debt principal amortization	16,877	15,968	14,382	13,775	13,989
Total fixed charges	$ 138,968	$ 139,034	$ 141,913	$ 155,561	$ 159,862
EBITDA	$ 474,594	$ 496,548	$ 536,782	$ 493,985	$ 480,387
Fixed charge coverage ratio	3.42 x	3.57 x	3.78 x	3.18 x	3.01 x
Adjusted EBITDA	$ 500,109	$ 503,327	$ 533,456	$ 533,296	$ 552,320
Adjusted fixed charge coverage ratio	3.60 x	3.62 x	3.76 x	3.43 x	3.45 x
Net Debt Ratios:					
Total debt[3]	$ 14,242,637	$ 14,652,497	$ 15,144,432	$ 15,210,358	$ 14,661,552
Less: cash and cash equivalents and restricted cash	(808,705)	(362,645)	(442,251)	(425,184)	(722,292)
Net debt	$ 13,433,932	$ 14,289,852	$ 14,702,181	$ 14,785,174	$ 13,939,260
EBITDA Annualized	$ 1,898,376	$ 1,986,192	$ 2,147,128	$ 1,975,940	$ 1,921,548
Net debt to EBITDA ratio	7.08 x	7.19 x	6.85 x	7.48 x	7.25 x
Adjusted EBITDA Annualized	$ 2,000,436	$ 2,013,308	$ 2,133,824	$ 2,133,184	$ 2,209,280
Net debt to Adjusted EBITDA ratio	6.72 x	7.10 x	6.89 x	6.93 x	6.31 x

(1) Effective April 1, 2022, our leasehold interest relating to the master lease with National Health Investors ("NHI") for 17 properties assumed in conjunction with the Holiday Retirement acquisition was terminated as a result of the transition or sale of the properties by NHI. We recognized a gain of $58,621,000 related to the termination of this lease in other income. The net impact of these leasehold properties inclusive of the gain has been excluded from Adjusted EBITDA.

(2) Represents changes in the reserve for straight-line rent receivable balances relating to leases placed on cash recognition.

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

EBITDA AND ADJUSTED EBITDA ANNUAL RECONCILIATIONS

(dollars in thousands)

