



# 2017 ANNUAL REPORT

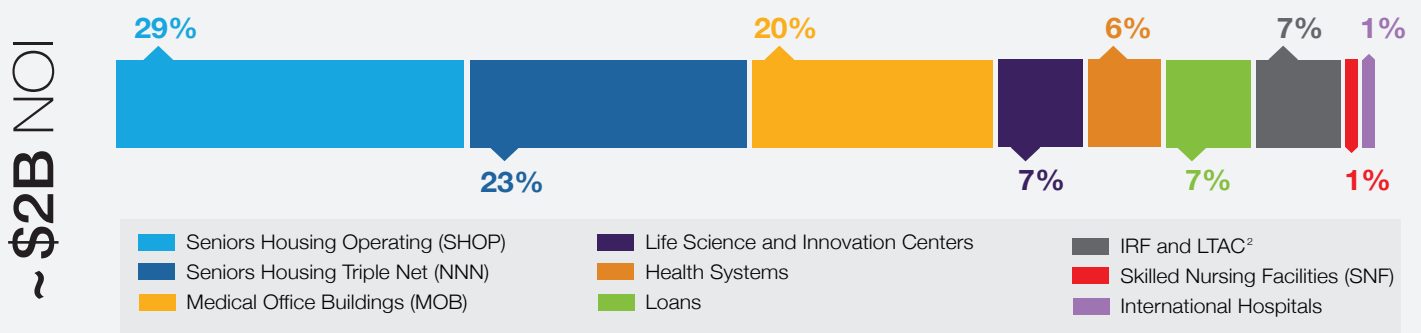
Excellence. Sustained.

# FINANCIAL HIGHLIGHTS

## FINANCIAL SUMMARY 2017      2016

Income from Continuing Operations per diluted common share	<b>\$1.80</b>	\$1.59
Normalized Funds from Operations (FFO) per diluted common share	<b>\$4.16</b>	\$4.13
Reported FFO (NAREIT FFO) per diluted common share	<b>\$4.22</b>	\$4.13
Net Debt to Adjusted Pro Form EBITDA <sup>1</sup>	<b>5.7x</b>	5.7x
Same Store Net Operating Income (NOI) Growth	<b>2.5%</b>	2.7%
Total Indebtedness to Gross Value	<b>38%</b>	38%
Fixed Charge Coverage	<b>4.6x</b>	4.8x

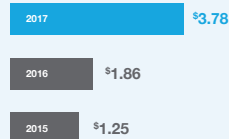
## CURATED HIGH-QUALITY DIVERSIFIED PROPERTY PORTFOLIO



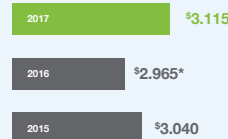
## 01

### Record Financial Results

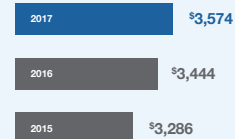
#### Net Income (per share)



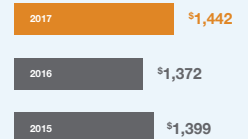
#### Dividend (per share)



#### Revenue (\$ millions)

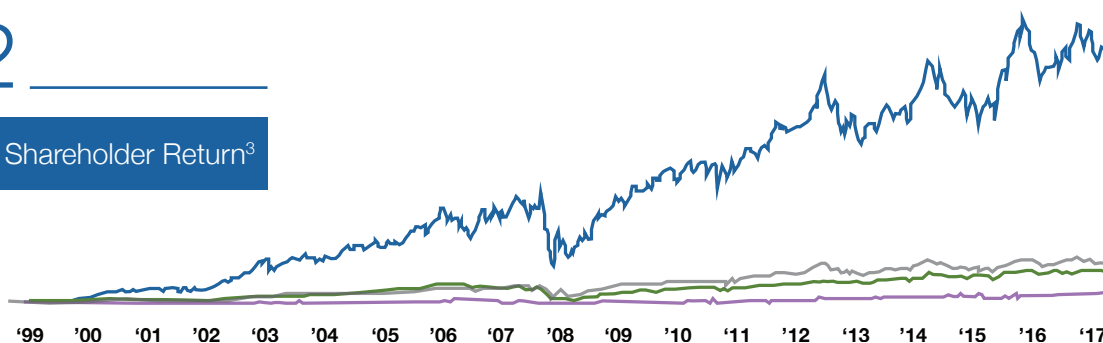


#### Cash Flow (\$ millions)



## 02

### Total Shareholder Return<sup>3</sup>



**VENTAS**  
**4,673%**

BB HC REIT INDEX  
**731%**

MSCI US REIT INDEX  
**593%**

S&P 500 INDEX  
**158%**

\*Excludes share distribution associated with the spin-off of Capital Care Properties (CCP) in 2015

# LETTER TO STAKEHOLDERS

## Two Decades of Excellence. Sustained.

2017 was an outstanding year for Ventas, upholding our two decade history of excellence. Our superior business drove record revenues and cash flow. Our balanced, high-quality portfolio of life science, outpatient, seniors housing and other properties across the healthcare landscape delivered year-over-year earnings growth. We invested in our future, expanded our attractive university-based life science business, improved our financial strength, and profitably disposed of almost \$1 billion in assets.

In 2017, we also received numerous prestigious honors recognizing excellence in our important environmental, social and governance (ESG) efforts. We are proud of our inaugural inclusion on the Dow Jones Sustainability North America Index, and our designation as a “Winning Company” on the 2020 Women on Boards Gender Diversity Index. We were also named as one of *Fortune’s* “2018 World’s Most Admired Companies,” underscoring our industry leadership, commitment to ESG values, exemplary stewardship and world-class team.