	Year Ended				
	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Net income	$ 829,750	$ 1,330,410	$ 1,038,852	$ 374,479	$ 160,568
Interest expense	526,592	555,559	514,388	489,853	529,519
Income tax expense (benefit)	8,674	2,957	9,968	8,713	7,247
Depreciation and amortization	950,459	1,027,073	1,038,437	1,037,566	1,310,368
EBITDA	2,315,475	2,915,999	2,601,645	1,910,611	2,007,702
Loss (income) from unconsolidated entities	641	(42,434)	8,083	22,933	21,290
Stock-based compensation	26,738	23,487	22,154	16,933	26,027
Loss (gain) on extinguishment of debt, net	16,097	84,155	47,049	49,874	680
Loss (gain) on real estate dispositions, net	(415,575)	(748,041)	(1,088,455)	(235,375)	(16,043)
Impairment of assets	115,579	28,133	135,608	51,107	17,502
Provision for loan losses, net	—	18,690	94,436	7,270	10,320
Loss / (gain) on derivatives, net	(4,016)	(4,399)	11,049	(7,333)	8,334
Other expenses	112,898	52,612	70,335	41,739	101,670
Lease termination and leasehold interest adjustment[1]	—	—	—	760	(64,854)
Casualty losses, net of recoveries	—	—	—	5,786	10,391
Other impairment[2]	—	—	146,508	49,241	(620)
Additional other income	(14,832)	—	—	—	—
Total adjustments	(162,470)	(587,797)	(553,233)	2,935	114,697
Adjusted EBITDA	$ 2,153,005	$ 2,328,202	$ 2,048,412	$ 1,913,546	$ 2,122,399
Interest Coverage Ratios:					
Interest expense	$ 526,592	$ 555,559	$ 514,388	$ 489,853	$ 529,519
Capitalized interest	7,905	15,272	17,472	19,352	30,491
Non-cash interest expense	(10,860)	(8,645)	(15,751)	(17,506)	(21,754)
Total interest	523,637	562,186	516,109	491,699	538,256
EBITDA	$ 2,315,475	$ 2,915,999	$ 2,601,645	$ 1,910,611	$ 2,007,702
Interest coverage ratio	4.42 x	5.19 x	5.04 x	3.89 x	3.73 x
Adjusted EBITDA	$ 2,153,005	$ 2,328,202	$ 2,048,412	$ 1,913,546	$ 2,122,399
Adjusted interest coverage ratio	4.11 x	4.14 x	3.97 x	3.89 x	3.94 x
Fixed Charge Coverage Ratios:					
Total interest	$ 523,637	$ 562,186	$ 516,109	$ 491,699	$ 538,256
Secured debt principal amortization	56,288	54,325	62,707	65,587	58,114
Preferred dividends	46,704	—	—	—	—
Total fixed charges	626,629	616,511	578,816	557,286	596,370
EBITDA	$ 2,315,475	$ 2,915,999	$ 2,601,645	$ 1,910,611	$ 2,007,702
Fixed charge coverage ratio	3.70 x	4.73 x	4.49 x	3.43 x	3.37 x
Adjusted EBITDA	$ 2,153,005	$ 2,328,202	$ 2,048,412	$ 1,913,546	$ 2,122,399
Adjusted fixed charge coverage ratio	3.44 x	3.78 x	3.54 x	3.43 x	3.56 x
Net Debt Ratios:					
Total debt[3]	$ 13,297,144	$ 15,023,962	$ 13,905,822	$ 14,242,637	$ 14,661,552
Less: cash and cash equivalents and restricted cash	(316,129)	(385,766)	(2,021,043)	(346,755)	(722,292)
Net debt	$ 12,981,015	$ 14,638,196	$ 11,884,779	$ 13,895,882	$ 13,939,260
EBITDA	$ 2,315,475	$ 2,915,999	$ 2,601,645	$ 1,910,611	$ 2,007,702
Net debt to EBITDA ratio	5.65 x	5.05 x	4.59 x	7.27 x	6.94 x
Adjusted EBITDA	$ 2,153,005	$ 2,328,202	$ 2,048,412	$ 1,913,546	$ 2,122,399
Net debt to Adjusted EBITDA ratio	6.08 x	6.33 x	5.83 x	7.26 x	6.57 x

(1) Effective April 1, 2022, our leasehold interest relating to the master lease with National Health Investors ("NHI") for 17 properties assumed in conjunction with the Holiday Retirement acquisition was terminated as a result of the transition or sale of the properties by NHI. We recognized a gain of $58,621,000 related to the termination of this lease in other income. The net impact of these leasehold properties inclusive of the gain has been excluded from Adjusted EBITDA.

(2) Represents the changes in the reserve for straight-line rent receivable balances relating to leases placed on cash recognition.

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

EBITDA AND ADJUSTED EBITDA TRAILING TWELVE MONTHS RECONCILIATIONS

(dollars in thousands)

	Twelve Months Ended				
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022
Net income	$ 374,479	$ 368,038	$ 417,953	$ 224,964	$ 160,568
Interest expense	489,853	488,407	493,816	510,976	529,519
Income tax expense (benefit)	8,713	9,783	15,069	13,386	7,247
Depreciation and amortization	1,037,566	1,097,228	1,166,638	1,252,583	1,310,368
EBITDA	1,910,611	1,963,456	2,093,476	2,001,909	2,007,702
Loss (income) from unconsolidated entities	22,933	38,866	37,948	28,814	21,290
Stock-based compensation	16,933	18,994	20,766	22,402	26,027
Loss (gain) on extinguishment of debt, net	49,874	54,505	(504)	(497)	680
Loss (gain) on real estate dispositions, net	(235,375)	(199,229)	(151,029)	(32,139)	(16,043)
Impairment of assets	51,107	27,539	3,847	6,713	17,502
Provision of loan losses, net	7,270	5,083	(949)	(188)	10,320
Loss (gain) on derivatives and financial instruments, net	(7,333)	(6,689)	(7,737)	7,246	8,334
Other expenses	41,739	56,814	80,293	92,199	101,670
Lease termination and leasehold interest adjustment[1]	760	(7,697)	(64,094)	(63,454)	(64,854)
Casualty losses, net of recoveries	5,786	5,799	8,472	7,802	10,391
Other impairment[2]	49,241	—	(620)	(620)	(620)
Total adjustments	2,935	(6,015)	(73,607)	68,278	114,697
Adjusted EBITDA	$ 1,913,546	$ 1,957,441	$ 2,019,869	$ 2,070,187	$ 2,122,399
Interest Coverage Ratios:					
Interest expense	$ 489,853	$ 488,407	$ 493,816	$ 510,976	$ 529,519
Capitalized interest	19,352	20,335	21,860	26,054	30,491
Non-cash interest expense	(17,506)	(18,624)	(21,258)	(18,679)	(21,754)
Total interest	491,699	490,118	494,418	518,351	538,256
EBITDA	$ 1,910,611	$ 1,963,456	$ 2,093,476	$ 2,001,909	$ 2,007,702
Interest coverage ratio	3.89 x	4.01 x	4.23 x	3.86 x	3.73 x
Adjusted EBITDA	$ 1,913,546	$ 1,957,441	$ 2,019,869	$ 2,070,187	$ 2,122,399
Adjusted interest coverage ratio	3.89 x	3.99 x	4.09 x	3.99 x	3.94 x
Fixed Charge Coverage Ratios:					
Total interest	$ 491,699	$ 490,118	$ 494,418	$ 518,351	$ 538,256
Secured debt principal amortization	65,587	65,600	64,267	61,002	58,114
Total fixed charges	557,286	555,718	558,685	579,353	596,370
EBITDA	$ 1,910,611	$ 1,963,456	$ 2,093,476	$ 2,001,909	$ 2,007,702
Fixed charge coverage ratio	3.43 x	3.53 x	3.75 x	3.46 x	3.37 x
Adjusted EBITDA	$ 1,913,546	$ 1,957,441	$ 2,019,869	$ 2,070,187	$ 2,122,399
Adjusted fixed charge coverage ratio	3.43 x	3.52 x	3.62 x	3.57 x	3.56 x

(1) Effective April 1, 2022, our leasehold interest relating to the master lease with National Health Investors ("NHI") for 17 properties assumed in conjunction with the Holiday Retirement acquisition was terminated as a result of the transition or sale of the properties by NHI. We recognized a gain of $58,621,000 related to the termination of this lease in other income. The net impact of these leasehold properties inclusive of the gain has been excluded from Adjusted EBITDA.

(2) Represents changes in the reserve for straight-line rent receivable balances relating to leases placed on cash recognition.