Even with all of our achievements, Ventas knows there is so much more opportunity in the large, fragmented real estate healthcare space which continues to be supported by compelling demographic trends. In our highly dynamic market, the opportunities are immense and our position is strong.

In 2018, our 20th anniversary year, we remain relentlessly focused on delivering value to all our stakeholders. Our strategic principles—a **diversified portfolio** of superior properties across asset classes in our space, operated by **leading care providers, innovative premier institutions** and partners; **financial strength** and flexibility; a **secure dividend** supported by stable and growing cash flows; and **leadership** built on a foundation of integrity—will continue to produce reliable growth and income.

Ventas has consistently advanced and improved through cycles because we know that every environment provides pathways to create value. Our cohesive and skilled team stays consistently prepared, productive and ready to seize opportunities. With two decades of proven strategic vision, exceptional foresight and innovation, and intelligent, timely capital allocation decisions, we expect to build upon our successful track record long into the future.

Thanks to your ongoing trust and support, Ventas stands ready for the next twenty years.



DEBRA A. CAFARO  
Chairman and Chief Executive Officer





# 2017 ACCOMPLISHMENTS

<p><b>\$1.8B</b> of attractive value-creating investments and redevelopment commitments</p>	<p><b>5% YEAR-OVER-YEAR</b> increase in the dividend</p>	<p><b>2.5%</b> Same Store NOI Growth</p>
<p><b>~40%</b> investment growth in University-adjacent Life Science Platform</p>	<p><b>80+</b> community organizations supported through the Ventas Charitable Foundation</p>	<p><b>2,360%</b> CEO Tenure TSR (Source: Bloomberg)</p>
<p><b>100+ LEED® AND ENERGY STAR®</b> Certified properties throughout the portfolio</p>	<p><b>ONLY</b> Healthcare REIT named in <i>Fortune's</i> <b>“2018 World’s Most Admired Companies”</b></p>	<p><b>\$1.4B</b> increased liquidity</p>
<p><b>~\$1B</b> in profitable dispositions</p>	<p><b>Positive gender diversity</b> <b>10% higher than S&amp;P 500 average</b> (Source: Catalyst.org)</p>	<p><b>Named to Dow Jones Sustainability North America Index for 1<sup>st</sup> time</b></p>

**Note:** Data per respective Q4 filings, press releases, supplemental disclosures and earnings conference calls for the years ended December 31, 2017 and 2016, unless otherwise disclosed. This Annual Report contains certain non-GAAP financial measures. Reconciliations of each of these non-GAAP financial measures are available on the Company's website at <https://www.ventasreit.com/investor-relations/non-gaap-financial-measures>

1) EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization

2) IRF and LTAC: Inpatient Rehabilitation Facility and Long-Term Acute Care

3) Bloomberg: For period beginning 12/31/1999 and ending 12/31/2017. Ventas prices adjusted historically for spin-off of skilled nursing facilities (SNF) in 2015.

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## DIRECTORS

// **Debra A. Cafaro**  
Chairman and Chief  
Executive Officer  
Ventas, Inc.

// **Jay M. Gellert**  
Former President and  
Chief Executive Officer  
Health Net, Inc.

// **Roxanne M. Martino**  
Managing Partner  
OceanM19

// **Glenn J. Rufrano**  
Chief Executive Officer  
VEREIT, Inc.

// **James D. Shelton**  
Presiding Director, Ventas, Inc.  
Lead Independent Director,  
Envision Healthcare

// **Richard I. Gilchrist**  
Senior Advisor  
The Irvine Company

// **Walter C. Rakowich**  
Former Chief Executive Officer  
Prologis, Inc.

// **Melody C. Barnes**  
Co-Founder and Principal  
MB Squared Solutions LLC

// **Matthew J. Lustig**  
Head of North America  
Investment Banking and Head  
of Real Estate and Lodging  
Lazard Frères & Co. LLC

// **Robert D. Reed**  
Former Senior Vice President  
and Chief Financial Officer  
Sutter Health

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## EXECUTIVE OFFICERS

// **Debra A. Cafaro**  
Chairman and Chief  
Executive Officer

// **Robert F. Probst**  
Executive Vice President  
and Chief Financial Officer

// **John D. Cobb**  
Executive Vice President  
and Chief Investment Officer

// **T. Richard Riney**  
Executive Vice President,  
Chief Administrative Officer,  
General Counsel and Ethics  
and Compliance Officer

// **Todd W. Lillibridge**  
Executive Vice President,  
Medical Property Operations,  
and President and  
Chief Executive Officer,  
Lillibridge Healthcare Services, Inc.

### ANNUAL MEETING

The Annual Meeting of Stockholders will convene May 15, 2018 at 8:00 a.m. (CDT) at 353 North Clark Street, James C. Tyree Auditorium, Chicago, IL 60654

### STOCK INFORMATION

NYSE Symbol: VTR  
As of March 16, 2018, Ventas had 356.3 million shares outstanding.

### TRANSFER AGENT & REGISTRAR

EQ Shareowner Services  
P.O. Box 64874  
St. Paul, MN 55164-0854  
**(800) 401 1957**

### INDEPENDENT AUDITORS

KPMG LLP

### INFORMATION

Copies of our 2017 Form 10-K and other filings with the Securities and Exchange Commission may be obtained without charge via our website at [ventasreit.com](http://ventasreit.com)

### MEMBER

National Association of Real Estate Investment Trusts



## CORPORATE HEADQUARTERS

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Louisville, KY 40222  
**(502) 357 9000**

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**(312) 660 3800**

**2745 North  
Dallas Parkway**  
Suite 570  
Plano, TX 75093  
**(972) 248 9100**