CAPITALIZATION RATIOS QUARTERLY

(Amounts in thousands, except share price)	As of				
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022
Book capitalization:					
Unsecured credit facility and commercial paper	$ 324,935	$ 299,968	$ 354,000	$ 654,715	$ —
Long-term debt obligations(1)	13,917,702	14,352,529	14,790,432	14,555,643	14,661,552
Cash & cash equivalents and restricted cash	(346,755)	(367,043)	(442,251)	(425,184)	(722,292)
Total net debt	13,895,882	14,285,454	14,702,181	14,785,174	13,939,260
Total equity and noncontrolling interest(2)	18,997,873	19,178,026	19,873,913	20,457,650	21,393,996
Book capitalization	$ 32,893,755	$ 33,463,480	$ 34,576,094	$ 35,242,824	$ 35,333,256
Net debt to book capitalization ratio	42.2 %	42.7 %	42.5 %	42.0 %	39.5 %
Undepreciated book capitalization:					
Total net debt	$ 13,895,882	$ 14,285,454	$ 14,702,181	$ 14,785,174	$ 13,939,260
Accumulated depreciation and amortization	6,910,114	7,215,622	7,437,779	7,687,077	8,075,733
Total equity and noncontrolling interest(2)	18,997,873	19,178,026	19,873,913	20,457,650	21,393,996
Undepreciated book capitalization	$ 39,803,869	$ 40,679,102	$ 42,013,873	$ 42,929,901	$ 43,408,989
Net debt to undepreciated book capitalization ratio	34.9 %	35.1 %	35.0 %	34.4 %	32.1 %
Market capitalization:					
Common shares outstanding	447,239	453,948	463,369	472,517	490,509
Period end share price	$ 85.77	$ 96.14	$ 82.35	$ 64.32	$ 65.55
Common equity market capitalization	$ 38,359,689	$ 43,642,561	$ 38,158,437	$ 30,392,293	$ 32,152,865
Total net debt	13,895,882	14,285,454	14,702,181	14,785,174	13,939,260
Noncontrolling interests(2)	1,361,872	1,282,450	1,317,733	1,288,343	1,099,182
Enterprise value	$ 53,617,443	$ 59,210,465	$ 54,178,351	$ 46,465,810	$ 47,191,307
Net debt to market capitalization ratio	25.9 %	24.1 %	27.1 %	31.8 %	29.5 %

(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) Includes amounts attributable to both redeemable noncontrolling interests and noncontrolling interests as reflected on our Consolidated Balance Sheets.

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(Amounts in thousands, except share price)	As of				
	December 31, 2018	**December 31, 2019**	**December 31, 2020**	**December 31, 2021**	**December 31, 2022**
Book capitalization:					
Unsecured credit facility and commercial paper	$ 1,147,000	$ 1,587,597	$ —	$ 324,935	$ —
Long-term debt obligations(1)	12,150,144	13,436,365	13,905,822	13,917,702	14,661,552
Cash & cash equivalents and restricted cash	(316,129)	(385,766)	(2,021,043)	(346,755)	(722,292)
Total net debt	12,981,015	14,638,196	11,884,779	13,895,882	13,939,260
Total equity and noncontrolling interest(3)	16,010,645	16,982,504	17,225,062	18,997,873	21,393,996
Book capitalization	$ 28,991,660	$ 31,620,700	$ 29,109,841	$ 32,893,755	$ 35,333,256
Net debt to book capitalization ratio	44.8 %	46.3 %	40.8 %	42.2 %	39.5 %
Undepreciated book capitalization:					
Total net debt	$ 12,981,015	$ 14,638,196	$ 11,884,779	$ 13,895,882	$ 13,939,260
Accumulated depreciation and amortization	5,499,958	5,715,459	6,104,297	6,910,114	8,075,733
Total equity and noncontrolling interest(2)	16,010,645	16,982,504	17,225,062	18,997,873	21,393,996
Undepreciated book capitalization	$ 34,491,618	$ 37,336,159	$ 35,214,138	$ 39,803,869	$ 43,408,989
Net debt to undepreciated book capitalization ratio	37.6 %	39.2 %	33.8 %	34.9 %	32.1 %
Market capitalization:					
Common shares outstanding	383,675	410,257	417,401	447,239	490,509
Period end share price	$ 69.41	$ 81.78	$ 64.62	$ 85.77	$ 65.55
Common equity market capitalization	$ 26,630,882	$ 33,550,817	$ 26,972,453	$ 38,359,689	$ 32,152,865
Total net debt	12,981,015	14,638,196	11,884,779	13,895,882	13,939,260
Noncontrolling interests(2)	1,378,311	1,442,060	1,252,343	1,361,872	1,099,182
Preferred stock	718,498	—	—	—	—
Enterprise value	$ 41,708,706	$ 49,631,073	$ 40,109,575	$ 53,617,443	$ 47,191,307
Net debt to market capitalization ratio	31.1 %	29.5 %	29.6 %	25.9 %	29.5 %

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